

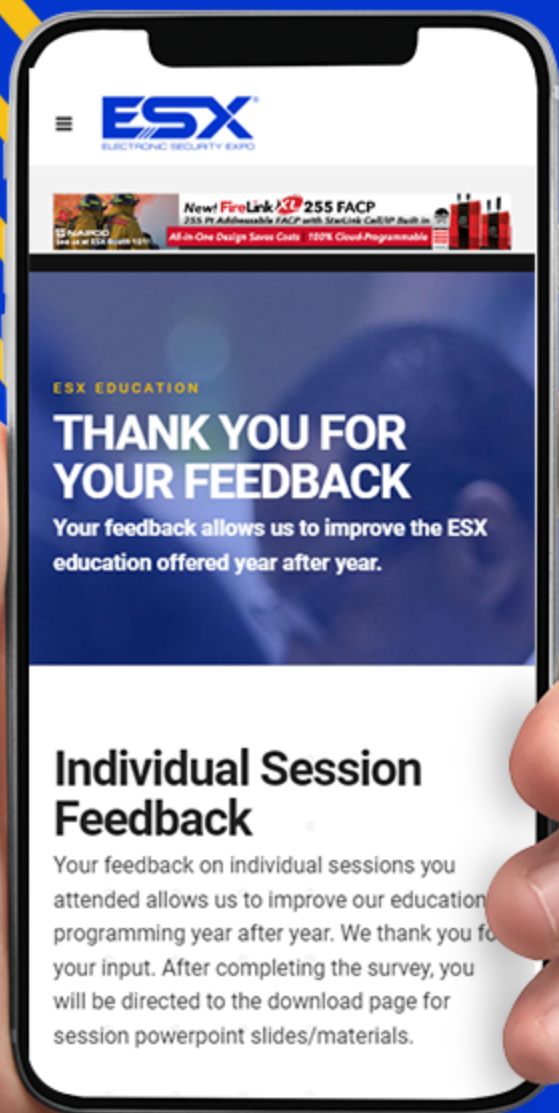
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ELECTRONIC SECURITY EXPO
MANAGEMENT TRACK

**PRE-ATTRITION INDICATORS YOU
NEED TO KNOW TO REDUCE
CUSTOMER EROSION**

ESX FEEDBACK



1

**ANSWER 5
QUESTIONS
ABOUT THIS
SESSION**

2

**GAIN
ACCESS
TO THE PPT
SLIDES**

3

**BE ENTERED
TO WIN A
\$100 GIFT
CARD**

3 GIFT CARDS (\$100 EACH) AVAILABLE FOR SURVEY RESPONDENT RAFFLES

WINNERS WILL BE NOTIFIED THROUGH THE ESX APP



**THE ELECTRONIC
SECURITY EXPO IS
OWNED BY:**

ESA ELECTRONIC
SECURITY
ASSOCIATION®

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NAPCO
SECURITY TECHNOLOGIES, INC.

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COURSE OBJECTIVES:

Pre-Attrition Indicators you Need to Know to Reduce Customer Erosion

- How to effectively determine your pre attrition metric
- What are your customers not telling you which can negatively impact the customer journey
- Understanding the differences between transactional and relational surveys
- What impacts your customers Likelihood to Stay with your company
- What best practices should be implemented and tracked for success

MEET THE SPEAKERS



**KIRK
MACDOWELL**

**PRESIDENT
MACGUARD
SECURITY ADVISORS**



**DEB
MORETTI**

**SENIOR ADVISOR,
CUSTOMER EXPERIENCE
MACGUARD
SECURITY ADVISORS**

Data Alone Doesn't Tell a Complete Story



Transaction Detail Report

Type	Date	Status	Num	Memo	Debit	Credit	Balance
Typecheck	02/01	Act	5540 NW - 101		70.32		2 065.10
Payment	09/01	Act	430001			4 068.97	1 994.78
Salary	05/03	Act	2100952			308.64	2 795.39
Transfer	10/02	Act	430022 ACC - 130			8 374.80	2 065.10
Salary	03/02	Act	2100953			1 201.80	13 987.14
Transfer	15/02	Act	3205			605.01	13 898.14
Salary	25/02	Act	100287			3207	13 994.78
Premium	26/02	Act	3206 ABCD - 13429			400.69	14 395.47
Fee	28/02	Act	430003		1 509.00		12 886.47
Premium	04/03	Act	430004			682.03	12 204.44
Salary	07/03	Act	430005 MKL - 901			26 587.00	13 917.44
Payment	11/03	Act	2100954			2 682.00	11 235.44
Salary	18/03	Act	2100955			235.90	10 999.54
Transfer	29/03	Act	430006 XDA - 18055			307.01	10 692.53
Salary	31/03	Act	100288 9 760-H			49.2	10 643.33
Premium	01/04	Act	3208			638.35	10 004.98
Fee	02/04	Act	430007		97 235.30		9 036.68
Premium	06/04	Act	430008 500-35/64 Z		1 905.00		7 131.68
Receipt	09/04	Act	430009 incomplete		149 012.21		6 982.47
Salary	08/04	Act	389002		409.27		6 573.20
Check	08/04	Act	430010 9XDCVFD		154 409.16		5 413.04
Salary	21/04	Act	100289		160 435.55		3 807.49
Check	22/04	Act	430005 MKL - 901		160 368.27		3 439.22
Salary	29/04	Act	100290		3 901.57		203.61
Fee	11/03	Act	430005 MKL - 901		67.38		136.23
Salary	30/04	Act	430007		97 235.30		68.85
Receipt	06/04	Act	2100953		263 503.12		261 813.78
Transfer	10/02	Act					
Total							



Variation

Index	Week 1	Week 2	Week 3
index 11	32	920	413
index 10	79	350	34
index 9	60	480	183
index 8	56	820	320
index 7	93	560	180
index 6	11	640	180
index 5	52	35	56
index 4	57	6	17
index 3	12	503	26
index 2	38	26	21
index 1	25	530	21

