Customer Stories:
Schwan's

AT&T Business



Enabled devices boost efficiency and performance

- **Business needs** - Reliable connected devices to support nationwide home delivery program
- **Networking solution** - Smartphones with highly reliable AT&T connectivity equip route service representatives to better serve customers
- **Business value** - Increased speed and efficiency, enhanced ability to connect in most areas
- **Industry focus** - Frozen food home delivery
- **Size** - 1.6 million customers

About Schwan's Home Delivery

Schwan's Home Delivery is a direct-to-consumer frozen food delivery company. It provides customers with delicious, top-quality frozen foods. Based in Minnesota, the family-owned company has almost 4,000 dedicated employees and more than 300 local neighborhood depots nationwide.

The situation

Schwan's Home Delivery serves 1.6 million customers a year. Tens of thousands of them interact directly with the route service representatives who deliver food to their doors. These representatives carry handheld devices that serve as their lifeline, providing direct access to customer routes, customer orders and preferences, sales and product information, and communication tools. However, Schwan's Home Delivery needed to modernize the technology, to give their reps the right tools, speed, and flexibility for future capabilities. This would allow its frontline workers to serve customers more effectively and decrease waiting time during the at-the-door ordering process.



Solution

Schwan's Home Delivery replaced its ruggedized devices with state-of-the-art smartphones with more advanced features and better connectivity than the old units. The solution has increased efficiency and saved time for customers and company representatives.

Seven decades of innovation

Consumers have trusted Schwan's Home Delivery to put delicious food on their tables for decades. The company's yellow trucks have served generations of families, who eagerly await their deliveries of premium food items such as ice cream, pizza, meats, and seafood, breakfast items, desserts, and more.

Marvin Schwan started the company in 1952. He loaded 14 gallons of ice cream from his family's dairy into a small panel van and went door to door in rural Minnesota. Jennifer Rock, Schwan's Home Delivery Director of Communications and Public Relations, said he ended up selling all 14 gallons, thereby creating the door-to-door frozen food sales business model.

"We have been owned by the Schwan family and on the forefront of innovation for 70 years," she said. "We have unbelievable relationships with our customers, sometimes for generations in a family." Additionally, Schwan's Home Delivery staff includes multiple generations of employees. The company today serves about 1.6 million customers.

Outstanding service at the door

Becky Swanson, Schwan's Home Delivery Senior Manager, Operations Support, said the company makes it easy for customers to place orders on its mobile app, website, and other channels. In addition, many prefer to order directly from one of the

3,000 Route Service Representatives (RSRs) who deliver their food.

"Customers build a relationship with their RSR, whose truck is loaded with products to sell to them based on their past purchases," Swanson said. The RSRs also carry extra items to satisfy customers' add-on purchases and same-day orders.

For years the RSRs used ruggedized devices to record each sale, manage each truck's inventory, and navigate to their scheduled stops. "We ask the RSRs to deliver to roughly 50 to 60 customers in a day," Swanson said. "We need a device that is not only durable, but quick enough for the RSR to give each customer good service and move to the next customer."

> "As we evaluated the responses with AT&T among the others, it was a super clear decision. We chose AT&T Business as our vendor to help move us forward."
>
> **Dave Gosmire**
> Director, IT Operations, Schwan's Home Delivery

Investing in representatives' success

Schwan's Home Delivery's technology team recently decided to invest in new devices for its RSRs. "We saw where technology was going and knew our current device was not going to keep up," Swanson said. "Our goal is always to make the RSR's job productive and effective, and we can do that through technology."

David Gosmire, Schwan's Director of IT Operations, said his team began researching solutions with the connectivity and speed to raise the bar on customer service. It was not a simple matter, according to Gosmire. The RSRs needed updated technology that could enhance their service now, and be future-ready to adopt innovative, new capabilities as technology rapidly advances.

"The device is not just a cash register," Gosmire said. "It's a custom-coded application that includes our customer relationship and inventory management solutions. It's our payment solution, and ties into navigation and helping with the sequences that we need to see our customers in. The device is everything for us."

The device had to be durable with great processing power, memory, and speed. Schwan's Home Delivery also wanted something that wouldn't be obsolete in a year, lock the company into a lengthy contract, or be unable to support innovations as the company modernizes. "Technology moves way too fast for us to do that," he said. "We don't want to hamstring our route sales representatives. They're the most important people to our customers."

Immediate improvement

Schwan's Home Delivery considered many providers during a thorough request-for-proposal (RFP) process. "We needed a vendor with good national coverage that could bring us a solid device, the ability to get us the data, and the flexibility to move and change with our data needs," Gosmire said.

The Schwan's Home Delivery team also evaluated the warehousing, shipping, and repair services each

company could deliver. “As we evaluated all the options, it was a super-clear decision,” Gosmire said. “We chose AT&T Business.”

Schwan’s Home Delivery chose to replace its ruggedized devices with state-of-the-art smartphones. While the company originally set a goal of completing the deployment to 3,000+ route service representatives by the end of its fourth quarter, the deadline was moved up by two months. The pandemic and global supply chain issues added to the difficulties of meeting the earlier deadline.

