

[2012 SERVICE SURVEY: SUMMARY OF FINDINGS]

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EXECUTIVE SUMMARY

The results of the KiwiHost 2012 Service Survey have consistent messages with the findings of 2009 and 2010. Respondents are calling on customer service staff to listen to them, demonstrate a willingness to help them and take responsibility to meet their needs.

It seems that many New Zealand organisations are not meeting customer expectations in these three key areas. In particular, the Telecommunications Industry, Internet Providers, Government agencies and Local/District Councils rated the lowest across a range of industries that respondents were asked to provide feedback on.

When asked whether the level of customer service was improving in New Zealand, 36% of respondents felt it was getting worse, which is an increase of 6% over our findings from 2010.

These findings indicate a general and perhaps increasing feeling of dissatisfaction with the level of customer service provided by many New Zealand organisations.

[JARED BRIXTON: MANAGING DIRECTOR, KIWIHOST LTD]

WHAT MAKES CUSTOMER SERVICE EXCEPTIONAL?

From the customer's perspective it is very clear what makes service exceptional:

1. **LISTEN & UNDERSTAND MY NEEDS**
2. **DEMONSTRATE A WILLINGNESS TO HELP**
3. **TAKE RESPONSIBILITY TO ENSURE MY NEEDS ARE MET**

If you can do only one thing for your customer though, it would be "**listen & understand my needs**". This was the top request for all those surveyed by some margin.

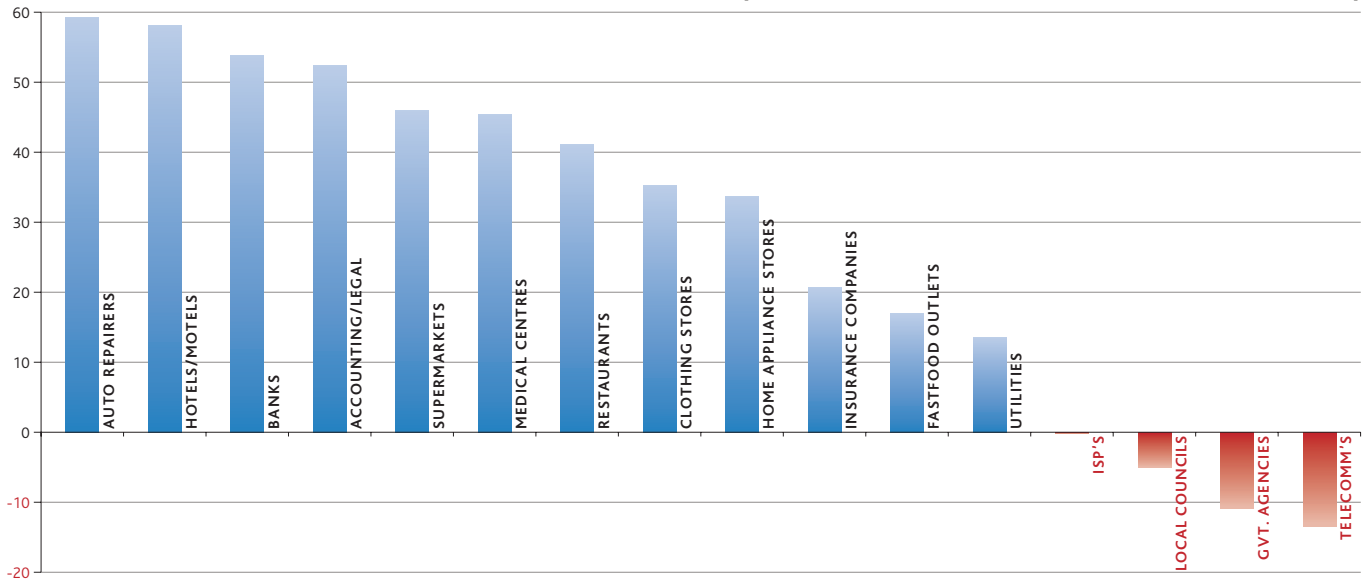
The results of our research suggest businesses that can get these three things right will have more satisfied customers than their competitors.