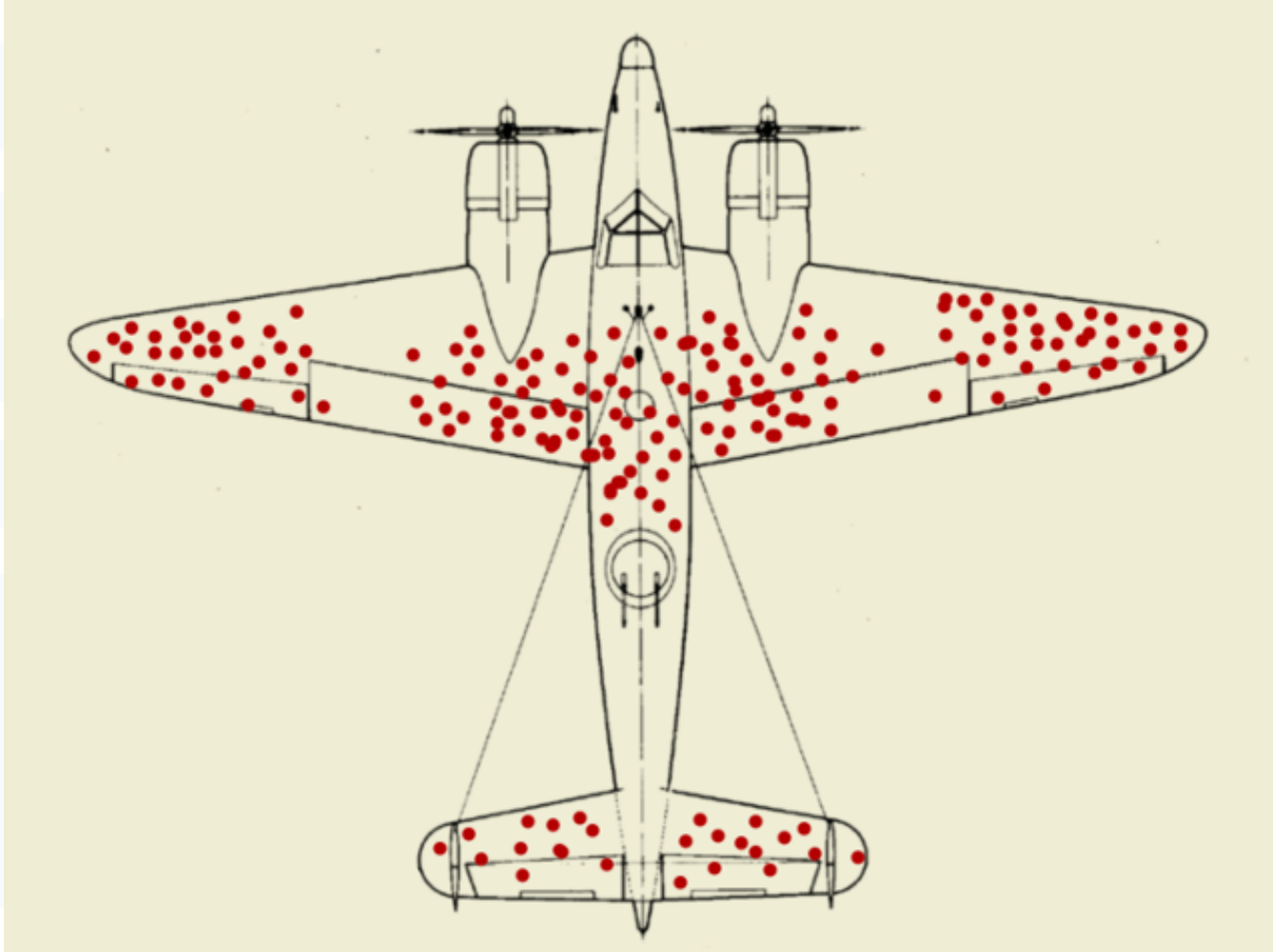


World War II Tale



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Data Alone Doesn't Tell a Complete Story



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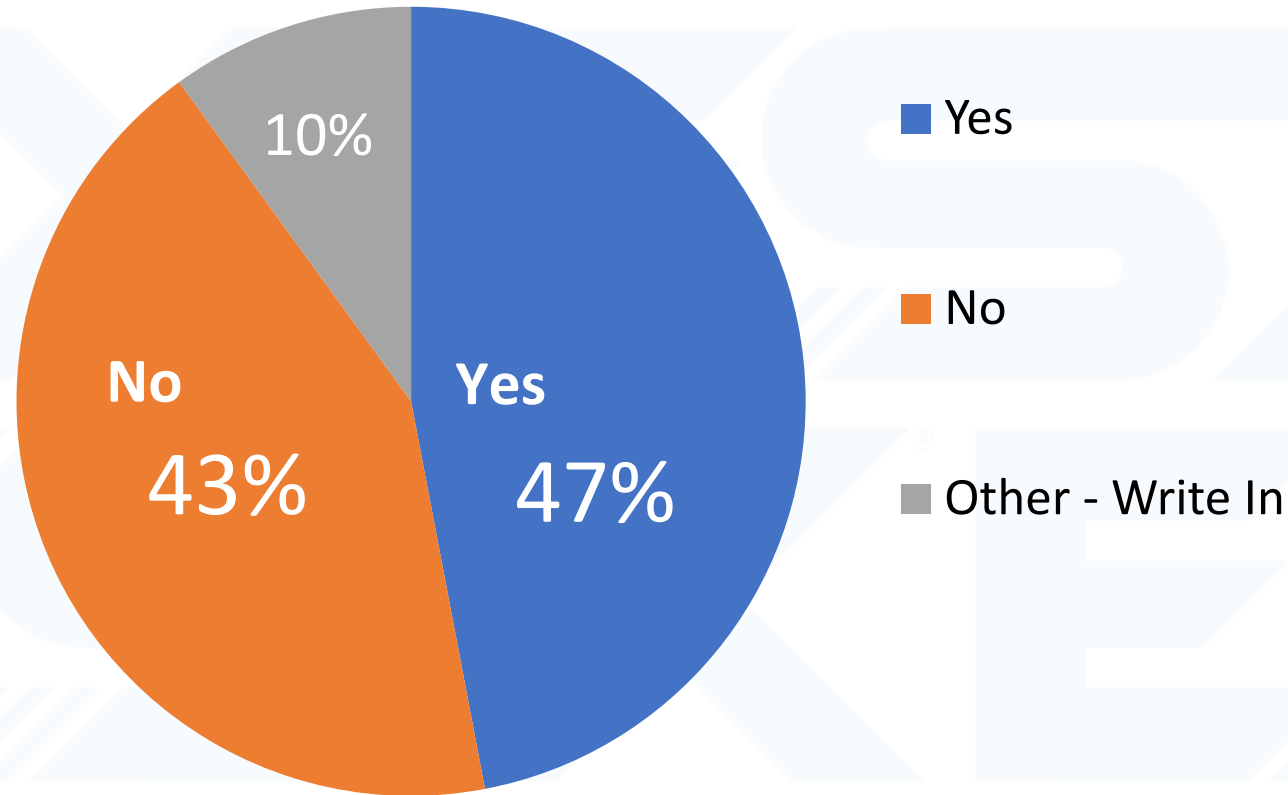
The Bedroom Story

