



# 2012 Global Customer Service Barometer

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Findings in the United States

A research report  
prepared for:



echo

# Research Method

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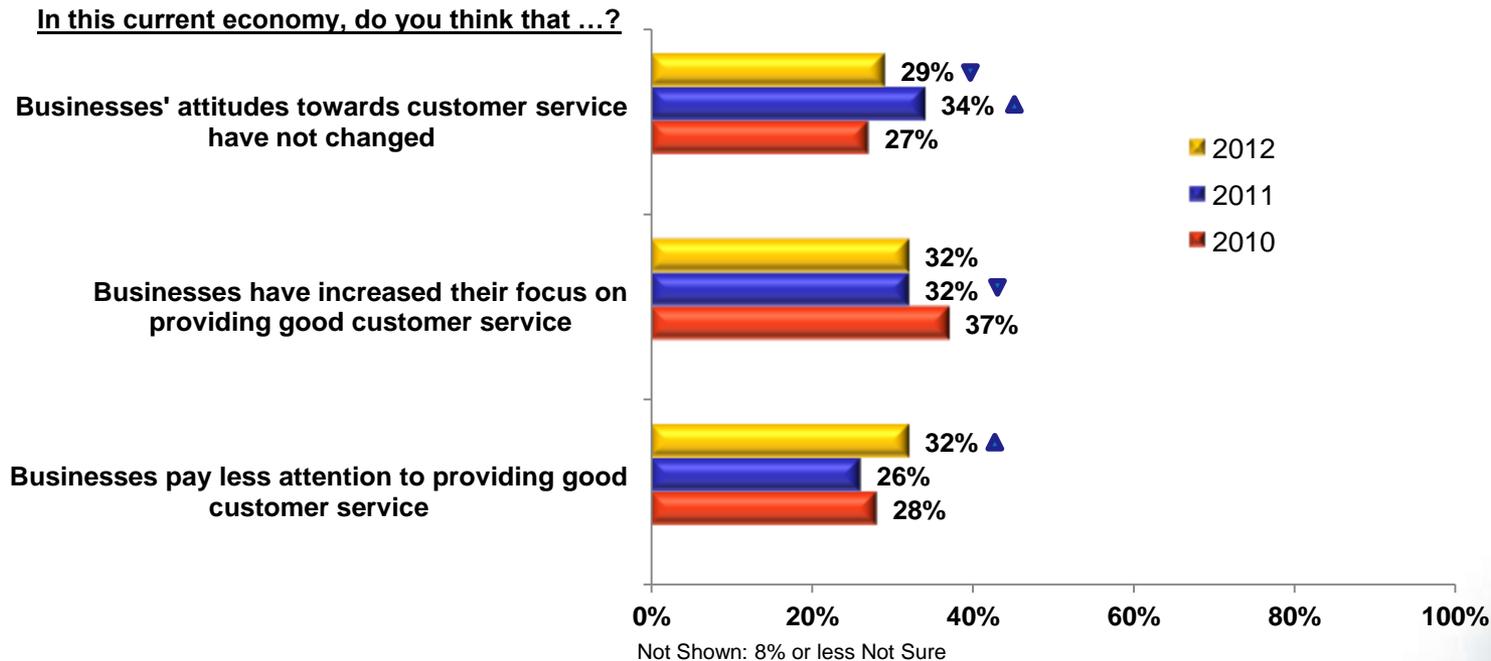


- **This research was completed online among a random sample of consumers aged 18+. A total of 1,000 interviews were completed.**
- **Interviewing was conducted by Echo Research between February 22 and 29, 2012.**
- **The overall results have a margin of error of +/- 3.1 percentage points at the 95% level of confidence.**

# Consumers think businesses are paying less attention to providing good customer service



Nearly a third of consumers believe that, in this current economy, businesses 'pay less attention to providing good customer service', a significant increase from 2011 (32% vs. 26%). Three in ten (29%) consumers think that 'businesses' attitudes towards customer service have not changed', down significantly from 34% in 2011. As in 2011, another third of consumers believe businesses 'have increased their focus on providing good customer service' (32% in 2012 and 2011) both down significantly from 37% in 2010.

