Project: **Techie Co. Voice of the Customer**
Respondent: **Sheryl Crow**
Company: **Hair Raze**

Let's dive in.

Before we get started, I should have invited you yester – we actually had our annual vendor review with Techie Co. yesterday. So, that would have been a good thing for you to sit in on. It really just talked about what transpired over the last year, what worked well, what didn't work so well, what can we do to make, continue to improve the relationship. And that's a conversation we take pretty seriously. We've been doing it for five years now. It just helps to get everyone into the room together, hashing out what's going on. It would have been good for you to hear.

Just start and kind of give me the highlights and headlines from that, because that's very much in line with some of the questions I have.

Let me pull up the slide deck that we were working off of yesterday. Assuming I can find that. Yesterday was a crazy day for us. We had like three different firestorms going on. Techie Co. was in the loop on all of them. And it just, it's a partnership, definitely. Requires some understanding what Hair Raze itself is structured like because we are, and I don't know how much background they gave you on the specific clients they are having you talk you but, Hair Raze is 100 percent franchised owned. Our corporate, so we have 4200 salons in the US and Canada. Each of those salons has about eight to ten stylists working there, and those salons are all owned by franchisees. The corporate part of Hair Raze is about 260, 270 employees. Within that organization, we have one technical support analyst, we have a network administrator, we have a team of three people that oversee salon technology, we have a team of four that handle business intelligence, and we have three project managers, three software developers, a UI designer, and a director of software development. We're really, really small technology team for the footprint of our whole system. Our philosophy historically has been to outsource as much as possible. Not just in technology, we outsource all kinds of stuff throughout the whole organization just to minimize our corporate footprint. It helps us to execute things faster. From a technology perspective, it means when we're able to find a vendor like Techie Co., and because of the size we are and how we're structured, we can't afford to get bogged down in these gigantic management processes. We try to maintain the nimbleness and the agility of a small company, while providing services to a really large network of salons. If you think about the number of customers that hit our website every day and check-in online every day, it requires systems to be

working, it requires rapid response when issues crop up, and it requires vendors who understand and are onboard with what we are trying to accomplish. So that we can make the right decisions together and get things done. That's kind of [INAUDIBLE]

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Do you look at two levels of customer? One, are your franchisees and then other is the end customers?

The way we approach everything is really from the chair on up. We look at, everything is targeted at – everything is about salon profitability and to drive salon profitability you have to get customers in the chair. If the technology experience for a customer is bad – it's one to have a bad experience in the salon and get a haircut that you're not happy with, and then technology is the next layer where satisfaction is critical. We feel that at the salon, at the customer level, technology is a huge driver of the customer experience, brand, delivery, and driving profitable growth. It has to work. The other thing is, Techie Co. doesn't do any work for us that is directly related to the customer sales transaction, but they have to work closely with the vendor that does. So, we have another vendor that does all of our point of sale development and our online check-in development. That's truly another thing we look for is vendors who are able to work the way we work and also be willing to work with some quirks of some of the vendors we have. That's a place where we've had other vendors that we've tried to onboard into this whole nutty scenario and they haven't made it, because they haven't been able to figure out how to work the way we work. At every turn Techie Co. is, it's like they stop, and they listen, they know what's important and they're always, they always say 'what do you need us to do?' 'What do you need us to do? Just tell us what you need us to do,' and they'll help us think through some really big problems, they help us talk to through the pros and cons of each of those potential solutions, and then they'll wait for us to say 'yep, let's do it this way' and then now let's talk about how we actually get that done. They'll put in any amount of time necessary to help us through some really big stuff.

That's great. Was that discussed yesterday or just the feeling that you have?

That's just my day to day – that's my day to day experience with them. It's my every day experience. So, what were the things that came up yesterday. We do a quantitative survey within our technology team here, to capture information around – how do they fit with us strategically, how do they perform operationally, how do they, what's the quality of their support, how do they fit, what's our perspective on their pricing and their contract terms, how well do

they comply with our policies, and procedures, and our standards and how strong are they in terms of being a true partner. And it's a scale one to five. Every area on the survey scores at least a three. It's pretty consistent across the –

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Who filled out this survey? All of your team that you mentioned earlier?