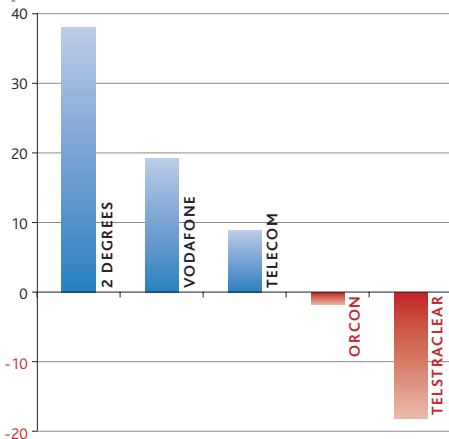
INDUSTRY LEVEL INFORMATION

The results of the survey show that respondents do have different perceptions of the level of customer service provided by industries in New Zealand. Previous research conducted by KiwiHost has shown that respondents have a more favourable perception of the level of customer service provided by Banks. This year the Banks were undone by both the Automotive Repair and Hotels/Motels Industries.

[HAPPINESS RATING: SELECTION OF INDUSTRIES ACROSS NEW ZEALAND]



[HAPPINESS RATING: TELECOMMUNICATIONS PROVIDERS]



TELECOMMUNICATIONS

Within Telecommunications, 2Degrees was the clear favourite with 50% satisfied respondents and the least unsatisfied at just 12%. TelstraClear however was on the other end of the scale with 22% satisfied and the largest percentage of unsatisfied respondents at 40%, leaving them with an overall Happiness Rating of -18.18.

[NOTES]

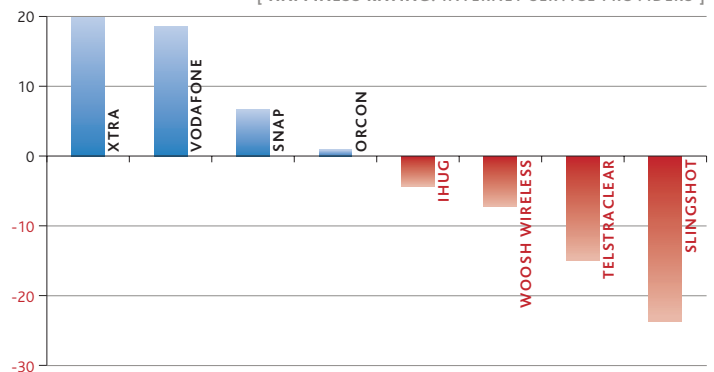
2Degrees, Vodafone and Telecom should all be congratulated for scoring a positive Happiness Rating in an industry that scored the worst overall Happiness Rating.

However, it's clear that they still have a wee way to go as a Rating of less than 40 out of 100 clearly indicates they still have work to do to improve their customer service to retain existing customers and win new ones.

INTERNET SERVICE PROVIDERS

The results for the Internet Service Providers was particularly interesting with Xtra (Telecom) being rated highest with 48% of their customers feeling satisfied, yet 28% were unsatisfied. This meant that they only just scraped in ahead of Vodafone on the overall Happiness Rating with a score of 19.95. On the other hand both TelstraClear and Slingshot were shocking, with large negative Happiness Ratings (or Unhappiness Rating) of -15.09 and -23.78 respectively.

[HAPPINESS RATING: INTERNET SERVICE PROVIDERS]

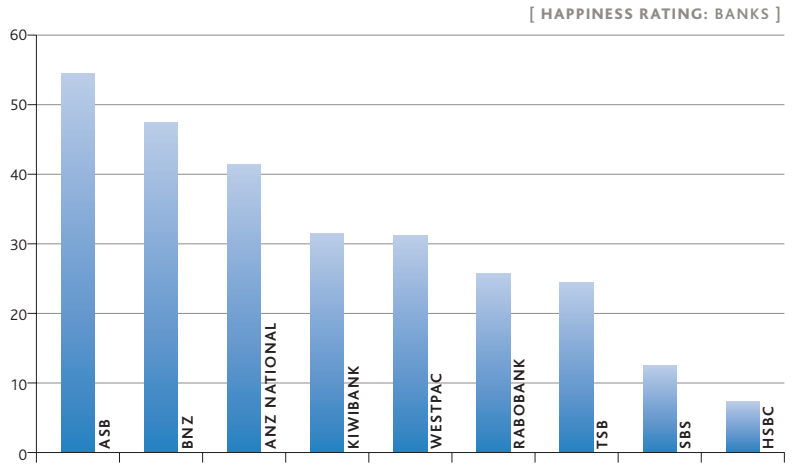


[NOTES]

