

Customer Care

M E A S U R E M E N T
& C O N S U L T I N G

**First Results of the
2004 National Customer Rage Study:
A Case Of Customer Rage Unassuaged**

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Customer Care Measurement & Consulting**

*November 5, 2004
Confidential & Proprietary*

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Who Is The Customer Care Alliance?

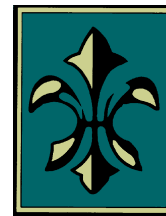


CARECALL, INC.

<http://www.carecall.com>



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**DeMars
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Innovative Dispute Resolution

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Who Is The Customer Care Alliance? *(continued)*

- ▶ Academic partner with



Who Is The Customer Care Alliance?

(continued)

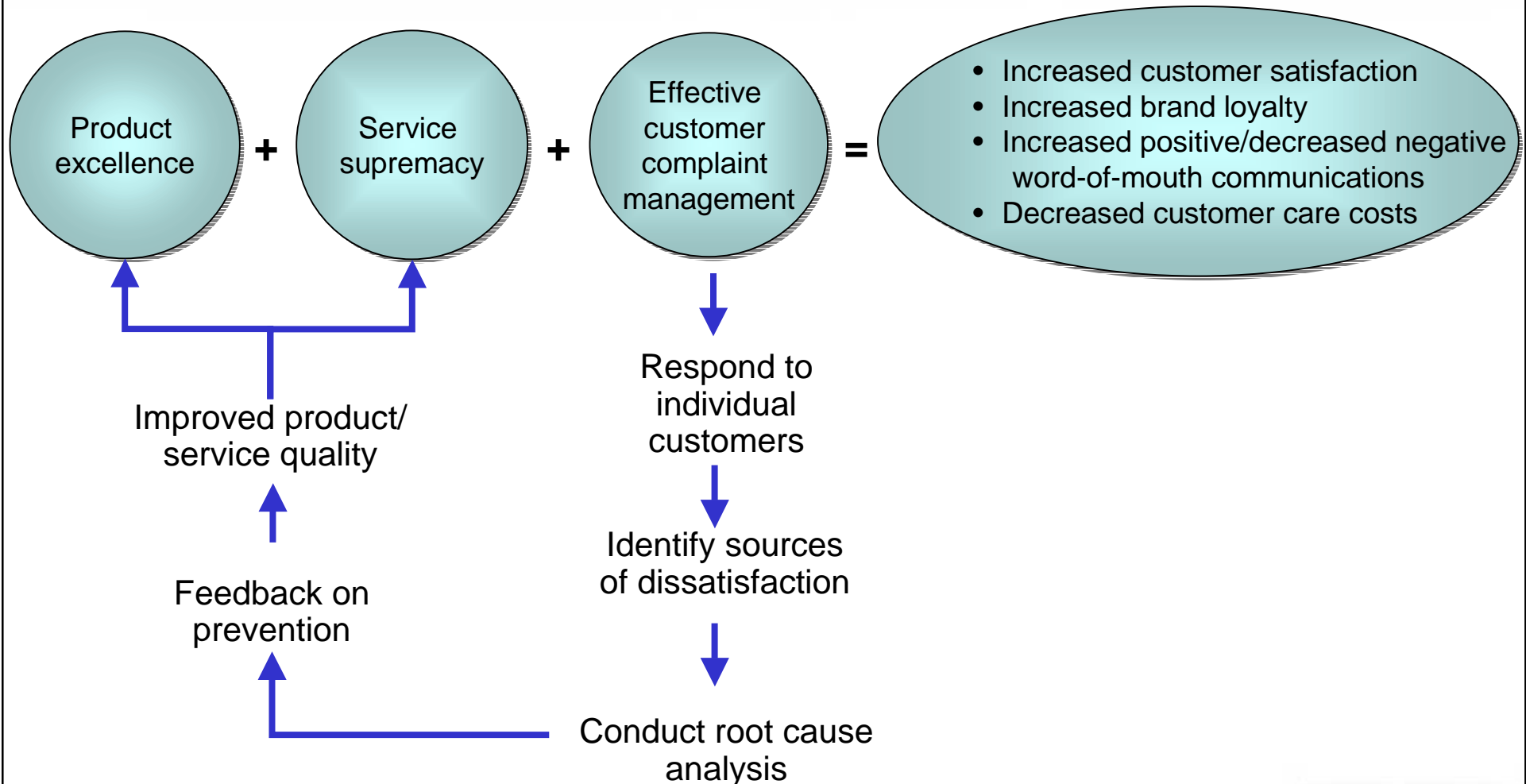
- ▶ Dedicated to fostering customer care innovation and best practices that increase customer satisfaction/loyalty and show a positive return on investment
- ▶ Sponsors national/international research studies, cross industry- and industry-specific conferences, and company-specific workshops
 - Spring, 2003 – Customer Care: The Multibillion Dollar Sinkhole – A Case of Customer Rage Unassuaged (U.S.)
 - Fall, 2003 – Channel Surfing – Customer Care and the Multichannel Imperative
 - Winter, 2003- Customer Care: The Multibillion Dollar Sinkhole- A Case of Customer Rage Unassuaged (Great Britain)
 - Spring 2004- National Do Not Call List Study

Who Is The Customer Care Alliance?

(continued)

- ▶ Summer, 2004- Customer Care: The Multibillion Dollar Sinkhole- A Case of Customer Rage Unassuaged (U.S.)
- ▶ Winter, 2004- Customer Care: The Multibillion Dollar Sinkhole- A Case of Customer Rage Unassuaged (Great Britain)
- ▶ 2003/ 2004- East and West Coast ACES Conferences

Customer Satisfaction/Brand Loyalty Formula



Study Methodology

- ▶ Annual study
- ▶ Sponsored by the Customer Care Alliance
- ▶ Telephone survey methodology
- ▶ Random national household sample
- ▶ Survey fielded in August 2004
- ▶ 1,000 respondents
- ▶ Overall margin of error is +/- 3.9% at the 90% confidence level
- ▶ Some numbers may not equal 100 percent due to rounding or because question was a multiple response item (i.e., answer all that apply)
- ▶ - means no respondents answered item; 0% means at least one respondent answered item
- ▶ Study findings focus on most serious problem experienced with products/services during the past 12 months
- ▶ Selected findings from this study are compared with results from A National Survey of Complaint Handling Practices Used by Consumers. NTIS PB-263-082 (Washington, DC: Office of Consumer Affairs, 1976) (White House Study)
 - Survey fielded February, 1976
 - National probability, household survey with 2,513 persons interviewed.
 - An hour-long interview schedule was administered in each of the respondent households, on a face-to-face basis.

Industry Specific Sectors

- ▶ Automobile
- ▶ Consumer Electronics & Computers
- ▶ Dwellings
- ▶ Entertainment
- ▶ Financial Services
- ▶ Large Ticket Durable Goods (Non-automobile)
- ▶ Medical Care
- ▶ Retailer
- ▶ Small Ticket Packaged Goods
- ▶ Telephone
- ▶ Travel & Leisure

Demographics of All Respondents

| | Respondents | US Population* |
|--|-------------|----------------|
| GENDER | | |
| Male | 40% | 48% |
| Female | 60% | 52% |
| AGE | | |
| 18 to 24 | 4% | 13% |
| 25 to 35 | 17% | 21% |
| 36 to 45 | 22% | 22% |
| 46 to 65 | 39% | 28% |
| Over 65 | 19% | 16% |
| INCOME | | |
| Less than \$35,000 | 31% | 42% |
| More than \$35,000 but less than \$50,000 | 17% | 16% |
| More than \$50,000 but less than \$75,000 | 24% | 19% |
| More than \$75,000 but less than \$100,000 | 13% | 10% |
| More than \$100,000 | 16% | 12% |
| INTERNET USAGE + | | |
| Several times each day or more | 33% | |
| Once a day | 14% | |
| A few times a week | 17% | |
| Once a week | 3% | |
| A few times a month | 8% | |
| Never | 24% | |

