



SERVICEBENCH[®]

INTEGRATED SERVICE MANAGEMENT



HOME WARRANTY ADMINISTRATION

OPTIMIZING SERVICE PRODUCTIVITY AND PROFITABILITY
WHILE DELIGHTING CUSTOMERS

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The convergence of cloud computing, business management systems, and home warranty administration benefits everyone involved in a service event. As in many industries, cloud computing eliminates the cost of purchasing and maintaining individual computer systems; additionally, hosted services like business management software (BMS) are easier to access on the same interface. Increased performance efficiency — through the alignment of manufacturers, third party service administrators, installation and service companies, distributors, and retailers — drives costs lower when it comes to home warranty administration.



Of course, performance efficiencies are only one advantage of applying business management systems to home warranty services: web-enabled cloud services also open the door to increased customer engagement. Too often, homeowners wait for service technicians to acknowledge service requests before performing an installation or repair; however, cloud-enabled BMS portals

allow consumers to view technician assignments, parts orders, schedules, and other transactions associated with a service event. Additionally, automatic notifications about the status of an installation or repair improve customer engagement.



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INDUSTRY TRENDS CALL FOR MORE ROBUST SYSTEMS

In 2016, **thirty-six percent** of all sellers offered incentives for prospective buyers; home warranty contracts were the top incentive for home sales across all age groups. According to the National Home Service Contract Association (NHSCA), the number of home service contracts sold during 2015 increased by **eight percent** — more than four million — from 2014. Furthermore, of the home service contracts sold, one-third resulted from direct sales to consumers rather than through real estate companies. Recent **state legislation** also exempts home warranty services from insurance codes and regulates service contracts through state consumer protection laws.

Home service contracts complement insurance policies, stipulating the repair or replacement of major appliances and HVAC, electrical, and plumbing systems due to listed failures caused by normal wear and tear. Consumers can purchase home warranty contracts at the time of a house resale or as an additional service after a sale through a builder or third party. Customized approaches to home warranty administration allow homeowners to designate appliances, systems, and other assets (such as swimming pools) for coverage while selecting different coverage options. Thus, each phase of the home warranty administration process involves complexity and requires coordination.





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Growing consumer awareness and increased understanding of home service contracts correspond with an increased trust in coordinated, aligned processes, such as warranty automation, enhanced warranty management, claims management, third party workforce management, and field service management.

Together, these trends indicate a need for robust systems that offer value for every stakeholder in the service event cycle. Organizations that have migrated to robust, cloud-based service management systems or business management systems have achieved better performance. With hosted and managed services, increased security, and additional support available through Software-as-a-Service (SaaS), cloud access allows greater collaboration between home warranty administration providers, third-party administrators, and service providers. As a result, *service revenues have increased by an average of ten percent and service workforce productivity has increased by 8.9 percent.* Homeowners also benefit from better resources offered on a greater scale as well as the capability to see the progression of service actions in real-time after submitting a claim.

RELIABLE SYSTEMS, BETTER WARRANTY MANAGEMENT

Better warranty management begins with high-quality information and reliable data centers. Any computer or system failure can lead to unnecessary delays in moving parts from inventory to task or responding to customer queries. To prevent issues like these, business management software applications operating in the cloud can automatically update data with minimal response time. Robust cloud computing systems relay information on multiple servers with the provider network and use stringent data security processes to protect consumer privacy and confidentiality while guarding against data loss or intrusion. Using approaches like these, providers can ensure nearly 100 percent uptime in addition to compliance with SAS-70/SSAE 16 third-party organization audit standards for data centers, the Service Organization Controls reporting framework, and the technical requirements necessary for maximum compliance with PCI physical security standards.

EMPHASIZE CUSTOMER ENGAGEMENT

Not only are data centers more reliable within this framework, but they also increase customer engagement through easier access to information. Hosted applications and web browsers provide instant access to service providers and third-party administrators on tablets, laptops, and smartphones, reducing or eliminating delays for homeowners. For example, administrators and service providers can review contract terms and submit documents from the office or on site using mobile devices; vendor and contractor teams can review service histories, create new orders, synchronize workflows to facilitate shipping, and oversee billing processes. Field service technicians also have the advantage of building better customer relationships using mobile field service software applications with the same interface to provide on-time, customized information about a specific job. With this information in hand, technicians can service customers better.



Home warranty administration begins with the job management processes offered by business management software. Onboarding and profile setup processes provide the information needed to introduce customers to service providers and establish service histories. Business management software also offers the capability to search for customers by name, company, or address and to store preferences for contact information, language, and payment. Easier access to this information positively impacts customer relations.