Yes. I offer it up to everybody who works in the technology area. That would include salon technology, business intelligence, project management, development, service desk, network, right. So, it's a cross section. I give people the option to opt out if they don't think they've had enough interaction with people at Techie Co. over the past year. We did have some new developers on the team this that didn't complete, they didn't answer every question. Some people didn't answer the survey at all because their interactions were just not significant enough this year.

Got it.

Then I do break it down a little bit further by, so there's an overall score, there's an enterprise technology score which is my team, my direct team so that's project management, network, and service desk. I break out the developers and I break out the leadership team. Leadership team rates them really high on everything except compliance. I'm not sure why that came in low for leadership. Developers rate them really high on everything. It's just good see there's fairly consistent response on how things are.

That's great.

Then the year to year trend, we have a four-year trend on this now, and every category is trending up.

That's great. You covered that with them yesterday. What are some of the areas for opportunities or improvement that you identified?

The place where we always seem to have challenges and Hair Raze is really dynamic environment, we're always focused on too many priorities. We have very complex integrations, I don't think that's any different than any other company, but if – to us it feels like we're doing, just over doing it on the integrations but. One of the challenges that is somewhat consistent year to year is just challenges in communicating the right information to the right people at the right time. Things like, is some system alerting that there's a problem, are we

getting the right people involved in that initial communication to be able to take the right action. It's things like that. Or something was deployed to a test environment and we weren't expecting it to be deployed there yet. It's just some of that stuff that gets some – you think you've told all the people you need to tell but it doesn't always happen that way. It's things like that. Now, Let's Transfer, they do a lot of software development for us. So, just making sure that when their team is doing development for us, they're transferring the knowledge back to our internal team, so if we ever find ourselves in a position of having to support that code, we have a good idea where to look for issues. These are things that are all improving, and we've been talking about it a lot. Another area is in just, take it handling. So, Techie Co. also handles our level one service desk. A level on service desk there's always a fair amount of turnover and one of the challenges is making sure that all of those new people get the right level of training and are following our standards, along the lines of what kind of documentation do we need on those tickets before you escalate it up to our level two team. It's some of those things. We have monthly updates with the service desk management team to address those issues and just keep driving it home. We have also started doing a monthly on-site training where they will send one or two of their service desk people to our office and we'll walk them through all kinds of stuff, just to bring them up to speed on what different systems do, how they should be handling things, ticket documentation, all those rudimentary things. Those are all things that come out of past annual reviews, where we start talking about there's issues with support, well how can we, what can we do differently to make this better. When we started doing the on-site training with their people, we actually started to see an improvement in the number of tickets that were being closed at their level one service desk. When we started to, other priorities were coming up and we weren't able to get those training sessions in, we started to see those numbers decline. It's nice to be able to see that people are absorbing what we tell them, but then again you have more turnover and you have to start all over.

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Communicating the right information to the right people at the right time. That can always be improved. That might have to do with the turnover and training needed. Then knowledge transfer.

Then, one other thing that is, we kind of gave them a leading indicator on something. Over the years, and we've worked with Techie Co. since 2010 or 11, it's been a long time, in terms of technology vendors, anyway. But there was a time when we said, you need to get another Jim Carrey on your team. Because Jim was getting spread too thin. Then they brought in Ryan. Then it wasn't the

next year, but it was probably the year after where we said you need another Ryan on your team. This year, on the report, it didn't, we didn't come out and say it specifically, but we did say Travis has become a highly respected member of the Techie Co. team. I pointed out to them that this is a leading indicator for you that you're going to need get another Travis on your team. They're like 'yep, we're working on that already.' They see what's happening and they keep tabs on what their team is doing and who's becoming a bottleneck over there. They proactively address things like that.

The message there is getting out ahead of potential bottleneck. You bring people on, they learn the Hair Raze way and they become so central to operations, that were going to need another one.

