



VOCALABS

# National Customer Service Survey<sup>SM</sup> Mobile Phone Customer Service

**July 2010**

Based on data collected from  
October 2009 to June 2010

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## About This Study

The National Customer Service Survey compares the customer service quality for different companies in the same industry, using survey data and call statistics from the companies' customers. As part of this ongoing research, we interview customers of competing companies immediately after a customer service call.

### About This Release

The data in this report is based on 2,284 completed telephone interviews conducted between October 2009 and June 2010. The study involved interviews with customers of AT&T, Sprint, T-Mobile, and Verizon. We collected enough data to make direct comparisons of these companies' support effectiveness.

### Methodology

Consumers were recruited online to participate in this study, and called an alternate toll-free phone number for customer service. This alternate number forwarded to the company's published customer service phone number and allowed Vocalabs to track the progress of each call. Selected participants were called back immediately after the end of the support call and interviewed about their experience.

The full data set, including survey responses and interview recordings, is available on a syndicated basis.

The National Customer Service Survey is a continuation of Vocalabs' ongoing research, formerly called Service Quality Tracker. Vocalabs has been publishing syndicated industry research on phone-based customer service quality, including mobile phone customer service, since 2004.



## Summary of Key Findings

- **Sprint made impressive improvements in phone-based customer service quality over the past quarter. Meaningful improvements for Sprint in Q2 2010 compared to Q1 2010 included:**

**Seven percentage point improvement in overall satisfaction** – 50% of Sprint customers said they were “Very Satisfied” with Sprint overall, compared to 42% in Q1 2010.

**Six percentage point improvement in likelihood to recommend** – 70% of Sprint customers said they would recommend the company, up from 64%.

**Eight percentage point improvement in call satisfaction** – 66% of Sprint customers reported they were “Very Satisfied” with the call, up from 58%.

- **Over the past two quarters, customer satisfaction with Verizon has trended downwards in several areas, including:**

**Fifteen percentage point decrease in loyalty** – 66% of Verizon customers interviewed in Q2 2010 said they would purchase again from the company, compared to 81% of Verizon customers interviewed in Q4 2009.

**Six percentage point decrease in willingness to recommend** – 78% of Verizon customers reported they would recommend the company to others in Q2 2010, down from 84% in Q4 2009.

**Nine percentage point decrease in call satisfaction**– 61% of Verizon customers interviewed in Q2 2010 said they were “Very Satisfied” with the call, down from 70% in Q4 2009.

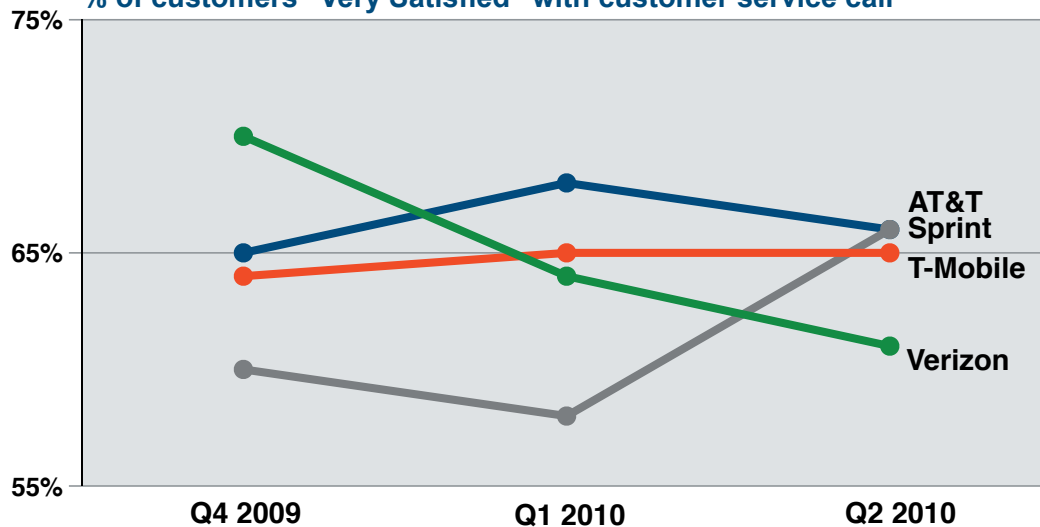
- **Customer service call and agent satisfaction strongly impact a customer’s willingness to repurchase and to recommend.**

Customers who said they were “Very Satisfied” with the call are **3 times** as likely to purchase again from the company and **3 times** as likely to recommend the company than customers who were dissatisfied with the call.