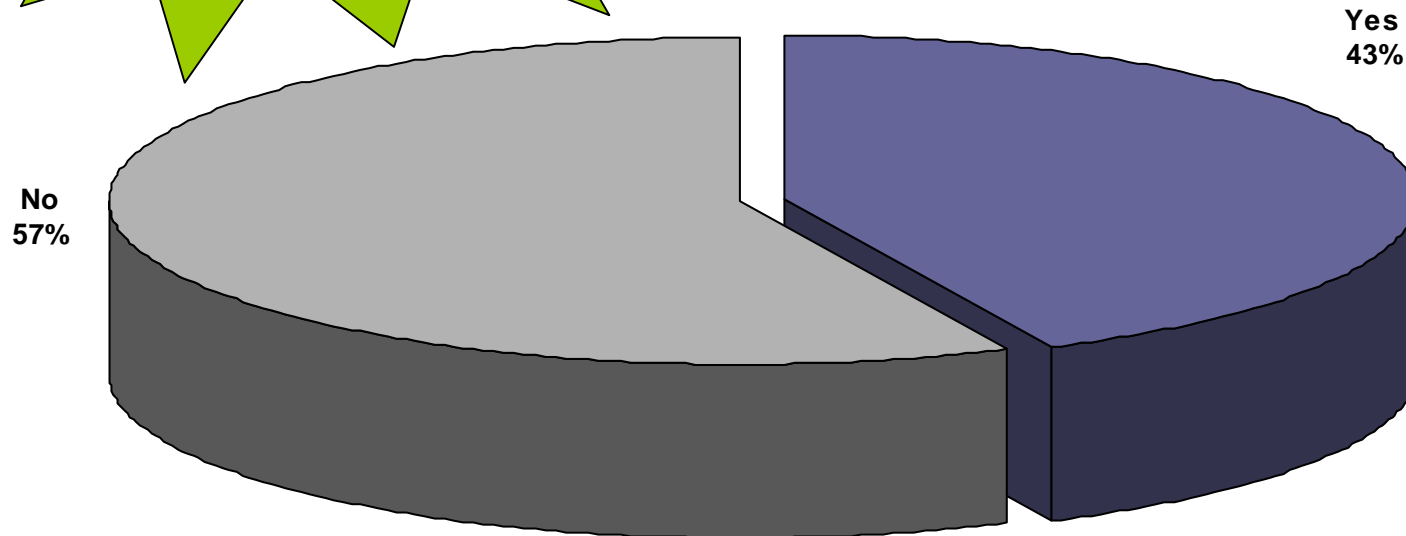
*2000 Census data

+ Not available in census data

Problem Experience

During the past year, have you experienced problems with any products or services?

32% problem experience during past year in White House Study



Why Do We Have More Customer Problems Today Than in 1976?

- ▶ Product/service quality not the answer
- ▶ Households own more products/services today
- ▶ Complexity of products/services has increased
- ▶ Increased customer expectations

- ▶ 2004 Study understates problem experience
 - White House Study used a prompted problem experience question
 - 2004 Study used an open ended problem experience question
 - Increase in problem experience, therefore, likely greater than 11 percent reported by 2004 study

Product Type

I'd like to ask you a few questions about only one of these problems; that is, the most serious problem you experienced during the last year. What product or service was involved with this problem?

| Product Type | Respondents - Problem |
|---|-----------------------|
| Automobile (purchase, repair, etc.) | 13% |
| Dwellings (home improvement) | 11% |
| Telephone (land lines, cell) | 10% |
| Retailer | 9% |
| Small ticket packaged goods | 7% |
| Large ticket durable goods (non-automobile) | 7% |
| Consumer electronics (non-computer) | 6% |
| Computer equipment | 5% |
| Banking | 4% |
| Utilities | 4% |
| Medical care | 3% |
| Dining out | 3% |
| Computer services (e.g. internet provider) | 3% |
| Cable TV/satellite | 3% |
| Clothing | 2% |
| Airline | 2% |
| Insurance (health) | 2% |
| Insurance (life/casualty) | 1% |
| Entertainment (e.g. movies) | 1% |
| Mail/delivery service | 1% |
| Dwellings (home sales) | 1% |
| Hotel/motel/resort | 1% |
| Brokerage | 0% |
| Governmental services (non-school) | 0% |
| Other | 4% |

Problem Type

Can you briefly describe your most serious problem?

| Problem Type | Respondents - Problem |
|---|-----------------------|
| Unsatisfactory performance/quality of product | 27% |
| Unsatisfactory service (unrelated to repair) | 24% |
| Incorrect/deceptive or fraudulent billing | 9% |
| Unsatisfactory repair | 6% |
| Product/service not as ordered/agreed upon | 6% |
| Deceptive advertising/packaging/pricing | 6% |
| Overcharge or excessive price | 3% |
| Goods received in damaged condition | 3% |
| Manufacturer/dealer did not live up to guarantee/warranty | 1% |
| Long wait for delivery | 1% |
| Dealer/salesman misrepresented product/service | 1% |
| Failure to receive refund | 1% |
| Item received different than one bought | 1% |
| Product unsafe | 1% |
| Failure to receive delivery | 1% |
| Credit terms misrepresented | 1% |
| Unauthorized repair or service | 1% |
| Instructions for use/care unclear/incomplete | 0% |
| Distasteful or offensive advertising | 0% |
| Store did not have product advertised for sale | 0% |
| Other | 7% |

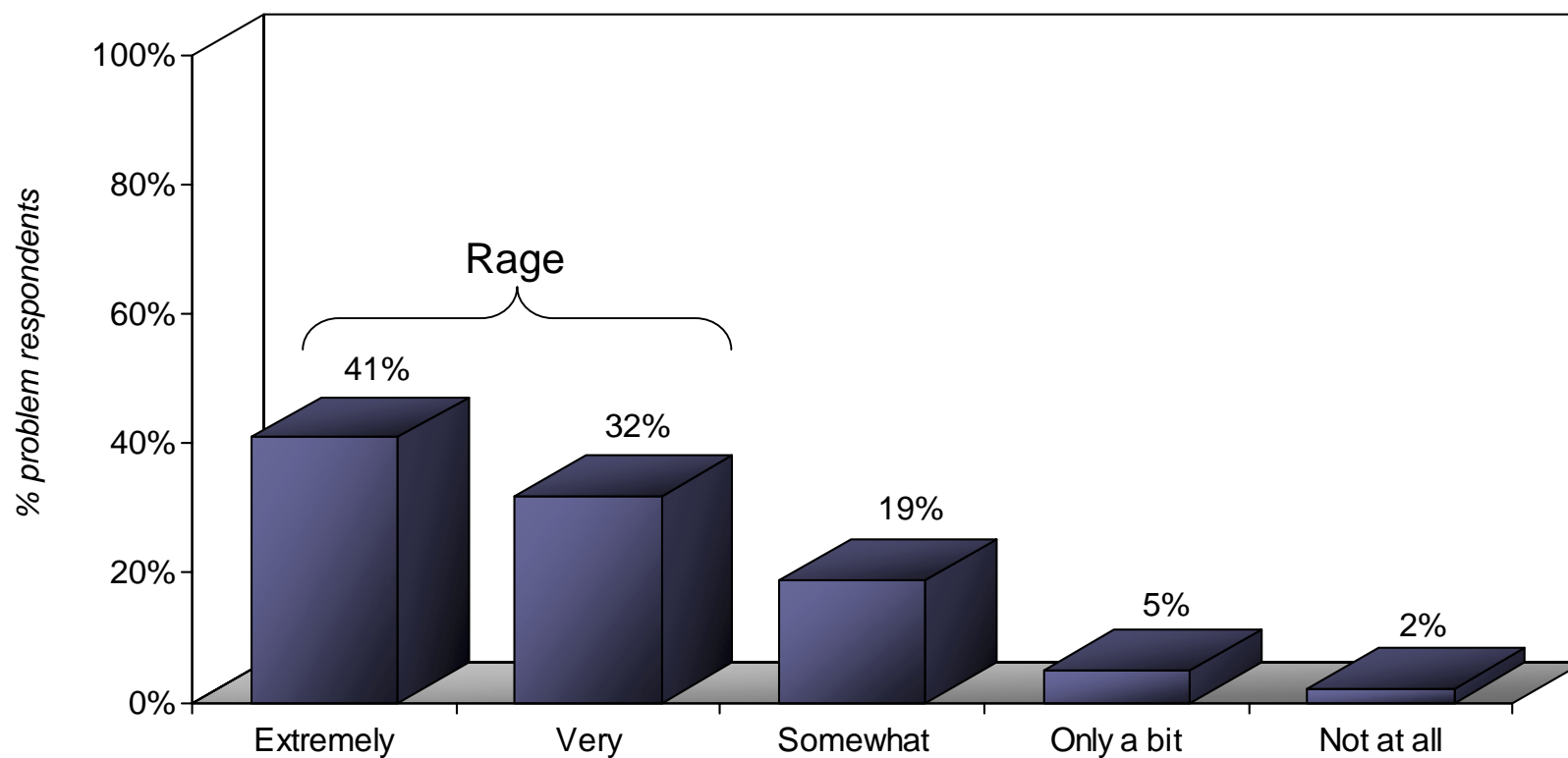
Top Ten Problems—By Selected Industries

Can you briefly describe your most serious problem?

| Problem Type | Respondents - Problem | | | | |
|---|-----------------------|----------|--------------------|--------|-----------|
| | Auto | Computer | Financial Services | Retail | Telephone |
| Unsatisfactory performance/quality of product | 17% | 42% | 3% | 28% | 17% |
| Unsatisfactory service (unrelated to repair) | 23% | 23% | 37% | 25% | 17% |
| Incorrect/deceptive or fraudulent billing | – | 10% | 20% | 6% | 24% |
| Unsatisfactory repair | 30% | – | – | 6% | – |
| Product/service not as ordered/agreed upon | 6% | 10% | – | – | 12% |
| Deceptive advertising/packaging/pricing | 6% | – | – | 8% | 7% |
| Overcharge or excessive price | 2% | – | 10% | 3% | 12% |
| Goods received in damaged condition | 2% | 6% | – | 3% | 2% |
| Manufacturer/dealer did not live up to guarantee/warranty | 2% | 3% | – | 3% | – |
| Long wait for delivery | 2% | – | – | 3% | – |

