

CUSTOMER SERVICE

BENCHMARKING

AUSTRALIA

CSBA Presentation to ESC

Moving to an outcome focus: what are you measuring and why?

Note: The data and comment used in this report is for sample purpose only and does not represent actual data.

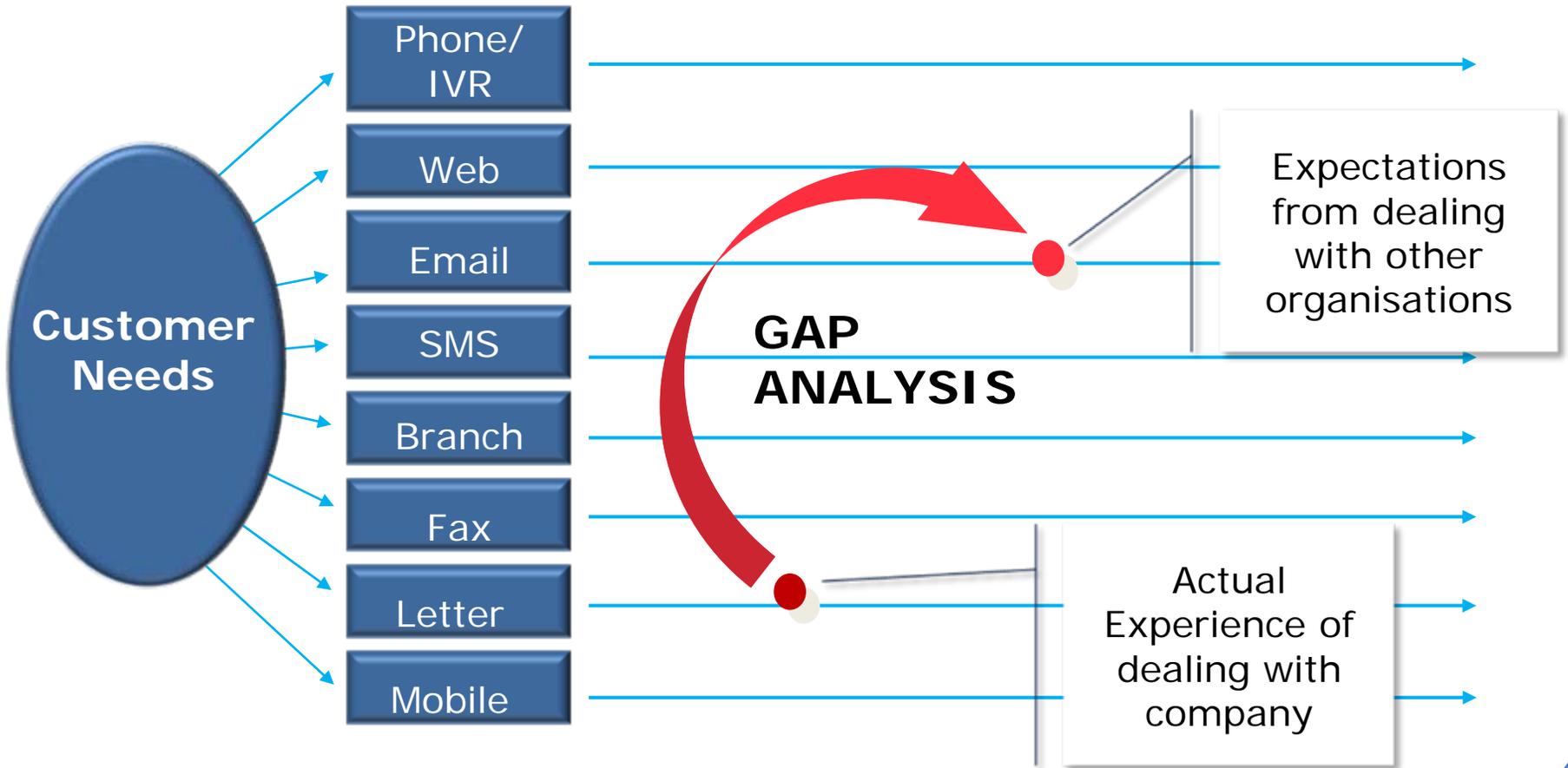
Today's Topics

- It all starts with the expectation of the experience
- Many Departments Offering Different Services
- Call Volumes and the value irritant matrix
- The CSBA Customer Service Model
- Customer Satisfaction Surveys
- Internal measurements
- Summary