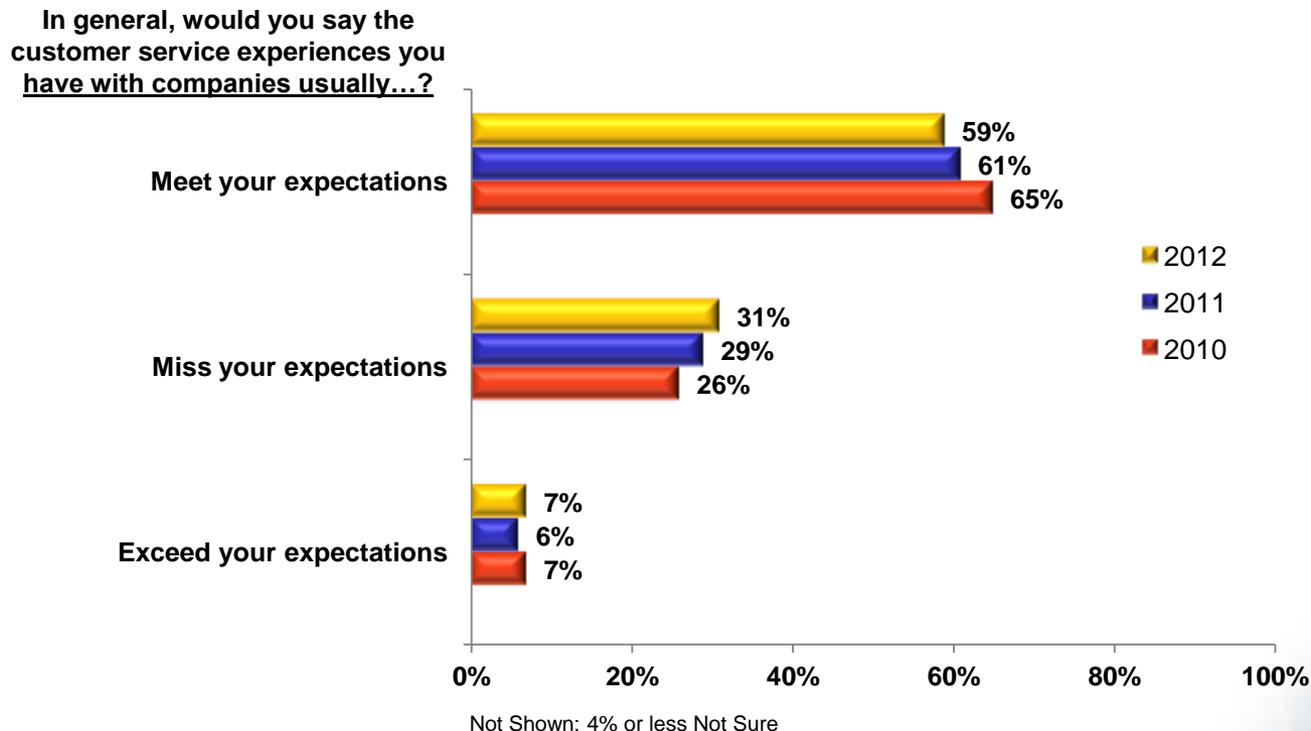


# Companies still meeting consumers' expectations for customer service experiences



Three in five (59%) consumers believe that companies 'meet their expectations' for customer service, down from 65% two years ago.

Similar to 2011, only 7% of consumers said that the customer service experiences they have with companies usually 'exceed their expectations' (compared to 6% in 2011) and 31% said that companies usually 'miss their expectations' for customer service (compared to 29% in 2011).

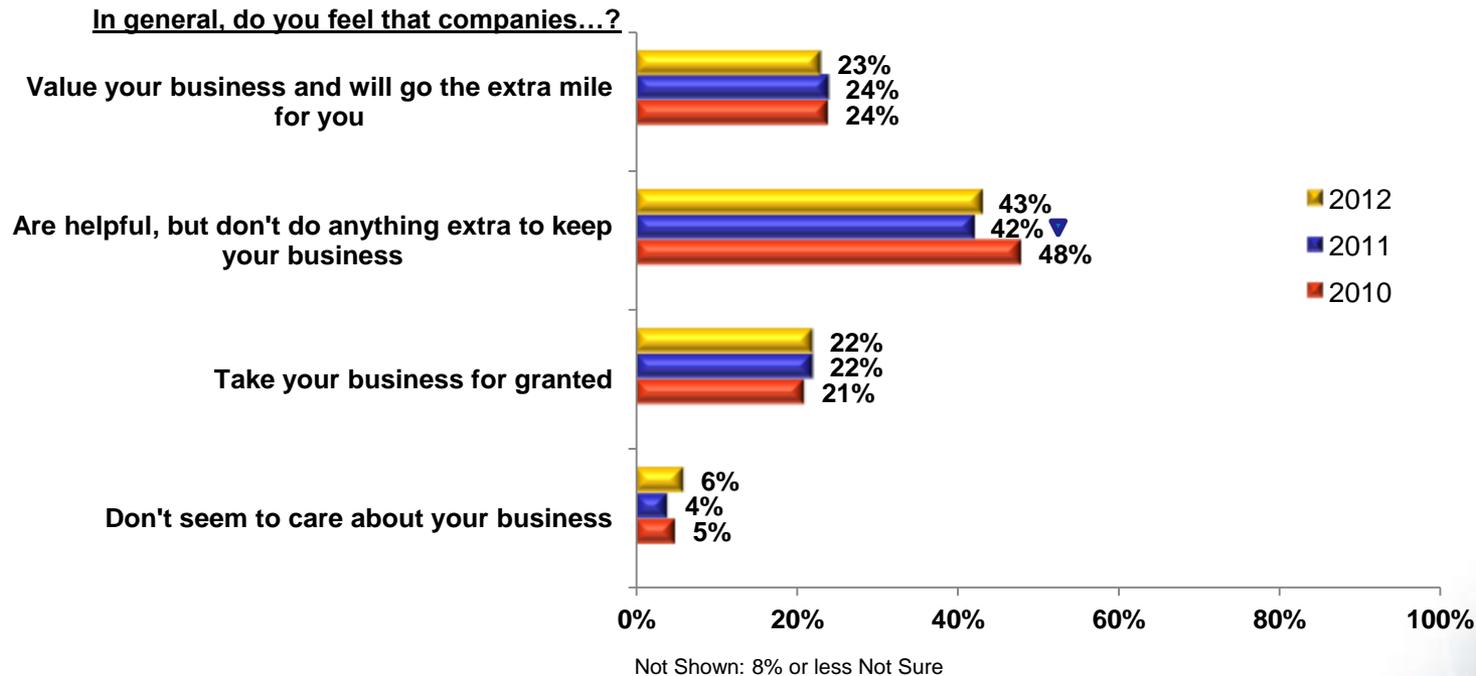


# Most consumers still believe that companies are helpful but aren't doing anything extra to keep their business



In general, consumers continue to see companies as helpful, but not doing anything extra to keep their business (43%), similar to last year (42%) and down significantly from 2010 (48%).

Also like last year, one quarter (23% in 2012 vs. 24% in 2011 and 2010) of consumers think that companies 'value their business and will go the extra mile for them'. As in the past, just over one in five (22% in 2012 and 2011; 21% in 2010) feel that companies 'take their business for granted'.



Q.T1

▲ Significantly higher/lower than previous year at the 95% confidence level.

