

Tapping into a Community's Pulse

A White Paper Created for the Fiber-to-the-Home Council

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Constructing a high-capacity telecommunications network in any community should be a time of excitement and anticipation, but many providers get so wrapped up in the busy-ness of planning and construction that they forget the elements that can make the network successful – sometimes even before activation.

Perhaps intuitively, perhaps by accident, HBC happened onto an unbeatable combination as it prepared to build its first fiber-to-the-home community in 2004. Discussions in February that year determined the time had come for the Winona-based broadband company to develop an FTTH network in Wabasha, Minnesota's oldest city and one of the oldest on the upper Mississippi River. HBC had served the community with dial-up Internet service since 1995, when a grant from the Wabasha Economic Development Association and contributions from a collection of Wabasha industries, put the equipment in place to activate the service.

HBC in those days was known as Luminet, a not-for-profit education initiative designed to connect Winona educational institutions with fiber-optic lines in an effort to facilitate the sharing of resources and extend the reach of teaching and learning in the community. As part of that initiative, Luminet became one of the first small-town internet service providers in the nation, a resource into which the Wabasha EDA wanted to tap.

Recognizing an appetite existed in the community for enhanced telecom connectivity, HBC Board Chairman Bob Kierlin, the founder of Fastenal Company, suggested Wabasha would be a good test bed for FTTH architecture. Plans were made, including a decision to invite the community's residents – all 2,600 of them – to a dinner at the community's public school. The dinner, since rural America is the nation's food engine and rural Americans consider meals a social experience, seemed the best way to bring lots of people together at the same time to hear a central message.

That first experience in person-to-person mass communication, a contradiction in terms, I know, brought uncommon interest and success and now forms the central part of what has become a comprehensive strategy to create excitement before construction begins and the foundation upon which to continue the communication and inclusiveness through activation and installation.

As we prepared for that first community dinner, we tried to think of everything. The first thing was to ensure that the community's restaurateurs were not ignored. And in a community that hosts the National Eagle Center and relies upon tourism as a cornerstone of its economy, there was a collection of eateries more numerous than would be found in most communities of Wabasha's size. All were invited to participate, and we worked with them to coordinate the menu items they would serve at HBC's expense.

Agreement on the menu was achieved more easily than expected, participants eager to showcase their specialties, all wrapped around barbecued ribs and beef, in addition to pulled pork. The fare was extraordinary, featuring appetizers, salads and soups, main dishes and desserts in a sumptuous buffet advertised with colorful signage and a variety of smells to tempt the senses.

It had also been agreed that there would be a program, but it was designed to be brief, hard-hitting, action-packed and rewarding. The program that featured a number of HBC employees, focused on key messages about what would happen, when it would occur, how it would be done and when it would be completed. That portion of the evening ended with a call to action: sign up now and determine your spot in the installation queue. Prospective customers were told they would be installed in the order in which they signed up.

By the end of the event an unimaginable 60-percent of the community's residents had signed up for service and HBC faced the logistical nightmare of determining the order of installation. Thankfully, a decision had been made to put the times of sign-up on individual orders, and the customer service representatives the next day worked through 818 orders to establish the priority in which customers would be installed.

Because of its size, Wabasha afforded the opportunity for full community activation, a feature that HBC's first build, Winona and its 13,882 passings, could not accommodate.

Winona was also too large for a community dinner, so various tactics had been employed there to reach people – some successful, some not.

As the node-by-node activation schedule proceeded there, first in the bitterly cold months of January and February, a large motor home was rented and stationed in critical areas as each node was activated. The motor home offered shelter; coffee, hot chocolate and cookies were served to those who braved the elements to visit the mobile headquarters.

Each stop was publicized in newspaper and radio ads, allowing the competition ample opportunity to swarm the areas with door-to-door crews offering low-price deals in exchange

for two-year contracts. While some people accepted the offers, which seemed to change weekly, many people greeted the visitors with messages like, “Where have you been for the last 50 years.”

Winona, a picturesque Mississippi River community, is locked in by bluffs on either side of the river. Those natural barriers make over-the-air reception impossible and Winona, thus, had one of the earliest cable systems in the country. Some argued for years the Winona system was the country’s first. Although Winona’s initial system was opened in 1950, the first system in the country was begun by John Walson in the mountains of Pennsylvania in 1948 – Mahanoy City, Pennsylvania, to be exact.

Nonetheless Winonans had since the early 1960s endured the shoddy service frequently associated with cable television. The early days had been a hallmark of good service as authored by Edward Allen, cable hall of fame member who went on to become president of Western Electric but cut his cable teeth as the general manager of Winona Cablevision.

The service equation is another key measure. Out-servicing the competition is not a hard job for overbuilders today, but unless that is an operation’s driving force, opportunities will be missed.