(Transactional vs. Relational)



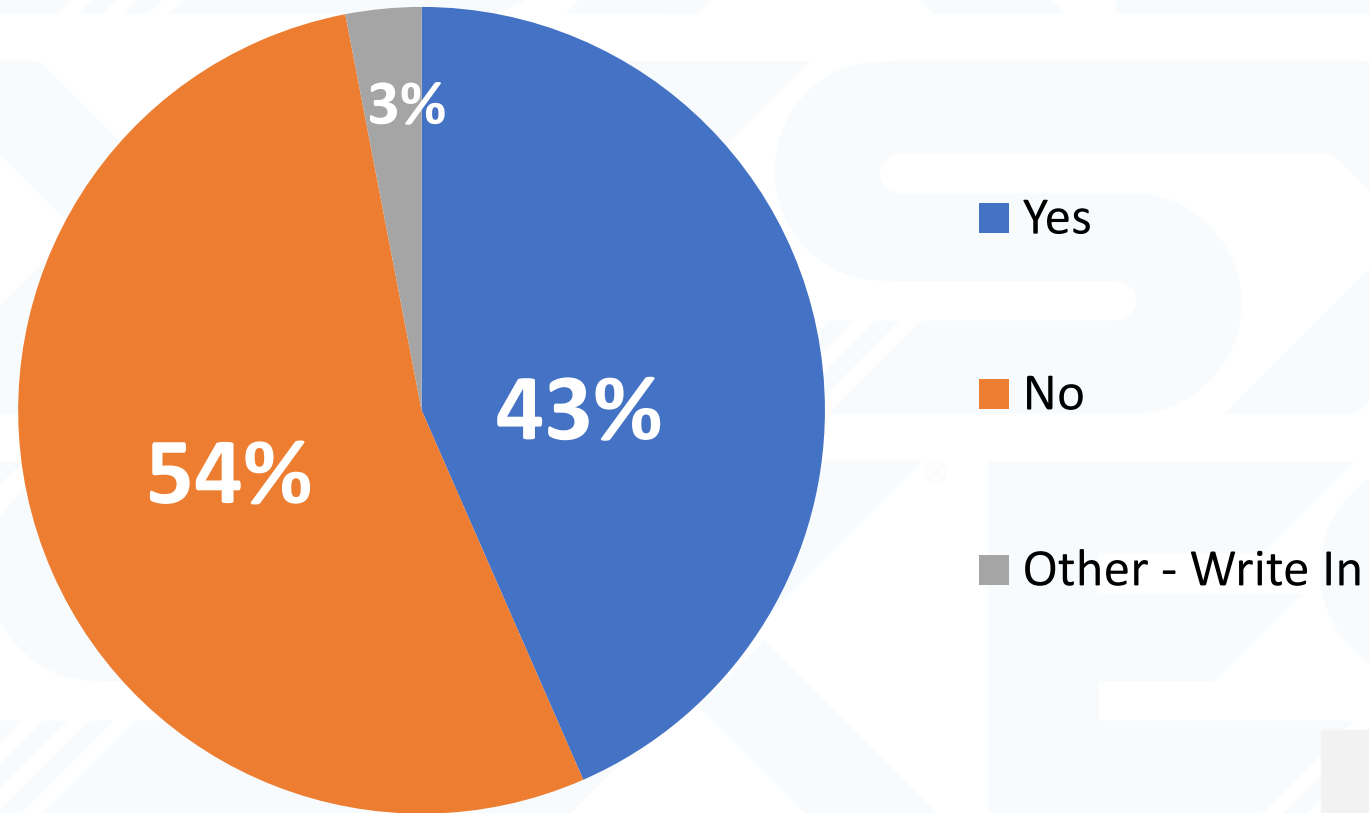
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In 2021, 47% of Alarm Dealers Use Transactional Surveys



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In 2021, 43% of Alarm Dealers Use Relational Surveys