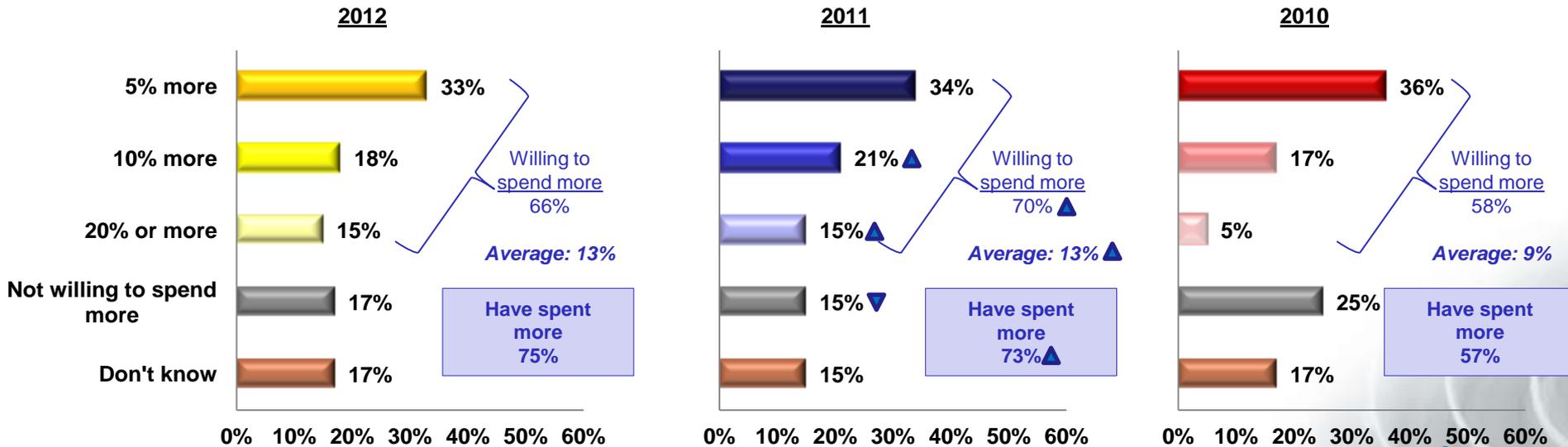
# Consumers will spend more with companies that provide excellent service



Two thirds of consumers state that they are willing to spend more with a company they believe provides excellent customer service, compared to a slightly higher seven in ten in 2011 (66% in 2012; 70% in 2011). Like last year, they are willing to spend 13% more, on average.

Three out of four consumers say they have spent more with a company because of a history of positive customer service experiences, similar to last year (75% in 2012; 73% in 2011).

How much more would you be willing to spend with a company that you believe provides excellent customer service?



Q.T4/T5

▲ Significantly higher/lower than previous year at the 95% confidence level.



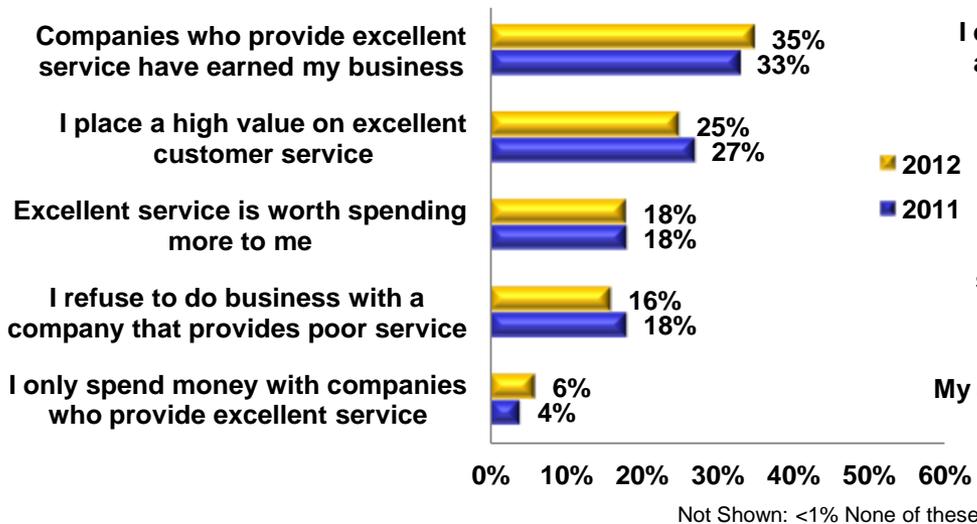
# Consumers value excellent service – some are willing to pay for it, while others expect it



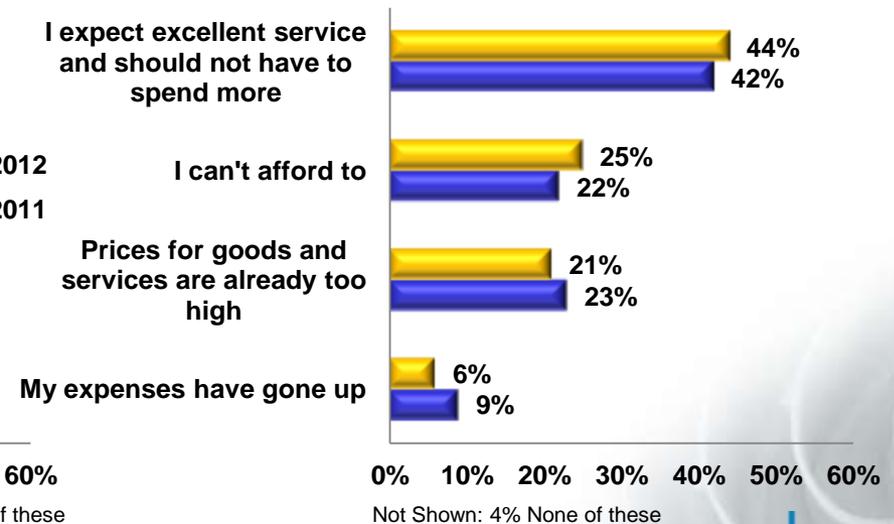
Those who are willing to spend more with a company they believe provides excellent customer service ‘place a high value on excellent customer service’ (25%), and believe that ‘companies who provide excellent service have earned their business’ (35%), similar to 2011. Greater than one in ten consumers ‘refuse to do business with a company that provides poor service’ (16%) and feel that ‘excellent service is worth spending more’ (18%).