When HBC emerged in 1997 from the not-for-profit education initiative Luminet, one of the nation’s first efforts to use fiber-optic cable to transmit data, voice and video signals (so early, in fact, that special permission had to be achieved to offer voice services to end users via fiber), its creators met for a day to determine what would make its efforts different and superior.

It was agreed the new communications company’s efforts would be founded upon a tripod: continuing Luminet’s education mission, putting into place for economic development reasons a state-of-the-art network and offering choice in communications areas served by monopolies. Moreover, it was agreed, the new firm would utilize strategies to offer superior customer service and would develop a television channel devoted to the production of local content...news, sports and features.

(As more and more regional television channels were developed in the 1950s, Winona was omitted as those developments occurred nearby in Rochester, Minnesota, and La Crosse, Wisconsin. While regional channels cover Winona, it is on a sporadic basis and generally restricted to major breaking news.)

It was against that backdrop that HBC burst into existence, offering service first to Winona's two universities during the summer of 1998. Service strategies were developed and evolved throughout the two years it took to fully activate 65 (now 68) nodes in the Winona area.

By the time the company was approached by members of the St. Charles, Minnesota, Economic Development Association in the summer of 2001, service qualities had been defined and success was being measured via a dashboard of indicators: the opinion of new customers about the service, the helpfulness of the technician, and the customer service experience; the number of newly installed customers to whom return visits were necessary in the first month following installation; annual satisfaction surveys and brief postage-paid postcard surveys left behind at the time of installation and service calls.

Already determined was the importance of on-going communication with customers and prospective customers and it was soon apparent that enlisting customers to help in that effort made the messages more believable. But not yet developed were the winning ingredients that have propelled HBC to enviable penetration statistics in the markets it serves.

The St. Charles group arrived seeking to recruit HBC to offer services in the community of 3,735 (1,600 passings) midway between Winona and Rochester. Seeking to make St. Charles the No. 1 bedroom community to Rochester and people staffing the two major industries there, Mayo Clinic and IBM, the group said it would do whatever was needed to move HBC beyond the Winona area. It is hard to argue the soundness of the vision, since St. Charles now has nearly doubled in size and is frequently referred to by Minnesota media as a modern-day example of a boom town.

While the St. Charles network became to city officials a critical factor in moving St. Charles to its unprecedented growth spurt that continues today, the practices that have allowed HBC to build significant penetration rates quickly, while developed there, have been perfected in its construction efforts following 2002.

No community dinner was held in St. Charles, but because the office was opened following Labor Day and the network was activated in October, HBC hosted a Halloween open house at its facility on the city's main street. Hundreds of people attended, attracted by free pumpkins, face painting, games for the kids and hot dogs and soda for all. It was the open house that led to bigger plans for the next network – in Wabasha.

The community dinner in Wabasha was a great success, but as HBC's footprint expanded plans evolved, based on feedback gathered as HBC networks now were built in groups. In 2007,

Rollingstone and Lewiston were built. Stockton was begun, but a flash flood in August washed out much of the work, delaying network activation until 2008.

Again, community dinners served as the introductory step in the three communities. Door hangers were used to keep residents apprised of construction progress and heralded the start of work in individual neighborhoods.

By the time HBC's most ambitious expansion was approved in the winter of 2011, plans were already being made to improve how the company would enter each new community and the steps it would take to introduce residents to the company and keep them informed of progress on a regular (at least weekly) basis.

New steps were needed, the HBC Leadership Team theorized, because the construction of six new community networks and the middle-mile lines between them would double HBC's footprint and extend the boundaries of the firm far outside the Winona area, to areas where HBC was less well known. The introduction, it was decided, must be far more definitive and steps to stay in touch with the residents and update them on progress must occur on a regular basis.

The largest new community, Red Wing, population 16,000, was too big to hold a community dinner, so plans were made for a traveling barbecue that would visit each of the new area as it was activated.

In addition, mass media, social media and some direct mail would be used, it was agreed, to provide regular and thorough updates to keep residents informed of construction, activation and installation activities. Also publicized were the openings of three new HBC offices – in Plainview, Lake City and Red Wing.

As the result of earlier builds, the importance of construction workers in the communications process was understood, refined and enhanced. The workers were kept informed of the big picture and encouraged to talk to residents. While the conversations added significant numbers of hours to a project, the chats played a key role in customer sign-ups.

In the communities that HBC serves, the opening of a new business is a reason for celebration, and HBC utilizes every natural advantage, in addition to those it creates. Regular releases are prepared for daily and weekly publications, including the free-distribution papers. Radio and television advertising is also used, as are news updates via the broadcast media.