And another thing that they did, at the end of 2016, we were in the middle of a project to rewrite and relaunch our hairraze dot com website. The platform that we used for content management is Sitecore and we were using a different local vendor to do the development on it. We were really having some struggles with them. Techie Co. came to me and said, "Would you like us to have one of our developers get certified on Sitecore?" And so, they approached things instead to different manner than any other vendor I've worked with. It's like they truly can get to the root of what's holding us back and just come up with something as simple as, "Would you want us to get somebody certified on this so that you have another layer of support?" They did. They're actually working on a second person being certified too.

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You just said something that answers one of my questions which is, "What you feel makes Techie Co. distinct or unique from other service providers?" You just gave a perfect example of that.

These words haven't gone through my head before but it's almost like because they're so tightly ingrained and they managed so many different things for us, they're able to expose my blind spots. They present them in a way that is, I don't know, they're very thoughtful in their approach. They're very respectful in their approach. They do everything from the perspective of, "We don't want to see something disastrous happen here, so we want to help you overcome this or prevent something bad from happening." Another thing they did a couple years ago is we were trying to find a-we really like to work as much as possible with local vendors. That's one of the things I love about Techie Co. is Jim Wolford is 15 minutes away from my office. If I want to look him in the eye and say, "You guys screwed something up," I can. I've never had to do that but it's really nice

to know that I can, so we always try to get our technology vendors in the local market so that we can have face-to-face conversations. A couple of years ago, I was having a meeting with Jim Wolford and a couple other people in his leadership team. We were looking at a consultant to be a security advisor for us because we don't have any security people on staff here. I don't know if you know Yan but Yan had shared some information with Jim about this person that we were talking with, and Yan didn't have a lot of respect for this guy. Jim had everybody leave the room and he talked to me about this path we were going down and how it could end up might not be a favorable direction for us to go. The results of that was that they didn't recommend a different partner specifically. They didn't recommend that daily commerce security advisor which I was really thankful for because I think that would have been a huge conflict of interest, but it made me stop and rethink my approach and we went down a different path. I think we ended up in a much better position. They'd really, I don't know, I just can't say enough about the things they do to really help us in every aspect of technology.

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You said that the relationship goes back maybe to 2010 or 2011. Were you around when the relationship started and could speak to that situation in how it began?

I was around when the relationship started but I wasn't as heavily involved with Techie Co. at the time. When I started Hair Raze, I was doing point of sale stuff [INAUDIBLE] on the Phone and Technology Team. We had a small office down in a diner. We had all of our servers in racks in our office. We didn't have good redundancy for power, for network, or fire suppression. All of these things were problematic for us and we were looking for somebody to collocate those servers. That was initially how it started and then just little by little, we ended up leveraging them as a private cloud provider, leveraging them as our service desk provider. It's gone into network architecture and strategy. It's gone into security. It's gone into software development. They've helped us with a number of-it's just endless. They are truly an extension of our team.

I'm just going back to that initial partnership. Sounds like the fear that your company had was that you didn't have your data center as rock solid as it could be, so you were either looking to find ways to make it better or to give that responsibility to someone else. Is that accurate?

Yes, that's accurate. I think the real emphasis was where we had those servers stored. We could not control the cooling. Things would happen like the air

conditioner on the top of the building might go out over the weekend. Things would start to heat up in there. Well then, you had to have the doors open and fans on and you don't know who's in there over the weekend cleaning the office. That's really what drove the first collocation project.

Do you recall looking at other vendors or other partner that could do that work and why you chose Techie Co.?

I wasn't involved in that but there might have been one other thing actually prior to that. I'm having a hard time because I wasn't-I think Techie Co. could clear this up for us in terms of when we actually started because the other thing was we were doing a-I don't know if it was our hairraze.com or if it was our Franchisee Extranet site that we were moving to this new content management system. We had been hosting with Honeycomb. I think that for some reason, they decided to move away from Honeycomb, so that's when they were looking for a different partner. I think that's actually what got us started with Techie Co., was taking them the hosting.

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So the website hosting.

Then we started to move other things over there.

It was either the website hosting and/or the collocation that really started the relationship.

I think those things happen pretty close to each other so it would be hard to say which was which, but they would be able to clear it up for you.

