

#### Understanding Product Returns and Defects





#### **SMART HOME EXPERIENCE**

from the Consumer View

\*Wi-Fi \*Returns \*Setup & Install

#### **SMART HOME EXPERIENCE**

from the Industry View

\*Industry perceptions \*Defects \*Education

#### **BRAND IMPACT AND LOYALTY**

from the Consumer and the Industry View

\*Future buying \*Brand Impact \*Next-gen solutions



#### Webinar Replay:





#### **Building Brand Loyalty across the Smart Home**





**Christopher Carney**Founder and CEO **Abode** 

#### SKYBELL



**Desiree Mejia**Chief Operating Officer **SkyBell** 

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Jason Moore
Co-founder and CEO
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PARKS ASSOCIATES



Elizabeth Parks
President and CMO
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#### **Building Brand Loyalty across** the Smart Home









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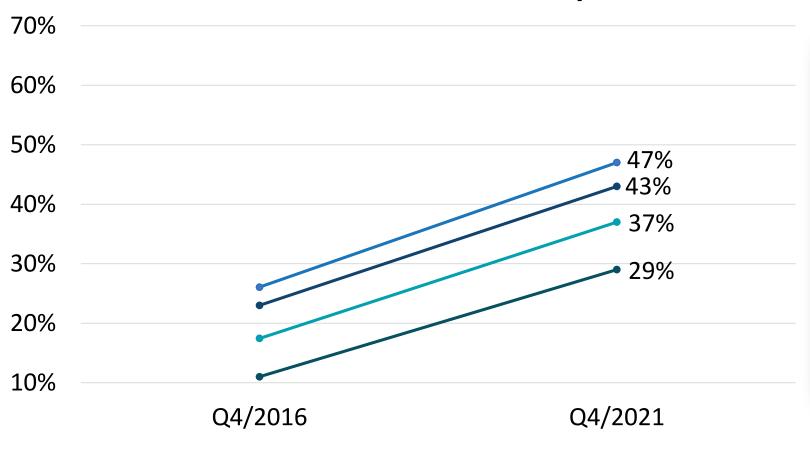


**Elizabeth Parks** President and CMO **Parks Associates** 

#### Continued Expansion of Connected Devices



#### **Connected Home Industry Performance Indicators**



- Own Any Connected Device
- → High Purchase Intent
- Own Core Smart Home Device
- → Purchased In Last 12

