

do the **right** thing

numéro

streamlining customer journeys

# How good is the customer service performance of leading brands?

numero research report: non-voice channel



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## The CEO of numero, Guy Colclough, explains the driving force behind the research:

“Throughout our work in delivering customer service solutions for large corporations, we continually seek ways to streamline customer journeys in order to help businesses to do the right thing for each and every customer. Whilst, there is plenty of anecdotal evidence of good, bad and indifferent customer service, there seems little in the way of hard fact for businesses to assess their performance against.

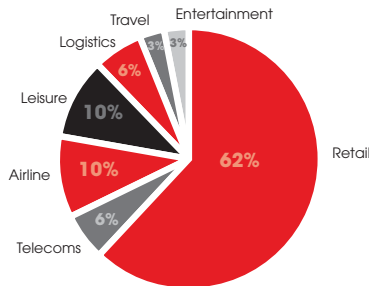
Through our research (including this study) we hope to change that. We want to help businesses to determine the right service for their customer segments and to help them deliver best-in-class performance. This report clearly assesses current performance against industry and overall consumer peer groups. Now, leading companies no longer have to rely on guesswork.”

Please note that rounding of numbers may mean that some percentages do not add up to 100% exactly.

# 1. Introduction

Welcome to the first of two numero research studies into the customer service performance of leading businesses operating in the retail, entertainment, leisure, travel, logistics, telecoms and airline sectors (see figure 1).

**Figure 1: Study group organisations by sector**



Together, this research provides a benchmark of customer service performance in the UK in relation to:

- The voice channel (agent and IVR)
- The non-voice channel (online web self service, email, web forms, web chat, fax, paper and text messages).

This report summarises the results of the 'non-voice' channel research and is essential reading for any senior manager or customer service professional. The findings identify the best, worst and average performance of customer services businesses. The findings identify significant variances in customer service performance in the UK. For example, some businesses respond to email enquiries within a few minutes while others take over a week; some businesses make it easy for customers to find the right contact details online (via a single click), while others take customers on a wild goose chase that takes an unacceptable amount of time. These findings (and many more) are detailed throughout the following pages.

## Why the research was commissioned

numero commissioned the research to help establish a benchmark for businesses to evaluate their own performance against. It is hoped that leading brands will use the findings and numero's other research into the customer service expectations and preferences of different customer segments (including the Fire & Forget Consumerist, Audit Trail Trouble Shooter and Digital DIY Dude) to improve their customer systems for the benefit of consumers.

# 2. Methodology

## How we assessed the customer service performance of over 80 leading brands

The objective of the numero sponsored research into customer service performance was to establish a benchmark by which any consumer-focused business can evaluate its own performance.

### The research group

The research was conducted amongst a group of UK businesses each with a significant online presence; including companies that operate in the retail, entertainment, leisure, travel, logistics, telecoms and airline sectors. In total, over 80 UK businesses were included in the study, and compared against each other and peer group companies who operate within their particular market sector.

### Research goals

The aim of the non-voice channel study was to understand:

- How businesses help consumers to 'help themselves' online
- Which published channels (telephone, email, web form, web chat, letter, etc.) are available to online customers and to quantify how easy it is to access this information
- Through blind testing how contact channels like email and SMS (text) performed against a series of customer service queries – comparing response times to published SLAs and assessing the quality and consistency of the responses provided.
- How the effectiveness varied within the online self help capabilities of the study group in six main categories. We focused on the self help service in terms of the provision of:
  - Simple listings of categorised self help topics
  - Well developed, categorised lists related to enquiries
  - Dynamic FAQs with most rated, top ten by category, etc.
  - The ability, or otherwise, to search either by keyword, natural language or other sophisticated techniques.

### Contact channel analysis

Each business was reviewed to assess the possible channels available for a customer service enquiry, including phone, email, web form, SMS, call back, letter and fax. Customer service opening hours were recorded (when available) together with contact phone numbers, email addresses and published SLAs setting expectations for response times for enquiries.

In order to assess the ease of contacting the target customer service departments, the email channel was used as the basis for further analysis. Following an initial Google search to locate

the target website, the number of 'clicks' required and associated time taken was measured for each website up to the point where it was possible to begin typing an email. The visibility of the 'contact us' tab on the website was also assessed.

## **Email blind testing**

Three emails were submitted to each business included in the study: one pre sales enquiry and two post sale customer service enquiries. The content of the submitted emails was the same for each market sector, though the content of the queries varied from sector to sector to ensure relevance.

The time taken from email submission to final answer was recorded for each email and an average response time calculated for each business. The overall quality of the email responses was also assessed in terms of spelling and grammar, relevance to the question asked and completeness of the answer.

The 'email journey' was also assessed in terms of acknowledgement of the initial email and the setting of expectations in relation to the service level for responses.

## **Evaluation**

Each of the businesses included in the research group was rated according to their performance using a balanced scorecard. The results from the balanced scorecard were then used to establish the best, worst and median performance for each of the areas by industry sector along with an overall league table by business.

The findings for all of the above are summarised within this report. Additional results and analysis are available within the research data tables, including the results for each individual business. numero can provide access to this data, although results by brand will only be disclosed to the individual brand owners.

# 3. Just how easy is it to contact your service provider?

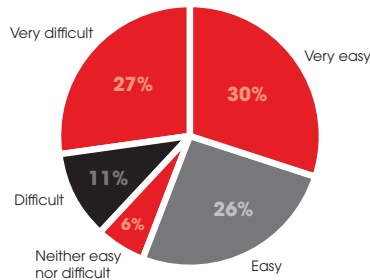
The start of the analysis exercise was to establish how easy it is to find the contact details for service organisations in order to raise a query about an order, booking, account or other aspect of their service.

We were looking for answers to simple everyday practical enquiries about transactions. We were not looking at complex enquiries using any form of trickery but instead focused on the basics. So, for example, we did not ask multiple questions in the enquiries.