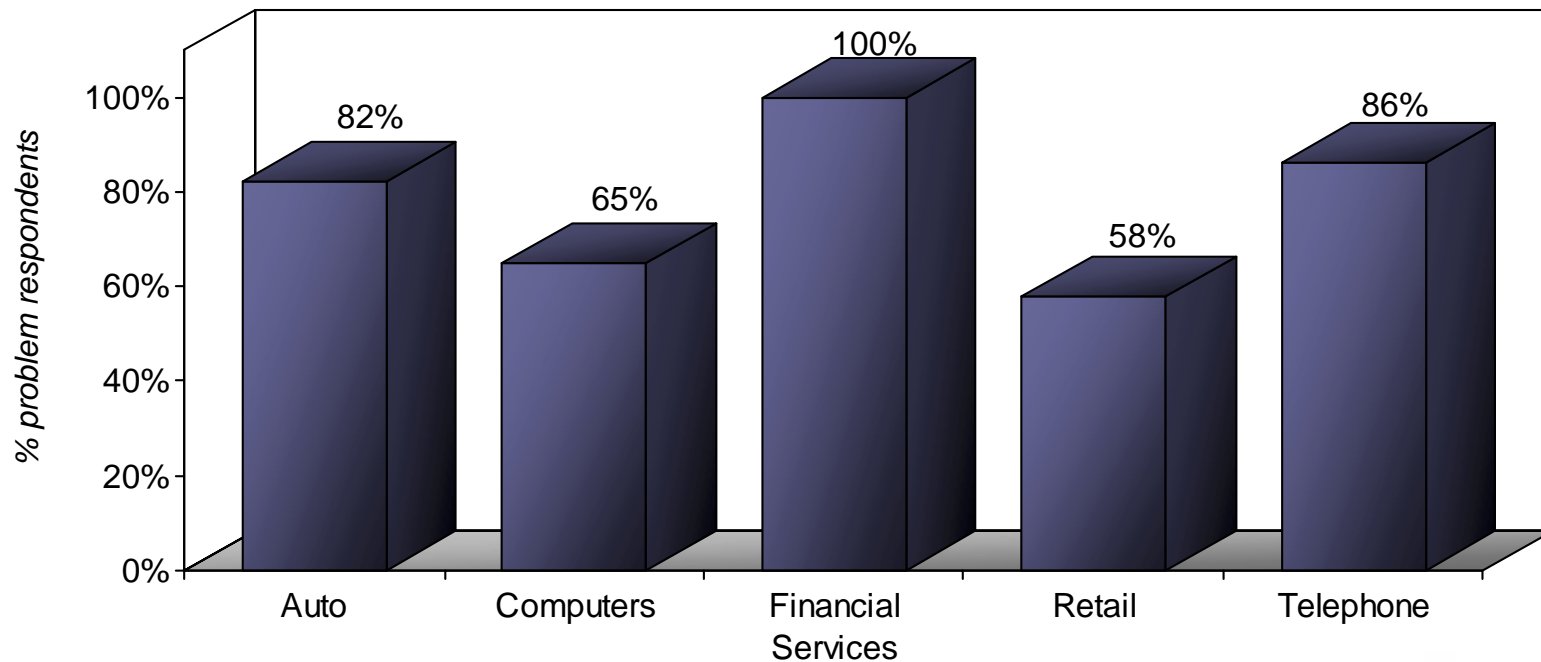
How Upset Were the Respondents Who Had Problems (Customer Rage)?

Which of the following statements best describes how upset you were?



How Upset Were the Respondents Who Had Problems (Customer Rage)? – Extremely/Very Upset by Selected Industries

Which of the following statements best describes how upset you were?



Damages Suffered

*I'm now going to ask you what damages you might have suffered as a result of this problem.
Did you lose/suffer...?*

| Type of damage | Respondents- Problem |
|-----------------|-------------------------|
| Money | 36% |
| Physical injury | 4% |
| Time | 57% |

Damages Suffered – By Selected Industries

*I'm now going to ask you what damages you might have suffered as a result of this problem.
Did you lose/suffer...?*

| Respondents - Problem | | | | | |
|-----------------------|------|----------|--------------------|--------|-----------|
| Type of damage | Auto | Computer | Financial Services | Retail | Telephone |
| Money | 42% | 43% | 25% | 61% | 31% |
| Time | 71% | 61% | 61% | 58% | 50% |

What Respondents With Problems Wanted to Get

I'm going to read a list of things you might have wanted to 'get' to resolve this problem. Please tell me all of the things you wanted to get by answering YES or NO for each of the following items.

| Wanted to get | Respondents - Problem |
|--|-----------------------|
| Product repaired/service fixed | 85% |
| Explanation of why problem occurred | 78% |
| Assurance problem wouldn't be repeated | 78% |
| Apology | 59% |
| Chance to vent | 58% |
| Money back | 49% |
| Free product or service in the future | 30% |
| Financial compensation for my lost time, inconvenience or injury | 23% |
| Revenge -- make them pay for the hassle and inconvenience | 11% |
| Other | 9% |

Non-monetary remedies

What Respondents With Problems Wanted to Get – By Selected Industries

I'm going to read a list of things you might have wanted to 'get' to resolve this problem. Please tell me all of the things you wanted to get by answering YES or NO for each of the following items.

| Wanted to get | Respondents - Problem | | | | |
|--|-----------------------|-----------|--------------------|--------|-----------|
| | Auto | Computers | Financial Services | Retail | Telephone |
| Product repaired/service fixed | 93% | 94% | 74% | 78% | 86% |
| Explanation of why problem occurred | 71% | 71% | 84% | 75% | 88% |
| Assurance problem wouldn't be repeated | 78% | 74% | 84% | 86% | 93% |
| Apology | 64% | 55% | 58% | 58% | 64% |
| Chance to vent | 58% | 39% | 58% | 61% | 72% |
| Money back | 56% | 55% | 39% | 47% | 71% |
| Free product or service in the future | 39% | 40% | 3% | 33% | 28% |
| Financial compensation for my lost time, inconvenience or injury | 29% | 23% | 26% | 19% | 26% |
| Revenge -- make them pay for the hassle and inconvenience | 13% | 6% | 19% | 14% | 7% |
| Other | 11% | 10% | 10% | 8% | 7% |

Revenge-related Findings

- ▶ Impact of rage on desire for revenge
 - Rage felt by problem respondents was strongly associated with this desire for revenge.
 - 19% of respondents who were “extremely upset” desired revenge while none of those who were “only a bit upset/ not upset at all” desired revenge.
- ▶ Impact of desire for revenge on brand loyalty
 - Customers who wanted revenge were less likely to report continued brand loyalty (“definitely/ probably recommend”).
 - Customers desiring revenge were nearly three times less likely to exhibit continued brand loyalty than respondents who did not want revenge
- ▶ Impact of desire for revenge on satisfaction with “offending” company
 - Customers who wanted revenge were less likely to be satisfied (“very/ somewhat”) with the “offending” company
 - Customers desiring revenge were more than two times less likely to be “very/ somewhat” satisfied than respondents who did not want revenge.

How Respondents With Problems Expressed Their Displeasure

I'm going to read you a list of some of the ways that you might have expressed your displeasure. Please tell me how you expressed being upset by answering YES or NO to each of the following items.

| Expressions of displeasure | Respondents with Problem |
|--|--------------------------|
| Shared the story with my friends/other people | 85% |
| Complained to the org. that caused the problem ¹ | 84% |
| Decided I'd never do business/come back again | 59% |
| Threatened to talk with/contact management | 55% |
| Yelled or raised my voice | 24% |
| Threatened to report the org. that caused the problem to a gov't regulatory agency | 16% |
| Threatened legal action | 7% |
| Threatened to contact the media | 6% |
| Cursed/used profanity | 6% |

¹ 69% in White House Study

How Respondents With Problems Expressed Their Displeasure – By Selected Industries

I'm going to read you a list of some of the ways that you might have expressed your displeasure. Please tell me how you expressed being upset by answering YES or NO.

| Expressions of displeasure | Respondents - Problem | | | | |
|--|-----------------------|-----------|--------------------|--------|-----------|
| | Auto | Computers | Financial Services | Retail | Telephone |
| Shared the story with my friends/other people | 95% | 74% | 77% | 75% | 91% |
| Complained to the org. that caused the problem ¹ | 85% | 73% | 90% | 78% | 95% |
| Decided I'd never do business/come back again | 64% | 57% | 65% | 46% | 76% |
| Threatened to talk with/contact management | 65% | 39% | 52% | 50% | 72% |
| Yelled or raised my voice | 25% | 29% | 26% | 11% | 47% |
| Threatened to report the org. that caused the problem to a gov't regulatory agency | 20% | 3% | 29% | 3% | 21% |
| Threatened legal action | 9% | – | 16% | 3% | 7% |
| Threatened to contact the media | 5% | 3% | 3% | 6% | 7% |
| Cursed/used profanity | 2% | 6% | 3% | 8% | 12% |