But working as a team, Schwan’s Home Delivery and AT&T Business met the deadline, equipping all the RSRs with smartphones featuring highly reliable AT&T connectivity. “There was a lot of stuff we had to move, but we hit that Oct. 31st date,” Gosmire noted. “And there hasn’t been any looking back or second guessing.”

In fact, reaction from staff and management was immediate and overwhelmingly positive, Swanson said. “One area manager said this technology is the best thing that he has seen in the 10 years he’s worked for Schwan’s Home Delivery. And in other areas where the RSRs really struggled with connectivity, they saw an immediate improvement.”

Nothing but rave reviews

The new devices are much speedier, dramatically reducing the time it takes customers to place orders. Another benefit is a built-in promotions engine that finds the best price.

Customers are happier and staff morale has greatly improved, Swanson said, and staff like how much easier it is for them to do their jobs. “I have not heard a single negative comment from anybody on these handhelds,” she said. “It’s been nothing but rave reviews from everyone.”

Rock agreed that moving to the solution from AT&T Business has been a positive experience. “I’ve worked for a lot of different companies and technology rollouts are always an exercise in change management and spinning the communication to get staff to focus on the positives,” she said. “It can be a long slog.”

In this case, however, locations that had not yet received the new devices were eagerly anticipating the change. “They were already asking for it,” Rock said. “They had already heard from their peers what a difference this was going to make and knew the benefits. That’s rare for a technology rollout.”

Gosmire said past technology deployments usually resulted in some staff asking to return to the old devices. “This time there was none of that. And even four or five months in, it’s still being well received,” he said.

A big customer service opportunity

Moving to consumer-grade devices for the deployment with AT&T has proved to be a smart move. “I was a little worried,” Swanson said. “But very few devices have been broken or malfunctioned, so that’s a big win for us.”

Choosing a consumer-grade device also enables Schwan’s Home Delivery to benefit earlier from new versions that can support new capabilities. “That’s exciting for the RSRs to know that we’re going to continue to upgrade their devices,” Swanson said.

The smartphones are easy to use and have added

functionality, enabling RSRs to take photos to use in delivery notifications. "It's opened up a big opportunity for the company in terms of customer service," according to Swanson.

Gosmire said out-of-date technology has been a top complaint of staff in the past. "Having a better refresh point is a big deal," he said. "Their navigation just got so much better because of the new technology. Now we have a more responsive device, and we're up to speed on the latest release from our navigation partners. That lets the RSRs focus on each customer."

And where the old devices had connectivity in 94-95% of customer locations, the new devices have connectivity in 98% of locations.

Efficiency benefits customers and staff

The devices have made it much easier for RSRs to complete their transactions. For instance, Schwan's Home Delivery accepts electronic benefit payments from families that receive governmental supplemental nutrition assistance. Accepting these with the old devices was often time-consuming.

"We plan about four minutes for each stop because we know that not every stop is a sale," Swanson said. "But when we started to track it, we found it took from seven to 10 minutes per stop."

The solution from AT&T Business makes it easy to accept all types of payments. "We've heard from some RSRs that the devices save them as much as 45 minutes a day," Swanson said. "We're getting down to four to five minutes per stop, solely because of the speed of the device. That keeps our customers happy, too. They can interact with their RSR quicker and get back to doing other things."



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Operation Manager, Schwan's Home Delivery

A flawless deployment

Gosmire said the new devices are also more useful to the RSRs because they can withstand cold and wet weather better than the old handhelds, which sometimes created delays if they got wet. "This is a really big benefit." In addition, he said, the devices are easier to track if they become lost.

Swanson said shipping thousands of devices to hundreds of locations was a daunting task, but everything went off without a hitch. Schwan's appreciates the simplicity of the deployment. Staff simply turned on the devices, downloaded the applications, and ran their routes.

"It was flawless. The boxes contained the handheld device, the power cords for use in the depot, the truck cradle, and a charging cable for the truck. Every depot got everything it was supposed to get," Swanson said. "I didn't have a single call that anything was missing."

Continuing reinvention

The technology improvements come at a great time, said Kevin Boyum, VP Information Services for Schwan's Home Delivery. "We've embarked on a year of reinvention," he said. "That includes bold moves to cement our position as a modern, mobile retailer for decades to come."

As the company turned 70, it also announced a transition to a new name—Yelloh. The new name and brand identity capture the company's optimistic spirit and commitment to delivering delicious frozen food to families, he said. Yelloh will continue to operate under the ownership of the Schwan family and remain headquartered in Minnesota.

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"There will be more innovative stories to come in," Boyum said. "You'll see it in how we service our customers and our communities, and how we offer multiple ways for busy families and on-the-go professionals to connect with us and purchase our products. The new devices will continue to enable new capabilities, allowing us to drive outstanding customer experiences, and create more fulfilling and successful days for our employees."

Gosmire appreciates the knowledgeable the account team from AT&T Business. He's also a big fan of the outstanding service Schwan's Home Delivery receives from them. "The AT&T Business account team's expertise was crucial in making this deployment happen and adjusting to what might sometimes be unrealistic demands," he said. "Everything has been really well done and always with good open, honest communication and working together."

He believes the relationship with AT&T Business will continue to grow as Schwan's Home Delivery seeks to simplify connectivity and give all employees the tools they need to continue the proud Schwan's Home Delivery tradition.

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