Again, maybe you might not have the exact reasons that you partner with Techie Co. at the time but maybe you can express why you believe Techie Co. was chosen for those reasons. Back in 2010 or '11, do you have some part you could share with me there? Like why Techie Co. was chosen over any other options out there.

I don't know.

That's fine.

I don't know. My predecessor would have gone through that entire selection and evaluation process. I wish I had more details on it but all I will say is I'm

thankful she went the path she did.

Sounds good. Any others that you can think of whether they were highlighted yesterday or that just come to mind where you think Techie Co. could do a little better job or provide better value for the dollar?

Value for the dollar. That's interesting because we spend a lot of money with Techie Co.. If you just look at as a percent of our technology budget, they get a lot of it. Nothing comes to mind in terms of what would make it better, how were they adding value, is it a good value for the dollar. The only thing I can say about that is it goes back to that whole thing for me of being able to look Jim in the eye and know that whatever I say to him, he's going to listen to it, he's going to take it seriously, he's going to make sure that everything gets done. You can't put a price on that.

That's a great way to put it. It sounds like there hasn't been any real situations like that where you had to go to somebody at Techie Co. and give it to him straight but you feel good that that could happen.

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The reason why we haven't had to do that is because they are so forthcoming when they miss something. Example, we have a monthly window for patching all of our Linux servers. This happened once or twice. Once I know for sure. I might be thinking of another thing where this happened but different situation, where they had it on their calendar but they didn't actually schedule a resource to do it. Sunday night maintenance window, it's on the calendar, we talked about our maintenance windows and our weekly check-in. Every week, we say, "Here's what's coming up this weekend. Here's the next patch in window. Here's the next whatever." They had it on the calendar but they didn't have a resource assigned to it so the patching didn't get done. As soon as they realize what happened, they emailed me with full explanation of what happened, why it happened, what they're doing in the future to make sure it doesn't happen again. They're proactive, they're honest. That's why I can't come up with anything where I had to go talk to Jim about something.

Those are great words to describe them – proactive, honest. I was actually thinking about asking you to come up with handful of words to describe Techie Co.. Proactive, honest, they offer a lot of services. Either now or the next as we continue the conversation, if you come up with other words that you think does describe Techie Co., I would love to document those as well.

I would add collaborative in there.

It sounds like they're such an extension of your team. You're working with a number of different people, are there any key people whether you'd call them an account manager or they're really one of the software developers or solution architects that you [INAUDIBLE] **team that you work with the most?**

On a weekly basis, Matt Zawislak is our account manager and he's the guy that I call whenever I have a question or concern or anything, want them to look at a specific issue that's of interest to me. Jim Carrey is that guy who knows our environment inside and out. I oftentimes refer people to him if they have a question about how something was architected or why we did something the way we did historically. Really, they retain a lot of information. Nick Peterson, on the network side of things, is one of the key people that my network administrator works with when we're doing any network changes. El [INAUDIBLE], he does a lot of network software's too. He's always very responsive, very thoughtful, gives us good advice on the things that he has to work on. Then on the software team, Travis and Ryan have become our go-to people and I've worked with them on a number of things. Then Justin Bieber has kind of become the go-to-he's like the go-between for us, between my project managers and their developers. If we want to– Open up a new issue or have them dig in to some code somewhere. We always work through Justin to coordinate all those things and let the developers do what they do best. And then he just kind of keeps us updated on things.

Todays day and age it's hard not to see in the News almost every month or week about a security breach and the heightened concern of cyber security. Do you feel Techie Co. is serving you well in terms of protecting the company from those sort of security breaches and incidents?