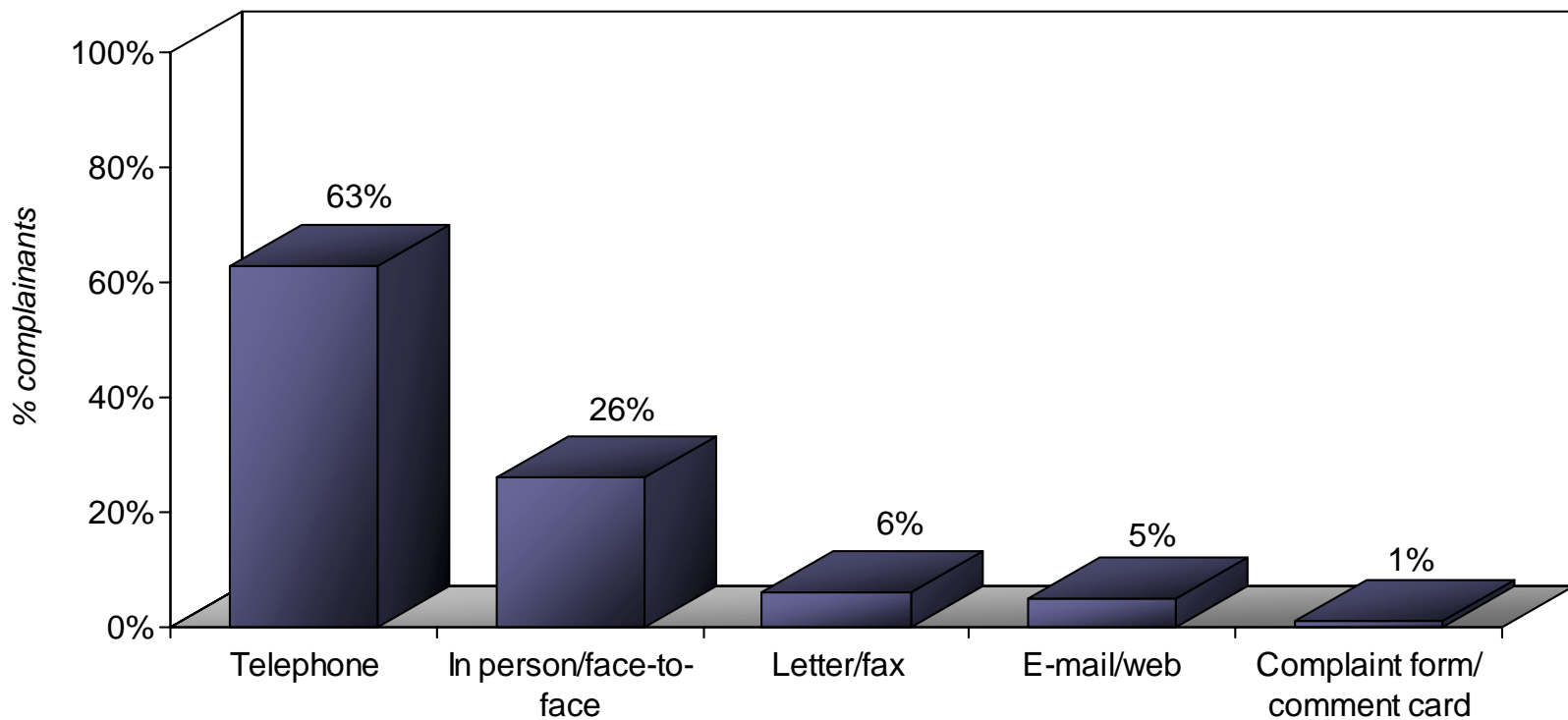
¹ 69% in White House Study

Impact of Rage on Expressions of Displeasure

- ▶ “Extremely/very upset” respondents were much more likely to manifest expressions of displeasure than those who were “only a bit upset/not upset at all.”
- ▶ For example:
 - 29% of “extremely/very upset” respondents yelled/raised their voice vs. none of the respondents who were “only a bit upset/not upset at all.”
 - 6% of “extremely/very upset” respondents cursed/used profanity vs. 1% of the respondents who were “only a bit upset/not upset at all.”
 - 9% of “extremely/very upset” respondents threatened legal action vs. none of the respondents who were “only a bit upset/not upset at all.”

Primary Channel of Complaining

Which of the following was your primary means of complaining?



Primary Channel of Complaining— By Selected Industries

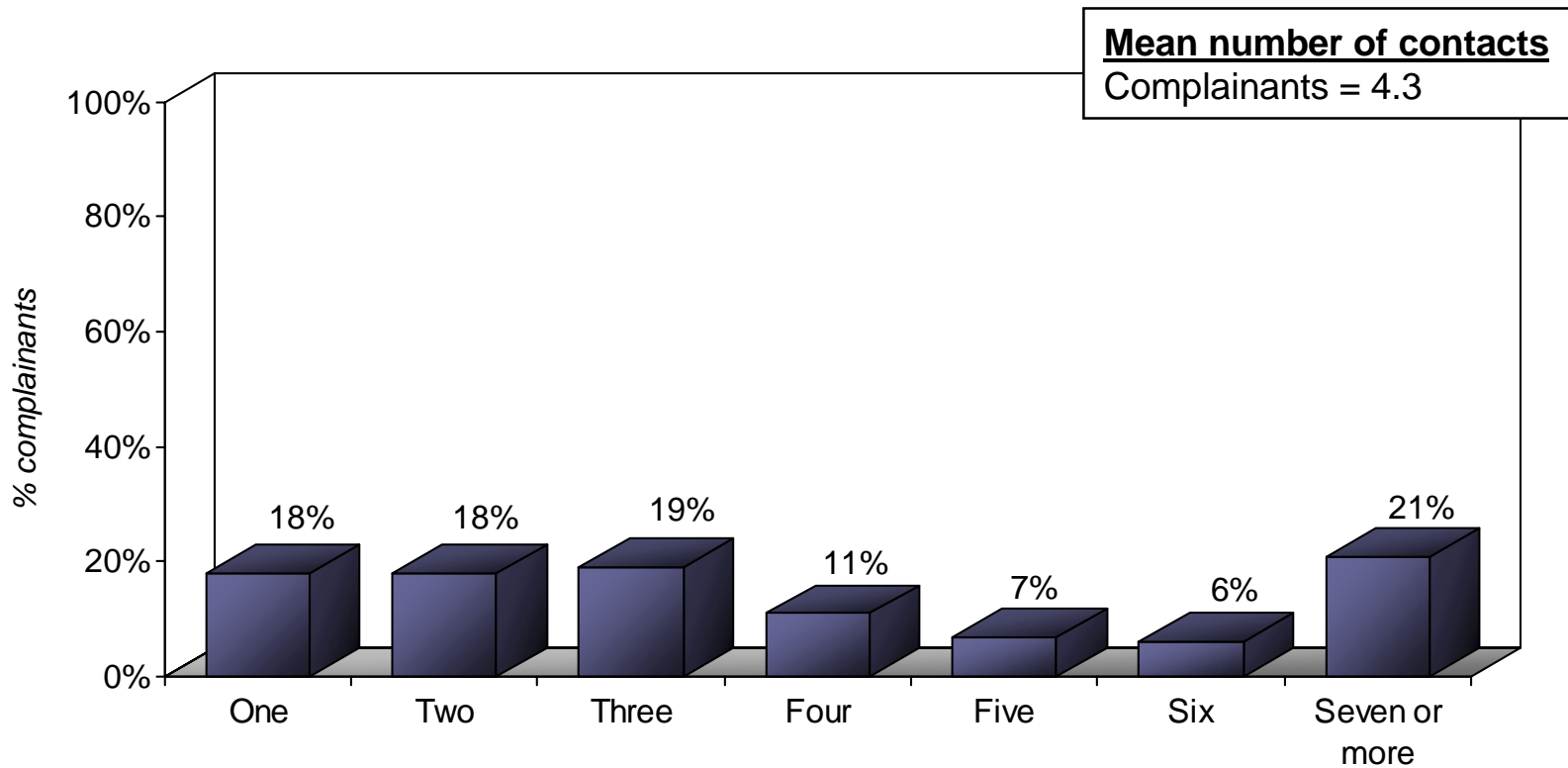
Which of the following was your primary means of complaining?

| Channel | Respondents - Complainants | | | | |
|------------------------------|----------------------------|-----------|--------------------|--------|-----------|
| | Auto | Computers | Financial Services | Retail | Telephone |
| Telephone | 34% | 59% | 75% | 46% | 88% |
| In person/face to face | 51% | 18% | 18% | 39% | 2% |
| Letters/fax | 6% | – | 4% | 7% | 10% |
| E-mail/web | 4% | 23% | 4% | 4% | – |
| Complaint form/ comment card | 4% | – | – | 4% | – |

Ping-Ponging

(Number of Contacts Needed to Resolve Complaint)

When complaining, how many contacts did you make in an attempt to resolve this problem?