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Cloud-based BMS solutions can also host configurable, specialized web portals for contractors that increase customer convenience. Homeowners can view service provider calendars, see technician availability, and schedule, reschedule, or cancel onsite service visits easier than before. In turn, the management software sends customers automatic reminders about appointments and updates about technician status by email, text, or phone.

To ensure the highest quality of service, BMS applications also support third-party workforce management by tracking service start and end times. Using this information, the system can provide the location of the technician to the consumer portal and job board. If necessary, a third-party administrator can view technician skill levels, locations, and schedules and reassign jobs based on the best match for the task — a much more efficient form of job routing. Daily technician dispatch reports can also show service patterns and locations, enabling effective route planning and reduced costs. Workforce management through BMS applications has resulted in a 4.6 percent decrease in repair time and a 7.0 percent increase in first call fix/job completions.



ENHANCED PRODUCTIVITY EQUALS ADDED VALUE

The ability to connect to cloud-based BMS information anytime from any location increases productivity as well. Given the decentralized nature and broad reach of home warranties, claim administration may occur in different languages, cover products manufactured in almost any country by leading OEMs, involve parts distributors working from any location, and utilize large networks of installers and contractors.

Although may seem daunting, cloud-enabled business management software applications offer real-time access and the capability to streamline the administration of home warranty claims. Office staff can coordinate client support and maintain contact with service providers, installers, and contractors while searching for and locating critical information found in easy-to-navigate databases.

The processing power of these applications is evident in the efficient, timely handling of millions of transactions annually and the disbursement of billions of claims dollars each year. These transactions may include dispatch transactions and claims transactions — interactions with potentially thousands of users spanning the entire process of a service event. Even though the number of dispatch and claims transactions seems overwhelming, the average transaction occurs in less than one second.

Business management software must facilitate claims forwarding from Individual Service Plans (ISP) to existing OEMs and debt carriers; BMS functionality must also include credit card payment processing and invoice processing. Invoice generation involves exporting service job invoices, managing invoice and claim tracking numbers, and attaching due dates and customer information to invoices. Monthly reports automatically compiled by the BMS allow third-party administrators to view license and transaction information instantly.

ENHANCED SUPPLY CHAIN EFFICIENCY

Home warranty management may involve estimates, inspections, maintenance, repairs, and installations. Because of the wide range of tasks involved in warranty management, a BMS must be capable

of handling not only service orders but also different facets of supply chain management. Job management may cover single or multiple job resource booking and dispatching, in-warranty claims, out-of-warranty claims, and extended warranty agreements.

Efficient supply chain management requires optimal service ordering and parts ordering processes, which can be achieved through a

combination of BMS and cloud computer functionalities (e.g., the ability to share and monitor resources, as discussed above). As service administrators add parts to a service job — either through inventory look up or manual entry — multi-location inventory





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management ties the service job to major parts distributors. Inventory management systems automatically request the parts order, capture SKU numbers, and track the parts from inventory. In addition, inventory management considers inventory location, stock levels, and thresholds that trigger notifications to replenish part supplies. Part availability information, service job estimates, and invoice files are accessible by web browser or application on desktops, laptops, and mobile devices.

Accessible financial and supply chain tools that research, order, and process returns over multiple locations contribute to increased performance efficiency. Applications within the BMS automate the Return Merchandise Authorization (RMA) process while easing reconciliation. Analytics based on historical data provide forecasts about parts usage and stock levels. Field service technicians also benefit from the assignment of trucks to specific technicians and the display of parts via the system. Finally, consumers benefit from the ability to view these parts transactions and receive ETAs (estimated times of arrival) through the service administrator portal.



GET THE GOLD STANDARD

ServiceBench offers a cloud-based platform that manages job dispatches and claims from multiple sources. ServiceBench was developed through the direction of industry professionals, so its BMS applications scale to all business types and sizes. **Asurion** has considerable experience applying ServiceBench to leading industries, OEMs, retailers, and service providers; collaboration, ease-of-use, and enhanced functionality empower all parties to successfully navigate the complexities of home warranty administration.

Additionally, performance metrics embedded within ServiceBench drive productivity while financial management tools support thousands of users and more than 12 million dispatches and associated claims annually. Without a doubt, ServiceBench set the foundation for customer satisfaction and long-lasting success in home warranty administration. With ServiceBench, the cost of service has decreased by five percent while the number of service contract renewals has increased by 7.1 percent. The services and partnership offered through ServiceBench set the foundation for customer satisfaction, creative marketing opportunities, and long-lasting success.