The Customer Experience

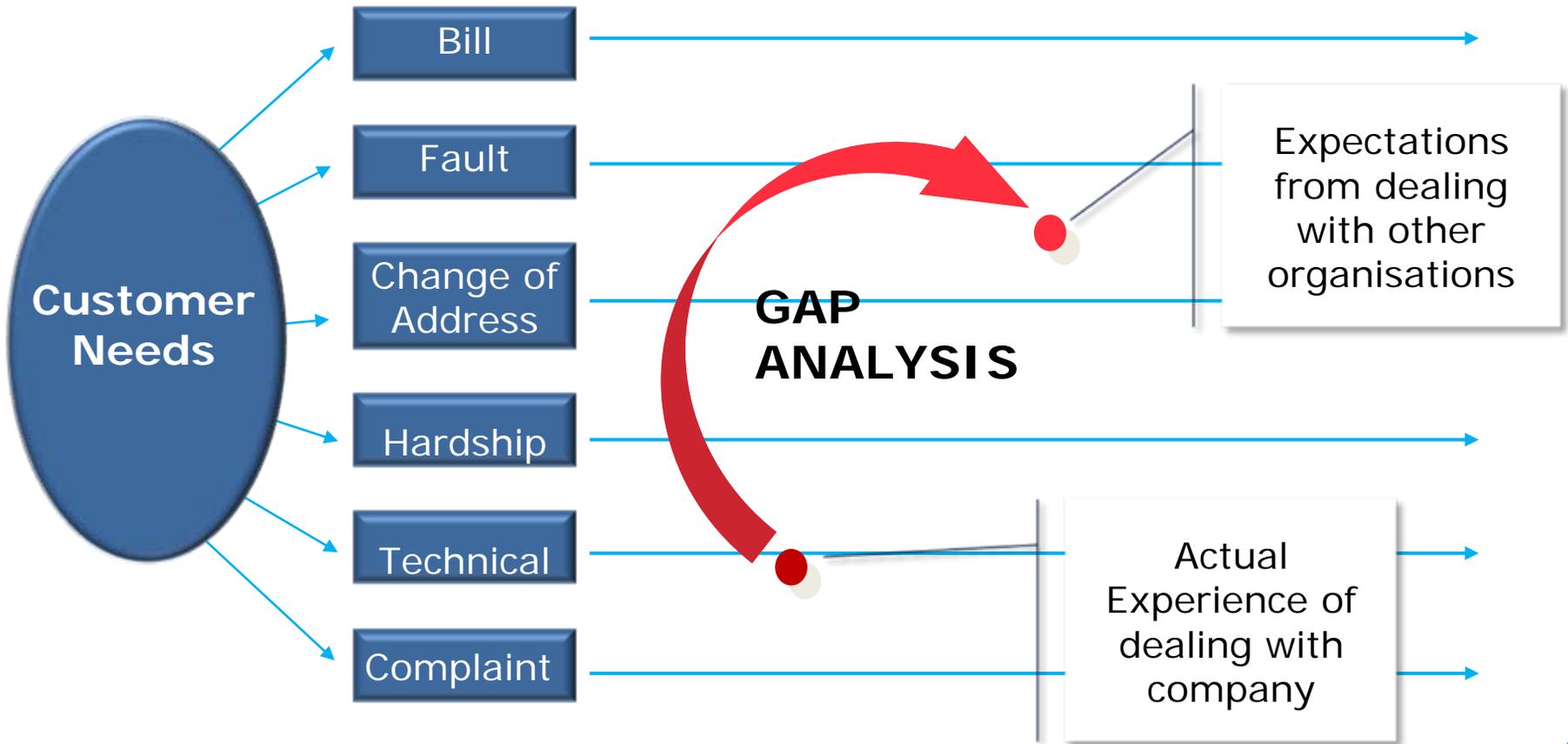
It all starts with the expectation of the experience