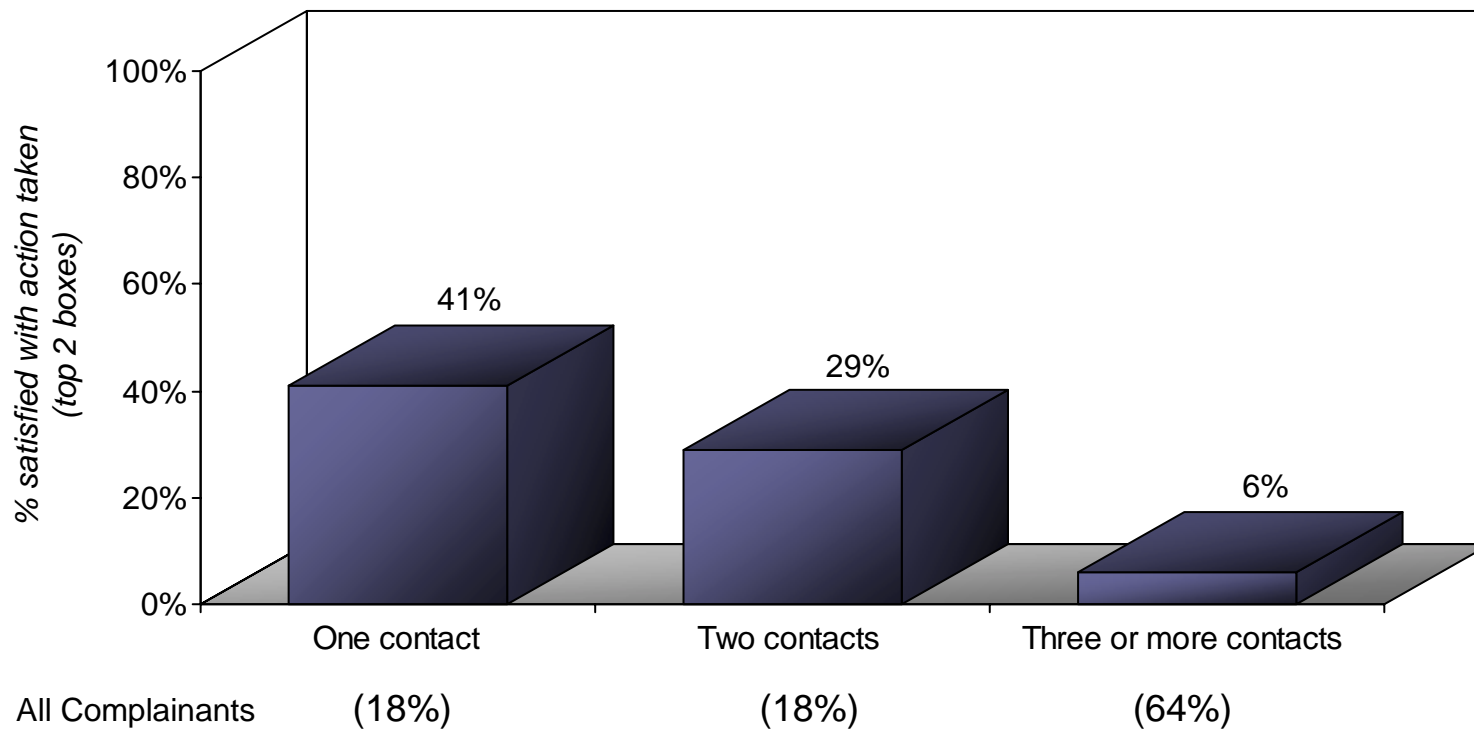
Ping-ponging Rate by Selected Industries

When complaining, how many contacts did you make in an attempt to resolve this problem?

| Industry | Mean Number of Contacts |
|--------------------|-------------------------|
| Auto | 4.2 |
| Computer | 4.4 |
| Financial Services | 5.5 |
| Retail | 2.8 |
| Telephone | 5.6 |

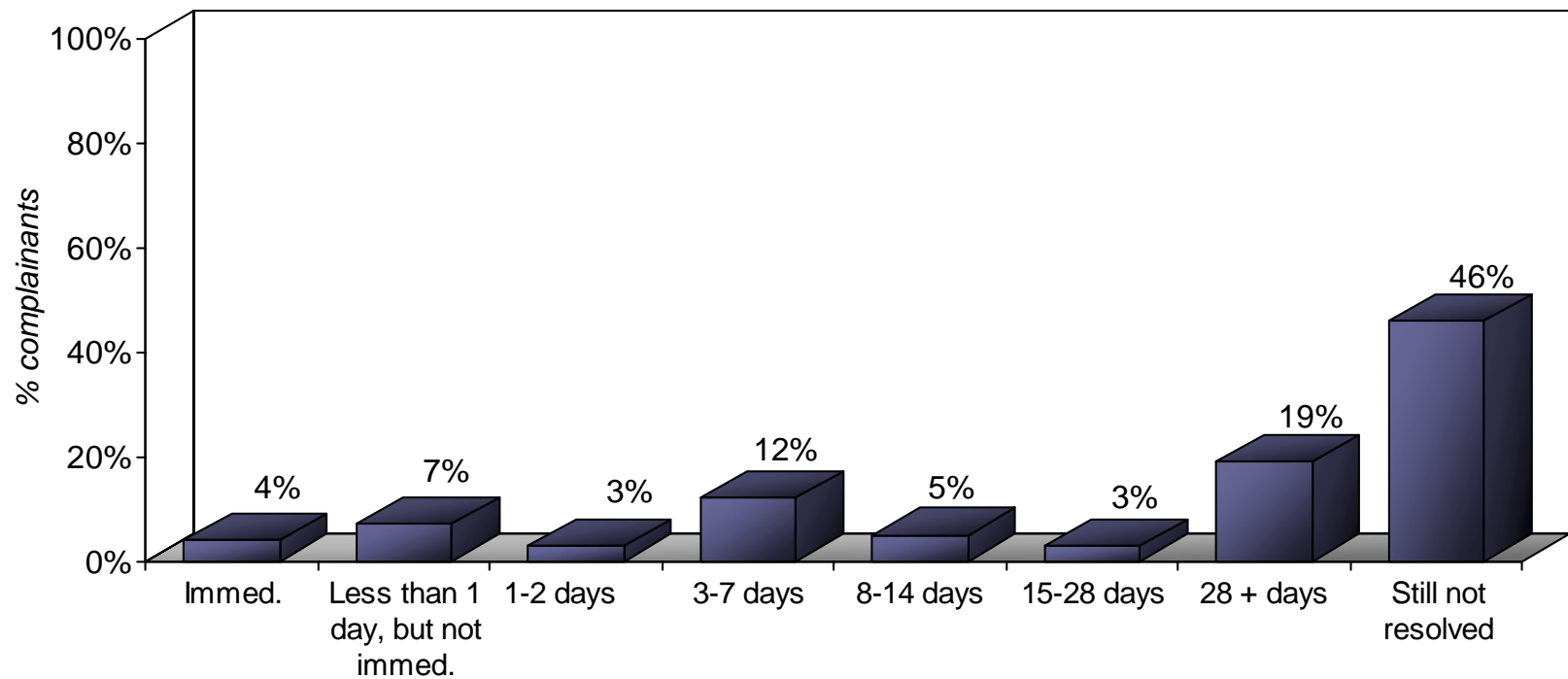
Impact of Ping-ponging on Satisfaction with Action Taken

*When complaining, how many contacts did you make in an attempt to resolve this problem?
Which of the following statements best describes how satisfied you were with the action taken to resolve your problem?*