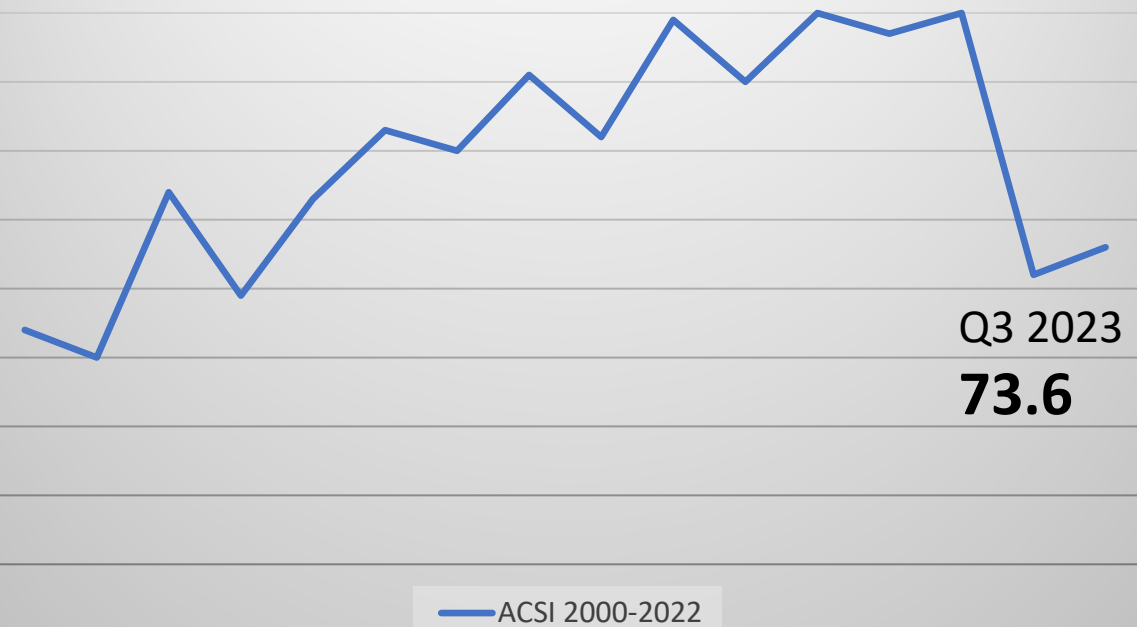


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Customer Satisfaction

- Companies collect much more data than 10 years ago
- Although data is collected in greater quantities, there's been a steep decline in overall US Customer Satisfaction
- We have the data, but we don't know what to do with it, so we end up with paralysis by analysis

American Customer Satisfaction Index (ACSI) 2000-2022



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Source: American Customer Satisfaction Index.

Customer Satisfaction

1. MacGuard and our survey partners go right to the source – the end users – and ask them “how are we doing”?
2. Then we quantify and qualify the result, providing actionable plans to address the input



The result?

Happier clients, less attrition, and higher multiples being paid for by companies at the time of sale

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What is Customer Satisfaction?

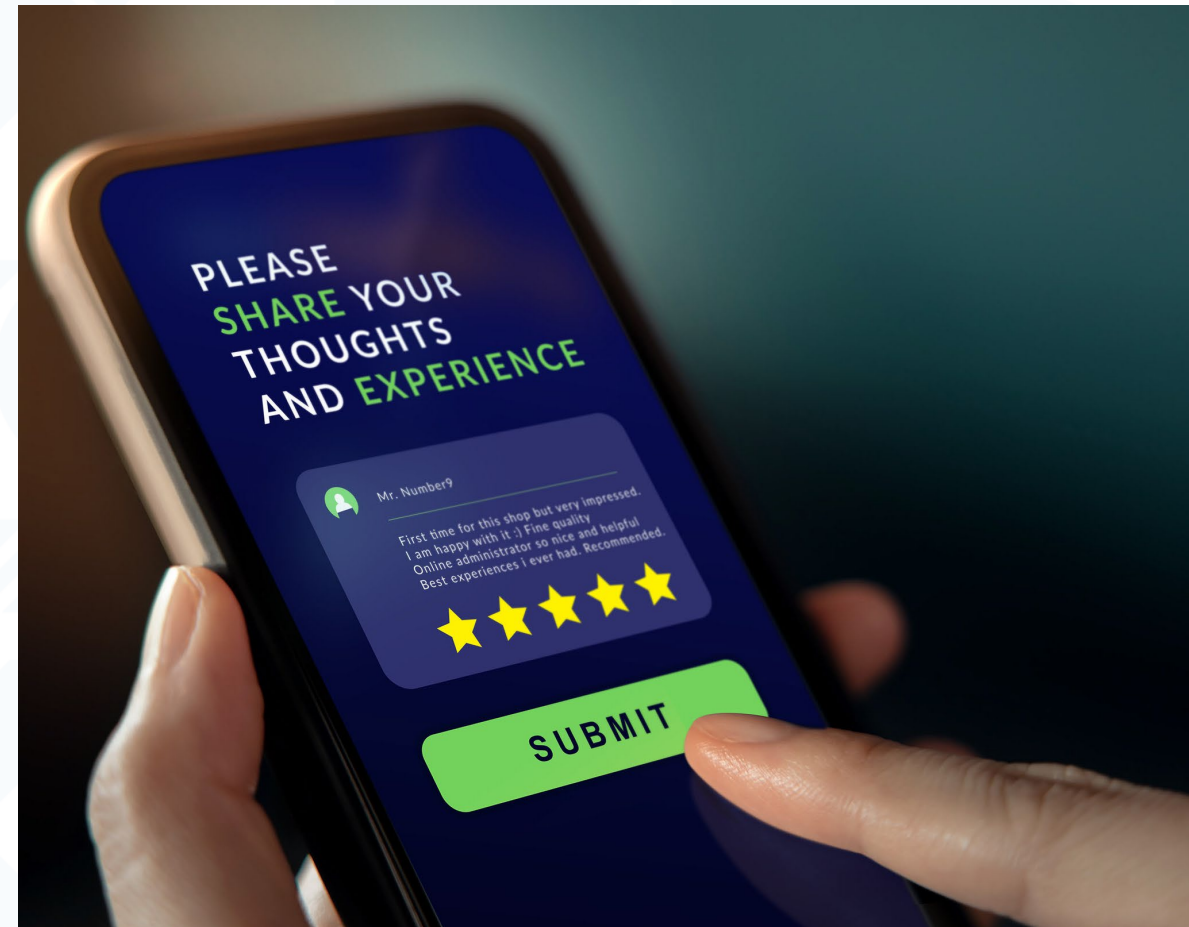
Customer Satisfaction is defined as a measurement that determines how happy customers are with a company's products, services, and capabilities



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Customer Satisfaction Surveys

Customer Satisfaction Surveys gather customer feedback that can be used to improve the Overall Customer Experience – from the products and services a company offers to the business processes that work toward supporting Customer Satisfaction



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Top 8 Benefits of Customer Satisfaction Surveys

Gain

- Gain Valuable Feedback

Determine

- Determine Areas of Improvement

Understand

- Understand Your Customers

Identify

- Identify Trends

Retain

- Retain Existing Customers

Maintain

- Maintain Customer Loyalty

Reduce

- Reduce Bad Word of Mouth

Deliver

- Deliver Best Customer Experience



Excellent



Good



Poor

www.zonkafeedback.com

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Customer Satisfaction Surveys

1. Net Promoter Score (NPS)

How likely are you to recommend us to your friends or colleagues?