Dependent on the channel and the issue



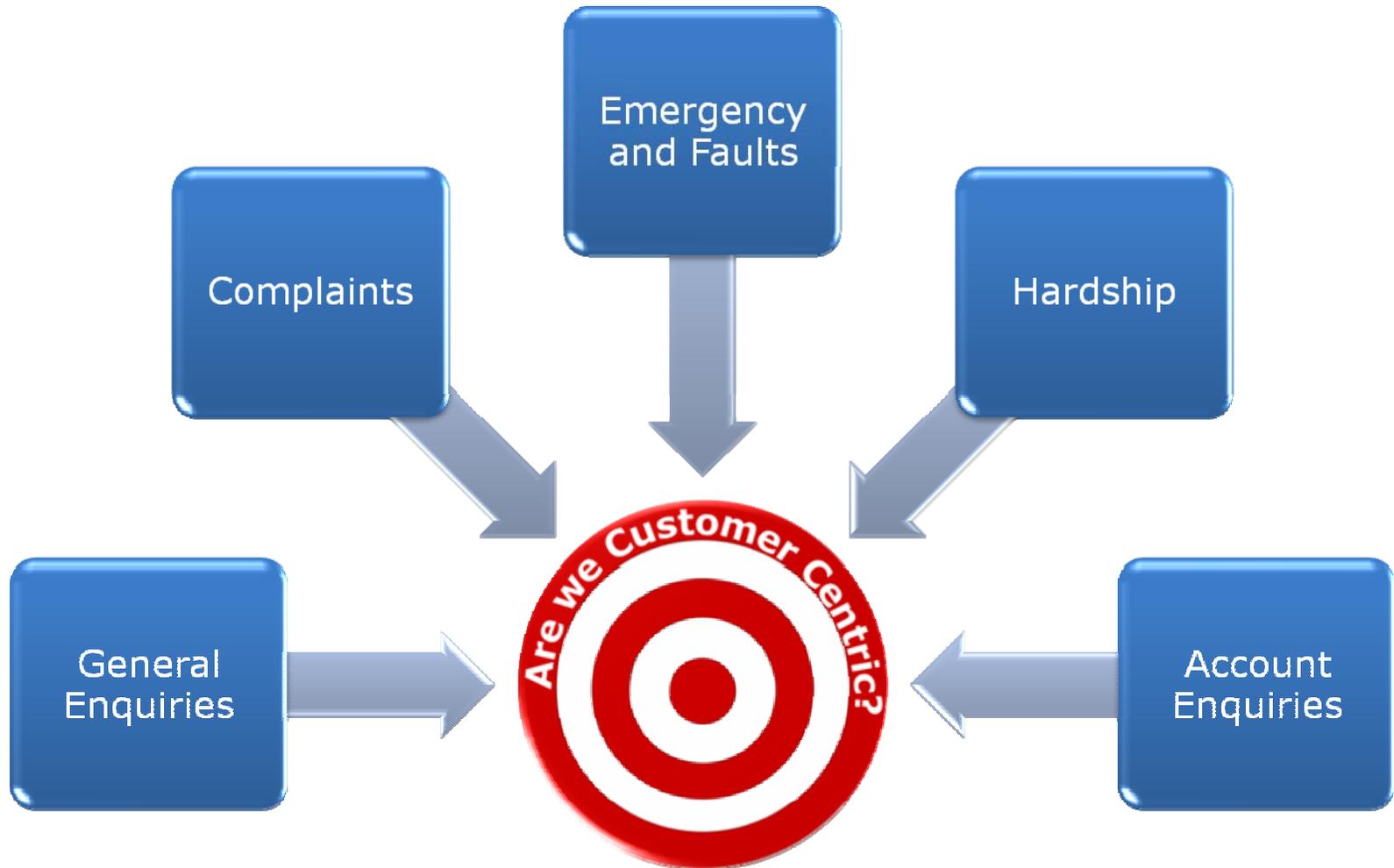
The Customer Experience

It all starts with the expectation of the experience
There are a number of issues arising and hardship is the growing one



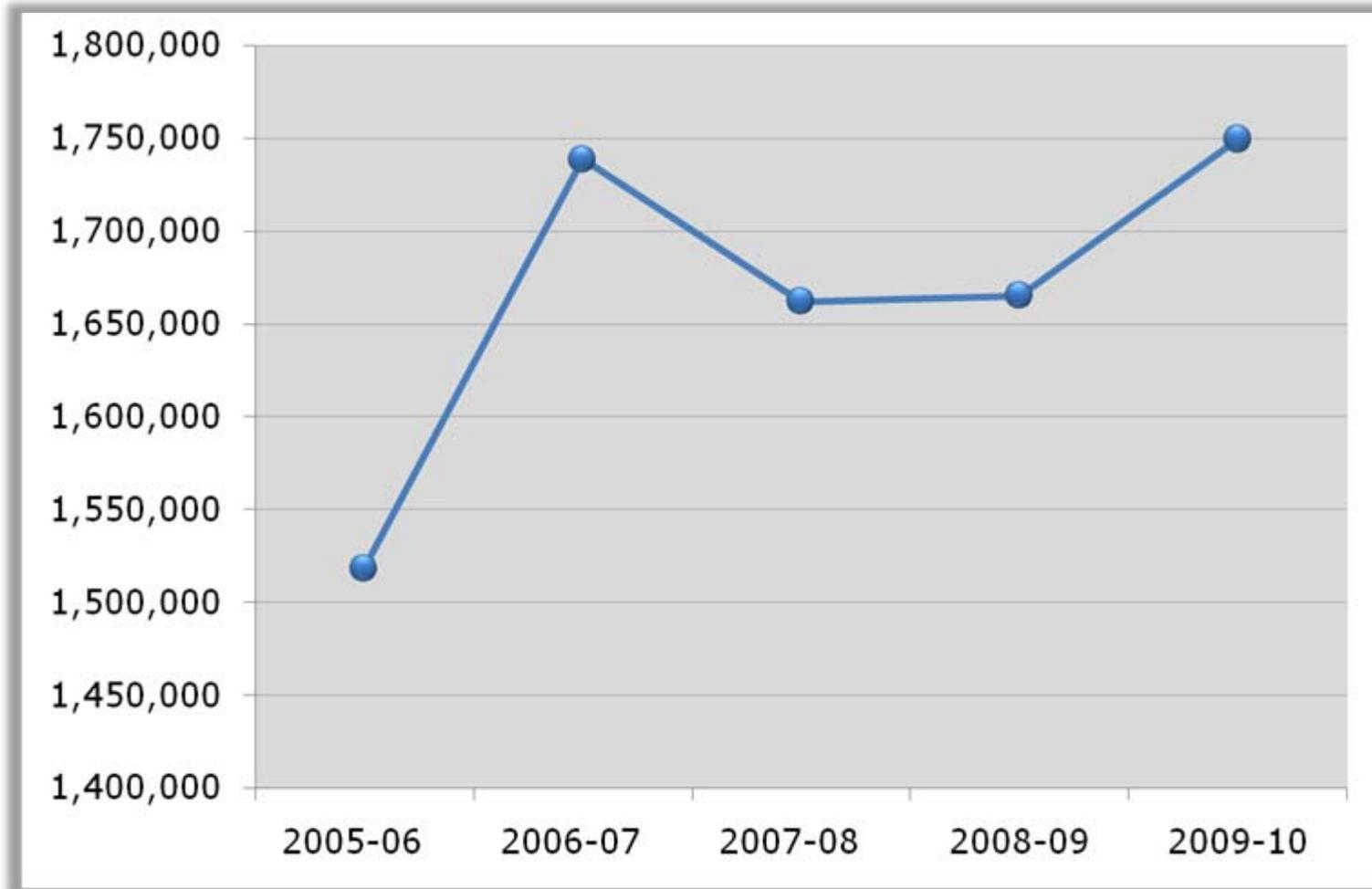
Many Departments Offering Different Service

How to get consistency across all departments?