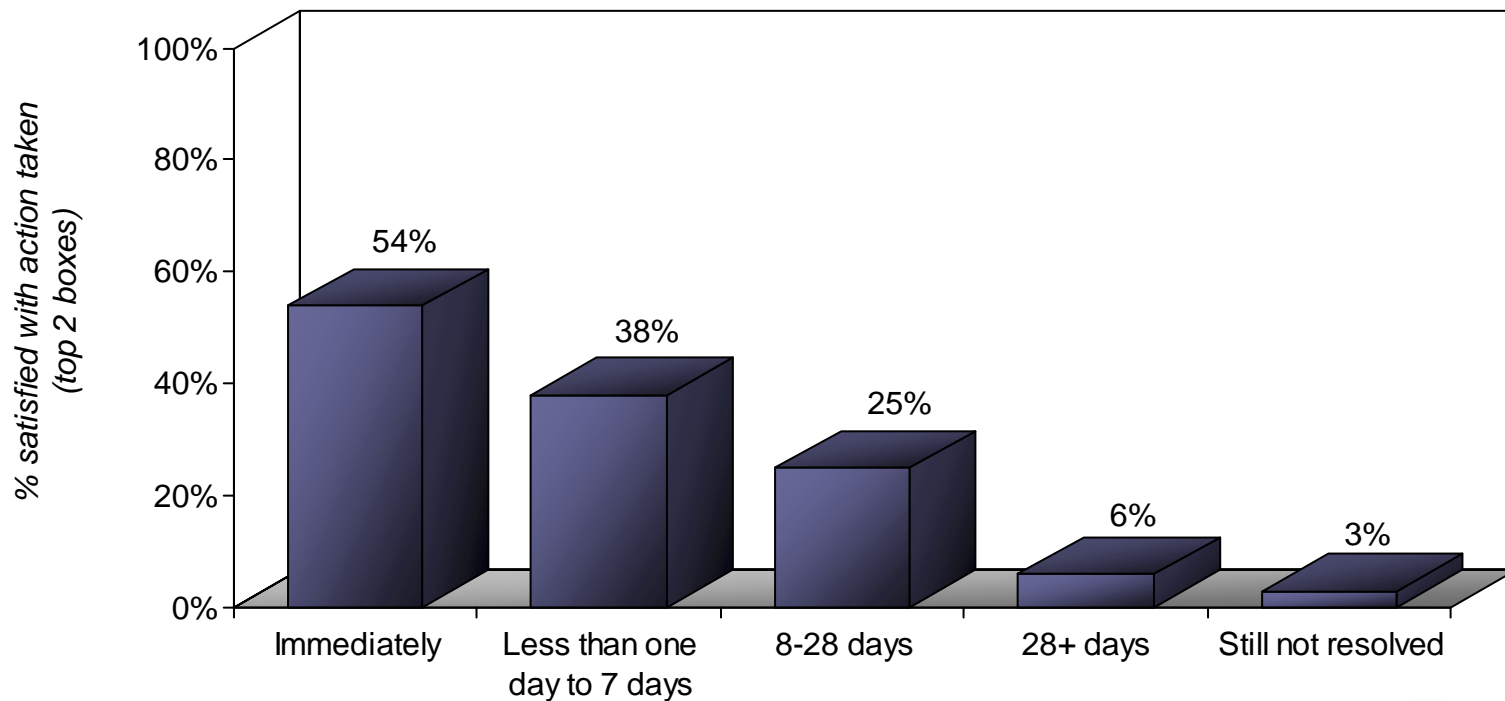
Length of Time to Resolve Complaints

Approximately how long did it take for your problem to be resolved?



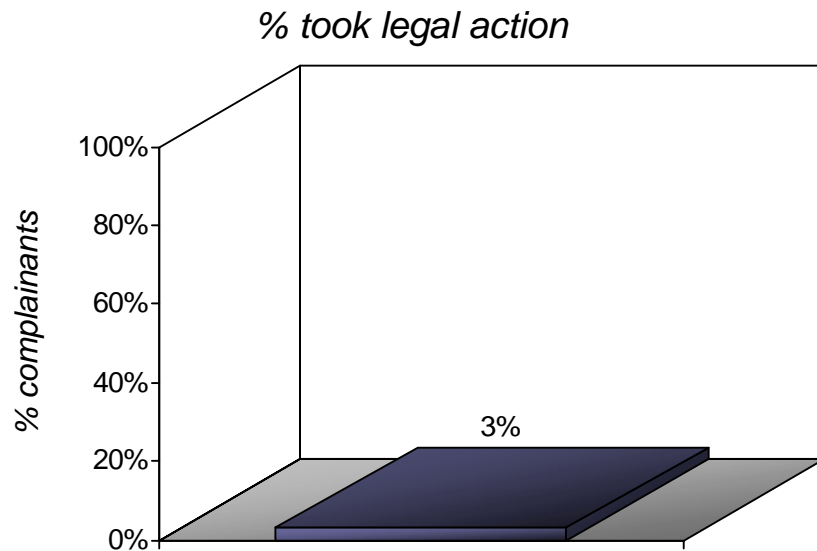
Impact of Response Time on Satisfaction with Action Taken

*Approximately how long did it take for your problem to be resolved?
Which of the following statements best describes how satisfied you were with the action taken to resolve your problem?*

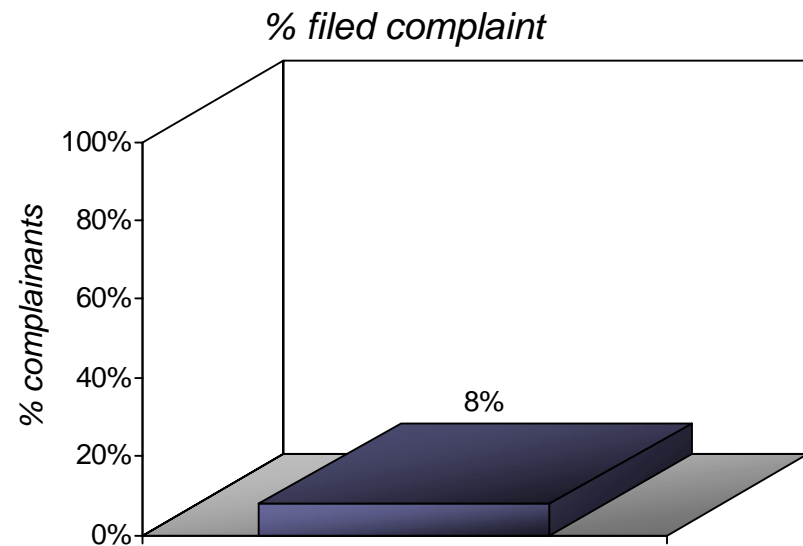


Further Action

Did you take legal action in an attempt to resolve this problem?



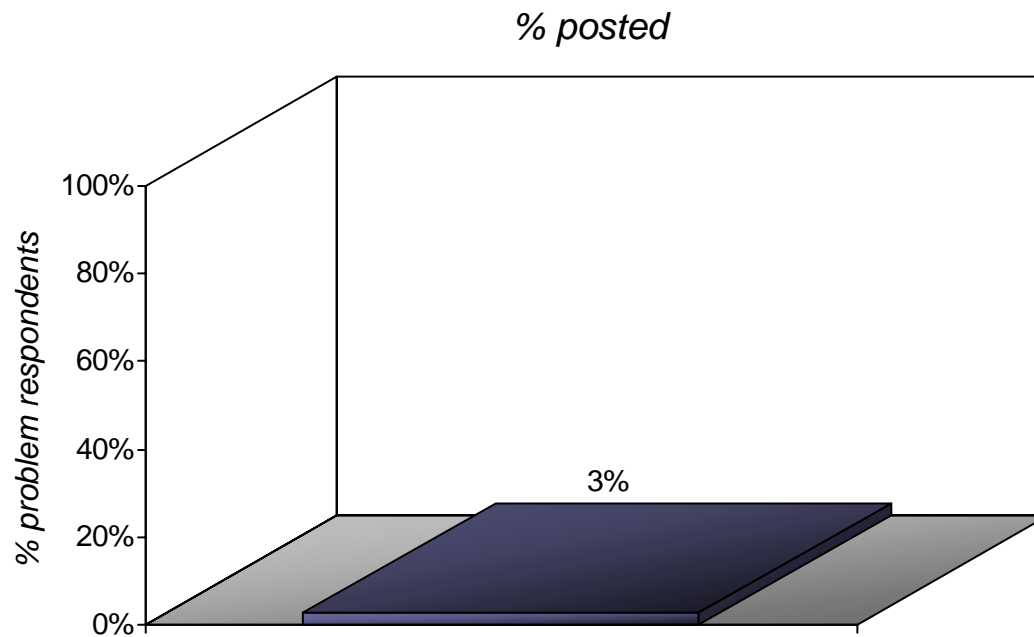
Did you file a complaint with a third party such as a government agency, the BBB, or a mediation/arbitration program?¹



¹ Less than 10% of complainants contacted a third-party in the White House Study

Further Action

Have you discussed this experience online in a chat room, or posted information about this experience on an online bulletin board?



What Complainants Got

I'm going to read you a list of things that the ("offending company") might have given you to resolve your complaint. Please tell me what you got by answering YES or NO for each of the following items.

| What got | Respondents - Complainants |
|--|-------------------------------|
| NOTHING | 56% |
| Chance to vent | 38% |
| Product repaired/service fixed | 33% |
| Apology | 25% |
| Explanation of why problem occurred | 23% |
| Money back | 19% |
| Assurance problem won't be repeated | 17% |
| Free product or service in the future | 10% |
| Financial compensation for lost time, inconvenience or injury | 2% |
| Revenge - make them pay for the hassle and inconvenience | 1% |
| Other | 3% |

Comparison Between What Complainants Wanted To Get And What They Got

I'm going to read a list of things you might have wanted to 'get' to resolve this problem. Please tell me all of the things you wanted to get by answering YES or NO for each of the following items. I'm going to read you a list of things that the ("offending company") might have given you to resolve our complaint. Please tell me what you got by answering YES or NO to each of the following items.

| Remedy | % Wanted to Get ¹ | % What Got |
|--|------------------------------|------------|
| Product repaired/service fixed | 87% | 33% |
| Explanation of why problem occurred | 81% | 23% |
| Assurance problem wouldn't be | 81% | 17% |
| Apology | 64% | 25% |
| Chance to vent | 62% | 38% |
| Money back | 50% | 19% |
| Free product or service in the future | 30% | 10% |
| Financial compensation for my lost time, inconvenience or injury | 24% | 2% |
| Other | 8% | 3% |