For those not willing to spend more with a company they believe provides excellent customer service, more than two in five (44%) ‘expect excellent service and should not have to spend more’. One in four said they ‘can’t afford to’ (25%), and one in five feel that ‘prices for goods and services are already too high’ (21%).

Why would you be willing to spend more with a company that provides excellent customer service?



Why would you *not* be willing to spend more with a company that provides excellent customer service?



Q.T5A Respondents not willing to spend more (n=338/309)

Q.T5B Respondents willing to spend more (n=662/709)



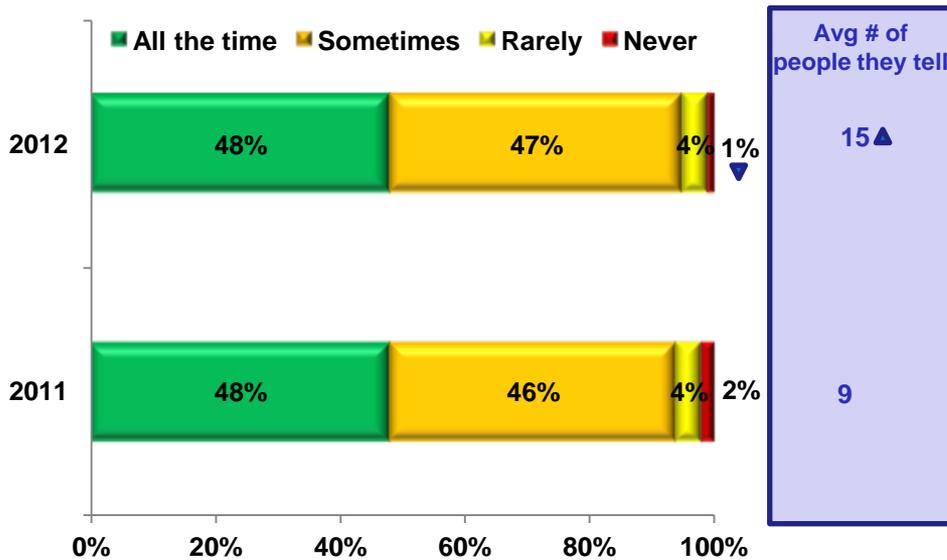
# Consumers are telling more people about their customer service experiences



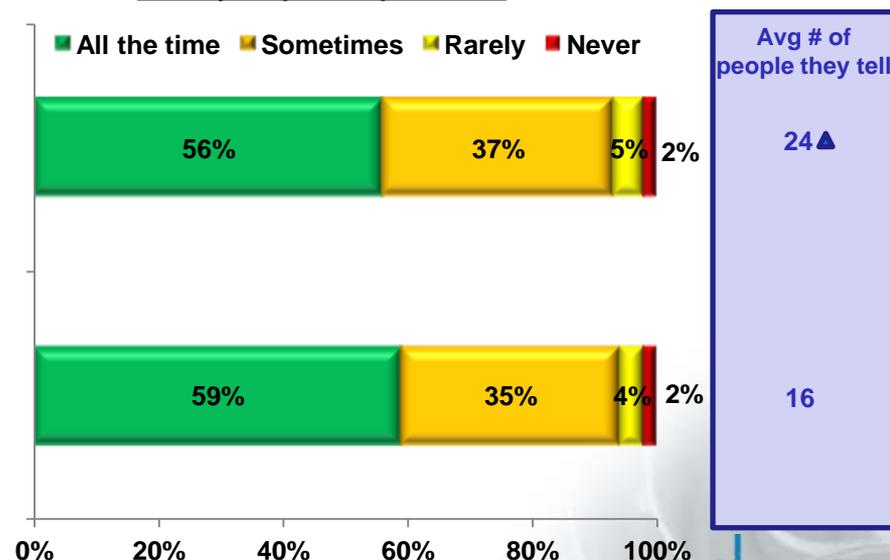
Compared to last year, consumers tell significantly more people on average about their customer service experiences, both good and bad. On average, they tell 15 people about their good experiences (up from 9 in 2011), and 24 people about their bad experiences (up from 16 in 2011).

Nearly half of consumers tell someone about their good customer service experiences all of the time, similar to 2011 (48% in 2012 and 2011). When it comes to poor customer service experiences, 56% of consumers talk to people about them all the time.

How often do you tell other people about your good experience?



How often do you tell other people about your poor experience?

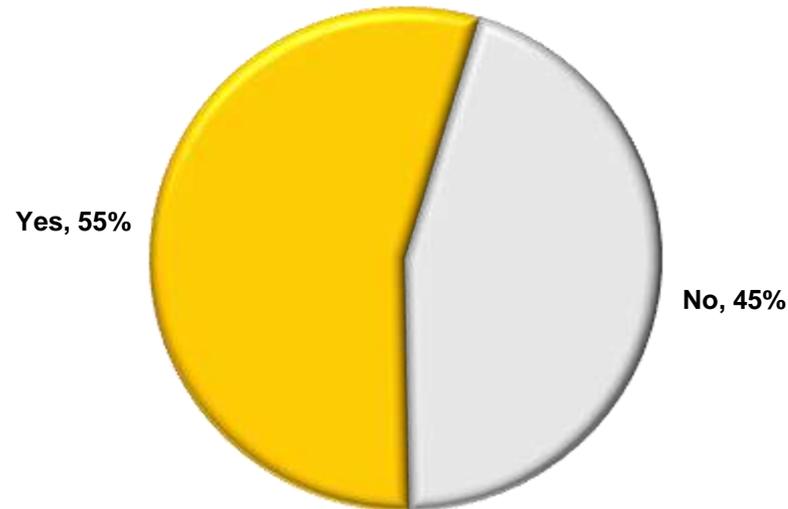


# Poor service can lead to lost sales



In the past year, over half (55%) of consumers have intended to conduct a business transaction or make a purchase, but decided not to based on a poor service experience.

In the past year, have you intended to conduct a business transaction or make a purchase but decided not to based on a poor customer service experience?