Customers who said they were “Very Satisfied” with the agent are **3 times** as likely to purchase again and **twice** as likely to recommend the company than customers who said they were dissatisfied with the agent.

### Sprint Now Tied for First in Top-Box Call Satisfaction

% of customers “Very Satisfied” with customer service call





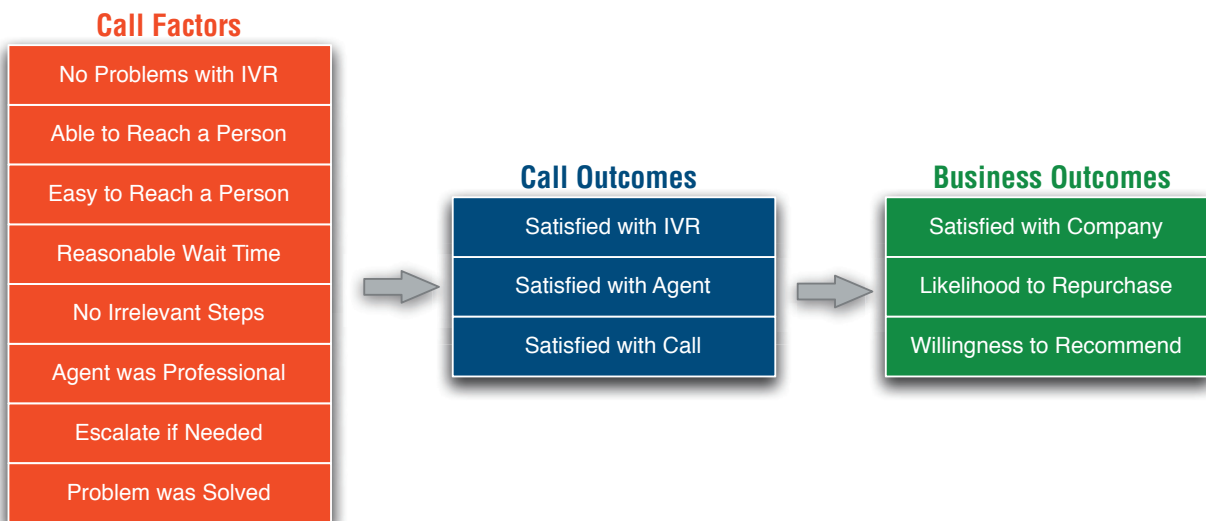
## Evaluating the Impact of Call Factors on Business Outcomes

Customer service is an inherent part of the customer experience for many businesses, and how well that service is delivered can have a profound and lasting effect on the customer's willingness to buy again in the future. The high-level business objective in providing customer service is generally to serve the customer in the least expensive way, while having the greatest positive impact on customer satisfaction, loyalty, and promotion. To achieve this objective, it is critical to understand what factors under the company's control may have a positive or negative impact on customer opinions, and which of these factors are more important in achieving a particular company's business objectives.

To gain insight into these factors, we ask consumers a variety of questions relating to what happened during the customers' support call, the customers' opinions of the company and the customers' opinions of the service received. We group this data by "Call Factors" (what happened during the call), "Call Outcomes" (customer opinions about the call), and "Business Outcomes" (customer opinions about the company and intent to purchase).

Our analysis of survey results focuses on determining which Call Factors have the greatest impact on Call Outcomes and, in turn, Business Outcomes.