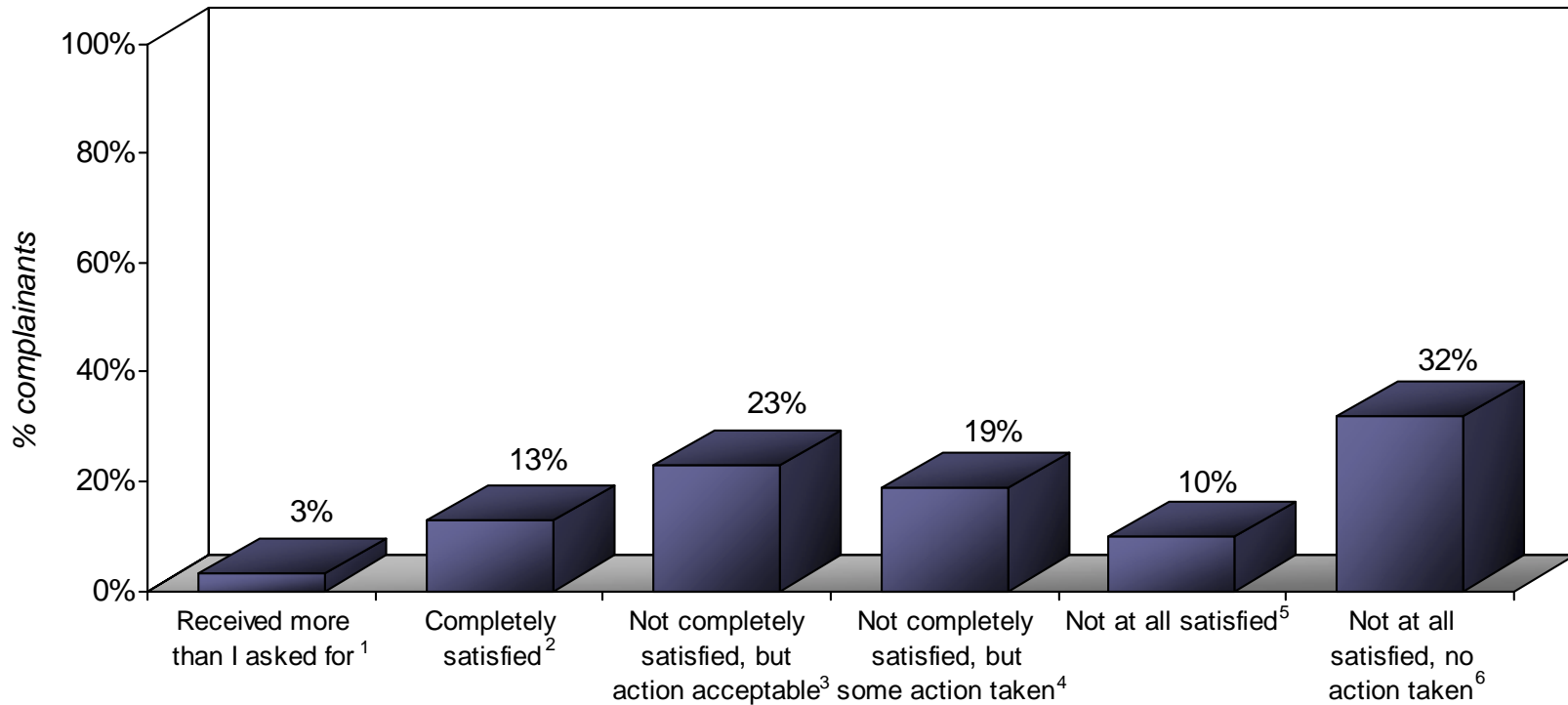
1. Problem respondents who complained

Comparison Between What Complainants Wanted To Get And What They Got- Revenge

- ▶ 11% of the complainants wanted to get “revenge”
- ▶ Only 1% of the complainants felt they got “revenge.”

Satisfaction with the Action Taken

Which of the following statements best describes how satisfied you were with the action taken to resolve your problem?



¹ 1% in White House Study

³ 21% in White House Study

⁵ 43% in White House Study

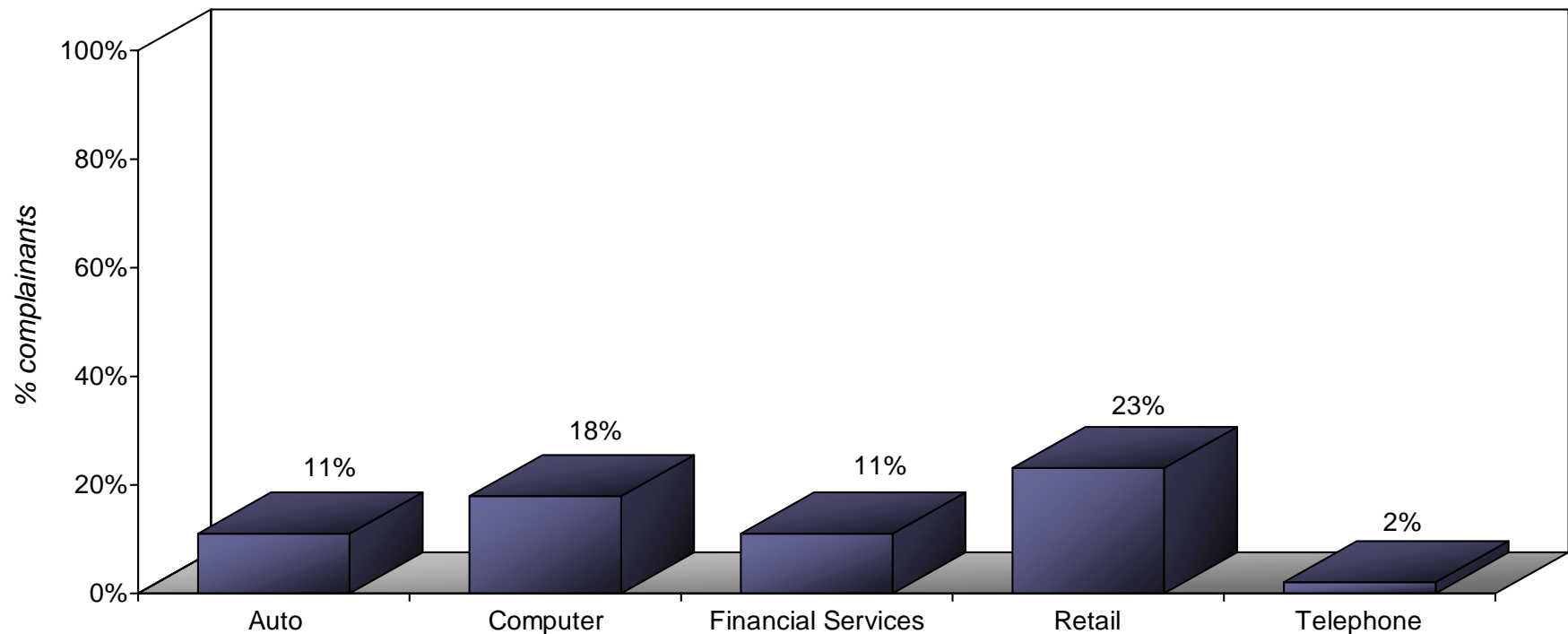
² 22% in White House Study

⁴ 13% in White House Study

⁶ Response category not included in White House Study

Satisfaction with the Action Taken—Received More than I Asked for/Completely Satisfied by Selected Industries

Which of the following statements best describes how satisfied you were with the action taken to resolve your problem?



Findings Extrapolated to the Nation's Population: Most Serious Problem

| | |
|---|------------------|
| Number of households experiencing at least one problem during past 12 months ¹ | 43,000,000 |
| Number of problem households experiencing rage ² | 32,850,000 |
| Cost of products/services subject of problems ³ | \$97,854,000,000 |
| Number of problem households contacting third party | 2,890,000 |
| Number of households using online chat room/post info on online bulletin board | 1,290,000 |
| Negative word of mouth created (number of people told) ⁴ | 291,000,000 |
| Revenue at risk ⁵ | \$84,702,000,000 |

1. Assuming 100,000,000 total US households

2. Based on "extremely" and "very upset" problem respondents

3. Based on average reported cost of products/services for problem households

4. Based on just word of mouth by "dissatisfied" complainants and noncomplainants

5. Based on "mollified" and "dissatisfied" complainants and noncomplainants

Impact of Complainant Satisfaction

| Satisfaction with action taken (% complainants) | | % satisfied with company (top 2 boxes) ¹ | % recommend company (top 2 boxes) ² | Average number told about problem |
|--|---|--|---|-----------------------------------|
| (TOP 2 BOXES) Satisfied (16%) | = | 80% | 63% | 5.9 |
| (SECOND 2 BOXES) Mollified (42%) | = | 29% | 17% | 11.4 |
| (BOTTOM 2 BOXES) Dissatisfied (42%) | = | 7% | 4% | 14.5 |
| All complainants | | 28% | 19% | 11.9 |

1. Based on "very" and "somewhat satisfied" with offending company
2. Based on "definitely" and "probably would recommend" offending company to a friend or colleague