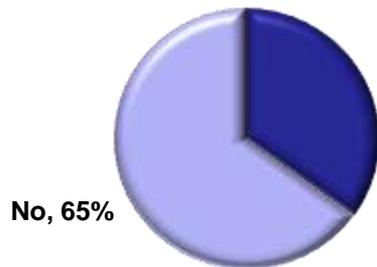
# Consumers lose their temper with customer service representatives



More than a third of consumers have lost their temper with a customer service professional in the past year (35%).

Of those who lost their temper, seven in ten 'insisted on speaking with a supervisor' (71%) while two in five 'threatened to switch to a competitor' (40%). Three in ten or more 'hung up the phone' (36%) or 'demanded to know the customer service professional's name' (29%). One in four (24%) talked about their experience via social media.

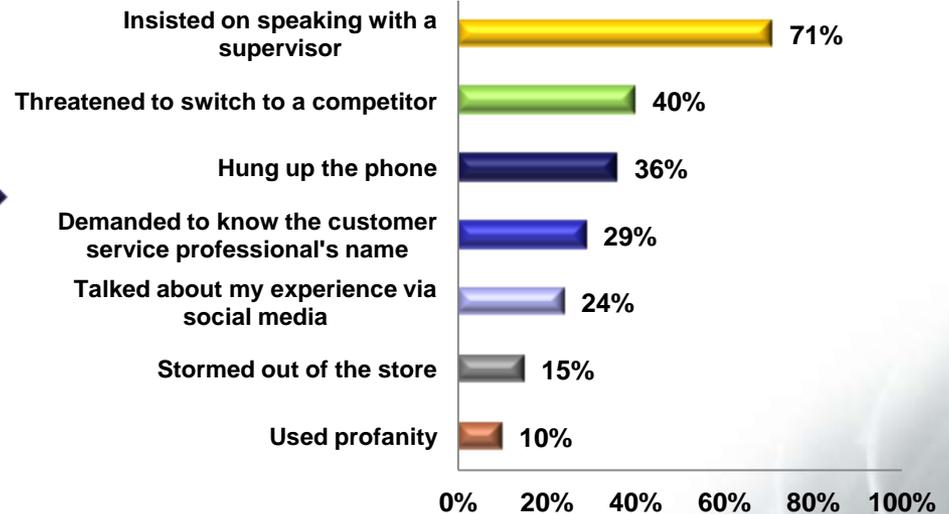
In the past year, have you lost your temper with a customer service professional?



Yes, 35%



Which of the following have you done when you lost your temper with a customer service professional?



0% 20% 40% 60% 80% 100%

Not Shown: 5% None of these

# Consumers' preferred channel for customer service inquiries varies depending on the complexity of the inquiry

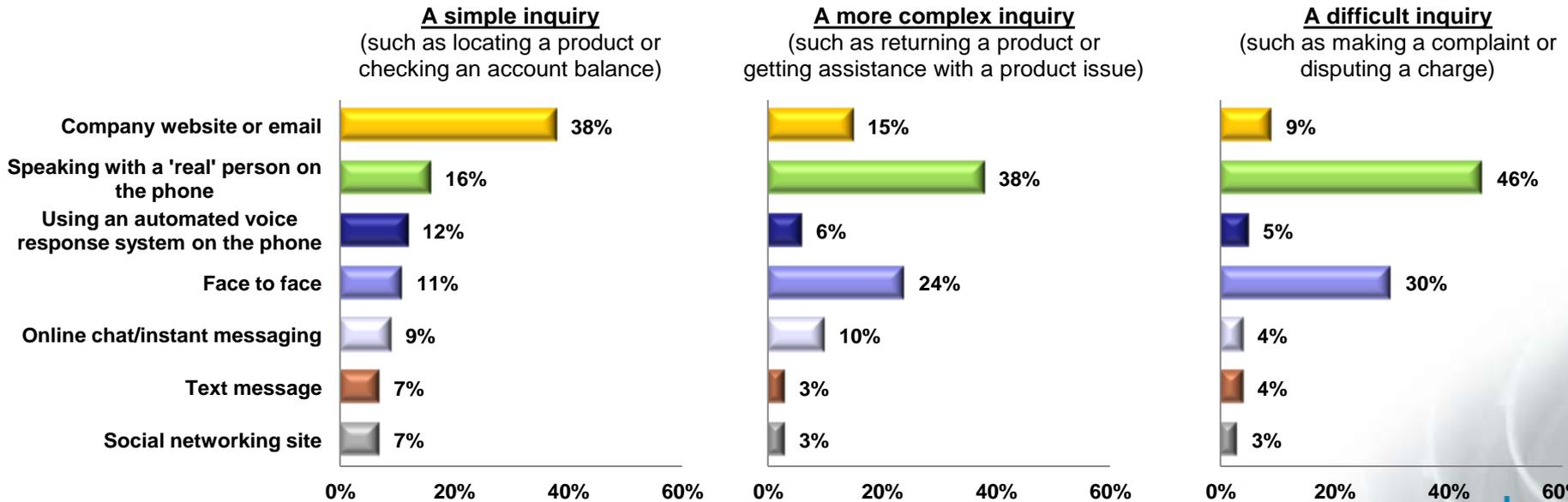


For simple inquiries, such as locating a product or checking an account balance, two out of five (38%) consumers prefer using a company website or email, followed by speaking with a 'real' person on the phone (16%), using an automated voice response system on the phone (12%) and face to face (11%).

For a more complex inquiry, such as returning a product or getting assistance with a product issue, two out of five (38%) consumers prefer speaking with a 'real' person on the phone, followed by a 'face to face' conversation (24%), and using a company website or email (15%).

For even more difficult or complicated inquiries, almost half of consumers (46%) prefer speaking with a 'real' person on the phone, 30% prefer a face to face interaction, and 9% prefer a company website or email.

For each of the following types of customer service inquiries, which is your preferred channel for reaching out to companies?