Number of calls

The number of calls has increased over the last few years



Number of calls

The number of calls has increased over the last few years

| Water Business | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
|-------------------|---------|---------|---------|---------|---------|
| City West | 271,467 | 334,490 | 339,799 | 322,290 | 322,931 |
| South East | 399,993 | 421,015 | 420,893 | 401,950 | 439,520 |
| Yarra Valley | 436,717 | 431,619 | 407,643 | 404,510 | 442,492 |
| Barwon | 60,259 | 72,780 | 71,935 | 78,599 | 84,534 |
| Central Highlands | | 54,954 | 49,793 | 52,654 | 53,396 |
| Coliban | 69,849 | 85,016 | 71,496 | 62,576 | 65,990 |
| East Gippsland | 43,457 | 32,944 | 27,663 | 27,555 | 22,423 |
| Gippsland | 30,481 | 27,671 | 16,988 | 20,375 | 23,644 |
| Goulburn Valley | 26,945 | 27,228 | 25,496 | 25,003 | 27,567 |
| GWMWater | 25,116 | 38,836 | 45,752 | 43,504 | 41,474 |
| Lower Murray | 12,318 | 27,730 | 34,708 | 34,599 | 32,450 |
| North East | 17,601 | 20,057 | 19,892 | 22,571 | 4,780 |
| South Gippsland | 21,946 | 24,944 | 25,035 | 24,684 | 26,611 |
| Wannon | | 22,808 | 16,310 | 38,799 | 41,296 |
| Western | 87,484 | 94,711 | 75,734 | 89,010 | 83,768 |
| Westernport | 14,907 | 22,147 | 13,084 | 16,817 | 16,791 |

What are the calls about and what can we do about them

Value Irritant Matrix

| | | |
|-------------------------------|---|--|
| Value | 2–3% Simplify My concession details are wrong 2.0% | 12-14% Leverage Opportunity I have a fault (e.g. leak, burst main, sewerage) 8.3% I do not have any water or my pressure is low 3.1% I want to report a restrictions breach 1.0% I would like a leak allowance 0.5% |
| | 17–18% Eliminate Why am I getting this account 2.6% My bill is too high 2.1% I don't understand my bill 1.4% I have a 2 nd bill – didn't receive the 1 st 1.3% | Migrate 65–66% I am moving and I want to connect/disconnect 11.9% I would like information on my assets 8.1% What are the restrictions and or exemptions 7.8% Can I get a rebate or exemption 6.6% |
| XXXX Water Perspective | Customer Perspective | |
| | Irritant | Value |

**External
–
Customer**

**Set
Customer
Experience
KPIs**

**Internal
–
Staff**

**Customer Centric
Organisation**

**Customer
Experience
Surveys**

**Objective
Assessment**

Customer Focussed KPIs

- Traditionally a customer satisfaction rating of 80% meant:
 - 80% of customers gave a score of 6 or greater in terms of satisfaction.
 - Sometimes the information would be used to improve the service.

That is all about to change

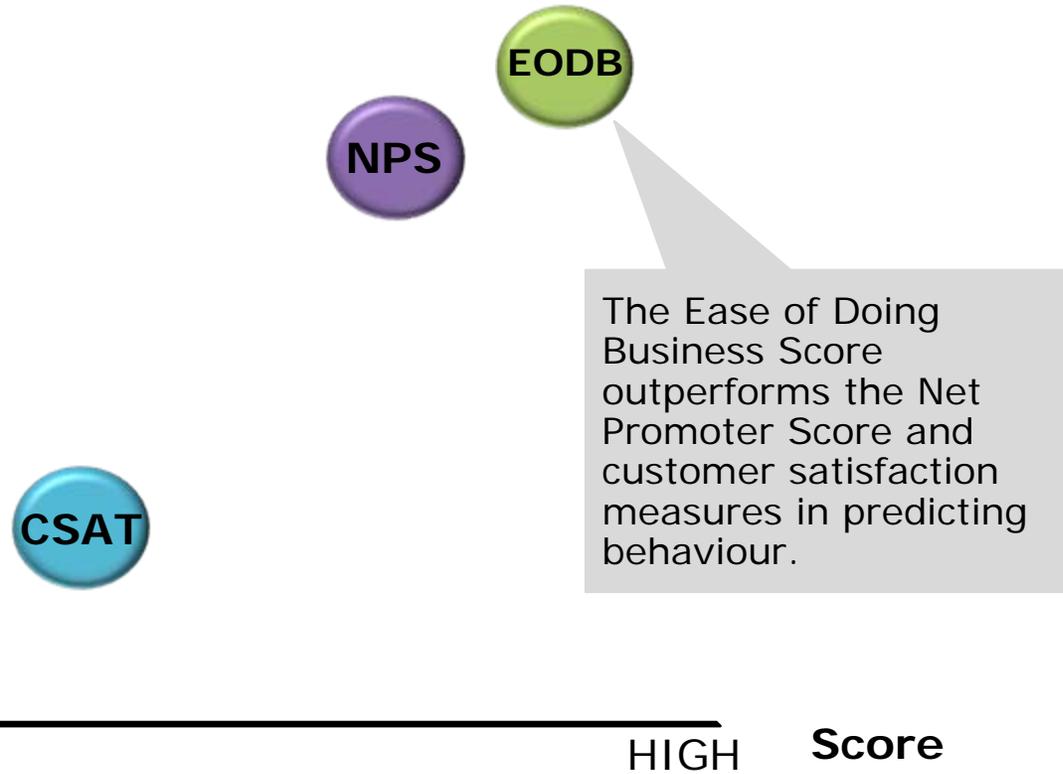
- Measures are now being used that are becoming much more useful for driving business improvement:
 - NPS – Likely to recommend based on 0-10.
 - NPS is percentage who 9-10 rating minus those who gave 0-6.
 - Ease of Doing Business /Customer effort score.
 - “how easy is it to do business?”