Impact of Non-monetary Remedies on Complainant Satisfaction

| Satisfaction with action taken | | What got/ % satisfaction with action taken | | | | |
|-----------------------------------|---|---|------------|-------------|----------------|-----------|
| | | Nothing | An Apology | Explanation | Chance to Vent | Assurance |
| (TOP 2 BOXES) Satisfied | = | 3% | 50% | 38% | 31% | 41% |
| (SECOND 2 BOXES) Mollified | = | 32% | 42% | 54% | 57% | 52% |
| (BOTTOM 2 BOXES) Dissatisfied | = | 65% | 8% | 8% | 12% | 7% |

What Went Wrong

- ▶ Recent CCMC study¹ shows customers don't like many common complaint handling policies
- ▶ Top 10 dislikes
 - *Self service* technology
 - *Outsourcing* outside the United States
 - No follow up on negative satisfaction surveys
 - *Piggyback* selling
 - *Scripted* answers
 - Bad grammar/typos
 - Repeating info
 - *Coached* answers to satisfaction surveys
 - Personal information required before e-mailing
 - *Ping-ponging*

¹ Grainer, Broetzmann & Beinhacker, *The Conventional Wisdom in Customer Care: Fact, Fiction, or Management Myths: SOCAP Power Study*, Alexandria, Virginia, 2004

See Appendix for detailed explanation of these dislikes for the telephone, in-person, and e-mail complaint submission channels

What Went Wrong (*continued*)

- ▶ Companies do the *right* things; the *wrong* way
- ▶ *Check off the box* mentality
- ▶ Spending less money may improve performance (e.g., decrease ping-ponging)

Examples of Ineffective Complaint Handling Policies

- ▶ Ineffective response guidelines
 - Inability to say NO quickly, where appropriate
 - Setting unrealistic objectives (e.g., “100 percent satisfaction”)
 - Levels of remedies that do not correlate with increased complainant satisfaction/brand loyalty
 - Limited front line empowerment
 - Limited use of apology/opportunity for complainant to vent
- ▶ Poorly executed call center policies
 - Inappropriate application of self-service technologies
 - Long waits to reach agents
 - Agent call quotas that are so high as to inhibit performance
 - Case tracking software acts as a barrier to problem solving (long transition time between screens, difficult to access needed data bases, etc)
 - Ineffective outsourcing policies
- ▶ Limited training of front line personnel who handle complaints on a face-to-face basis
- ▶ Potential of preventive analysis (identification of the root causes of customer problems) not met
- ▶ Institutionalized ping-ponging
- ▶ Poorly executed use of the e-mail/web channel
- ▶ Limited/ineffective evaluation of complaint handling policies
 - Fielding “we love you” surveys that produce high scores but do not truly measure performance (key drivers of satisfaction/loyalty not measured, use of IVR survey that measures only process; not outcomes, etc)
 - Over surveying customers¹
 - Not using the results of satisfaction surveys as a tactical management tool
 - Not calculating the ROI of alternative complaint handling practices

¹ This problem has become so pervasive that Hampton Inn television ads have recently begun to promise a “nice hello” and “not a questionnaire.”

General Customer Care Findings

Customer care is defined as the service you get before, during, and after buying a product or service. (Asked of all respondents.)

- ▶ Overall, how would you rate the standard of customer care you've experienced during the last year?

9% Excellent
46% Acceptable
32% Average
9% Less than acceptable
5% Awful

- ▶ Do you think that the quality of customer care has gotten better or worse during the past year?

3% Considerably better
18% Better
47% Neither better nor worse
27% Worse
6% Considerably worse

Conclusion

- ▶ The findings of this study produced both *good* and *bad* news.
- ▶ The good news is that satisfactorily handled complaints are associated with high levels of brand loyalty. This supports the conclusion of the White House Study that effective complaint handling practices can lead to increased profitability.
- ▶ Industry leaders have validated this finding by realizing high ROI's from their properly executed complaint handling initiatives. In such instances, adoption of "best practices" has had a positive impact on the bottom line.
- ▶ The bad news, however, is that corporate complaint handling can be a double-edged sword. Ineffective policies lead to decreased levels of brand loyalty and negative ROI's.
- ▶ Unfortunately, this study finds that, from a macro-stand point, complaint handling practices have proven ineffective. Levels of complainant satisfaction are lower today than in the mid-1970's when complaint handling departments were generally viewed as corporate backwaters.
- ▶ Today, most companies have adopted many of the correct polices but have failed in the execution of these practices. Further, the upgraded investment in corporate complaint handling departments has evidently NOT kept up with customers' expectations.
- ▶ The challenge in the 1970's was to convince senior management to invest adequate resources in corporate complaint handling programs. This challenge was successfully met, due in large measure, to the findings from the White House Study. The 2004 Study, however, suggests that this was a Pyrrhic victory.
- ▶ The challenge for the new millennium, then, is to take the substantial investment made by companies in upgraded complaint handling and make these policies work. The message for today is, as was the case in the mid-1970's, DO IT RIGHT, OR DON'T DO IT.

Appendix

TELEPHONE Customer Care Policy

Satisfaction Ratings

(0 to 10 Point Scale)

| Customer Care Policy | Satisfaction Rating |
|--|----------------------------|
| One call resolution | 9.05 |
| Get what ask for | 8.97 |
| Seven day access | 8.59 |
| 24 hour access | 8.52 |
| Can talk to same person if more than one call needed | 8.12 |
| Explanations given* | 7.99 |
| Apologies given* | 7.79 |
| Transfer call, instead of requiring customer to call back | 7.16 |
| Ask if satisfied before ending call | 7.03 |
| Announce wait time | 6.80 |
| Allow venting for frustration/anger* | 6.37 |
| Use last name | 5.35 |
| Ask to take satisfaction survey, few weeks days/weeks after call | 5.17 |
| Begin call by asking for ID information | 5.10 |
| Make small talk | 5.02 |
| Offer option of automated telephone | 4.52 |
| Invited to take satisfaction survey, using automated telephone | 4.19 |
| Get less money than ask for* | 3.70 |
| Recording directs call back/voice mail | 3.32 |
| Report information already given | 3.08 |
| Sales offers, while on hold | 2.91 |
| Call handled outside US | 2.85 |
| Use scripted answers | 2.83 |
| Long message before told how to reach person | 2.40 |
| Sales effort, after response | 2.32 |
| Don't follow up, when survey identifies dissatisfaction | 1.94 |
| Require use of automated telephone, response by person not available | 1.60 |

IN-PERSON Customer Care Policy

Satisfaction Ratings

(0 to 10 Point Scale)

| Customer Care Policy | Satisfaction Rating |
|---|---------------------|
| Get what ask for | 8.93 |
| One visit resolution | 8.74 |
| Handle contact immediately, no wait in line | 8.30 |
| Provide special customer service desk/department | 7.92 |
| Apologies given* | 7.83 |
| Explanations given* | 7.81 |
| Can talk to same person, if more than one visit needed | 7.77 |
| Ask if satisfied before moving to next customer | 7.63 |
| Allow venting for frustration/anger* | 6.64 |
| Take a number/structured lines | 6.55 |
| Make comment cards available | 6.41 |
| Ask to take satisfaction survey, few days/weeks after visit | 5.75 |
| Use sign to announce wait time | 5.49 |
| Use last name | 5.44 |
| Make small talk | 5.27 |
| Begin visit by asking for ID information | 4.82 |
| Provide "self-service" computers/kiosks | 4.20 |
| Encourage completely satisfied answer to survey | 3.80 |
| Sales effort, after response | 3.07 |
| Directed to another line/counter | 3.00 |
| Use scripted answers | 2.99 |
| Get less money than ask for* | 2.82 |
| Must interrupt employee conversations | 2.52 |
| Ask to call toll free number/web site | 2.40 |
| Don't follow up, when survey identifies dissatisfaction | 2.11 |

* Complaints only

E-MAIL Customer Care Policy

Satisfaction Ratings

(0 to 10 Point Scale)

| Customer Care Policy | Satisfaction Rating |
|--|----------------------------|
| Get what ask for | 9.23 |
| One e-mail resolution | 8.97 |
| Call back telephone number provided | 8.74 |
| Can e-mail same person, if more than one e-mail needed | 8.67 |
| Link for e-mailing on every page of web site | 8.61 |
| Immediate acknowledgement that e-mail received | 8.36 |
| Explanations given* | 8.30 |
| New e-mail unnecessary, if contacted wrong department | 7.92 |
| Responses from named person | 7.59 |
| Apologies given* | 7.57 |
| Telephone response | 5.95 |
| Responses have link to web site for satisfaction survey | 5.61 |
| Use last name | 5.54 |
| Ask to take satisfaction survey, few days/weeks after response | 5.45 |
| Use scripted answers | 3.94 |
| Responses use abbreviations | 3.75 |
| Get less money than ask for* | 3.57 |
| Responses include information about sales offers | 3.56 |
| Must complete form, before e-mail can be sent | 3.47 |
| E-mail handled outside US | 3.38 |
| Don't answer/resolve all questions/problems | 2.94 |
| Sales effort, after response | 2.77 |
| Responses have typos/bad grammar | 2.53 |
| Must register/give personal information, before e-mail can be sent | 2.05 |
| Don't follow up, when survey identifies dissatisfaction | 1.98 |

* Complaints only