Q.N12a/b/c

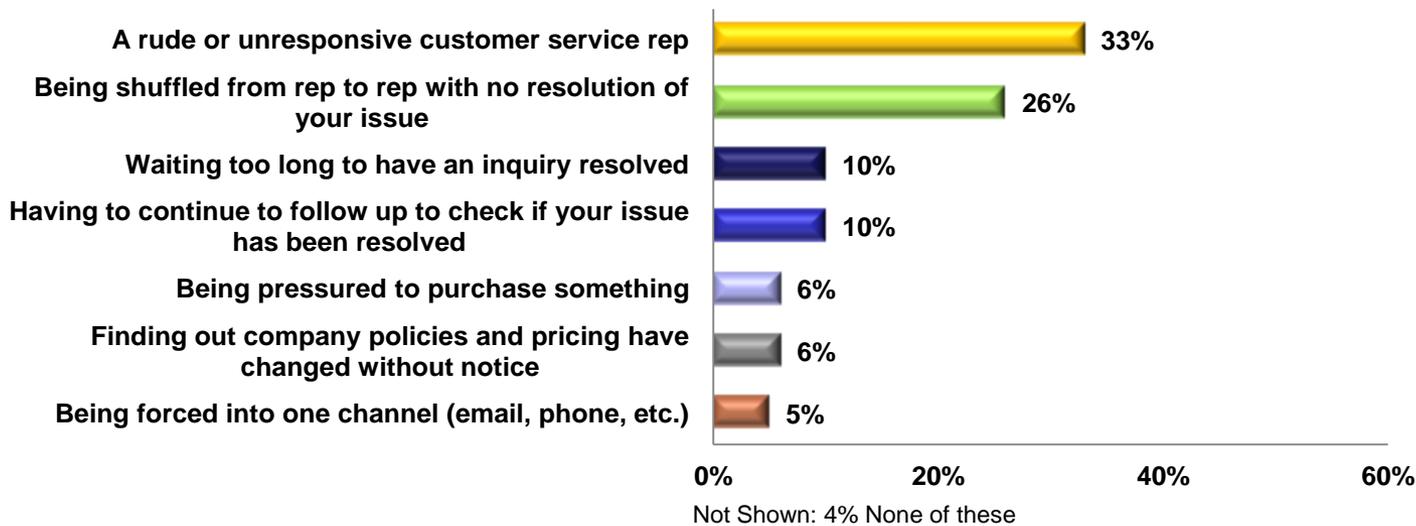


# Consumers desire customer service representatives to be considerate and responsive, above all



A third of consumers (33%) cite 'a rude or unresponsive customer service representative' as the most likely customer service issue to influence them to switch brands or companies. Over one in four (26%) cite 'being shuffled from representative to representative with no resolution of their issue'.

Which of the following customer service issues would be most likely to influence you to switch brands or companies?



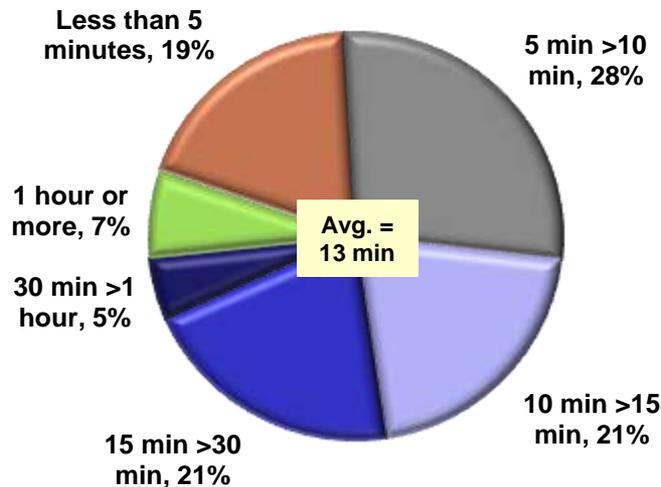
# Consumers are generally patient when it comes to their willingness to wait for customer service



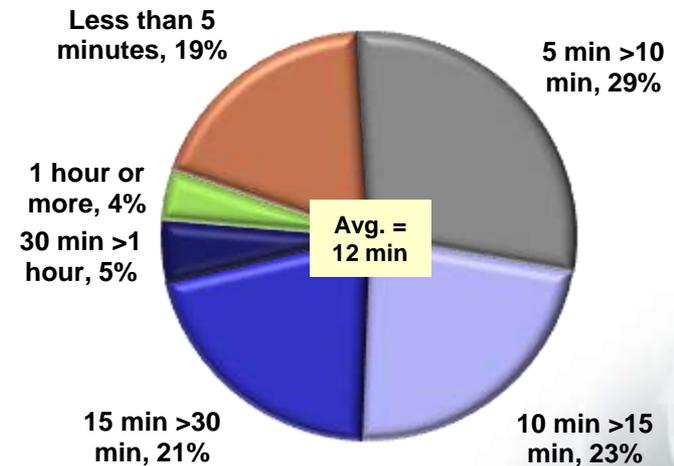
On average, consumers are willing to wait a maximum of 13 minutes on hold when they contact a customer service center by telephone. Nearly one in five (19%) are only willing to wait less than 5 minutes, while one in ten (12%) are willing to wait 30 minutes or more.

In person, consumers are willing to wait an average of 12 minutes for customer service help, slightly less than on the phone. Fewer than one tenth (9%) are willing to wait more than 30 minutes.

When you contact a customer service center by phone, what is the maximum amount of time you are willing to wait on hold?



What is the maximum amount of time you are willing to wait for help from customer service in-person (ex., at a bank, retail store, service provider or restaurant)?



