

The Key to Customer Retention

A close-up photograph of a hand holding a key. The hand is positioned on the left side of the frame, with the thumb and index finger gripping the key's head. The key is a standard metal key with a notched bit. The background is a dark blue gradient. The image is part of a presentation slide.

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Dickey Rural Networks

- Dickey Rural Telephone Cooperative was founded in 1950. Dickey Rural Networks is our company's umbrella marketing name for all four of our companies: Dickey Rural Telephone, Dickey Rural Communications, Dickey Rural Access and Dickey Rural Services. DRN specializes in offering state-of-the-art voice, video, data and security to rural customers in southeastern North Dakota. DRN serves 19 exchanges in 9 counties. DRN's goal is to keep our rural customers connected to the ever changing global community. DRN's company results include:
 - ✓ 10,000 Access Lines
 - ✓ 100 % Fiber-to-the-Home
(Completed in 2011)
 - ✓ 72 % DSL Penetration
 - ✓ 38 % Triple Play Penetration
 - ✓ 1.7 Customers per square mile



What does Customer Retention & Loyalty Mean?

Customer Retention & Loyalty

- Successful customer retention starts with the first contact an organization has with a customer and continues throughout the entire lifetime of a relationship.
- Customer retention is more than giving the customer what they expect, it's about exceeding their expectations so that they become, and stay, loyal to your company.
- Customer retention has a direct impact on profitability.
- The key differentiator in a competitive environment is more often than not the delivery of a consistently high standard of customer service.



DRN Key Service Offerings

- DRN has made some key service offering decisions over the past few years in order to retain our customers and create new business revenues. Some of these service offerings include:
 - ✓ Managed Services
 - ✓ Dickey Rural Motor Vehicle Branch Office
 - ✓ Establishment of a Computer Repair Center
 - ✓ Creation of DRN TV Channel
 - ✓ Security Systems
 - ✓ PERS Systems
 - ✓ Wireless Phone & Data Services
 - ✓ “Deep” local content on video lineup



Managed Services

- DRN recently developed and launched a Managed IT Services offering to assist our business customers with their IT needs. Our IT Services include but are not limited to: Data Backup Management, Firewall, Router, & Switch Monitoring, Server Management, VPN Performance Monitoring, Broadband Service Integration, Dedicated & Responsive Technicians, Dependable Computer Systems, Network Troubleshooting, Router Management, Preventative Maintenance, Computer Hardware and Software.
- DRN is here to help our customers get the most out of their technology. They can count on DRN to be there when they need us so that their business can remain productive. DRN custom-fits our Managed Services Package to meet the specific needs of individual customers. It is our goal to integrate with our customers in order to help them achieve seamless and hassle-free network and computer support.
- DRN's first customer to sign an IT Managed Service agreement was a local school.



Acquisition of the Motor Vehicle Division

- Recently DRN had the opportunity to acquire the Motor Vehicle service from our county. Our county no longer had an interest in offering this service at our local court house. With the possible loss of this service in our community, DRN customers would be affected. Therefore, DRN filed an application with the State of North to acquire this service. DRN was awarded the Motor Vehicle Division and we began offering this service on June 27th. DRN wanted to bring this service within our company so that our customers would still have this service provided locally. By making this key decision, will increase our walk in traffic by 15 to 20 individuals per day.



Formation of a Computer Repair Center

- While listening to our customers over the past few years, DRN's Technical Assistance Team and Management Team had learned that our customers had a need for personal computer repair. After analyzing the business potential and looking at another telco's profitable computer repair business model, DRN decided to move forward with the formation of a Computer Repair Center. We have marketed our new computer repair service offering as "DRN Total Tech".
- DRN Total Tech will perform Spyware/Malware/Virus removal and prevention, reformatting and reinstallation of OS, data transfer, hard drive replacement, motherboard replacement, adding of RAM, along with additional repair services.



Creation of DRN TV Channel

- This year DRN created a team of employees called the Technology Task Force. This task force works towards finding new products and services that will benefit our customers. As a result of this TTF, came an idea for DRN to have their own “Home Grown” TV channel. The content of this channel would be instructional videos on our products and services, monthly marketing campaigns, employee biographies, community events, the list goes on. These videos are scripted, taped and produced by DRN employees. It is our hope that this DRN “Home Grown” TV channel will draw our customers closer to our employees and our company!



Security Systems

- During 2009, DRN branched out into a different kind of market by introducing Security Systems and PERS (Personal Emergency Response Systems) as another business line. These systems require the use of a landline so DRN thought this service would be beneficial for our customers and company. Our customers would benefit from the personal security of this type of service while our company would preserve our landlines.
- Peace of mind for our residential and business customers comes from knowing that they are safe.
- With DRN, they can select systems to monitor for fire or break-ins.
- Monitoring is guaranteed 24 hours a day, 7 days a week. A monthly recurring fee applies.



Personal Emergency Response System

- Our PERS offering has proven to be a valuable service to our senior customers and their family members. It gives seniors the help they require and the confidence they need to stay at home, living the life they choose. With a personal home safety system, family and friends take comfort in knowing their loved ones are safe in their home. Like the Security Systems, this service also requires the use of a landline phone. DRN has achieved success with the sale of these PERS units due to the age of our customer base.
- DRN offers leasing and straight buy-out options on our PERS units. The security monitoring is also 24 hours a day and 7 days a week. The security monitoring is a recurring fee per month.
- DRN worked with the State of ND to become a Qualified Service Provider of Personal Emergency Response Systems.