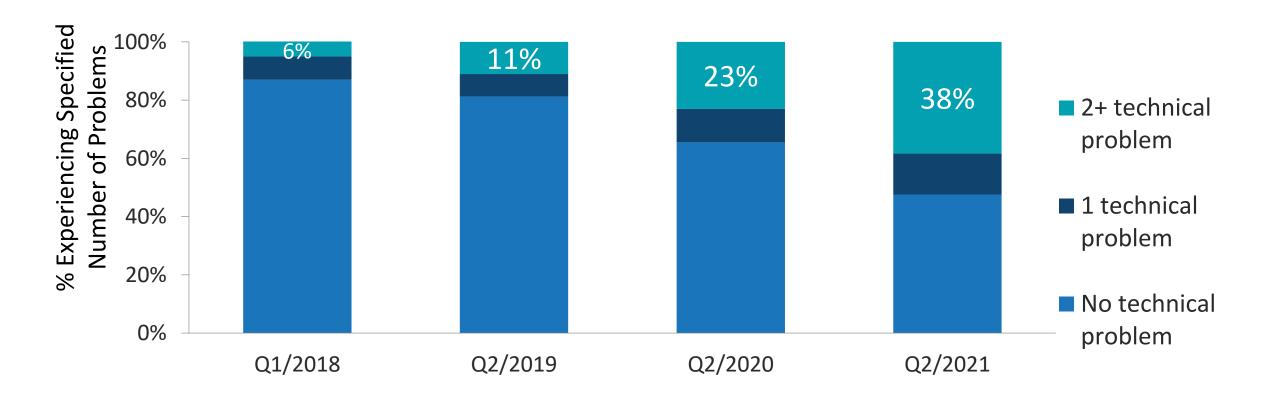
  Months



#### More Devices, More Problems



#### **Smart Home Devices: Number of Technical Problems Experienced**

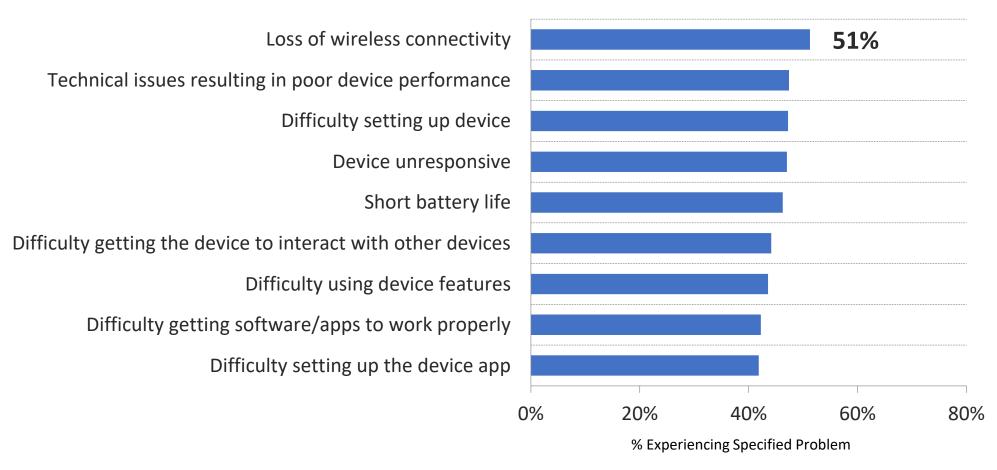




#### Wireless Connectivity is the Biggest Problem



#### **Smart Home Devices: Technical Problems Experienced**







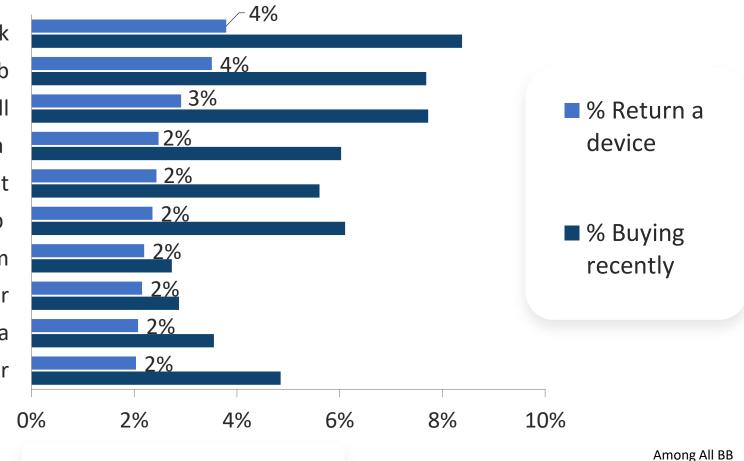
#### Return Rates Are High: 3-4M US Households



2-4% of all households returned a device

#### **Smart Home Device Return Rate in the Last 12 Months**

**Smart Door Lock** Smart Light Bulb Smart Video Doorbell **Networked Camera Smart Thermostat** Smart Home Control Hub Smart Sprinkler/Irrigation System Smart Water Leak/Humidity Detector Outdoor Light Fixture with Camera Smart Garage Door Opener





**% Returning Specified Device** 

#### What is the Real Problem? Smart Home Returns



36% of consumers who set up smart home devices on their own experience difficulty