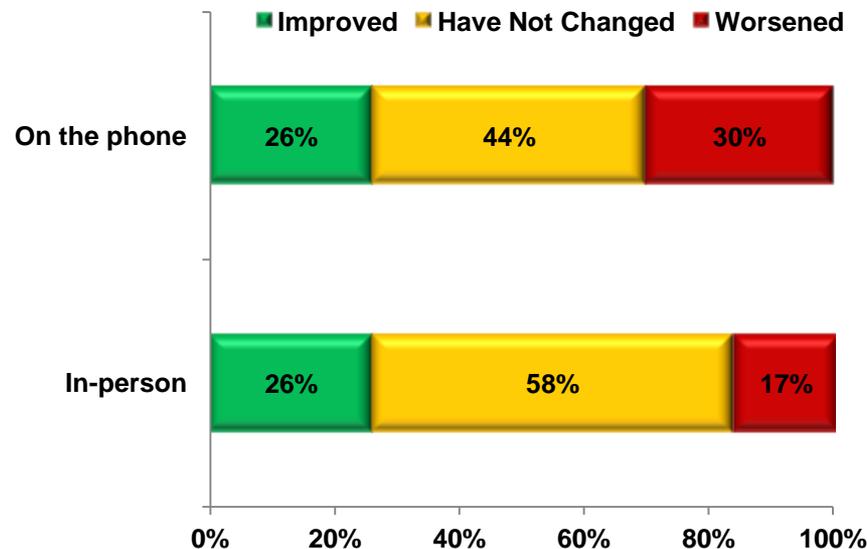
# There is room for improvement in customer service wait times



One in four (26%) consumers feel that companies have generally improved in terms of the amount of time they are being left on hold during a typical customer service phone call. However, three in ten (30%) feel that companies have worsened in this respect, while more than two in five (44%) feel they have not changed.

One in four (26%) also feel that companies have generally improved in terms of the amount of time they feel they have spent waiting for help from customer service in-person, similar to over the telephone. Only 17% feel companies have worsened in this regard, while three in five (58%) feel they have not changed.

In the past year, do you believe that companies have generally improved or worsened in terms of the amount of time you feel you have spent waiting for help from customer service...?



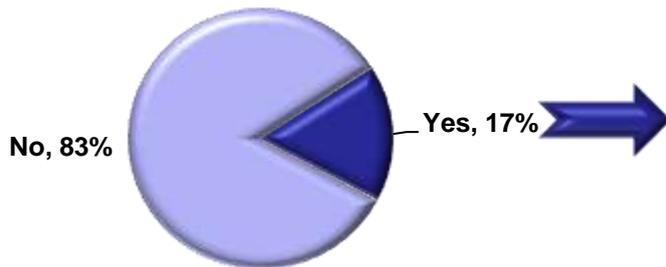
# Social media is not a common channel for consumers seeking a customer service response



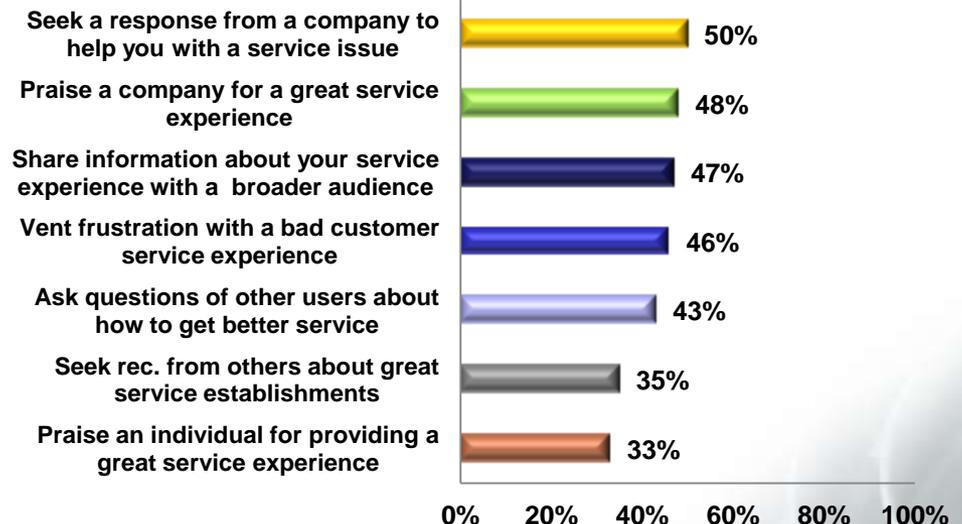
Fewer than one in five (17%) consumers say they have utilized social media at least once to get a customer service response in the past year.

For those who have used social media for customer service in the past year, they have done so for a variety of reasons, including 'seeking an actual response from a company to help them with a service issue' (50%), 'praising a company for a great service experience' (48%), 'sharing information about their service experience with a broader audience' (47%), and 'venting frustration with a bad customer service experience' (46%).

In the past year, have you utilized social media to get a customer service response?



Which of the following are reasons you use social media when it comes to customer service?



Not Shown: 1% None of these



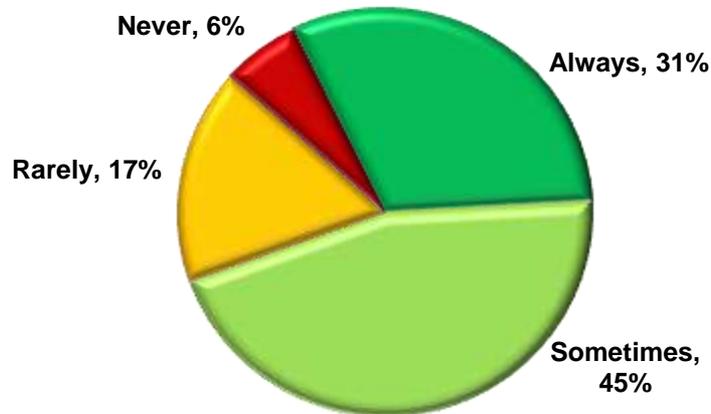
# Resolution of customer service issues via social media may be hit or miss, but consumers see improvement



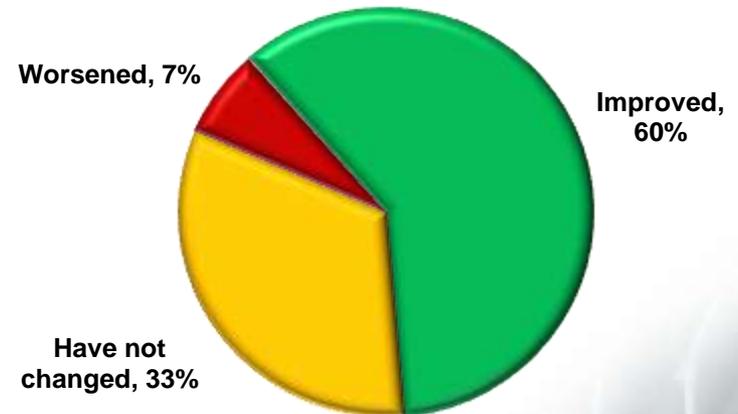
Three out of ten (31%) consumers who have used social media for customer service inquiries say they always get an answer or have their complaint resolved. One in four (23%), however, say they rarely or never get an answer or have their complaint resolved.

