

Exceeding Expectations and Surpassing Goals



The Situation

Steve Bandy, General Manager at OzarksGo, a subsidiary of the Ozarks Electric Cooperative that provides internet, phone, and television to customers in Northwest Arkansas and Northeast Oklahoma, was facing pricing concerns for their new video product, which was one of the first of its kind offered in their region. He was hesitant to implement a rate increase which felt counter to OzarkGo's mission of providing real, affordable broadband to the communities it serves. The customer service team was also struggling to shift to a sales mindset.

The Challenge

Bandy was concerned about the potential impact of a rate increase, and his customer service representatives (CSRs) were anxious about the sales-oriented nature of this new, more competitive environment. "We were nervous to increase our rates, but we had to be competitive; it was uncharted territory, selling a new product in a more competitive space, and we needed to know exactly how to do that and be successful."

The Solution

Bandy connected with Leverage Broadband Strategies and began working with them in October of 2020. Together, one of the first things that they tackled was the rate increase. The Leverage developed a comprehensive plan for the rate increase based upon competitive analysis that included the following:

- Retention offers targeting specific customer use cases
- An internal communication plan that included several front-line employee coaching and role-playing sessions
- An external communication plan that leveraged OzarksGo's unique style and brand equity

"In addition to helping our team understand that losing subscribers isn't always a negative, they trained our agents to circumvent the word no, ask clarifying questions that added value, and capitalize on upsell and saving opportunities," said Bandy. The Leverage staff even role-played conversations with CSRs to apply their training in real time.

The Results

There was serious concern about the magnitude of the rate increase (\$15-23), but the pricing adjustment ultimately yielded a 30% increase in video revenue, improved video gross margin from near zero to 22%, and achieved an increase of \$2.1MM in annualized contribution. Most importantly, OzarksGo saw no impact to customer churn as a result of the increase. The team attributes the success of the project to the external communication plan and hands-on, front line employee training.

"Leverage has paid for themselves time and time again. Clients definitely see a return on investments," said Bandy. "My whole team responded well to their staff, and we are engaging them for additional projects."