We looked at customer service across a number of industry sectors and we were interested in how organisations performed against their immediate peers within a vertical market (e.g. airlines) and extended peer group across all industries. We did not look at every sector in this study and a notable omission was the financial services sector. However, the lessons learnt from the study will be invaluable to any organisations aiming to deliver great service.

The start point of the research was a simple search engine query, using Google to locate corporate websites. The expectation was that every website would provide clear and simple navigation to allow the consumer to either resolve their own query ('web self service') or help the consumer to make an enquiry through a 'contact us' web form, email, SMS, letter or fax.

**Figure 2: Ease of identifying customer service point of contact**



## 3.1 Highlights of the survey

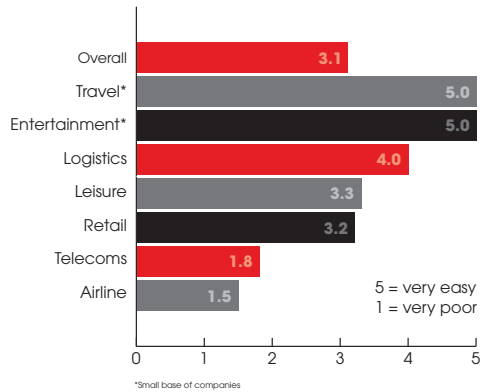
- The initial Google search delivered a variety of search results:
  - Best in class had the 'contact us' link clearly visible in the search result and the link provided all the details immediately; although this was very rare, there were some shining lights such as the large mobile operator shown below:



- Worst case examples required minutes of frustrating search through a website via multiple links, as was the case with a large airline
- It is clearly evident that some organisations are positively discouraging contact by making 'contact us' details difficult to find
- The telecoms and airlines sectors proved difficult to contact (see figure 3) while the travel and entertainment sectors were by far the best performers in relation to this aspect of customer service
- All sites feature frequently asked questions ('FAQ') links on their home page, which are assumed to reduce the number of inbound customer service queries
- Of the traditional contact channels:
  - 5% did not provide any form of telephone support
  - 95% of businesses provide a contact number and generate call revenues from the inbound service call
  - Of this 95%, a variety of telephone prefixes were used (i.e. 0845, 0871, 0844, 0845, 0500) although a few organisations use local '01' numbers
  - Anyone calling these numbers from a 'Pay As You Go' mobile will incur a charge of at least 10p per minute

- Service through channel availability/expectation settings:
  - 27% did not provide any details on opening hours although 50% were open for business over the weekend
  - Less than a third of organisations set any expectations (good or bad) on what response should be expected.

**Figure 3: Ease of identifying point of contact by industry sector**



## 3.2 What does this mean for you?

It is surprising that even the most basics of principles – being able to communicate with your service provider – is so variable across the brands. It is not difficult to publish contact numbers, email addresses or text numbers; so it is clear that some organisations are either trying to deflect non-voice calls away from their contact centre or discouraging non-voice communications.

Service providers appear keen to generate income from customer service queries and just 5% of the sample offers free calls from landlines. As a consequence, there are cost implications for mobile users other than those on the BT network, which does not charge for 0800 and 0500 calls. The results suggest that long customer service calls will cost the user dearly, which raises the question of why customers shouldn't have the choice to using cheaper communication channels.

We suspect this whole approach to customer contact, which must be strategic for any consumer-focused business, is down to a lack of recognition at Executive level at to how far modern communication solutions have developed. In all probability, there is a widespread lack of understanding as to just how effective these applications can be at handling the non-voice traffic and improving both the customer experience and the service provider's operational efficiency.

# 4. How do we ask a specific question?

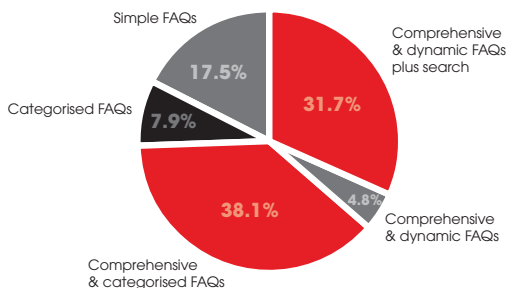
## 4.1 How can customers help themselves?

With the cost of handling an inbound call estimated to cost well over £1 each, it makes commercial sense to deflect calls away from the contact centre and empower consumers to help themselves. This approach sits comfortably with those customer segments who wish to help themselves (see section 9).

There are many ways in which an organisation can provide assistance on a website: from providing answers to frequently asked questions ('FAQs') like: 'When can I collect my order?', 'Will I collect loyalty points from shopping online?' through to sophisticated, secure and personal pages implemented as 'My Account' facilities.

So, rather than call into a contact centre and speak to an agent directly, why not encourage the customer to go online?

**Figure 4: Availability of FAQ-type self help facilities**

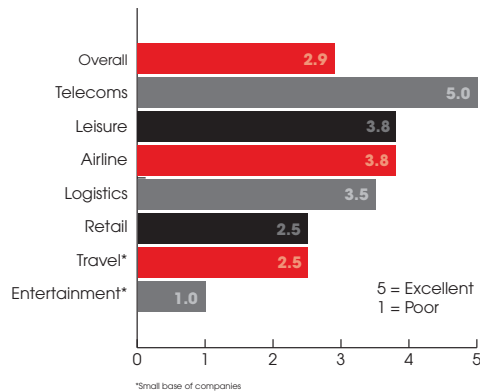


## 4.2 Highlights of the Survey

- All organisations surveyed provide FAQs to help answer common consumer queries
- Most organisations provide links to these FAQ facilities from the home page of their website – some prominently, others more subtly
- The best-in-class service providers make this feature directly accessible from Google search results
- An instant messaging/chat service was provided by just 1% of companies
- As figure 4 shows, the extent of FAQ facilities varies greatly, from the provision of simple FAQ listings to well developed categorised lists that change according to where you are in the website
- In 6% of cases it is very difficult to find FAQ help at all (taking more than 30 seconds).