### Impact of Call Factors on Business Outcomes

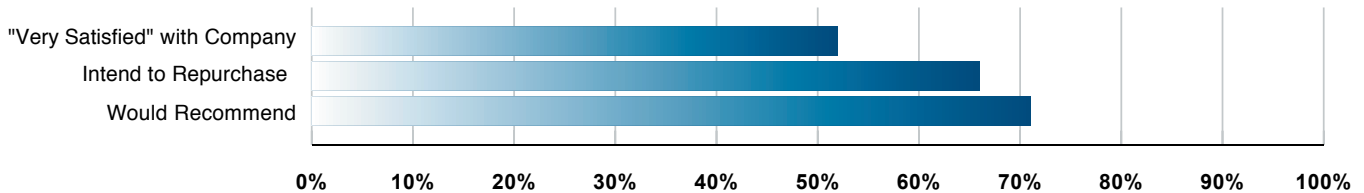




## Call Satisfaction and Business Outcomes

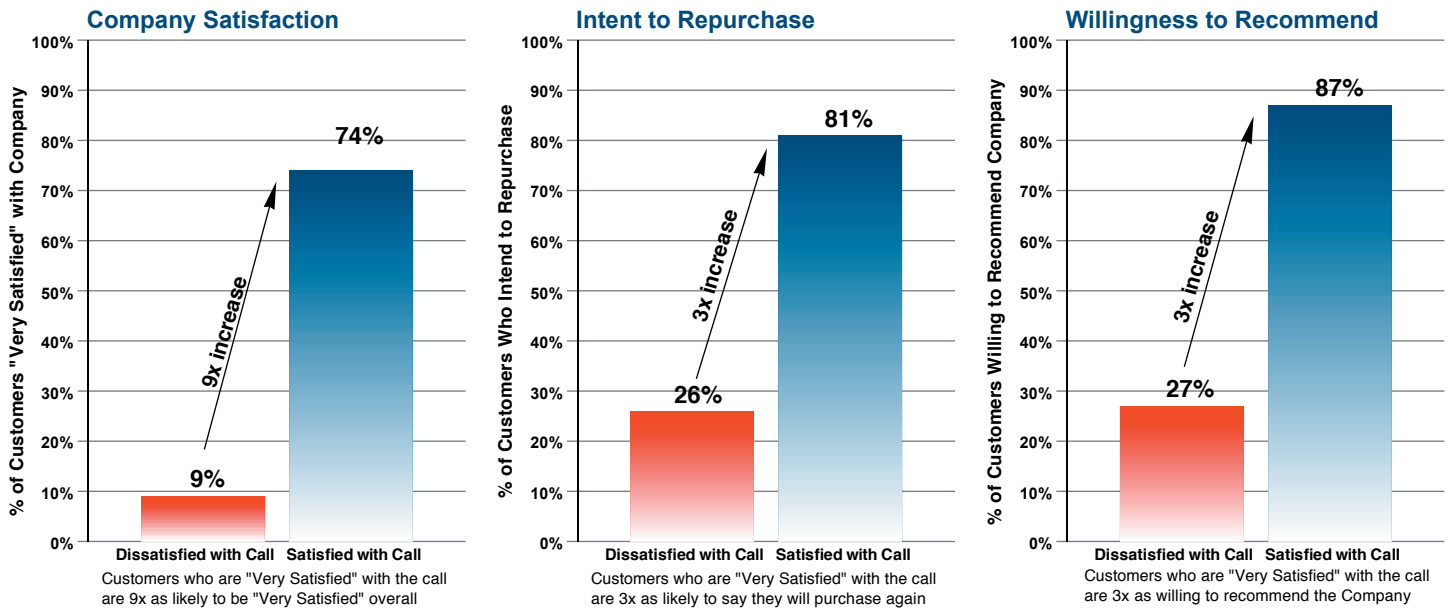
During the study period, Vocalabs interviewed 2,284 mobile phone customers immediately following a phone-based customer service experience. Of those interviewed, 52% said they were “Very Satisfied” with the call. Sixty-six percent of those surveyed said they were likely to purchase again from the Company, while 71% reported they would recommend the Company to a friend or colleague.