It starts with getting an overall score and then understanding what drives it.

Customer Focussed KPI – Why ?

Company Growth

HIGH

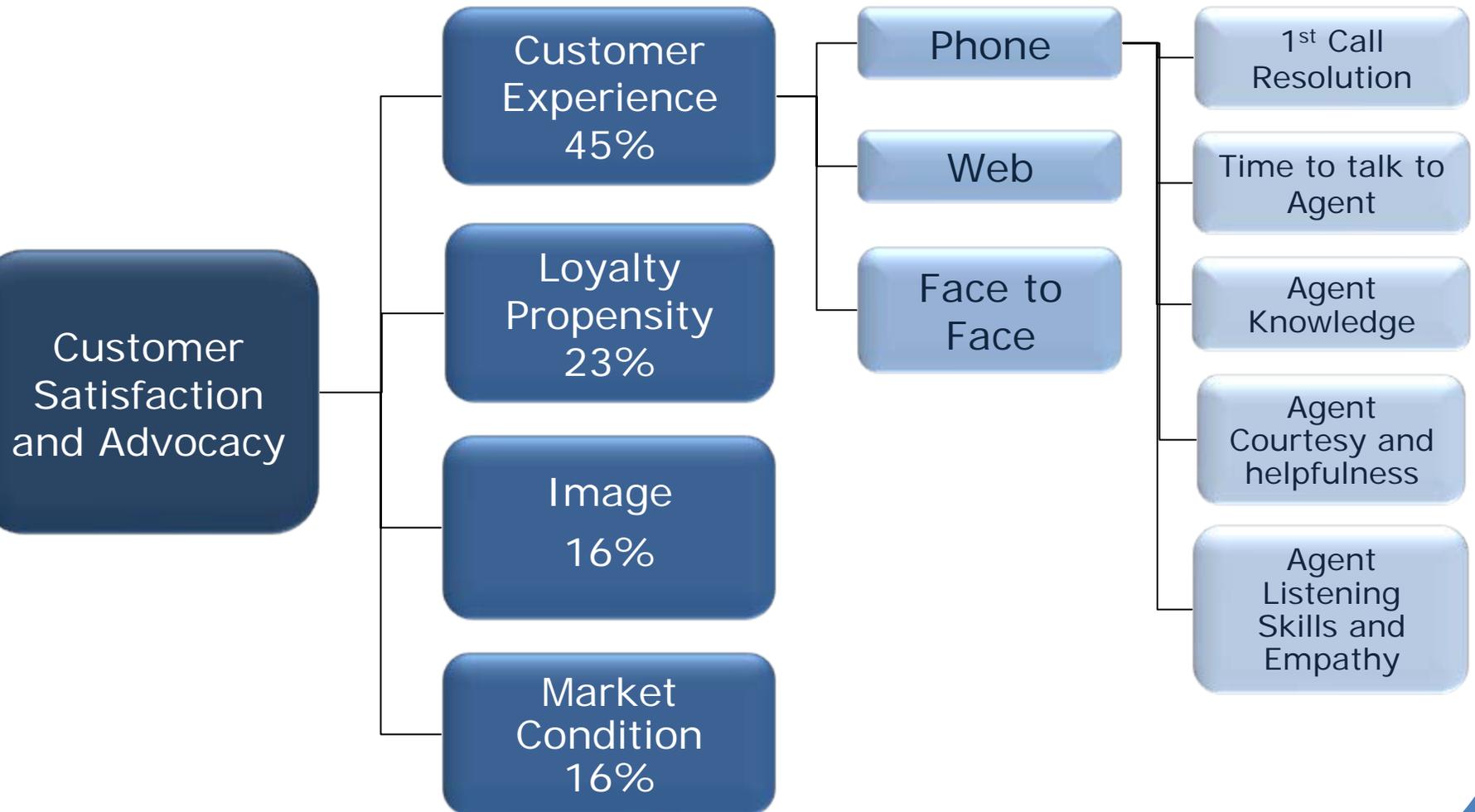


The Ease of Doing Business Score outperforms the Net Promoter Score and customer satisfaction measures in predicting behaviour.