- The extent of FAQ facilities varied significantly by sector, with telecoms providers excelling in this area and those in the entertainment sector lagging some way behind – a direct reversal of the ease of contact findings identified earlier (see figure 5).

**Figure 5: Quality of FAQ facilities by sector**



## 4.3 Summary

Almost all organisations have implemented some form of online self help to answering simple and commonly asked questions. However, there is a diverse range of styles of implementation with less than a quarter providing any type of useful dynamic search (analogous to a Google search on the website). It appears that over a quarter of brands have built their own in-house solutions, which are typically limited, simplistic and have little search functionality.

Furthermore, over several weeks of fieldwork, we observed that FAQ questions/answers are typically static and infrequently updated.

## 4.4 What does this mean for you?

A web self service solution is a sound starting point for any service provider as the facility helps consumers to understand how to resolve common issues. The research findings confirm the wide variance in the quality of online self help facilities and there is clearly room for improvement for most of the organisations in the study group.

The findings suggest that over 77% of the study group could provide a much better service by delivering more sophisticated FAQ facilities that:

- Share the content available to contact centre agents, thereby ensuring that customers have access to content-rich information
- Provide more dynamic and up-to-date information on stock availability, late shipments, local delivery issues etc.
- Provide consumers with a 'contact us' box or email window to submit their query once all the self help avenues have been exhausted

- Utilise instant messaging to quickly raise and answer queries and save the need for an inbound call
- Offer secure 'My Account' areas in which the consumer can see their own transactions and enact business online.

Thanks to modern technology these facilities are now easy to deliver and offer significant customer service benefits for the service provider, driving operational efficiencies, saving costs and improving customer satisfaction.

# 5. Can we email our customer service enquiry?

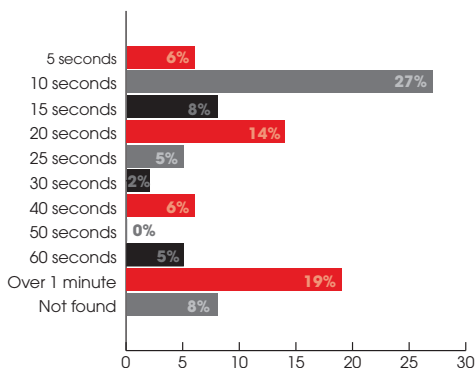
## 5.1 Why do customers contact us?

In previous numero research across 180 service organisations, it has been conclusively proven that the vast majority of inbound enquires are highly specific and personal. Whilst the exact type of enquiry varies across industry sectors, these enquiries typically account for 90% of all inbound communications.

In this part of the study, we moved from simple 'how do I...?' query resolution to resolving very personal and specific questions like: 'I wish to cancel my order', 'Can I amend my address?' and 'Where is my order?'.

Importantly, these questions are specific to the customer and are not easily answered by FAQ lists. In this area of the study, we researched how easy it is to submit a question either via an online web form or through another channel such as email, text or fax. The research established how easy it is to find the online form, how many clicks it takes before the consumer can start entering the message and how long it takes to start the message process (see figure 6). We also studied which methods of communication are commonly supported by the brands in the study group.

**Figure 6: Time taken to start composing a message**



## 5.2 Highlights of the survey

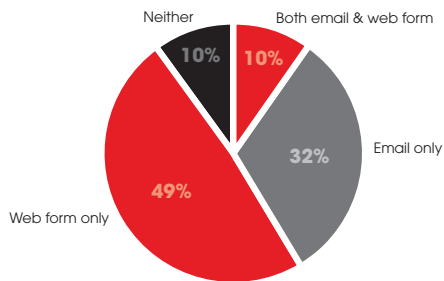
- The more sophisticated the 'self help' service the more difficult the consumer experience in locating a web form or email address
- The number of clicks to locate the 'contact us' form or email address, ranged from 1 to 6; with a mean average of 3
- In 25% of websites, it takes more than 4 clicks to reach the point of submitting an enquiry

- In the worst examples, and there were many, consumer frustration and delay is caused by contact us buttons defaulting to self help screens; consumers can take several minutes fighting off suggested help topics rather than being able to access a web form or email point of contact
- Where a consumer can submit an email the most common method is via a web form, with just 4 in 10 of the study group providing email addresses
- From a vertical industry perspective, airlines do not encourage email contact at all and the time taken to submit a query varies greatly by sector (see figure 8)
- The time to get to the point of being able to submit a personal query ranges from 5 seconds to 120 seconds; with a mean average of 36 seconds (see figure 6)
- The average time to submit an email is just 14 seconds whilst a 'contact us' form takes an average of 74 seconds – which means that email contact is 5 times faster for the consumer
- It was not possible to find any 'contact us' form or email capability in 10% of cases (see figure 7)

While many organisations have adopted 'sophisticated' self help FAQ services, the very same businesses employ techniques which make it notably harder for the consumer to send emails asking precise questions. Interestingly nearly 10% of all organisations studied do not allow the customer to email or submit a web form (see figure 7).

Web forms may be perceived by organisations as simplifying and speeding-up the enquiry process but the rigid nature of most web forms causes delays for consumers and is likely to lead to higher inbound call volumes.

**Figure 7: Availability of email and web forms**



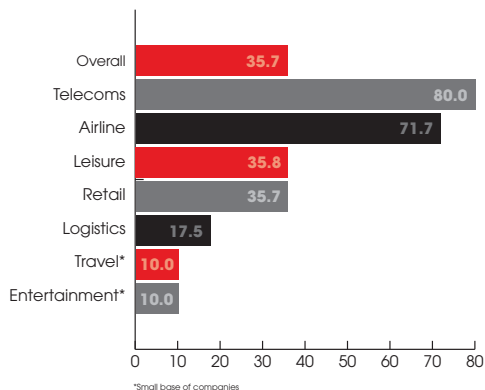
### 5.3 What does this mean for you?