### Business Outcome Metrics



In analyzing the impact of call satisfaction on business outcomes, we found that 81% of customers who said they were “Very Satisfied” with the call reported they intended to repurchase from the company again, compared to 26% of those who were dissatisfied with the call. Eighty-seven percent of customers who were “Very Satisfied” with the call said they were willing to recommend the company to a friend or colleague, while 27% of customers who were dissatisfied with the call said they would recommend the company.

### Impact of Call Satisfaction on...





## Comparing Service Satisfaction: AT&T, Sprint, T-Mobile and Verizon

This executive summary presents results of 9 months (3 quarters) of continuous survey data from The National Customer Service Survey for Mobile Phone Customer Service. The survey measures customers' perceptions of the quality of customer service they receive from the leading wireless providers, AT&T, Sprint, T-Mobile and Verizon.

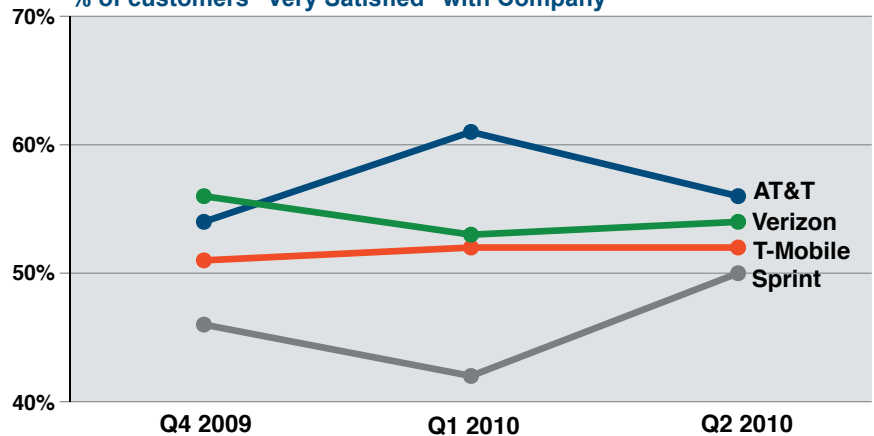
Results over the past two quarters show dramatic improvements at Sprint across several key customer service metrics. While Sprint is now competitive with the other major wireless providers, Verizon's service advantage has eroded.

### Business Outcomes

- **Sprint made the greatest improvement in overall company satisfaction compared to the other companies in the study in Q2 2010.** Fifty percent of Sprint customers reported they were "Very Satisfied" with the company, up 7 percentage points from Q1 2010. AT&T leads in overall satisfaction, with 56% of customers indicating they are "Very Satisfied" with the company.
- **The four companies included in the study are in a dead heat in intent to repurchase, a key loyalty metric.** Over the past 2 quarters, Verizon gave up 15 percentage points on this metric. Sixty-six percent of Verizon customers interviewed in Q2 2010 said they would purchase again from the company, compared to 81% of those interviewed in Q4 2009.
- **Verizon continues to lead in willingness to recommend, but Sprint has made significant improvements in this area over the past 3 quarters.** Seventy-eight percent of Verizon customers interviewed in Q2 2010 said they would recommend the company to others, down from 84% in Q4 2009. Sprint made a 6 percentage point improvement in willingness to recommend, from 64% in Q1 2010 to 70% in Q2. During the same period, T-Mobile dropped 6 percentage points on this metric, falling to 68%.