LOW

HIGH Score

Customer Satisfaction and Relation to Customer Experience and internal measures



Examples



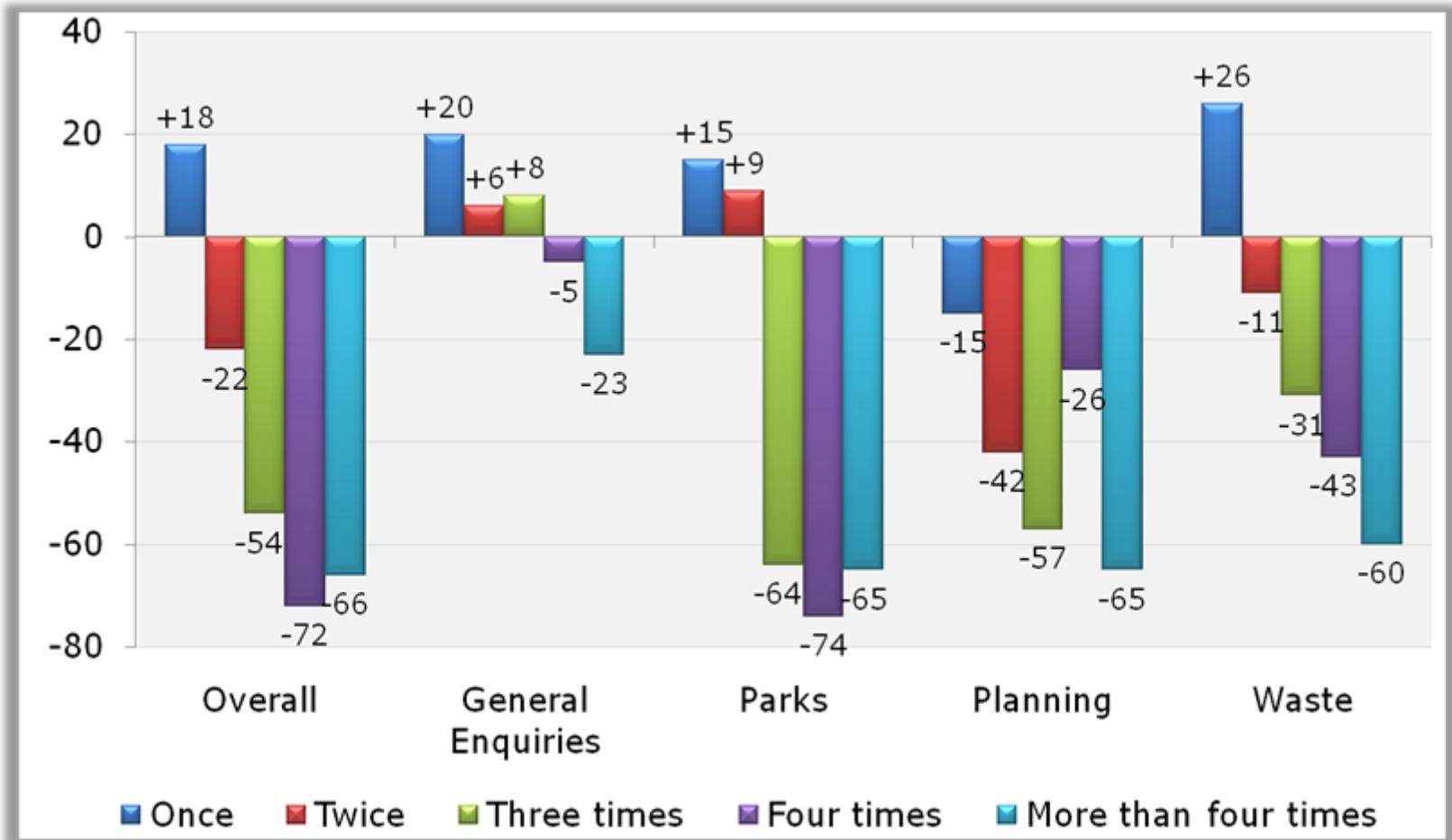
Superannuation Industry uses NPS to determine Drivers of promoters and...