Overall, our experiences suggest this engagement style will raise customer frustration and lead to higher inbound call volumes. The study shows that only 42% of organisations support the use of direct emails and in the other 59% of cases, the average time to find the contact us form (where available) is so long that only the most diehard of consumers is likely to persevere to find the form.

With only 42% of organisations supporting the use of direct emails, it appears that businesses are concerned about handling this correspondence. As a consequence, many organisations choose to manage client interaction through the provision of web forms (see figure 7).

Whilst web forms may be perceived by organisations as simplifying and speeding up the enquiry process the rigid nature of most web forms can be counterproductive. This situation is compounded by the fact that it takes much longer (74 seconds on average) before a consumer can actually start the input process through web forms in comparison to email.

**Figure 8: Time taken to start composing an email by sector**



Commonly available research on the web suggests that 76% of consumers abandon a website if they have not found what they need after 15 seconds, with almost all abandoning by 30 seconds. Such metrics will inevitably lead to higher inbound call volumes.

All of the above brings into question the use web forms. Such forms are notoriously difficult to use and so whilst rightly enforcing a rigid input discipline they typically require a free form 'comments' box to allow the consumer to input their question, when they would probably find it easier and quicker to compose an email.

Thanks to modern technology solutions such as those from numero, free form email and web forms can be processed effectively and at a much lower cost than an inbound voice call. With a typical telephone call often costing in excess of £1.20 to handle, it is surprising that organisations do not embrace the use of the email channel where handling costs are more often in the region of 35p per enquiry.

Such solutions can lower operational costs, improve consumer choice and raise service standards. And, in more sophisticated email channel implementations, these facilities can drive revenues and increase profits.

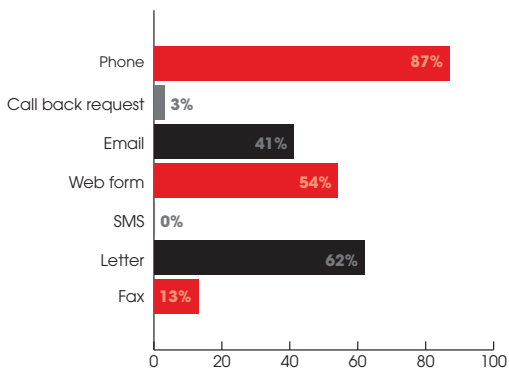
# 6. What channels are available for customer service enquiries?

## 6.1 What other methods can we use to communicate with our service provider?

By this point, we have seen if consumers can find answers to 'how to....' type questions and submit email queries asking personal and specific questions. However, outside of the phone and email channels, how else can consumers communicate with suppliers?

This section of the research investigated how the research group supports other communication channels.

**Figure 9: Customer service communication channels supported**



## 6.2 Highlights of the survey

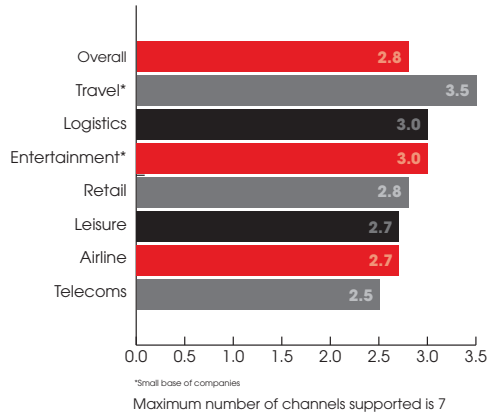
The research found that:

- 62% of organisations still provide contact details for enquiries in writing
- 13% support fax enquiries
- Just 1% offer instant messaging/web chat facilities
- No one supported SMS/text correspondence

We also looked at other methods of customer service (see figure 9) and quite surprisingly, found that:

- In less than 2% of cases there was any type of telephone 'call back' service offered
- None of the businesses suggested they would send us messages to keep us update with our transaction.

**Figure 10: Number of customer service communication channels supported by sector**



There is little variance in terms of the number of communication channels supported by industry sector (see figure 10). However, from a best-in-class perspective, 15% of companies support 4 channels (see figure 11).

### 6.3 Summary

7 out of 10 organisations provide clear instructions on how the customer can write or fax their enquiry. Of course, there are many occasions when a consumer may insist on writing, for example with a formal letter of complaint or to raise a serious compliance matter. It is surprising therefore that 25% of the study group do not appear to provide this information.

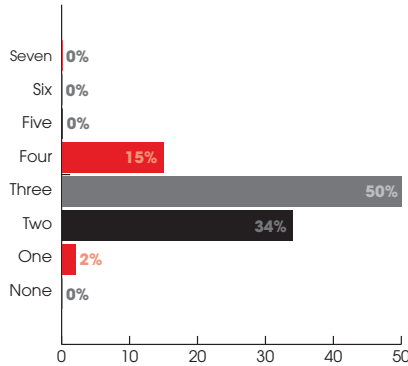
The interesting point this raises is that it is relatively straightforward to write or fax organisations, but relatively hard to email. With paper-based correspondence typically costing 2 to 3 times the cost of an inbound telephone call to process, we see that these channels may be expensive for the service provider to operate and so they may wish to look for ways of improving this service.

### 6.4 What does this mean for you?

Whilst the common communication 'buzz' word for businesses today is 'multi channel contact' or at the consumer end 'freedom of choice', the simple reality is that most organisations simply have not yet embraced the opportunity. In fact, support for multi-channel communication (including call back, instant messaging, web chat, SMS and 'my account' areas) is very low indeed (see figure 11).