Product
Defective / Broken

Product Didn't Work as Advertised

Issues Configuring the Devices



Difficulty with Physical Installation

Difficulty Learning Features





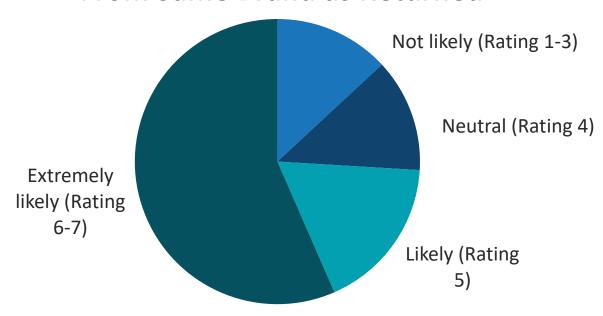




#### Brand Impact & Purchase Decisions



## Likelihood of Purchasing New Product From Same Brand as Returned



Among US BB HHs Returned At Least One Device in the Last 12 months, n=840

### Top 4 buying considerations

- price
- smart phone compatibility
- brand reputation
- expert reviews

## Smart home shoppers are SEEKING product info

info seekers represent 41% of active shoppers



# Building **Brand Loyalty** across the Smart Home







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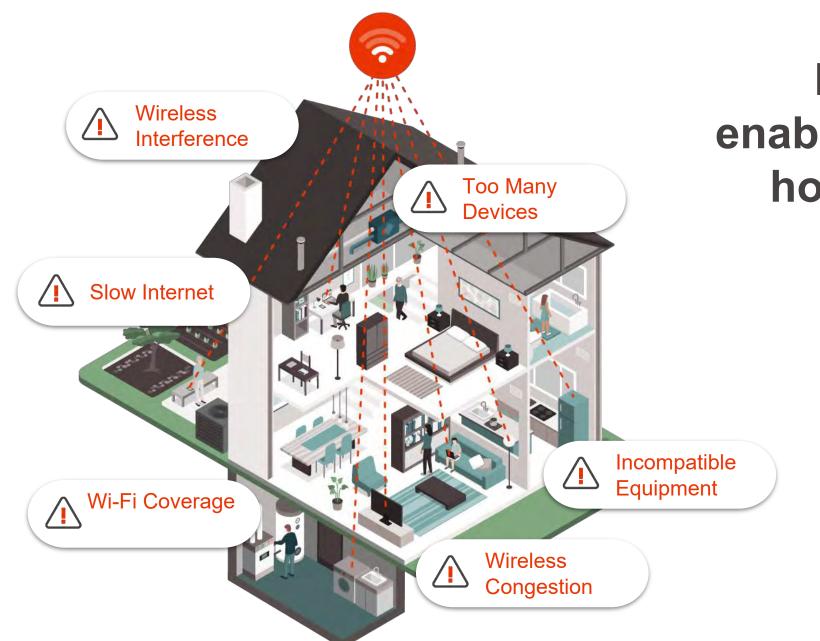
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# HH RouteThis

# The number one cause of smart home device issues is loss of wireless connectivity at 51%.





Every organization enabling the connected home is at the mercy of the customer's home network.



#### The WiFi connectivity challenge

#### **End user journey**

 Customer unboxes the device  Customer tries to setup device but fails.  Customer calls the support center and demands replacement device • Customer receives new device

 Customer experiences the same connectivity challenges

Demands a refund

 Customer receives a refund



-(2)



(3



4



5



6



 Product packaging becomes destroyed through unboxing

- Customer begins to believe device is defective and faulty
- In reality WiFi connectivity is the culprit here
- Negative brand perception begins

- Increase in inbound WiFi connectivity support call volumes
- Support call costs incurred
- Difficulties with troubleshooting problems - lack of inhome visibility

- Shipping cost
- Increase in breakage rate
- Product inspection process
- RMA to certify product
- Product repackaging
- Product to be sold at marked down refurbished rate

- Return shipping cost
- Product inspection and refund process
- Repeat in incurred costs associated with processing a return and refund
- Negative brand perception
- Decreased brand loyalty and advocacy





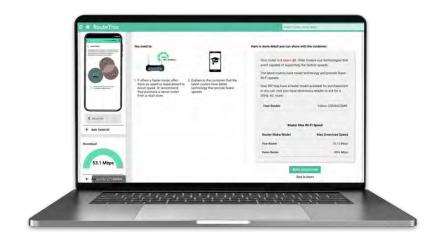
#### **RouteThis: The solution**

RouteThis Self-Help Self-service for customers



Empower end-users to resolve home network issues without calling into tech support.

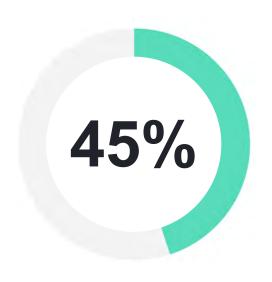
RouteThis Core
Complete resolutions for support agents



Provide support teams the ability to resolve home network issues quickly and seamlessly.



#### The results







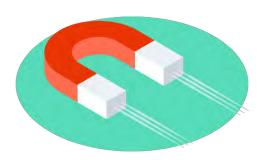
Reduction in inbound WiFi support calls

Reduction in average handle time

Reduction in unnecessary returns



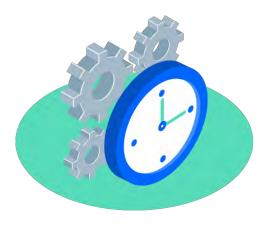
#### The benefits



Attract and retain happy customers. Improve brand loyalty



Increase revenue and grow market share



Create operational efficiencies



# HH RouteThis

#### Thank You

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