2. Customer Satisfaction (CSAT)

Overall, how satisfied are you with us?

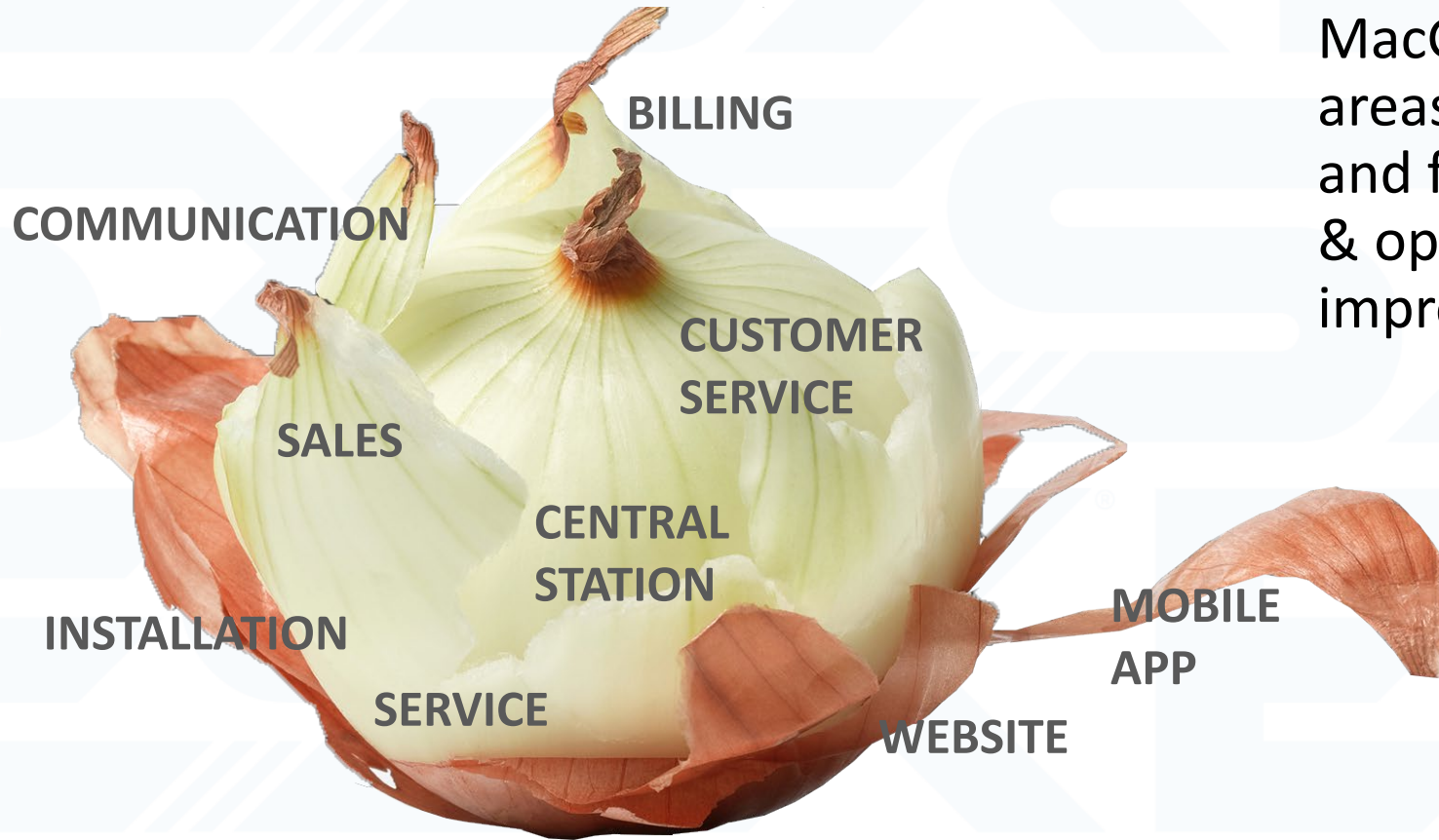
3. Likelihood to Stay Score™ (LTS Score™)

How likely are you to continue using our security services?