The research establishes that less than 2% of businesses provide any type of 'call me back' service from the website. This is surprising as logic would suggest that it is easy for businesses to call back and be ready prepared with the client data to answer customer enquiries. Similarly, online services such as personal 'my account' pages and web chat are undeveloped and underutilised by service providers. Service providers encourage consumers to go online and help themselves, so it seems logical to provide instant messaging services to provide assistance when they are there.

**Figure 11: Number of customer service communication channels supported**



The same is true when looking to keep consumers up-to-date. It is remarkably simple to send messages automatically, with no agent or human intervention, to keep consumers abreast of their order, delivery or account status.

These messages may cost 10 to 20 pence each and provide a lower cost alternative to answering a phone call, thereby creating the opportunity for service providers to improve their service. This approach will improve the consumer perception and significantly reduce operational costs by reducing inbound calls from frustrated consumers enquiring where their delivery is in the supply chain. Most people are now familiar with the ways the airlines keep consumers up-to-date on flight information and parking operators provide reminders on parking tickets. So, it won't take long for people to question why other customer service providers are not following suit.

All of these channels offer consumer choice and flexibility and at the same time present huge opportunities for the service provider to enhance their customer relationship and sell more. It appears through the study that these are not the main agenda items in the case of customer service enquiries.

## **6.5 The technology issue**

The lack of support for multi-channel communication is not a technology issue as companies like numero have solutions which support all these services easily and cost effectively. They are simple to implement and typically provide substantial ROI benefits and payback within months.

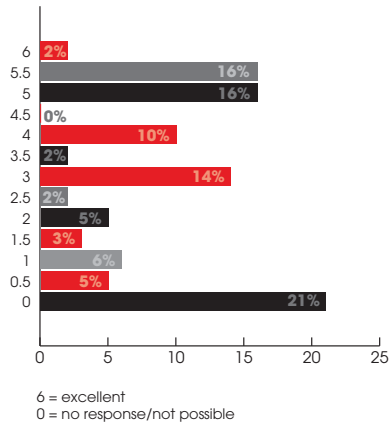
Even when the tools are to hand (as is the case from the research findings from the mobile sector) service providers appear to force consumers to use contact strategies which simply maximise their revenues and constrain consumer choice.

# 7. What happens to customer service enquiries?

## 7.1 Now that I have communicated

This element of the study investigated how the study group responded to enquiries submitted via emails and web forms. We were interested in a number of facets of the service: from setting expectations to the speed and quality of response – including how well queries were actually addressed. Furthermore, we evaluated any ‘added value’ in the response – such as message personalisation, saying ‘thank you’ and techniques to enhance engagement or take advantage of the marketing opportunity.

**Figure 12: Overall score for SLA, acknowledgement and speed of response to email/web form enquiries**



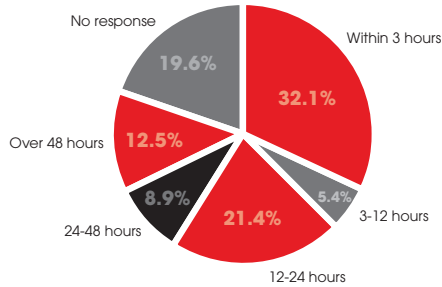
## 7.2 Highlights of the Study

The research found that:

- Only 36% of businesses set any form of service level expectation on their website or in their initial auto response as to when they would reply
- The defined service levels range from 12 hours to 20 days; the mean average is 72 hours
- 63% of organisations do not auto acknowledge the receipt of web forms or emails
- In the 37% of cases where an auto acknowledgement is generated, only 14% of these set any expectation as to when an answer will be provided
- The speed at which answers/responses were provided ranges from 20 minutes to 165 hours; with a mean average of 42 hours (see figure 13)
- Surprisingly perhaps, 32% were answered in less than 3 hours, with only 37% of organisations responding on the same working day (see figure 13)
- 20% of businesses failed to respond at all (see figure 13)
- Less than 10% used any kind of unique reference in their reply
- 53% of answers were addressed from an agent with a name

- Of the 53% of those answered with a name, only 25% provided a follow up telephone number; only 3% of these are free phone calls
- Only 3% of replies provided a direct number and name to call back
- In general, the responses were very simple and had few spelling errors; few had any personal input.

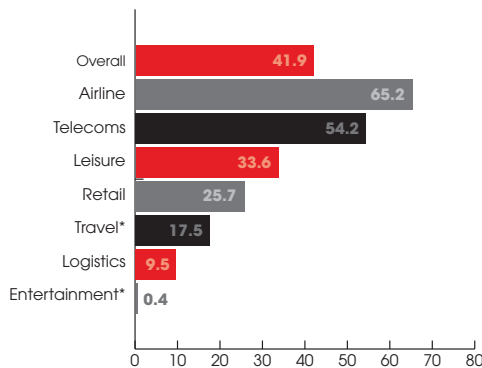
**Figure 13: Response time to email/web form enquiries**



### 7.3 Summary

The average time to submit a direct email is 14 seconds whilst through a web form it is 74 seconds. Once the email has been issued then there are positive signs of reasonable service with 32% of businesses answering within 3 hours and overall, 37% of businesses answering in the same day. However, 12.5% of businesses did not respond within 48 hours and 20% failed to provide a response at all. In addition, 10% of the study group do not allow consumers to email or submit a web form at all.

**Figure 14: Average response time by sector**



At first glance, service level objectives are being achieved as only 8% failed to meet their stated SLA's, but this is hardly surprising when the time to respond is usually defined in a number of days.

Without exception, there was no evidence of organisations using their email response as a method of deepening the client relationship. The responses were simple, often to the point, and with very limited personal engagement. In only 3% of cases, a person's name and contact details were provided for follow-up purposes.

The responses revealed another major concern in that less than 10% of responses was there any type of case reference number/code. Furthermore, there were no signs of promotional or sales activity and there was no link to order histories.