As effective as the advertising are blogs prepared for each community, because they allow for responses directly to those who ask questions or who have issues, to the benefit of everyone getting to see what is written. And blogs are magnetic in appeal. The HBC website is updated regularly and has links to all the communities. Chamber of Commerce events, business or home and garden shows (most small towns have them), high school athletic events and community celebrations provide fertile opportunities for getting the messages circulated and for signing up customers, too.

Because HBC has a television production company that produces content for its branded channel, a point is made to telecast community events, including high school football and basketball games – a great way to reach those members of a family who can't attend the events in person. Because some schools have concerns about telecasts affecting gate receipts, broadcasts are tape-delayed, which attracts an additional audience in participants and their family members who were able to attend. And with the HBC brand on the screen, recordings are a good way to keep the HBC logo in front of the public.

Truck-mounted digital billboards this year were used in community parades and HBC staffers rode Segways, creating additional excitement.

As important as it is to get off to a fast and good start in each community, it is also extremely important to under-promise and over-deliver and to remember that good corporate citizenship is achieved through sustained effort, not just a one-time burst.

HBC learned painfully that plans never go perfectly, and it is better to temper the enthusiasm engendered by a great night out at a community than to suffer the consequence later. As St. Charles was built...and Wabasha, too, to some extent, optimistic responses to questions about "when can I have it" did lead to later disappointment. We now use the mistakes we made as part of the message we deliver to audiences in each new community.

No matter how meaningless a question may seem, it is VERY important to the person who asked it...and the response will not be forgotten; in fact, to the questioner the response takes the form of a promise.

If you tell a customer that, yes, he will be able to see BOTH the Packers and Vikings on Sundays in fall, you'd better know for a fact that you can deliver. And if you say the network will be active by Christmas, you better have allowed enough time for the contingencies that seem always to crop up and delay construction.

In short, it is not good business to disappoint a customer who purchased a new high definition television set as the family's Christmas present.

As we introduce HBC to communities today, we are purposefully and honestly vague on the questions about when, but we always tell people why the answer is probably less definitive than desired. A typical response would go like this:

"If everything goes perfectly – and nothing ever goes exactly as planned – the network could be active as early as late September...BUT a much more realistic forecast would suggest that you can plan to watch the Rose Parade in high definition on New Year's Day."

We know that people always want the answer to be earlier than the one we deliver. We also know that if we provide the answer desired, disappointment may follow. So we say, "We don't want to let you down – not now, not ever. We want to be sure that what we tell you is achievable and allows time to deal with those things that cannot be foreseen but always seem to happen."

This kind of answer is generally well received, and although those gathered may be at least mildly disappointed by the response, we are comfortable knowing we have attempted to set a realistic expectation.

As noted above, first impressions are important, but performance over the long haul is just as critical.

Because telecommunications companies are notorious for delivering poor service and having little concern for customers, introductions can sometimes be met with coolness. And while the first impression begins the process of converting the skepticism into satisfaction, it is the continued efforts that provide the winning formula.

HBC works hard at its corporate citizenship. The company's employees – each of them – knows that community involvement is not just suggested, it is expected. Employees deliver meals, coach little league teams, are members of the Lions, Kiwanis, Rotary and Exchange clubs, chair boards and populate committees. The annual budget is also carefully planned to include support for things that are important to the residents of its communities, an emergency warning system in Minneiska, the National Eagle Center in Wabasha, Gladiolus Days entertainment in St. Charles, or Corn on the Cob Days staffing in Plainview.

For HBC, the winning theme is all about friends serving friends. We recruit well-known and respected people from our communities as HBC employees and we have them teach us what it takes to be accepted and respected in the communities we serve.

Winning over customers is eminently achievable anywhere in the U.S. today, I believe, but companies that believe it is easily done or based solely on price are setting themselves up for failure.

In this day of consolidation and conservation in telecommunications, the customer has been the loser. No longer, in most cities, are there local people available to respond to questions or to help solve problems. Service is treated cavalierly. It is disappointing how little is expected by the American consumer when it comes to telecom services.

I call every new customer to say thank you, to assess HBC's performance in installing the services and to make sure everything is working to the customer's satisfaction. I am amazed and often disappointed by what I hear when total satisfaction isn't the case. It doesn't happen frequently but it happens, probably always will. So conditioned has the consumer become to insensitivity on the part of incumbent providers that those with problems respond almost apologetically...and frequently they have hesitated to call to report the situation.

While telecommunications service frequently occupies the bottom spot in customer satisfaction surveys, my experience suggests that while the statistics are appalling the reality is probably worse.

Those of us who operate FTTH networks can score many points with consumers and make our businesses successful – if we take the time to listen and have the courage to understand that long-term gain is more important than immediate gratification.