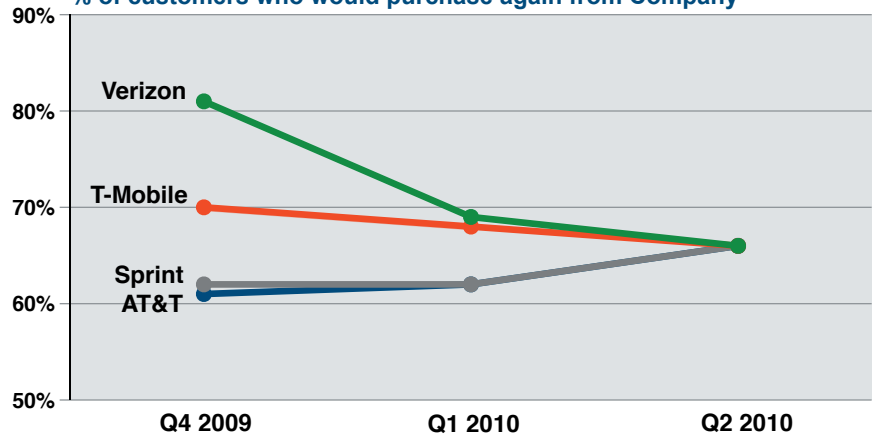
### Overall Satisfaction

% of customers "Very Satisfied" with Company



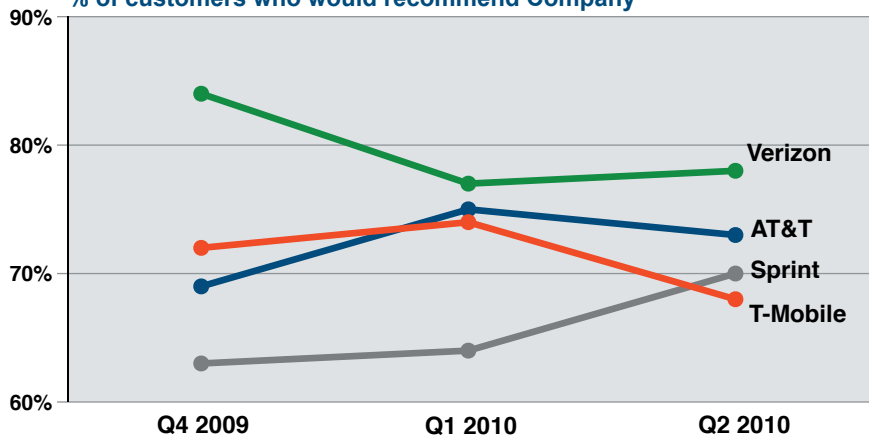
### Likelihood to Repurchase

% of customers who would purchase again from Company



### Willingness to Recommend

% of customers who would recommend Company





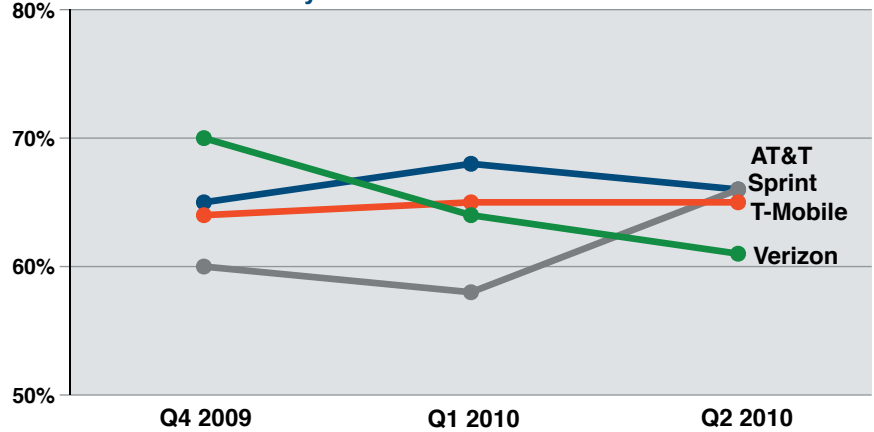
**Call Outcomes**

- **Verizon lost its lead in call satisfaction, with AT&T, Sprint, and T-Mobile now tied for the lead position.** Sixty-one percent of Verizon customers interviewed in Q2 2010 said they were “Very Satisfied” with the call, down 9 percentage points from Q4 2009. Sprint improved 6 percentage points during the same period, with 66% of Sprint customers reporting they were “Very Satisfied” compared to 60% in Q4 2009.
- **Verizon customers are the most satisfied with their customer service agent, but Sprint is gaining ground on this metric.** Eighty-four percent of Verizon customers gave the agent who helped them on the call the top rating. Sprint’s agent satisfaction scores improved by an impressive 13 percentage points over the past 2 quarters, from 58% in Q4 2009 to 71% in Q2 2010.
- **Verizon customers are the least satisfied with the automated portion of the call, but all four wireless providers included in the study have seen a decline in satisfaction on this metric.** IVR satisfaction declined by 9 percentage points for Verizon over the past 2 quarters. Thirty-two percent of Verizon customers interviewed in Q2 2010 said they were “Very Satisfied” with the automated portion of the call, down from 41% in Q4 2009.