It's funny you ask that question because yesterday we were dealing with a fishing thing that was running rampant through our whole system. And we were getting ready to get on the phone with Techie Co. to start working through it and I told my two key guys here internally. I said I must go get on the phone with Techie Co. and figure this thing out. And 30 seconds later before I had a chance to pick up the phone, Matt was calling me to talk about it. And they're really there just on standby with the line open listening to the conversation we're having and again it's, "Tell us what you want us to do." If I had said, "Get Yana on the phone or get Justin on the phone so I can get their perspective on this," they would have done. They're giving us very clear direction on what to do. How to handle it. What to be looking at. So from that perspective, having some talented security people is great. They monitor our firewalls and the traffic and

respond to alerts and things like that. And we haven't had on our public cloud – oh sorry on our private cloud that they host, we haven't had a breach that we know of. They're things are really tightened up over there. And the stuff that's corporate facing at our co-location, they monitor that too. And of course that's the area where we have corporate employees who are getting email and things like that. So that's just going to be higher risk. And things do get in there but they help us with identification and resolution and all those things when we call them in to consult on those things. And when we do that, when we do need them to jump on something they're on it start to finish.

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They're on it and sometimes they're ahead of you, right? They see the issue as well so they're right along with you when something happens like that.

We're talking about places where we can improve things. And it goes back to consistent ticket handling and documentation there is a little bit of that when things like these pop up. They're might get a call from a franchisee is saying something weird is going on and in a salon, or just weird things happen. And we just need more consistency in response from the level one service desk. So if a franchisee calls in what should they be doing with it? What advice should they be giving? And that's just training for us. But just to make sure that that's executed consistently at each different situation that crops up. And I feel like that's kind of our need to say, "Hey let's figure this out." I don't think that's necessarily anything on them, although if they push the issue we'd be working on it.

How many times a day does a franchisee call the service desk or how many calls do they get from – you said from 4,000 salons? Probably getting many calls an hour?

Oh my gosh. Salons typically call the point of sale vendor directly for sup – and then if Techie Co. needs to get involved as it pertains to the salon network, then it might get transferred over to us. But on a daily basis I think we have around 100 calls, the tickets that are opened on our level one help desk. 100 – 120. The volume doesn't seem that high but because of the complexity of some of our systems some of those tickets can take a while to close. Not that challenging but – yes.

It ranges from the computer wasn't on to it's unplugged from the wall to really difficult tricky things that have to do with, could be an OS packs that's in load or could be the network is latent or whatever reason the carrier is having a

problem. Could be a lot of things. I can imagine.

And a lot of it is, how do I get my email on my phone? It's turned into those kinds of things more than is it plugged in?

But that's a good example of where a lot of people need to talk to somebody, right?

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Yes.

They can't look it up online and follow the instructions. They really need to talk to somebody. From they're point of view it's quicker. And it's always going to be right.

Yes. It is and I think from the Hair Raze perspective, our focus is on salon profitability. And for our franchisee we have a profitable business. Some of those barriers need to be taken away in terms of if we can provide a service to them to help them figure out how to get email on their phone, by all means we'll pay somebody $6 to handle that ticket. It just makes sense. It's not a good use of a franchisee's time to be trying to figure that out on their own. And from that perspective we're glad that Techie Co. is flexible enough to roll with the punches and all the changes that we throw at them on an almost weekly basis.

If another CIO had a technology at some company that's in your network and they come to you and say they're looking for an IT partner, would you speak about Techie Co.? What would you say about them to that colleague? Would you recommend Techie Co.? Would you provide both sides of the coin? What would you say to that question?

I would definitely recommend that they talk with somebody at Techie Co.. I think everything I've said it just speaks volumes for the service they provide. And I would share what are some of the highlights. And I would want to understand, what are they seeking? "Are you looking for a hosting partner? Are you looking for a security partner? Are you looking – what are you looking for? What's the problem you're trying to solve?" And then speak directly to those things. And then give them kind of – in addition to those great things these are the other ways we work with Techie Co.. And this is how they've helped us. So don't think of them just as a hosting company. Don't think of them just as a whatever. They do so much more.

Part of my engagement with Techie Co. is to help them communicate those things better. Do you feel like Techie Co. has a – there is a perception that they're just a hosting provider? Do you have a sense for that at all in the market place and amongst your peers here locally?