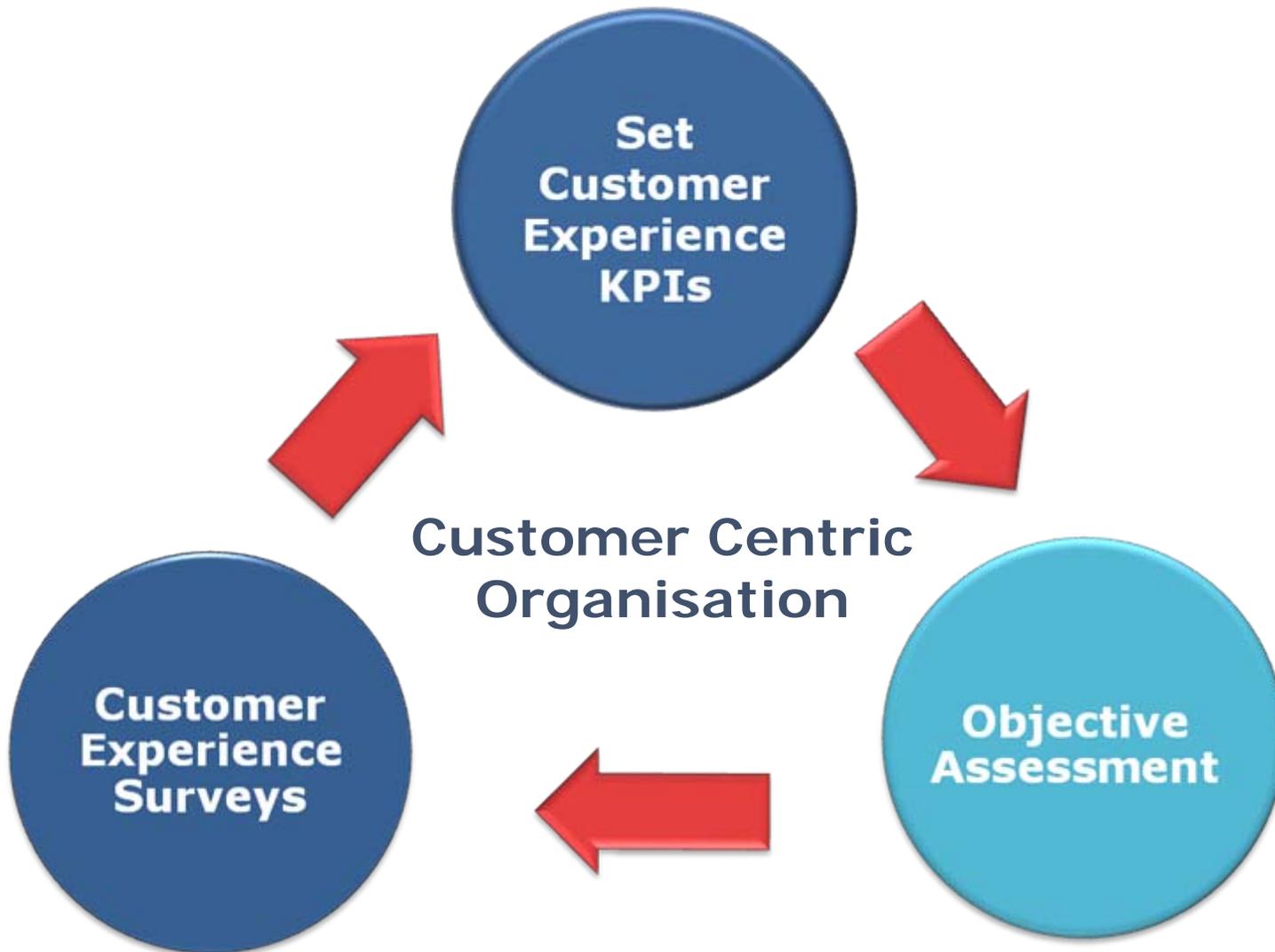
| PROMOTERS | | |
|-----------|--------------------------------|-----|
| 1 | Agent Gave Correct Information | 30% |
| 2 | Agent Polite & Courteous | 16% |
| 3 | Resolved Query Promptly | 12% |
| 4 | Clear Written Communication | 10% |
| 5 | Agent Followed up as Promised | 8% |
| 6 | Website & Other Material | 6% |
| 7 | Agent Friendly | 6% |
| 8 | On Hold Time on Phone | 5% |
| 9 | Agent Knowledgeable | 4% |
| 10 | Investment Performance | 4% |