Despite this spotty record, three in five (60%) feel companies have generally improved their response times over social media channels. One third (33%) say they have not changed, while only 7% say response times over social media have worsened.

When you use social media to complain about a customer service issue, how often do you feel you get an answer or your complaint is resolved by the company?



In the past year, have companies generally improved or worsened in terms of how quickly you feel they respond to you over social media channels surrounding a general inquiry or complaint?

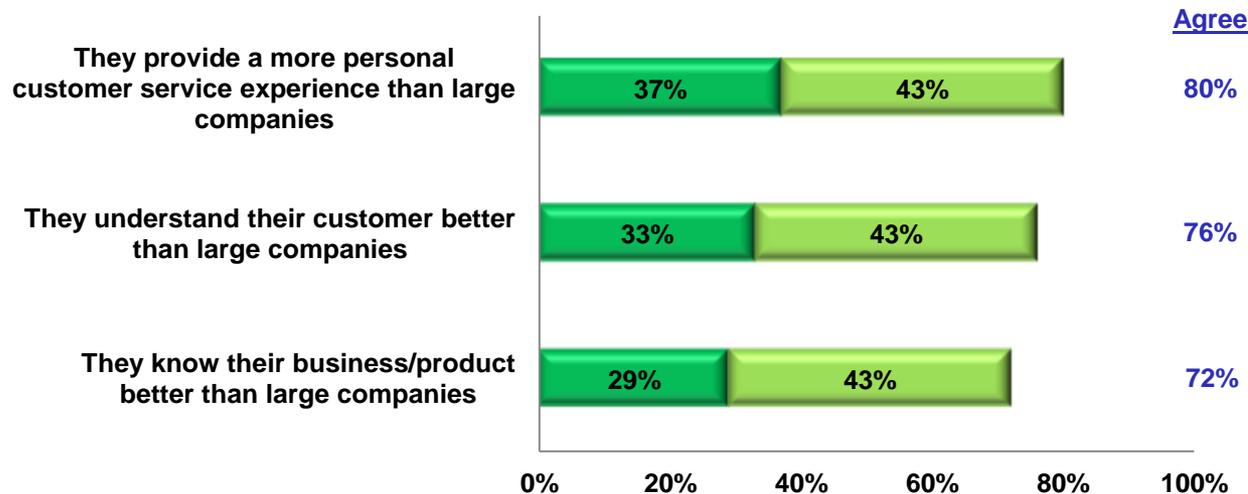


# Consumers say small businesses provide more personal service and understand both their business and customers better than large companies



Eight in ten (80%) agree small, independently or locally-owned businesses 'provide a more personal customer service experience', with nearly two in five (37%) strongly agreeing with this statement. Three in four (76%) feel small businesses 'understand their customer better' than large companies, with a third (33%) strongly agreeing. Seven in ten (72%) feel small businesses 'know their business/product better', with three in ten (29%) strongly agreeing.

Based on your experience, how much do you agree or disagree that each of the following statements accurately describes customer service in small business?

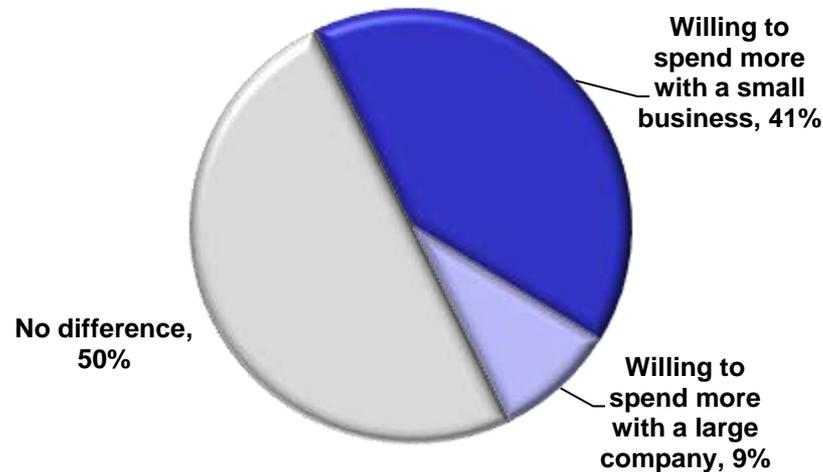


# Consumers willing to spend more with a small business even if a large company provides an equally high level of customer service



Comparing a small independently-owned business and a large company that both provide excellent customer service, two in five (41%) consumers who are willing to spend more with a company that provides excellent customer service are willing to spend more with a small business compared to a large company. Only one in ten (9%) are willing to spend more with a large company over a small business, while half (50%) state there is 'no difference in their willingness to spend more for excellent customer service.'

Considering a small independently-owned business and large company that both provide excellent customer service – which type of company are you willing to spend more with?



Q.T5C  
Respondents willing to spend more with a company that they believe provides excellent customer service (n=662)

# Hospitality and casual dining industries rate highest in the customer service areas asked about



Hospitality and casual dining rank highest in most areas, however more consumers agree that they have a history of spending more with a retail company than a company in the hospitality industry because of a history of positive customer service experiences.