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Peel the Onion

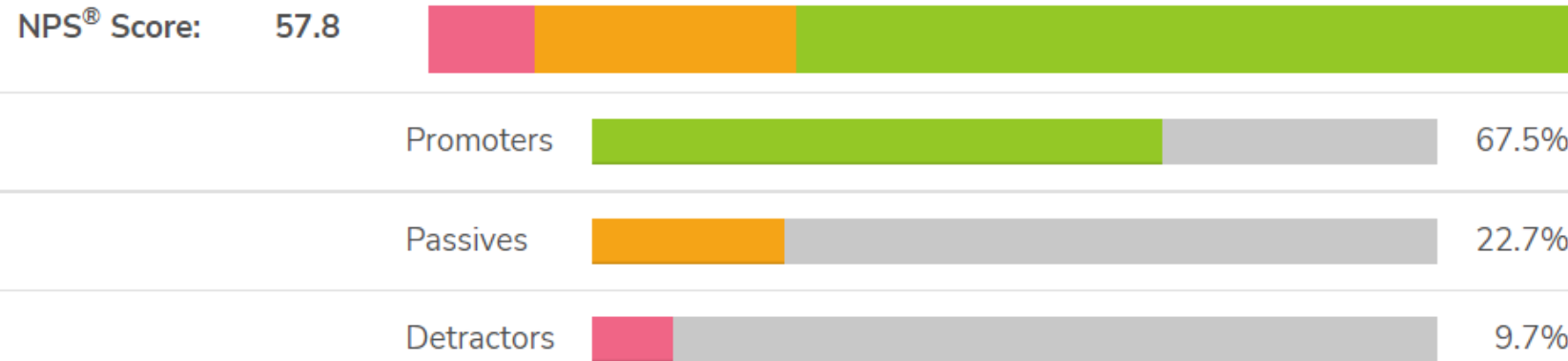


MacGuard looks at all areas within your business and finds golden nuggets & opportunities for improvement

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MacGuard Survey – NPS

How likely are you to recommend us to your friend or colleague?



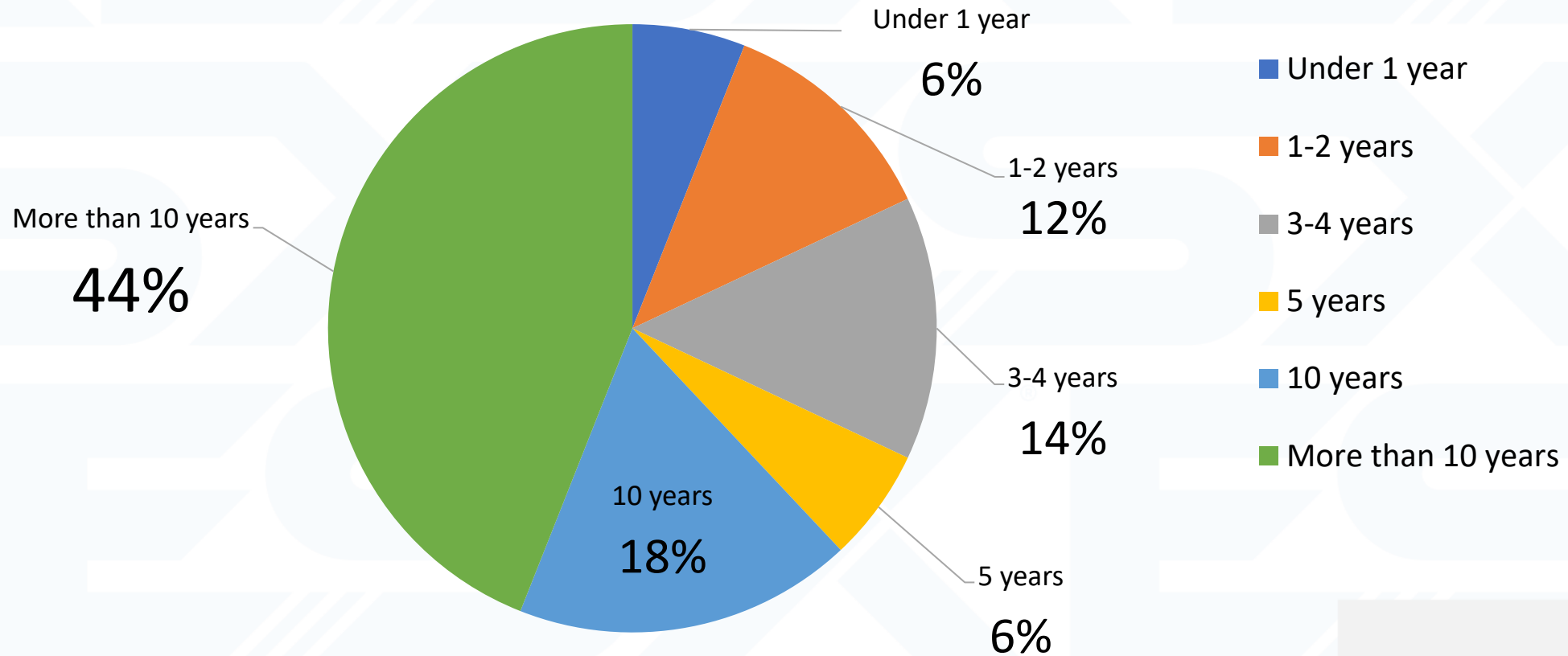
Actual MacGuard survey results

Bain & Co, the source of the **NPS** system, suggests that **above 50 is excellent** and **above 80 is world class**.