In Q2 2010, AT&T, Sprint, and T-Mobile each saw a 7 percentage point drop in the percentage of customers who were “Very Satisfied” with the automated portion of the call.

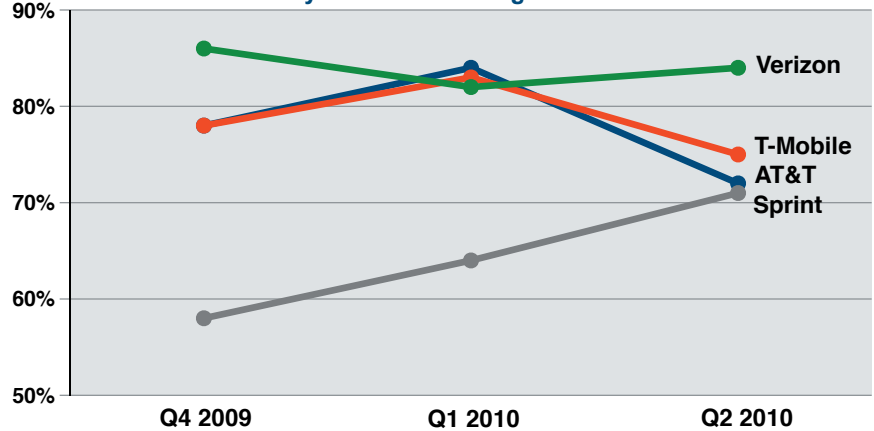
**Call Satisfaction**

% of customers "Very Satisfied" with customer service call



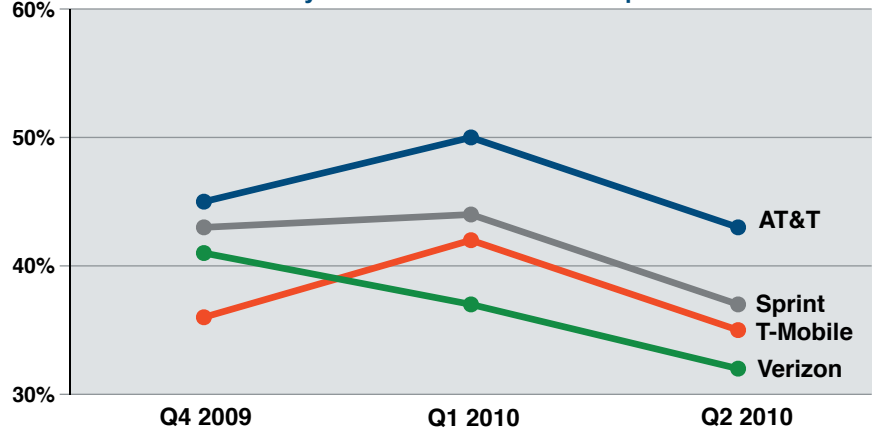
**Agent Satisfaction**

% of customers "Very Satisfied" with agent



**IVR Satisfaction**

% of customers "Very Satisfied" with automated portion of call





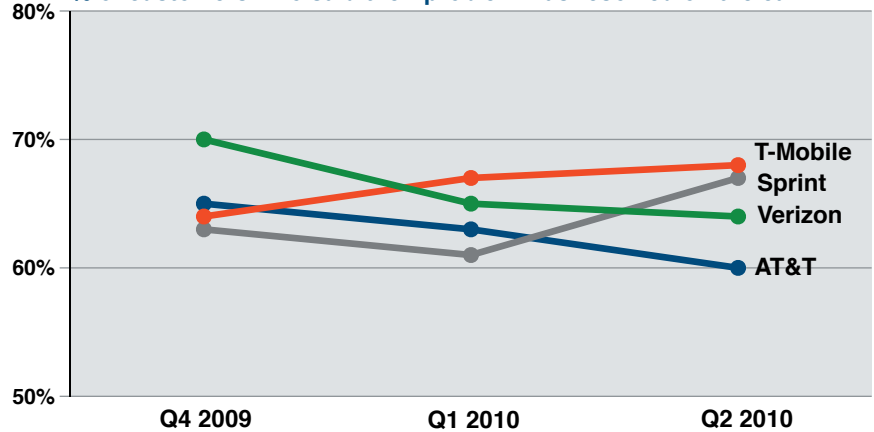
### Call Factors

In addition to the high-level metrics discussed above, we track a number of metrics related to specific events on the call. These metrics are based on survey questions related to agent performance, the automated portion of the call, and problem resolution.

