

Companies Receive Poor Grades for Customer Service

From: Inc.com | August 11, 2006 By: Angus Loten

Consumers are turned off by automated phone services and being put on hold, according to a new study.

Despite the flood of new service-friendly technologies, nearly half of U.S. consumers were driven away from retailers, banks, and other businesses in the past year by lousy customer service, a new survey shows.

Of more than 1,000 respondents to an online poll in May, a full 46% said poor service had turned them off of at least one business this year, according to a survey released earlier this month by Accenture, a New York-based management consulting firm.

About 18% cited retailers as having the worst customer service, followed by Internet service providers, banks, home and cell phone companies, and cable and satellite television companies. Utility companies, life insurance firms, airlines, and hotels were cited the least, the survey found.

Being kept on hold was among the biggest complaints, respondents said. Others included having to repeat information several times, or being pitched extra services or products when dealing with a customer-service agent.

The study also found that new technology is no substitute for helpful agents. Six out of 10 respondents said automated phone services, live online chat, and other customer-service technologies had not improved service quality. In fact, automated phone services received the lowest level of satisfaction among all customer service channels, while in-person services rated highest.

"High-performing businesses are keenly aware of what frustrates their customers and focus on understanding their customers' varying preferences and intentions," said Woody Diggs, managing partner of Accenture's customer relationship management division.

That information is then used to help create services that foster customer loyalty, along with a culture of customer service among staff, Diggs said.

The study also identified different service expectations and reactions based on age and gender.

When dealing with a bad customer-service agent over the phone, women were more likely than men to ask to speak to a supervisor, while men would simply hang up, the study found.

Women were also more prone to complain about repeating information to several agents, and put a higher level of importance on an agent's manor and approach.

Among all respondents, those under 40 were the least loyal, with some 54% saying bad customer services had prompted them to switch companies in the past year. One in five said they have hung up on customer service agents and called back hoping to reach a different agent.

[View Source](#)