....What is important for Detractors

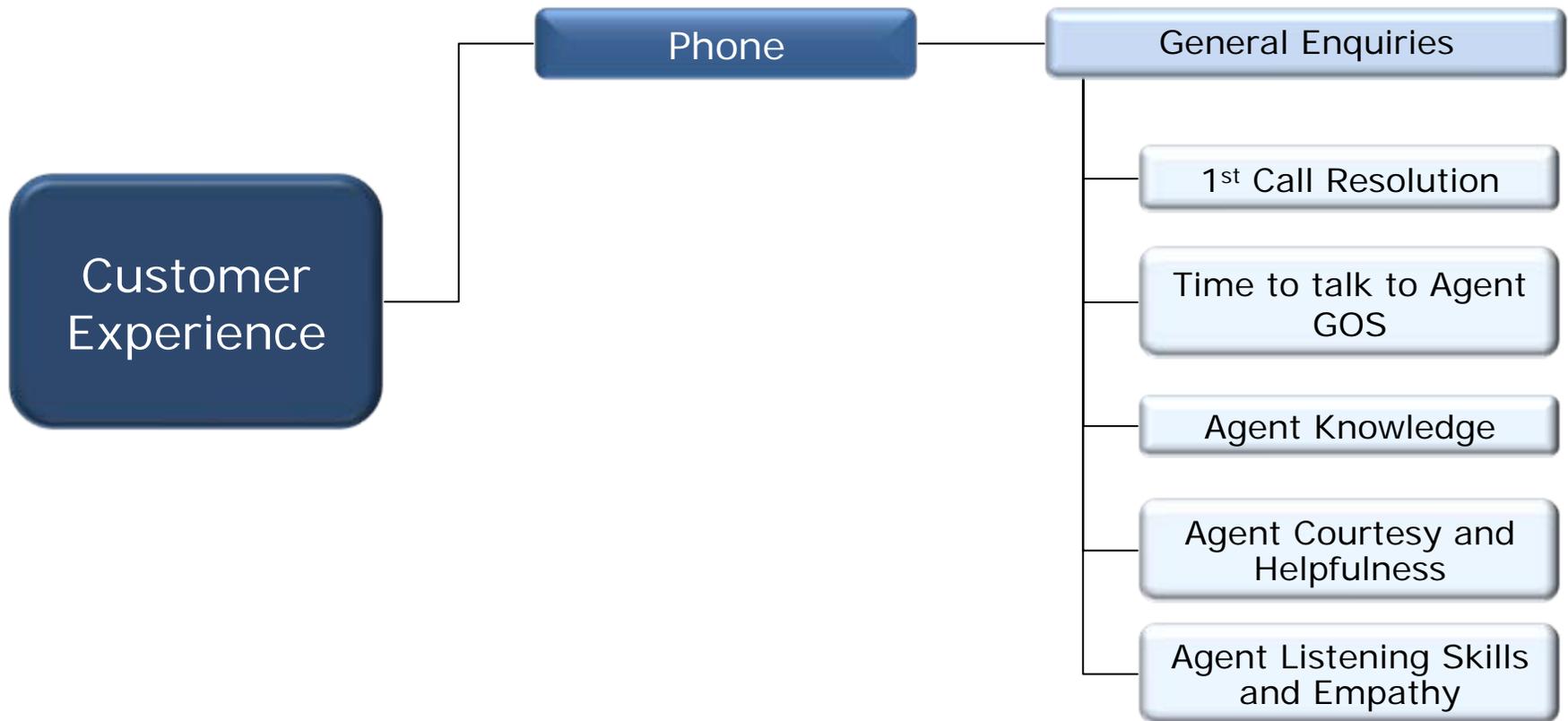
| DETRACTORS | | |
|------------|--------------------------------|-----|
| 1 | Resolved Query Promptly | 24% |
| 2 | Clear Written Communication | 17% |
| 3 | Agent Followed up as Promised | 13% |
| 4 | Agent Gave Correct Information | 10% |
| 5 | Agent Knowledgeable | 10% |
| 6 | Investment Performance | 8% |
| 7 | Agent Polite & Courteous | 7% |
| 8 | Agent Friendly | 7% |
| 9 | On Hold Time on Phone | 3% |
| 10 | Website & Other Material | 2% |

Another example of a driver –First Call Resolution





Setting Internal Customer Experience KPI's



For the last 10 years CSBA has been reporting on these soft issues

The CSBA Customer Satisfaction Grid Position for Water Companies for 2009-10



Detailed KPI's for Telephone Experience

| | General Enquiries | Account Enquiries | Hardship | Emerg & Faults | Complaints |
|-----------------------------|-------------------|-------------------|------------|----------------|------------|
| Service Delivery | 74 | 59 | 68 | 58 | 60 |
| Getting Through | 77 | 79 | 85 | 84 | 85 |
| Greeting | | | | | |
| Salutation Provided | 69 | 0 | 50 | 67 | 60 |
| Council Name Provided | 70 | 50 | 100 | 83 | 80 |
| Agent Name Provided | 98 | 100 | 100 | 67 | 100 |
| Offer to Help | 26 | 50 | 50 | 0 | 0 |
| Sign Off | 93 | 75 | 88 | 83 | 90 |
| Connection | | | | | |
| Connect Time (secs) | 21 | 10 | 11 | 9 | 7 |
| Agent Manner | | | | | |
| Interested/Warm/Helpful | 70 | 50 | 50 | 50 | 60 |
| Businesslike | 24 | 50 | 50 | 17 | 40 |
| Total Acceptable | 94 | 100 | 100 | 67 | 100 |
| Total Unacceptable | 6 | 0 | 0 | 33 | 0 |
| Enquiry Resolution | | | | | |
| Clarified Needs | 57 | 50 | 50 | 33 | 80 |
| Good Product Knowledge | 79 | 100 | 100 | 50 | 40 |
| Clear Outcome | 70 | 50 | 75 | 67 | 40 |
| Courtesy | 90 | 50 | 100 | 83 | 80 |
| Communication Skills | | | | | |
| Matched Rate of Speech | 60 | 0 | 75 | 50 | 60 |
| Correct Grammar | 89 | 100 | 100 | 83 | 100 |
| Patient and Tolerant | 96 | 100 | 75 | 100 | 100 |
| Did not Interrupt | 98 | 100 | 75 | 100 | 100 |
| Developed Rapport | 68 | 50 | 50 | 50 | 40 |
| Avoided Silence | 93 | 100 | 100 | 83 | 100 |
| Projected Confidence | 86 | 100 | 100 | 67 | 40 |
| Avoided Slang/Jargon | 94 | 50 | 100 | 100 | 100 |

Summary

It all starts with clarity on the expectation of the experience

- Measures should be clear about what channels you want people to use.
 - And what success looks like.
- Customer satisfaction scores can be a mix of NPS, Customer Satisfaction and Ease of doing Business.
 - Depending on the service you are providing.
- It is important to measure what matters in these interactions and show 'line of sights to internal measures' for all staff.
- All training must have measures in place that reinforce these KPI's.

THANK YOU

Customer Service Benchmarking Australia

Level 5, 10-16 Queen Street
Melbourne VIC 3000

T: 03 9605 4900 | F: 03 620 7672
www.csba.com.au