Slingshot received the overall worst Happiness Rating with a worrying score of -23.7. The other ISP's shouldn't be too complacent however, as the highest Happiness Rating of 19.9 (out of 100) indicates there is clearly a long way to go for all of them.

BANKS

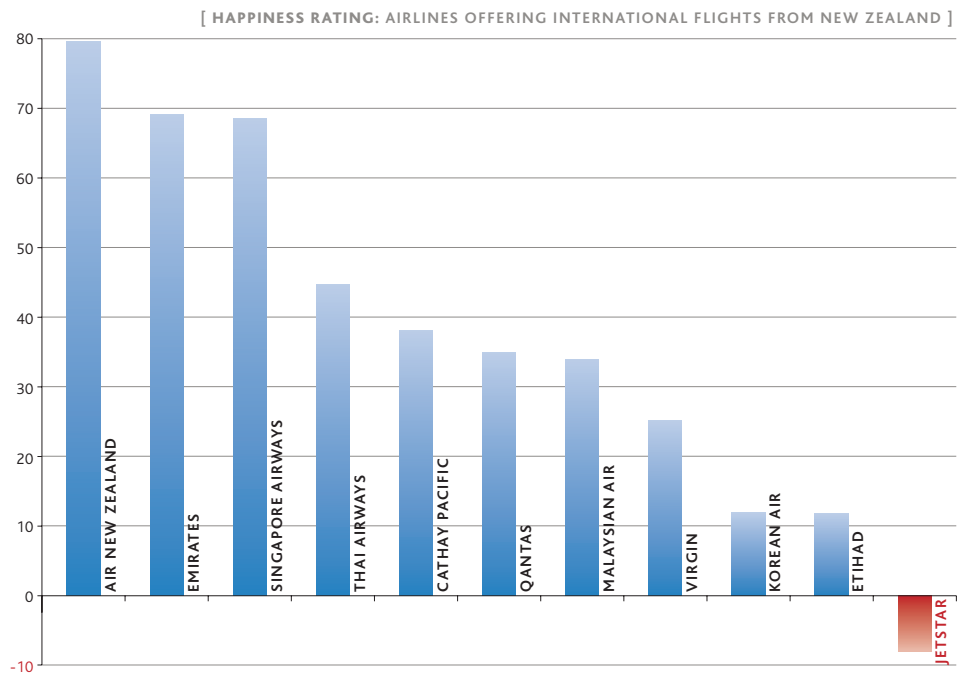
The Banks managed to achieve the second highest level of satisfied customers for all the industries at 69%. Once pared down to the specific companies we found a fairly consistent satisfaction response with five out of the nine companies having 50% or higher "satisfied" respondents. ASB undoubtedly came out on top with 65% satisfied customers coupled with only 11% unsatisfied, leaving them with an overall Happiness Rating of 54.55.



[NOTES]
Well done to all the banks for scoring a positive Happiness Rating - superior to any of the other industries surveyed!

AIRLINES

Airlines also did particularly well in terms of a steady positive trend for the majority of companies rated. Air New Zealand had by far the highest level of satisfied respondents across all the industries and all of the competing airlines with 85% satisfied and only 5% unsatisfied. On the other end of the spectrum was Jetstar with only 32% satisfied and 41% unsatisfied - more than double that of the second lowest airline! It's also worth mentioning that whilst neither Emirates nor Singapore Airlines were in top position they both had a very low level of unsatisfied respondents, across all of the industries, and very high satisfaction levels at 72% and 70% respectively.



[NOTES]
Air New Zealand proved to have the happiest customers with an overall Happiness Rating of 79.6...
Poor old Jetstar received the only negative score of all the airlines, with a Rating of -8.0.