The general conclusion is that organisations deliberately set low customer service expectations and then use this poor service level as the metric for achieving their definition of 'acceptable' service provision.

From a sector perspective (see figure 14) the response time for email/web form enquiries varied significantly. With the entertainment sector the top performer (responding within the hour) and the telecoms and online sectors lagging some way behind, with the average response in a number of days.

## **7.4 What does this mean for you?**

There is a very obvious opportunity to provide an excellent service response to inbound emails. This channel has been shown to provide a much lower cost communication than telephone channel and provides a genuine opportunity to deepen consumer relationships.

The research findings are not especially positive and the replies do little to make customers feel valued. Instead, there is a sense that this channel is an irritant to the service provider. For example, we saw no signs of message personalisation, no use of first name terms and few every day-to-day courtesies (such as thank you) in messages.

We were surprised by the findings as email communication is an everyday business and social activity. Email use now dominates non-verbal communication and the expectation is that a response will be provided quickly. At a time of mass postal strikes and instant messaging, surely no one can doubt the importance of the channel?

All current surveys show the massive escalation of the email channel as a serious business communications tool and yet, as the results show only too well, many of our surveyed companies could not handle emails effectively.

Embedded in the detail of the study, we saw just how poorly emails were being serviced in our study group:

- Fewer than 10% of responses contained any unique reference number/code to be quoted on subsequent communications
- Many emails stated NOT to reply to the sent email

- Many first responses actually encouraged the consumer to call the contact centre and simply provided a phone number by way of response
- At least 10% of initial email responses set an elongated service level expectation and simply apologised for being busy

This philosophy raises the question as to how many organisations are managing the flood of inbound communications and organising all the contact mediums such that all contact records are being retained and managed for subsequent communications at a customer level.

Many of the responses supplied are confusing or unhelpful, yet few have a unique identifier and are provided after a relatively long delay. The implication of which is that consumers will get frustrated, send follow-up and reply emails and turn to alternative channels for an acceptable response. This process leads to duplication, confusion and an unnecessarily long process.

Overall, the results suggest there is a large black hole in how many organisations are managing consumer enquires, which may then lead to suggest serious compliance and audit challenges for service providers.

These survey results suggest that there is a significant challenge for many organisations as they organise themselves to manage specific consumer enquires. We suspect the lack of control of the communication may lead to serious compliance and audit challenges for service providers.

Solutions to these challenges are simple. Technologies exist which can accumulate all these inbound communications, irrespective of the inbound channel and link the transactions to a customer and a case record automatically. These solutions handle phone calls, faxes, paper, SMS messages and emails simultaneously and they have been shown to dramatically reduce the operational costs by 60% in a contact centre. The very same solutions offer new service opportunities too: dynamic messaging to confirm despatch, saying 'thank you' and notifying customers of special sales offers – all of which leads to happier customers and more sales.

# 8. Experiences by sector

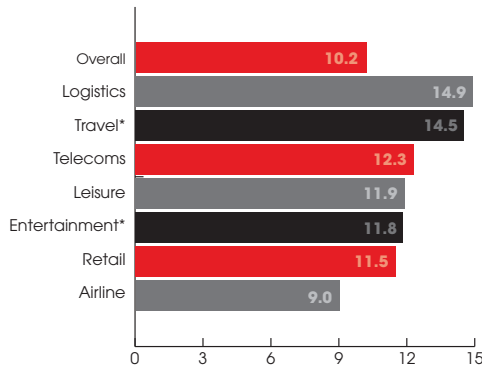
## 8.1 Our findings

Overall, 7 industry sectors were covered by the research, namely: retail, entertainment, leisure, travel, logistics, telecoms and airlines.

In certain cases, we accept that some of the sector group sizes were small. So whilst this may appear to suggest the study is less statistically meaningful, the reality is that there are only a handful of organisations in some of the sectors to make comparisons against.

Within these sectors we have established the range of service levels, identified their communications behaviour and compared performances across the sectors. Some very clear trends emerge.

**Figure 15: Overall quality score by sector**



## 8.2 Highlights of the Study

The research identified:

- No single organisation stood out as being head and shoulders above the rest, although there was a small group of 7% who were notably better than the overall peer group
- No organisation has embraced all the available channels and service offerings to provide what could be considered as 'world class' performance
- There was no evidence of completely integrated multi channel communication; to the contrary, our findings suggest that service organisations enforce choice on consumers. By way of example, try emailing an airline or writing to a telecoms company for a timely response
- Few organisations appear to keep customers updated or informed through pro-active messaging

- Each sector appears to have a customer service champion against which others can be benchmarked. The research results found that the champion was often significantly ahead of the rest of the field
- These champions are often the 'rising stars' of the sector
- The worst performers in each sector are probably perceived as 'poor' in the media too; there seemed to be a correlation between the customer service results and buying experiences of a poll group
- Significant differences are clear between the best and worst performers in sectors. For example, some retailers responded to emails within minutes, other retailers failed to respond at all
- There are significant differences between sectors, which is important as it is the wider peer group, rather than the immediate competitors by which companies will be judged from a customer service perspective
- There are significant service level variances between industry sectors: for example, retailers set email response expectations of 24 to 48 hours whereas the telecoms and airline sectors do not set any expectation at all
- Positive discrimination of service in key sectors:
  - Retailers appear to be most open to multi channel communications
  - The airline industry positively discourages email communication despite technical expertise in online booking systems
  - The telecoms & logistics sector make use of web self service solutions which leads to the extensive use of web forms; unfortunately it takes them a long time to reply
  - The telecoms industry uses the tools at their disposal (such as SMS) to deliver exemplary and proactive services
  - Telecoms and logistics organisations discourage the use of written communication and fax correspondence.

## 8.3 Summary

The commissioned research shows a huge disparity in customer service provision across different industry sectors. There are some clear service leaders and some definite laggards. However, no organisation stands out way above the overall peer group.

