

Best Practices in Telephone Customer Service
 A 2005 Call Center Benchmark Report

Cross-Industry Contactor Satisfaction and
 Loyalty Measured Throughout 2004

Executive Brief

By Portland Research Group, Inc.

Portland Research Group

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Methodology

The findings contained in this executive brief are the result of primary consumer research conducted by Portland Research Group.

Portland Research Group conducted a survey of consumers regarding their recent experience contacting a US company by phone for assistance. (See Appendix at the end of this executive brief for industry breakdown.) Data was collected from January 10, 2004 through January 31, 2005 via a web survey.

A total of 291 responses were received permitting overall interpretation of the results with 95% confidence, ± 5.7% margin of error.

Online advertisements were used to solicit feedback from a cross-section of the American public. Statistical weighting was used to align the characteristics of the respondent sample with those of the overall US population.

Contact Satisfaction

Respondents were asked, "Overall, how satisfied were you with the response you received?" Three out of five contactors (59%) were satisfied with the response they received when contacting a company for assistance. Thirty percent reported that they were "Very Satisfied" and 29% reported that they were "Somewhat Satisfied" with the response they received.

A total of 14% of contactors reported that they were "Somewhat Dissatisfied" with the response they received and 18% stated that they were "Very Dissatisfied." The remaining 9% reported that they were "Neither Satisfied nor Dissatisfied" overall.

Consumer Loyalty

Respondents were asked, "How likely are you to

purchase additional products/ services in the future from this company?" Only half (50%) of contactors reported that they are likely to purchase again from the company they contacted. A quarter (25%) reported that they "Definitely Will." This is matched by another 25% who reported that they "Probably Will."

Sixteen percent reported that they "Probably Will Not" buy again from the company they contacted, and twelve percent said they "Definitely Will Not." The remaining 22% reported that they "Might or Might Not" buy again.

Impact of Satisfaction on Loyalty

There is a strong correlation between a contactor's feelings about the response he or she received and his or her intention to continue to

Crisis in Customer Service

- In 2004, three out of five contactors (59%) were satisfied with the response they received when contacting a company for assistance.
- Only half (50%) of contactors calling into a U.S. company are likely to purchase additional products and/or services from the company they contacted.
- Consumer loyalty drops by 76 percentage points when a contactor is less than satisfied with the response he or she receives.

purchase products or services from the company they contacted.

A contactor who was “Very”/ “Somewhat” satisfied with the response received had an associated loyalty of 88%. However, loyalty drops by 76 percentage points to 12% (“Neither Satisfied nor Dissatisfied” or “Very”/ “Somewhat” Dissatisfied) when a contactor was less than satisfied with the response he or she received.

This indicates a clear economic imperative for companies to do everything possible to “win-back” “dissatisfied” customers through better customer service.

Improving Customer Service with Research

Contactor satisfaction is driven by three attributes:

1. Ease of contacting someone for assistance
2. Performance of the call center agent
3. Response delivery

Ease of contact should be measured in the context of the number of contacts required before resolution, the number of transfers received before reaching someone who could

help, and being put on hold.

Call center agent performance is understood through measures of professionalism,

For More Information

Visit: <http://www.portlandresearch.com/report.htm> or call 207.874.2077 x4 for more information.

Management Summary

Ease of contact, agent performance, and response delivery metrics are available in the “Management Summary” version of this report.

Full Report

Segmentation by reason for contact, service standards by industry and industry specific scorecards are available in the “full version” of this report. Also included with the full version are 2 hours of complimentary ad-hoc assistance which can be used for custom analysis, briefings, or additional reporting.

knowledge, and authority to resolve the caller’s problem.

Response delivery is measured in terms of timeliness of response, clarity of response, and ultimate follow-through on promised actions.

These metrics taken together constitute the “drivers of contact satisfaction” and subsequent consumer loyalty. Data should be segmented by “reason for contact” to pinpoint where action can be taken to improve overall performance.

Direct action can be taken in the center itself through agent training, coding and classification script revisions, and/ or enhanced Q&A activities. Regardless of what action is taken, data should be used to support the initiative. This data is available in the “Management Summary” version of this report.

Appendix

The companies contacted were segmented into four categories. Of the 291 survey responses received, 44% were categorized as “Telecommunication/ ISP” companies, 42% as “Consumer Goods/ Retail,” 9% as “Consumer Services/ Medical,” and 5% as “Travel/ Lodging/ Food.” The full report

provides industry level segmentation.

Author:

Portland Research Group
408 Fore Street
Portland, Maine 04101-6443
T 207.874.2077
www.portlandresearch.com

Contact:

Christopher H. Clegg
Senior Research Manager
207.874.2077 x4
cclegg@portlandresearch.com

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