There IS a value proposition beyond price, the measure used by most telecom carriers. Flavors of the week are popular and while the American public has become conditioned to ask about "today's deal" (in those words, I might add), service can trump price IF companies understand that long-term gain is preferable.

HBC is not the low-price provider in any of its markets...and it has entered its four new markets as the high price provider, just as it will in Lake City and Red Wing. Yet installations and penetration are ahead of schedule, already promising to eclipse 50 percent.

Achieving success is all about the little things that ultimately add up to something big – and satisfying. It is about making an entry splash (using every opportunity available and creating others to meet community members) but most important are strategies to sustain and strengthen the first impression.

Achieving HBC's mission, which promises consumers they will be provided ***access to superior advanced communications and unparalleled personal service*** is a tough, never-ending job that involves everyone, not just customer service representatives or salespeople.

In fact, HBC is constantly evolving as a “total service” organization, which means that every employee must understand that it is her or his job to provide the customer a “WOW!” experience EVERY TIME there is a contact.

That attentiveness has had far-reaching impacts inside the business:

- The company's orientation program is being revamped to take out the official and put in the important...with special emphasis paid to HBC's history, its values and the service cornerstones (upon which all customer-care features are built);
- The Broadband Service Center (HBC dispatch center) has had communications training as well as lessons in how to recognize customer traits and concerns from what they say, and then using that knowledge to triage the installation or trouble call to the tech with the best skills to not only deal with the issue but to relate to the customer;
- Supervisors have been trained as coaches and cheerleaders...new ways to provide instruction in a non-threatening manner and new methods of rewarding great effort;
- Communications training is now part of everything we do...with every employee, rookies and veterans alike;
- Delivering unparalleled personal service is a tall task and one for which noted customer care expert Bill Withers, Wartburg College, has been retained to develop programs; and,
- Sessions are in progress in every department from accounting to regulatory affairs that focus on helping every employee understand her or his role in the customer care equation.

New HBC Chief Operating Officer David Adcock, its central office telephone chief before moving up early in 2012, has developed two new programs – “Hang 10” and “High 5” – that drive home the service message for those employees who have the greatest number of customer contacts, whether in person or on the phone.

Hang 10 was instituted to move field operations personnel more clearly into the role of helpmate. Because HBC's first face-to-face contact with a customer often comes at the time of installation, Adcock has instituted training to help field techs understand better that communications, cleanliness, observation and helpfulness are areas where major points can be scored. Techs are trained to be teachers (needed by people, often the elderly, who often don't understand how technology can help them), communicators (conversationalists with smiles on their face who can visit effectively with both the young and old); keen observers of the surroundings (the presence of a computer when no Internet service has been ordered may be an opportunity; the uncommon neatness of the home, which suggests special care and clean-up; an old VCR, which may mean DVR service could be helpful) and how to pay special attention to the customer (extra time with someone who is timid or concerned about his ability to use the services effectively).

Hang 5 is focused on the customer service area but involves everyone. It is designed to make certain that every contact with a customer achieves five things, simple tasks based on common sense.

At its heart it's an incentive program...but an incentive program designed to achieve more than just sales. It's a program designed to make customers feel pampered and special, starting with the minute the telephone is answered or the door opens.

The program requires all HBC employees to be friendly, to demonstrate their interest in the customer and the quality of the services they purchase, their satisfaction with HBC and, frequently, rewards for loyalty. Each interaction starts with a friendly greeting, moves to service statement, proceeds to a service activity and ends with a service question, followed by a thank you – a service High Five. Customers are rewarded with enhanced services (higher speeds, on-demand movies, even free months of service. The employee giving the High Five can earn monetary incentives for saving a customer or helping visitors refine or expand their service menu. It's used during office visits, telephone calls, in the field or on the street...wherever HBC personnel meet and interact with customers or potential customers.

The root of many of these efforts dates to 2007 when HBC went to the Disney Company for help in establishing a program that would make it an employer of choice and a company widely known for its attentiveness to customer care.

In the final analysis, It comes down to making certain every little detail is attended to each and every time a customer makes a phone call to HBC, visits one of its offices or when an HBC employee encounters a customer. The tasks, for the most part are simple, but the work is

incredibly hard. The payoff is big and shows up quarterly in rewards delivered through the HBC profit-sharing program.

The path to customer care excellence is interminable. When one milestone is reached, another emerges. When the little things are considered and acted upon, more show up. But the journey is overwhelmingly rewarding.

HBC's Ten Commandments of Customer Care

Listen Closely

Observe Keenly

Seek to Understand

Communicate Generously

Be Helpful and Humble

Establish a Friendship

Do Whatever It Takes

Remember Rewards

Make Notes, Post Them

Check Back, Check Up