Informal research amongst a small group of consumers suggests the findings of the research are consistent with the overall perception of service quality by sector.

## 8.4 What does this mean for you?

In everyday life, consumers encounter numerous organisations as they go to work, travel, look after their homes and shop for their family. These experiences span many sectors and yet, the service providers appear to benchmark their performance against their immediate peer group. The logic is probably that of 'being better than the nearest competitor is OK'.

The customer's reality is very different. A great experience at a retailer sets a benchmark by which the other groups will get measured. If a local retail store offers great service why should a mobile carrier be so awkward to deal with?

A lack of concern over customer service leads to consumer frustration when poor service is encountered in any sectors. Indeed, look at any aspect of life – travel on a train in Europe and you just wonder why the UK train service is so poor. Shop in a Tesco and Sainsbury’s store in the UK and we wonder why all supermarkets in Portugal, Austria or France are not as good.

In short, service is evaluated in its widest context, as consumers compare good with bad service, regardless of the sector or source.

There is no excuse for poor customer service; the technology exists to master everyday communications and to provide excellent, fast and personalised responses. Consumers should not have to wait long for a response – service should be measured in minutes or hours not days. The challenges of responding to an email, letter, fax or even SMS message is no different if you are a retailer, airline or telecoms company.

And, if an organisation cannot handle the email channel, what chance is there when the newer and emerging channels become dominant and omnipotent? Messaging services (such as online chat and SMS) dictate that service providers will need to be even better prepared and organised.

Research suggests that organisations embracing technology and customer service are growing and prospering. Whilst there are exceptions to the rule, it seems an unsustainable position in the information age.

## **In summary**

For the executive reader of a service provider, what should be gleaned from the study? In short, there is a clear opportunity to embrace technology, provide consumer choice, deliver a high quality service and achieve competitive advantage across any communication channel.

Furthermore, the results show, the full capabilities of these channels are not being exploited to provide value added services or to deepen the client engagement.

With plenty of opportunities to improve your client engagements, the introduction of an effective customer communications solution provides:

- Consumer choice
- Operational effectiveness and flexibility
- Deeper client relationships
- More sales.

These solutions can be delivered in weeks with an ROI measured in just months. The question service providers should ask themselves is: ‘exactly what is the barrier to world class customer service?’

# 9. What does all this mean for you?

numero research into UK consumers has identified a number of groups, each with different lifestyle characteristics and communication preferences. These consumer profiles provide a flavour of what these segments want from customer service and the type of interaction they prefer. Further details of these segments can be found at [www.thisnumero.com/consumer-issue/](http://www.thisnumero.com/consumer-issue/) along with video footage for each.

The lack of multi-channel support and outstanding service with respect to non-voice channels (as identified in this report) has far reaching consequences when considered in relation to these segments. In this section, we highlight the implications of the brave new world of mobile communications, the web and the explosion of social media in the context of today's contact centre/service provider.

And so, in relation to four of the segments identified by numero, we highlight the experiences of customers in relation to current customer services standards.





## Jenny – Fire & forget consumerist

Happy, 'go-getter', carefree Jenny is a student and is very 'switched on' to the internet, using it as a source of information, to conduct shopping and banking transactions and to communicate with her mates via Facebook, Twitter, MSN and others. She is very mobile and dynamic, and uses the internet on the go, via her iPhone – she is part of the 'fire and forget' generation, sending messages at a touch of a button, expecting a response without having to chase.

Jenny is highly unlikely to make a telephone call to a contact centre and if she does, is alarmed by the cost of calling from her mobile. She does not use FAQs, won't spend over a minute trying to locate 'contact us' forms on websites and is likely to abandon any website that doesn't give her answers in seconds. The lack of web-chat facilities is a mystery to Jenny and the thought of waiting hours (never mind days) for an impersonal email response to a customer service enquiry is enough to send her into a Twittering and Facebook frenzy to spread the word about her poor experience.

In short, the lack of support for social media, instant messaging and proactive promotions by the brands of the study group is enough to suggest that Jenny won't be impressed by the current standards of customer support.



## Gary - Digital DIY dude

**Dynamic Gary organises his professional and personal life at the touch of a button via his iPhone. Gary's life is all about technology, design, functionality and speed. He shops, banks, books, socialises and shares information via text, emails and social networking sites. Gary's phone calls are often to confirm that he has done something, sent something or arranged something already - it is another opportunity to demonstrate his efficiency and ability. Serial social networker, Gary is linked into Facebook, Twitter, LinkedIn and You Tube.**

On the rare occasion Gary calls in to the contact centre he uses online brokers to reduce otherwise high call costs. Gary is pleased to find dynamic FAQ support but disappointed that the service has not been extended to 'My Account' support to let him help himself further.

Gary happily submits his customer service queries via online forms and email but is intolerant of the service levels offered and the lack of an immediate resolution to his issue. Gary would much prefer instant messaging but accepts he's ahead of the demand curve.

To compound matters, Gary is frustrated by the lack of proactive customer updates that keep him informed while on the move. As a consequence he adds to the workload of the customer service departments of those in the study group by raising duplicate queries at different times. As soon as brands start to support his preferences, he'll be the first to give them a go.



## Mike – Audit trail trouble-shooter

Businessman Mike is successful, wealthy and works extremely long hours. His family life tends to be interrupted by work. The days of a PA are long over, so Mike has to use technology to organise his personal and business life. He is technologically astute and has his Blackberry switched on 24/7, a laptop that shares his long working hours and conducts business anytime, anyplace, anywhere.

If Mike does not get a timely reply to the email and letter he sent, he will go online and pick up the phone – typically at unusual hours. He might have a complaint or simply need the reassurance that you have got everything in hand. Either way, he will expect you to ‘know who he is’ and have all relevant information at your fingertips.

