How Protection 1 Puts Customers First with the Same Day ACH Solution

The Situation

Almost every aspect of daily life is getting faster and it is changing how we do business. Customers not only expect issues to be handled quickly, they also want companies to make the extra effort to enhance their service by being more proactive in their communications and interactions. Successful businesses understand that they can maintain strong and meaningful customer relationships when they adapt and innovate their client services. Capitalizing on Same Day ACH for one business allowed them to do just that — by streamlining and improving a key aspect of their customer service operations.

For nearly 30 years, Protection 1 has been providing full-service security solutions for residential, business, national account and integrated systems for customers at millions of locations. In an industry like home security, it is about more than providing the best technology – customers have to be secure in the knowledge that their provider is committed to excellent customer service. Protection 1 recognized that being reactive is simply not good enough, especially when it comes to providing services that protect their customers’ loved ones and valued assets.

The Same Day ACH Solution Improves the Customer Experience

Protection 1 Corporate Finance Manager Melisa Schellhamer describes her company’s customer service philosophy: “At Protection 1, we really focus on customer service. We do whatever we can to help the customer get their money faster, receive same-day service, and answer questions as soon as they are raised. We strive to make sure that customers are happy. That’s our number one goal.”

It is with this guiding principle in mind that Protection 1 identified an important use case for refund payments that could help them to enhance their offerings. In instances when customers would accidently mistype the amount of their online payment and send it to Protection 1, they would have an “Oh no!” moment and call customer service to correct their mistake. The Protection 1 customer service team would respond by placing a refund action in the accounts receivable system. After determining that the original payment was not returned, which could have taken three to five days, Protection 1 would initiate an ACH credit to return the money to the customers.

Protection 1 recognized that a faster solution would enhance customer service. For consumers, transacting payments are seen as an immediate action. When they make a payment, it feels like the company is taking their money in real time, which raises the question: If my payment goes through immediately, why can’t it be returned immediately? Refund payments are one area where forward-thinking companies have evolved. Sending refunds electronically, opposed to traditional checks, has sped up the process significantly. Now, with Same Day ACH, the time it takes a business to refund a customer can be even quicker — alleviating customer frustration. “Customers can get anxious if they don’t see their funds back as quickly as they expect, which drives calls to our customer service team and activates an internal process that requires multiple teams to spend time researching and confirming that a refund has been issued,” said Schellhamer. “It can be a real drain on resources.”

“At Protection 1, we really focus on customer service. We do whatever we can to help the customer get their money faster, receive same-day service, and answer questions as soon as they are raised. We strive to make sure that customers are happy. That’s our number one goal.”

Melisa Schellhamer, Corporate Finance Manager, Protection 1

Having a Same Day ACH solution in place does ensure their customers feel confident that their money will be returned quickly, while also cutting down on the time Protection 1 employees spend handling customer service issues, thus increasing internal efficiency.

Same Day ACH does not only benefit individual consumers. For companies like Protection 1 that also have larger commercial clients, faster payment solutions can improve the customer experience for their business clients, too.

Schellhamer noted, “Larger commercial clients usually don’t need to have their money back as quickly as an individual, but they still enjoy having their funds as soon as possible. Cash flow is always a plus, and getting funds to them that they can use immediately is seen as a ‘value add’ to the service we provide.”

Protection 1 reports that their Same Day ACH usage will expand when Phase 2, which will provide debit capabilities, goes into effect on Sept. 15, 2017. As a business whose revenue model is dependent on recurring monthly payments, speeding up the process will
improve efficiency for its finance team.

Looking to the future and the implementation of Same Day ACH for debits, Schellhamer said, “We have a recurring ACH file that we output for our customers based on the monthly payments they have scheduled through our accounts receivable system. We have to output the ACH file two days in advance so that we can get the bank file out and ready to settle. Right now, it’s a two-day process for our business, but when Phase 2 rolls out, we’ll be able to output and settle the file on the same day, making it much easier on our team.”

Schellhamer continued, “Overall, the faster payment solution allows us to improve the customer experience. Striving to do whatever it takes to put customers’ minds at ease so they will know their money is going to be in their account quickly is a cornerstone of great customer service.”

Protection 1 notes these enhancements would not be possible without the support of a financial institution that works as a partner with its customers. For Protection 1, UMB Bank was instrumental in getting them on-boarded with Same Day ACH. UMB Bank was forward thinking in their preparation, communication, training and client service efforts, and they created an environment that allowed for the seamless integration of opportunities like Same Day ACH.

“Overall, the faster payment solution allows us to improve the customer experience. Striving to do whatever it takes to put customers’ minds at ease so they will know their money is going to be in their account quickly is a cornerstone of great customer service.”

Melisa Schellhamer, Corporate Finance Manager, Protection 1

Schellhamer said, “UMB is so good to us, and they handled so much of the work. We just told them what we wanted to do and when. All we had to do was sign the authorization and a couple of days later it was done. They really spoil us.”

The Results

For financial institutions like UMB Bank, efforts to communicate, educate and prepare its clients for the transition to Same Day ACH helped ensure businesses like Protection 1 are satisfied. Guaranteeing that processes can be implemented smoothly and that clients feel like the burdens do not outweigh the benefits make adopting a new faster payment option worth pursuing.

For businesses like Protection 1, capitalizing on Same Day ACH is a “win-win” solution because it enhances customer service and results in happier customers, while also reducing call volume and making more efficient use of employees’ time and resources.

About Protection 1

Protection 1, the premier full-service business and home security company in the U.S., provides installation, maintenance, and monitoring of single-family home security systems, business security systems and multi-family security systems. Protection 1 serves over 2 million customers and employs over 4,000 people in more than 90 office locations and five UL Certified monitoring centers across the country. The company has a 97% customer satisfaction rating and an A+ Better Business Bureau rating. For more information, visit protection1.com or follow us on Twitter at @protectionone and Facebook at facebook.com/Protection1

About NACHA - The Electronic Payments Association®

Since 1974, NACHA—The Electronic Payments Association® has served as steward of the ACH Network, managing the development, administration and rules for the payment network that universally connects all financial institutions in the U.S. The Network moves money and information directly from one bank account to another. Through its collaborative, self-governing model, education, and inclusive engagement of ACH Network participants, NACHA facilitates the expansion and diversification of electronic payments, supporting Direct Deposit and Direct Payment via ACH transactions, including ACH credit and debit payments, recurring and one-time payments; government, consumer and business transactions; international payments, and payments plus payment-related information. Through NACHA’s expertise and leadership, the ACH Network is now one of the largest, safest, and most reliable systems in the world, creating value and enabling innovation for all participants. Visit NACHA for more information.