Wireless Offering

- Our current landline customers were asking for DRN to meet their wireless needs. Therefore, this past summer DRN rolled out a wireless product. The product is NRTC's (Telispire) wireless. DRN knew that our wireless product would not be attractive to all wireless users however, it would meet the needs of those customers that wanted a local company that provides local customer service and one combined bill.
- DRN offers both voice and data packages with various Individual and Family Share plans. With DRN wireless our customers can enjoy Nationwide coverage, combined billing for all DRN services, local customer service, plus more.
- DRN choose the Telispire wireless option for several reasons. Ease of learning the wireless business, low capital expenditure and filling a niche market.



“Deep” local content

- Local sports broadcasting with neighboring telco.
- Weather stations at different locations in our serving area broadcast on a channel in our video lineup and fed to our website.
- Provided a channel to a local school.

A close-up photograph of a hand holding a golden key, positioned on the left side of a dark blue horizontal banner. The banner has a white gradient on its left edge.

Other

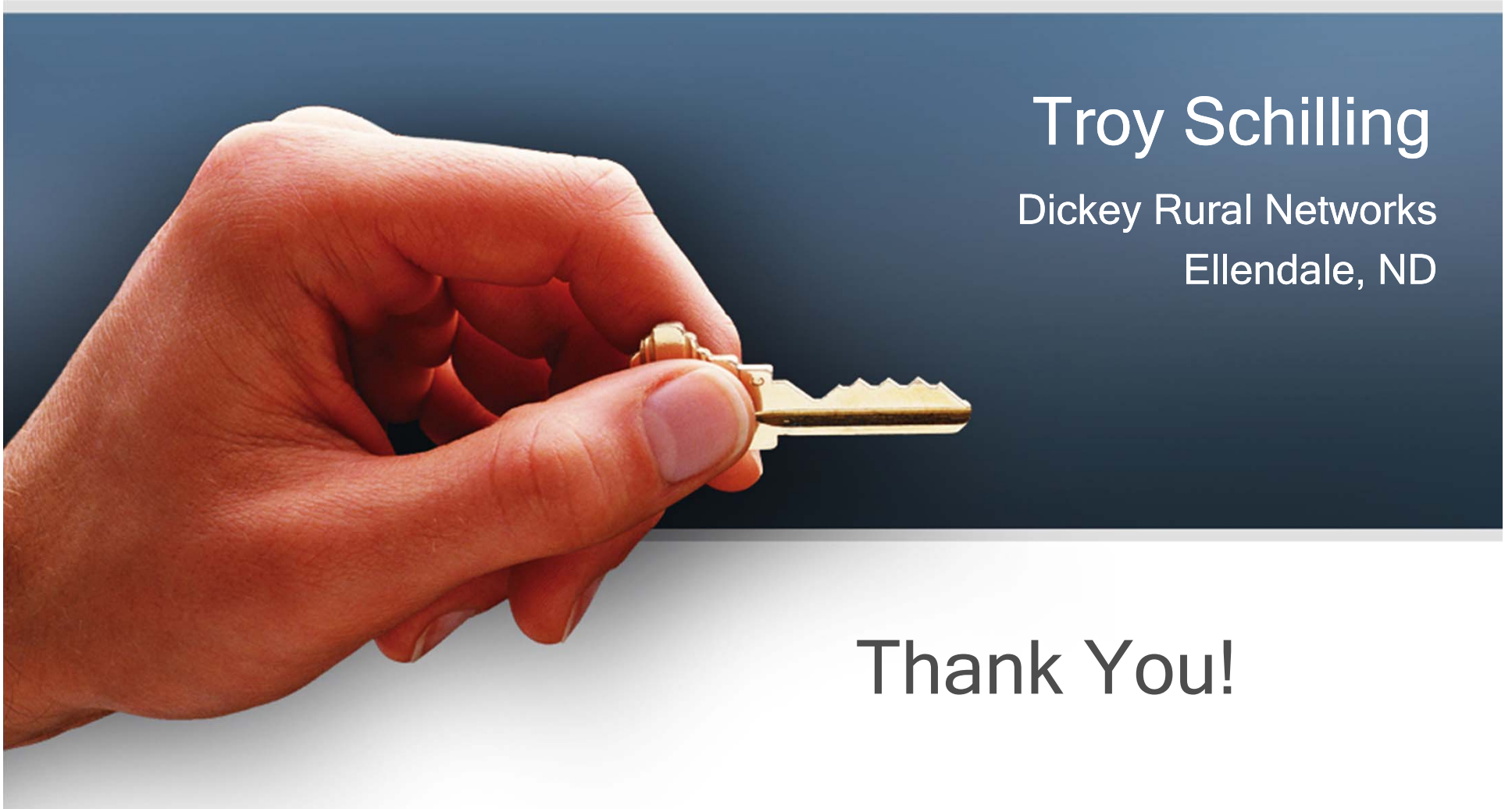
- Scholarships for students in our serving area.
- Participation in the FRS Scholarship program.
- Computer classes throughout our serving area with varying topics throughout the year.



Cooperative Movement

- One company, one audit, one cost study, tax and operational savings.
- Promote customer savings through capital credit allocations and retirements. A type of built in discount.
- Promote long term stability and viability. Customers like stability and it shows that they can trust us to continue to be here for them.
- Market and promote “the cooperative”.
 - Customer ownership
 - Customer involvement

Questions?



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Thank You!