HAPPINESS RATING

What does it mean? It's the number of satisfied responses minus the number of unsatisfied responses, represented as a percentage of the total number of responses for each company.

- A Happiness Rating of 100 would indicate that ALL responses were **POSITIVE**.
- A **NEGATIVE** Happiness Rating (eg Slingshot's score of -23.7) means that the responses indicate that the company has more unsatisfied customers than satisfied ones - ouch!

CUSTOMER SERVICE IN NEW ZEALAND

The general perception of the standard of customer service in New Zealand is low.

Overall only 48% of our respondents indicated that they were satisfied with the level of customer service in New Zealand. That is a 6% drop in satisfaction after peaking in 2010 at 54%, where previously there was a trend of a steadily increasing level of satisfaction.

IS THE LEVEL OF CUSTOMER SERVICE GETTING BETTER OR WORSE?

Worse!

This question was first asked of respondents in the 2010 Service Survey. This year 36% of people surveyed believe the level of customer service is getting worse (up from 30% in 2010).

40% of respondents to the survey believe there has been no change in the level of customer service provided by New Zealand organisations whilst only 24% (down by 2% in 2010) of respondents felt that the level of customer service in New Zealand was getting better – a concerning trend for the future.

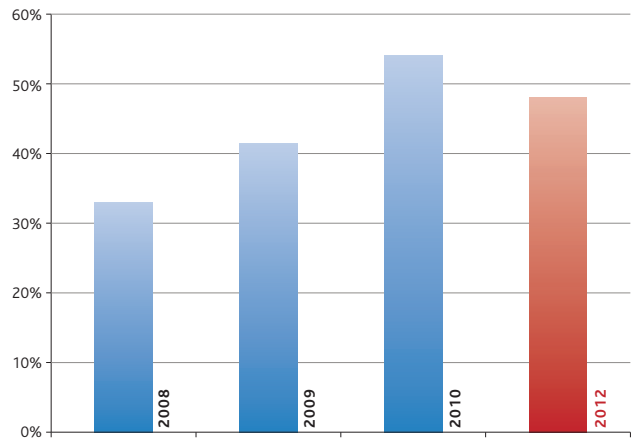
SUMMARY

Clearly the service received in New Zealand is a mixed bag with Banks, Hotels and Automotive Repair Industries leading the way.

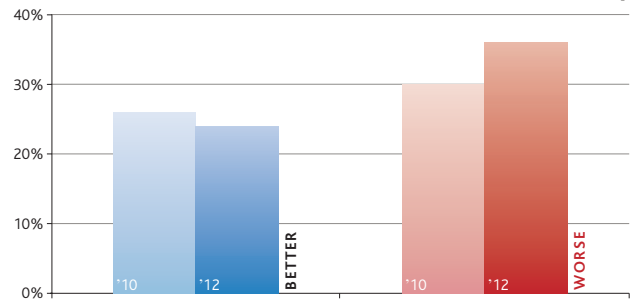
But if you are looking for a Telecommunications or Internet Service Provider or have to deal with your local government - good luck, It doesn't look like there's much of a chance of getting good service there.

Here's hoping that some of the industries and companies take heed of these results and do something about it. Consumers are watching and commenting on you. Just check out what's online!

[COMPARISON: OVERALL SATISFACTION WITH THE QUALITY OF CUSTOMER SERVICE IN NEW ZEALAND]



[COMPARISON: PERCEPTION OF CHANGE IN QUALITY OF CUSTOMER SERVICE IN NEW ZEALAND]



[MODEL OF CUSTOMER SERVICE]



ABOUT KIWIHOST

KiwiHost are New Zealand's largest provider of customer experience management programmes, with special emphasis on developing people and service skills across a diverse range of industries.

Since 1989 KiwiHost has developed customer service skills for more than 50,000 businesses. All this experience has taught KiwiHost that a real customer service experience is what people are looking for. The one thing that customers want most is to connect with the distinct business personality, and the only way to do that is through a company's own personal brand of customer service.

If you're interested in tapping in to the one real point of difference your business can deliver, we'd be glad to help.

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