

CASE STUDY

CENTRICITY

Electronics Store Increases Extended Service Contract Attachment Rates to 30%

Walts has been selling and installing consumer electronics in Arizona since 1957. Walts is a click and brick store, meaning they have their own eCommerce site, sell products nationwide on Amazon and have a retail location in Tempe, AZ with three warehouses strategically located throughout the U.S.

Walts sells a full line of electronics from home automation and custom home theater packages, to televisions, sound bars, DVD players and accessories. With more than 60 years' experience in the electronics industry, Walts prides itself on its unsurpassed customer service.



Challenge

Before joining EPIC Protect in 2018, Walts didn't have uniform service contract pricing online and in-store, which created confusion and barriers to purchasing. In addition, Walts wanted to exit the repair side of the business.

"We weren't happy with our previous provider, and our customers' claims were not being serviced properly," said Steve Hendley, Vice President of Purchasing. "We wanted to provide our customers with a service contract that we could stand behind, and our sales team would be confident selling."

In addition, Walts was seeking to differentiate themselves online in order to grow their eCommerce sales and profitably sell more extended service contracts.

Solution

"Customer service and satisfaction are at the heart of everything we do at Walts," Hendley said. "We're part of the Nationwide Marketing Group, so we chose EPIC Protect and Centricity because you have the same philosophy as us. We want to provide the best product protection available to our customers."

Walts business is growing rapidly, and online sales have spiked. In 2020 when the company started offering online bundles that included extended service contracts, customers responded favorably.

"Consumers who purchase electronics with a service plan know there's a good chance they might get a new replacement product if it can't be repaired," Hendley said. "That's a big incentive to purchase extended protection at the same time they are buying electronics."

Real Results

The dealer's sales of extended service contracts rose by more than 1,300% from 2021 to 2022, and they're set to exceed those sales in 2023. With an attachment rate of over 30% and rising, Walts put a new emphasis on recommending product protection to all their customers.

Walts considers extended service contracts as essential to customer retention. "If you sell product protection to a customer, and they have a claim resolved in a reasonable time frame, they'll be a customer for life."

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