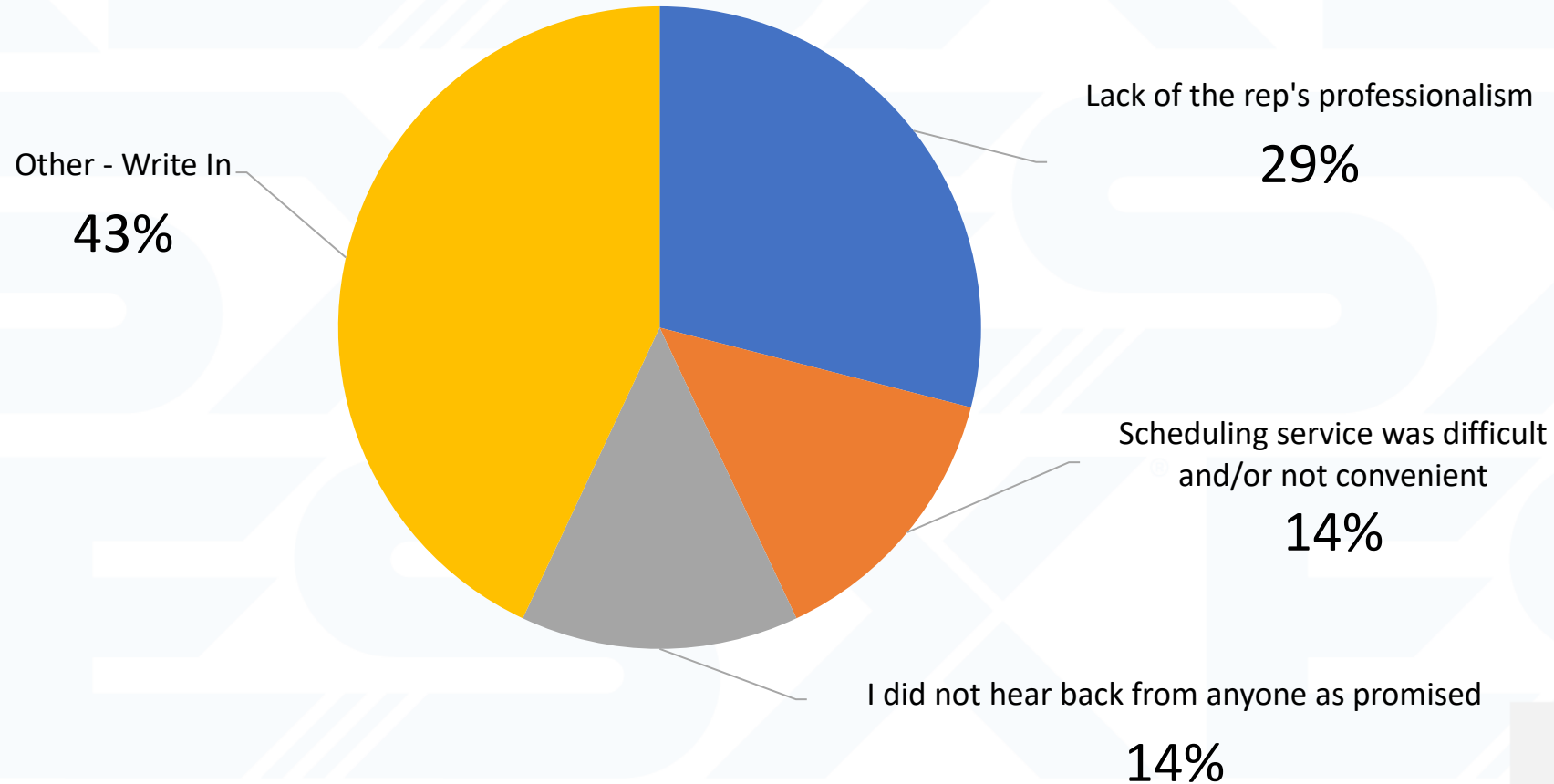
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How long have you been a customer with us?



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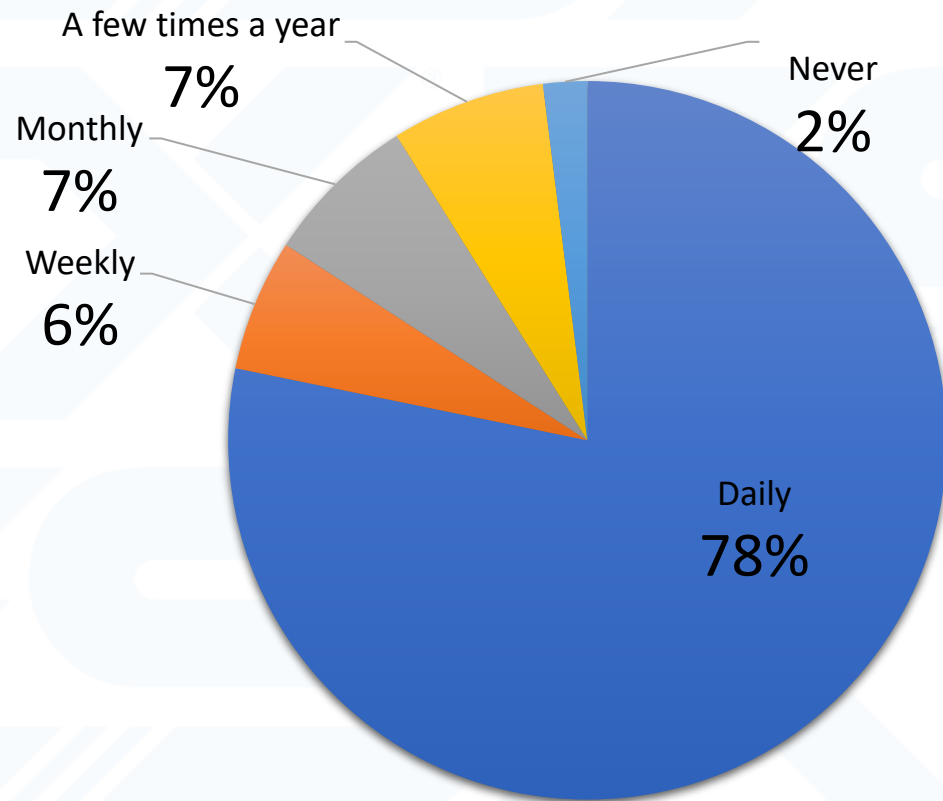
What best describes your dissatisfaction with customer service?



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Other MacGuard Survey Results:

How often do you use your security system?



Actual MacGuard survey results

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Other MacGuard Survey Results:

Customer Satisfaction by Touchpoint

	Very Dissatisfied	Dissatisfied	Neutral	Satisfied	Very Satisfied	N/A
Your shopping and/or purchase experience Row %	2.2%	0.6%	8.0%	19.9%	53.0%	16.3%
Your installation experience Row %	1.4%	0.8%	4.4%	19.6%	62.7%	11.0%

Actual MacGuard survey results

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Customer Satisfaction Survey: Actual Results

ABC Security – Customer Satisfaction by Experience

CSAT Top 4 Box *(Very Satisfied + Satisfied)*

- 95.5 – Normal use
- 90.0 – Customer Service experience
- 90.0 – Installation experience
- 89.2 – Service experience

CSAT Bottom 4 Box *(Very Satisfied + Satisfied)*

- 60.5 – Website experience
- 77.4 – Mobile app experience
- 79.7 – Central station, real alarms
- 80.6 – Sales experience

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Customer Satisfaction Survey: Actual Results

Customer Engagement



What could we do better to influence your overall satisfaction with us?