When Mike has a customer service query, he checks online FAQs to be sure of following the right process. As a result he sends emails or completes web forms (with a copy by fax) and reinforces his query in writing. Mike is intolerant of badly organised systems as his expectations are set by class leaders.

Mike expects the service provider to be extremely knowledgeable and organised with all his communication to hand. Under the current approach revealed by the research, Mike is frustrated by the fragmented nature of customer service procedures and the need to repeat himself. To compound matters, Mike is disappointed by the impersonal and unhelpful email responses he receives and looks forward to the day when his seemingly straightforward enquiries are handled quickly, efficiently and without the need for duplication of effort.



## Anne – Silver surfer

Pensioner Anne is witty, intelligent and is well known in the local community. Anne says she is technophobic but has realised the power of the internet as it has connected her to friends. Anne uses Skype regularly and is amazed that it costs her nothing, she also sends emails that are more like letters and take an age to compose. Whilst she has a mobile phone, it is for emergency use only and certainly not for texting or browsing the web.

Anne does everything right and if you do not do the same, woe befall you as Anne will make it known to the highest authority she can. Anne is a time-consuming customer to take care of as everything comes in chapter and verse, however Anne will become a fan of services that let her continue with a busy social life.

Anne is pleased that she can phone, email or write with her customer service queries. Unfortunately, as she has a tendency to compose long, detailed messages which aren't typically suited to online forms, Anne opts to email or write instead.

Given the time she has taken to submit her query, Anne is disappointed by the lack of personalisation and detail within the responses she receives. She is even more frustrated by the total lack of detail within online FAQs. As a consequence she escalates matters, often reverting to the phone in frustration and becoming a 'customer from hell', which she considers most uncharacteristic.

Anne's decision to embrace new communication channels leaves her somewhat bemused that the brands of the study group have failed to move with the times in the same way she has.

# 10. Finally

## Concluding remarks

The research findings clearly identify significant room for improvement in respect of customer service provision via the non-voice channel. Whilst the research shows some businesses to be excelling in certain areas (for example website FAQs or direct email contact) performance is far from universal. To compound matters, just a very small proportion (less than 10%) of the survey group is making headway across multiple communication channels.

From a sector perspective, the findings reveal widely varying performance with clear communication channels emerging as preferences for certain sectors (for example web self service for telecoms and airline companies).

All of the above begs the question of 'is multi-channel communication important?' To which the answer is most certainly affirmative according to the findings of separate numero research into the communication styles and preferences of different consumer groups. This clearly shows that 'no one size fits all' – as section 9 of this report demonstrates.

As a consequence, service providers who believe they have solved all their communications challenges through web self service are very much mistaken.

## In summary

None of the customer segments will be completely happy with the service identified through the research. This will result in consumer frustration at best, more likely outright dissatisfaction. The outcome of which is increased cost and missed opportunity for the businesses.

However, solutions to the challenge are close at hand, easy to implement and offer immediate ROI benefits to the service provider. With this in mind, the one final question that needs answering, is: 'just what is the barrier to change?'

# Getting started

Within this report, we frequently highlight the fact that multi-channel communication issues can be easily addressed through the use of modern technology such as that developed by numero. Our solutions are relied upon by some of the biggest names in the customer services business – including 3 of the top 4 business process outsourcers (BPO).

numero has helped many leading businesses to streamline their customer journeys with solutions that save costs, increase opportunities and deliver a return on investment in a matter of months. We support all communication channels (voice and non-voice) and have the experience and expertise to address the challenges and opportunities identified within the research findings. However, we believe in putting our money where our mouth is and invite readers of this report to make a start on improving their non-voice communications at no cost by:

## **Establishing your business case – free of charge**

numero act is a step-by-step consultancy service that investigates the business case (including ROI, immediate benefits and longer term gains) for streamlining customer journeys (via voice and/or non-voice channels) using the numero uno software platform. We will provide this service free-of-charge to readers of this report.

## **numero uno software – free licensees**

The state-of-the-art customer service solutions numero creates for contact centres, web applications and back office functions are powered by the numero uno software platform. numero uno includes web chat and FAQ modules that enhance and streamline these non-voice communication channels. Readers of this report non-voice will be offered free licensees to these modules, along with guidance on their integration with existing sites and systems.

Anyone interested in the above should contact any member of the numero team or visit [www.thisisnumero.com/gettingstarted](http://www.thisisnumero.com/gettingstarted) for further details. Please note that due to the high value nature of these offers, they are time limited.

# About numero

numero is a successful British business that has grown rapidly since its formation in 2001. The company employs over 60 people from headquarters in Stockport, United Kingdom. The vast majority of whom are focused on software development and professional service delivery. We are very proud of our UK development centre which is a key differentiating feature of the business as we can quickly and professionally develop new features and functionality to meet the needs of clients.

numero clients include many of the top UK corporates with 3 of the top 4 business process outsourcers (BPO) in the UK utilising our solutions along with 35 other major organisations involved in retailing, public services, online, outsourcing, financial services, publishing, broadcasting, travel and mail order.

Clients are supported by the 3 cornerstones of the numero business, namely:

## numero act

This step-by-step process is provided free-of-charge to clients and establishes findings for the business case (including ROI, immediate benefits and longer term gains) along with proposals that relate directly to the real world situations clients face.

## numero uno

The state-of-the-art customer service solutions numero creates for contact centres, web applications and back office functions are powered by the numero uno software platform. numero uno streamlines customer journeys via any communication channel including phone, email, online and written correspondence.

## numero pro

Our professional services organisation – numero pro – provides a complete portfolio of services to clients, encompassing everything from pre-sales consultation to post implementation support. Providing everything needed to ensure that client projects are scoped, designed, implemented and supported to the highest standards.

**To understand how numero solutions can help you address individual customer needs – while streamlining customer journeys via any commercial channel – just speak to any of the numero team.**