Interesting. That's really interesting question. I don't know whether I have an answer to it. I'm trying to think of – I wonder if people just might not know exactly what they are. Or if they think they are just hosting. Because I'm trying to think of the vendor we're working with on our greatclubs.com project. When we said, "We'll be hosting this at Techie Co.," I'm guessing they had no idea that Techie Co. also did – we told them, "Yes. They do our level one help desk." "Oh, really that's cool. So calls will be going here?" "Yes. And they do software development for us. So if there is any APIs that need to be written or that exist, that affect our.com project that's who'll be doing it." But that's just one example. And I do think – we have a Business Intelligence environment that our franchisees have access to. So they can run reports and get information about how their salons are performing. That was written by another local vendor. But when we got to the point of doing deployments we made it mandatory that all software deployments were done by Techie Co. not by the vendor that created it. Because we wanted to have some checks and balances in place to make sure that the deployments went – because they were done consistently. And I don't know that they knew Techie Co. did anything besides hosting at the time.

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Their brand name and their high level positioning around safe, simple, smart – that would give an indication they're a data center, right? That's where the company's roots were. One of the challenges and/or opportunities is to be able to communicate and explain to the market place that is but one service that Techie Co. offers. I'm trying to gather from these interviews is, both the consistency that you're providing as far as level of service, partnership, collaborative, but also how can Techie Co. improve it's prospects in the market place against other local competitors so that the market understands the breadth of service. Sometimes it may be considered as dilutive, right?

Yes. And that's exactly what I was – so I was thinking it's like do they want to go to market as being the best data center? Hosting partner? Pubic, private, cloud, whatever it may be or do they want to be the Swiss army knife? And I think it's important. When people are going to their strategic planning – and if you do start to try to be too many things to too many people, it can hurt you. So I guess that's the one thing I would caution them on is know what you're good at, commit to being really good at that and I don't think they have strayed from that

by any stretch. But I think these other things – they're kind of surprised in the light when it comes down to it. Because when I talk to people, people have awareness of Techie Co.. It's still funny. One of my kids plays hockey. And I was talking to one of the other parents on the hockey team and I said something about – it must have been something about one of our websites and our hosting partner. And she says, "Oh, who does your hosting?" And I said, "Techie Co.." And she was like, "Oh, yes." But I think the awareness comes from the commercials that are on the radio. That's where people always say, "Oh, I heard about it on a talk radio. Or I heard them on public radio." Wherever. But I don't think the commercials they put out there necessarily go as deep as the services that we actually see.

The brand name is very easy to associate with hosting. Even for a non IT leader, at a company or an organization, right? Oh Techie Co., they must have something to do with data or IT, right?

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Yes.

That's kind of the challenge or opportunity however you look at it for the company right now is to think of new ways to express the value proposition to the market place. To help the market place understand Techie Co. more quickly and the value it can provide. The internal team the ones that you work with, can be out with clients with sort of that new badge. It's not a new brand. Techie Co., we don't just do hosting we also do other things. There is also the perception of Swiss army knife, which is why we do a lot of things, but not as well as actually using each individual tool. Right?

Yes.

That's a good analogy. I appreciate that one I hadn't thought of it.

And I think the other – the comment I made earlier about – I'm guessing that hosting and co-location all the data center stuff is their cash cow. So I think those places where if they enter into a partnership with somebody to take on their hosting, there's opportunities where because they're smart people, they'll listen. They pay attention to what their customers are doing. And I think about how we got to the point where Techie Co. took over the deployments of our BI tools for franchisees. The first vendor that actually built that system they were doing the deployments and they were telling us it was our fault because something didn't get deployed the right way. Because we did something to the environment. No.

That's not actually what happened. That vendor was fired. We brought on another one and at that point we said Techie Co. is going to do all the deployments. And so it's being able to – and I think that came up because Techie Co. said, "You know, we can do the deployments for you. And things will happen more smoothly and consistently." And we were like, "Cool." "And then you don't have to give these other vendors that level of access to your production systems." It's being able to kind of do the yes-and approach. It's like we do hosting, OK. Are you going to be deploying software? Do you have your own developers? What do you – getting in to some of those conversations with their customers about, what do you do? How do you do these things? What are the biggest challenges you have with those things? What would you like to be doing better? And that's kind of how the conversations happen. That's why they see something that failed in how we were doing things and that turns into an opportunity for us to do things better together. That might be.