30%

Inform me of new technology and products

30%

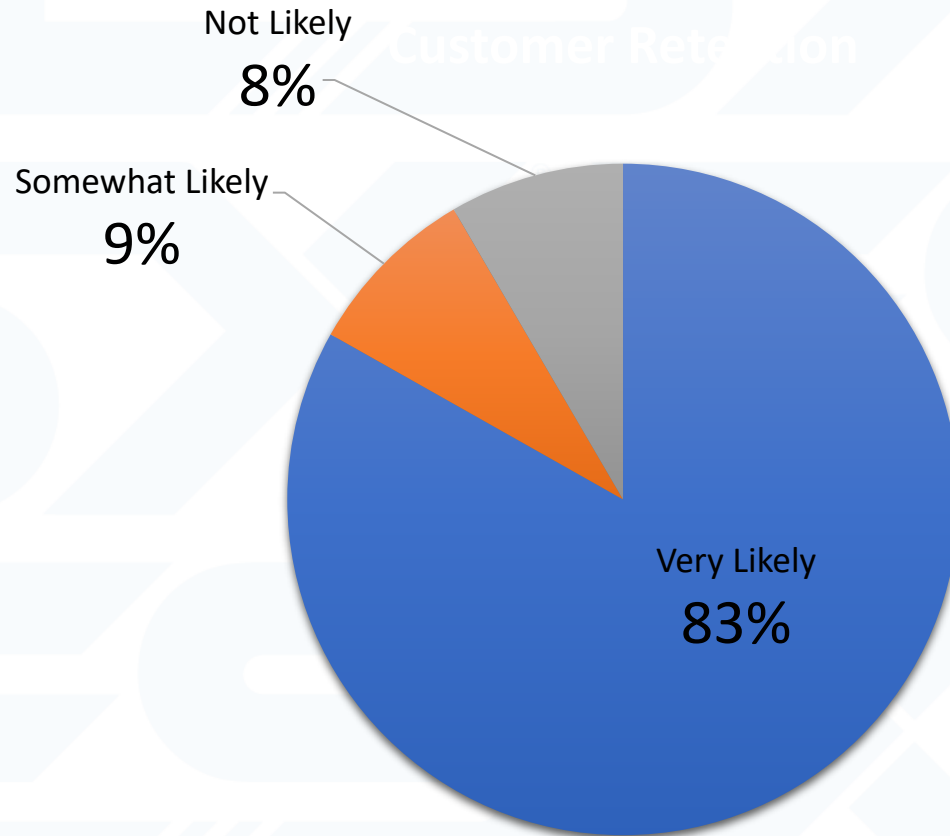
CUSTOMERS AT RISK OF ATTRITION

because they may pursue your competition for new technology & products

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MacGuard Survey – Likelihood to Stay Score™ (LTS Score™)

How likely are you to continue using our services?



Actual MacGuard survey results

17%
**CUSTOMERS AT
RISK OF ATTRITION
of leaving the brand**

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“Why do I need this?”

A Customer Satisfaction Survey can provide your business with helpful customer feedback to:

- Build & restore customer relationships
- Increase customer satisfaction
- Boost customer loyalty
- Inspire referrals & advocacy for your brand

"To keep a customer demands as much skill as to win one."



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Keep Your Customers Happy!

44% of businesses focus on customer acquisition, while only 18% focus on customer retention

77% of people agree that what makes them loyal to a brand is quality products and services

Retaining existing customers can increase *profitability* by even more, as much 25% to a whopping 95%

It costs much less to retain a customer than to gain a new one – 1/6th to 1/7th the cost



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What to Expect from Your Customer Satisfaction Survey Results

- Established Customer Experience metrics for Net Promoter Score® (NPS®), Overall Customer Satisfaction and Customer Satisfaction by Touchpoint (CSAT), and Likelihood to Stay Score™ (LTS Score™)
- Identification of the most important steps to your customer journey, with pinpoint focus on which touchpoints are causing customer frustration
- A roadmap of what steps to attack, and in what order
- A clear picture of where to invest strategic resources, both human and financial
- A reduction in customer attrition due to high satisfaction, decreasing your total acquisition cost

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BUILDER DEVELOPMENT SERVICES

If your company is not achieving your desired conversion or margin with Builders, take advantage of our years of experience working with the Builder community.

- New business development
- Go-to-market strategy
- Sales improvement & processes
- Sales & management training



STRATEGIC CONSULTING

MacGuard will assess your business operations for gaps, key areas of improvement, and alignment.

- SWOT analysis
- Strategic planning & positioning
- Senior leadership development
- Succession planning & generational (passing the torch) mentoring



CUSTOMER EXPERIENCE

Stand out from your competitors, build stronger customer relationships, and improve satisfaction with a customized experience plan for your business.

- Customer Satisfaction surveys & Customer Experience metrics
- Data cleansing & analytics
- Attrition mitigation
- Organizational process & improvement

Take Advantage of Our Years of Industry Expertise



Bill Graham

45-years in security segment
Former VP, Sales & Marketing at
Guardian Protection
Created Guardian's Builder Division,
became largest full-service
integrator with 50K rooftops by 2007



Kirk MacDowell

Law enforcement veteran
42-years in electronic security
Led top 50 SDM integration firm
Directed residential business at
Fortune 50 manufacturers
VP, Platform Sales at alarm.com



Deb Moretti

25-year security veteran
Former Director of Customer
Experience at Guardian Protection
Involved in developing Guardian's
CX function
Sales & operations experience



THANK YOU!

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RATE THIS SESSION
ESXWEB.COM/FEEDBACK



KEYNOTE LUNCHEON

11:30AM

MAIN STAGE

Soundtracks: How the Best Teams Overcome Overthinking to Navigate Change, Increase Productivity and Win Consistently

