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Customer Service Representative Performance Key to Improvement in Contact Center Satisfaction, According to CFI Group Study

Contact Center Satisfaction Index Reports Better Service in a Down Economy, Better Issue Resolution with U.S.-based Contact Centers

ANN ARBOR, Mich. (June 17, 2009) – The third annual study of customer satisfaction with contact centers credits the performance of Customer Service Representatives (CSRs) and improved issue resolution for the second consecutive jump in the Contact Center Satisfaction Index (CCSI) from CFI Group. The CCSI, which employs the proven methodology of the University of Michigan’s American Customer Satisfaction Index, climbed three percent to 74 on a 100-point scale.

The CFI Group Contact Center Satisfaction Index surveyed over 2,200 participants across several industries, including banks, cable and satellite TV, cell phone service, credit unions, hotels, insurance, personal computers, retail, and government. Performance varied by industry, and CCSI industry scores and changes since 2008 are as follows:

- Banking (+11% to 79)
- Cable and Satellite TV (+8% to 71)
- Cell Phone Service (-1% to 71)
- Credit Unions (debut at 81)
- Hotel (-1% to 77)
- Insurance (+5% to 79)
- Personal Computer (no change 69)
- Retail (-5% to 72)
- Government (-8% to 64)

According to the report, customer service representatives improve across all measured areas, including courteousness, knowledge, ease of understanding, interest in helping, and effectiveness in handling issues. The poor economic environment may have created ideal conditions for CSRs to excel.

“Two things are happening in the slumping economy. Unemployment is still pretty high, and call centers may be benefiting from more qualified job applicants. Also, contact centers are experiencing much lower turnover, creating a bigger pool of CSRs that can leverage experience to help customers resolve their issues,” said Sheri Teodoru, CEO of

CFI Group. “But expect that to change when the economy recovers. Companies should be prepared to lose some of their most qualified CSRs.”

Underscoring the importance of CSRs is the fact that the biggest jumps in CCSI were made by industries that experienced the biggest improvements in CSR scores. The impact of CSRs on customer satisfaction is even more evident when considering offshore contact centers. U.S.-based contact centers beat offshore contact centers at every level, especially in CSR performance and issue resolution. Domestic CSRs perform impressively, scoring 84 out of a possible 100 points, while offshore CSRs score 26% lower at 62. U.S.-based contact centers do a better job of resolving issues on the first call (68% of the time) than those perceived to be located offshore (42%). The result is higher customer satisfaction with contact centers perceived to be based in the U.S. (78 vs. 56 for offshore) and have half as many unresolved issues as those perceived to be offshore.

“The impact of offshoring on loyalty is enormous,” said Teodoru. “Customers are nearly twice as likely to recommend the company to others if they think the contact center is in the U.S., while they are three times more likely to defect if they believe it was based offshore.”

CSRs are key to customer satisfaction, yet many customers are greeted by Interactive Voice Recognition (IVR) machines when they reach a contact center. Those who had to go through an IVR to speak with a CSR are much less satisfied than those who reached a CSR (69 vs. 79 respectively, a 13% differential).

“IVRs are a necessary evil for many companies, but improving them is not the key for success,” Teodoru added. “Customer service is a personal experience, so the best thing a contact center can do is invest in its people not its machines.”

First call resolution is still the key to satisfaction. There is a dramatic 26-point difference in satisfaction between those who got their issues resolved on the first call (83) and those who required 3 or more calls (57). Unresolved issues declined since last year’s study, with only 1 in 10 surveyed reporting that their issues remained unresolved.

The full report, including analyses of the aforementioned industry contact centers, is available for download at www.cfigroup.com.

About CFI Group

CFI Group (www.cfigroup.com) turns “voice of the customer” survey data into customer satisfaction improvement strategies. Inventors of the University of Michigan’s American Customer Satisfaction Index (ACSI), CFI Group is able to apply this technology to identify product and service improvements that will maximize ROI. For over twenty years, CFI Group has applied ACSI best practices worldwide to help clients drive customer loyalty, recommendations, and firm value. CFI Group’s clients include the American Cancer Society, AT&T, Best Buy, DIRECTV, NASA, and Yahoo!

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