- **T-Mobile and Sprint were best able to resolve customers' problems on the call.** Sixty-eight percent of T-Mobile and 67% of Sprint survey respondents reported that their problem was solved, compared to 64% for Verizon and 60% for AT&T.

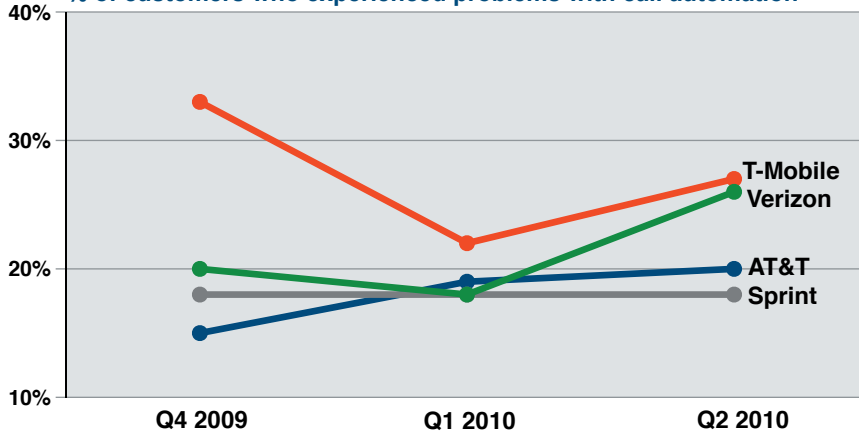
### Problem Resolution

% of customers who said their problem was resolved on the call



### IVR Problems

% of customers who experienced problems with call automation



- **Sprint customers are less likely to experience problems with the automated portion of the call, compared to the other wireless providers in the study.** Over one-quarter of T-Mobile and Verizon customers who used the automated system experienced a problem.

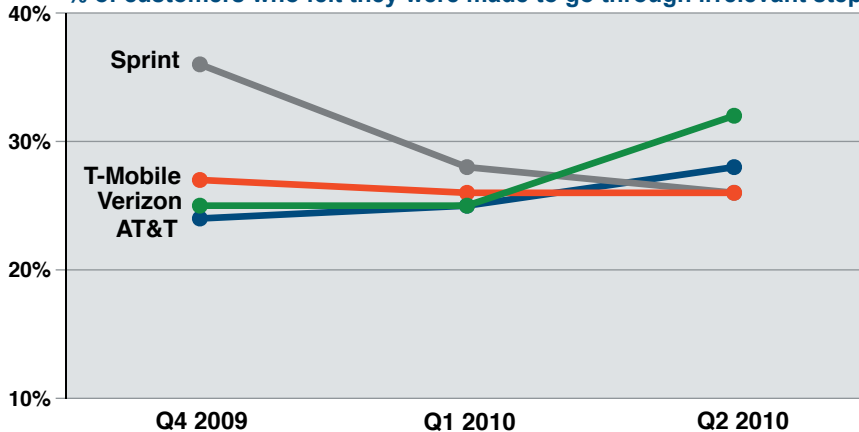
T-Mobile customers were far more likely to report that the automated speech system had difficulty understanding them, suggesting that speech recognition errors are the cause of the reported problems.

- **Verizon customers were more likely to complain that they were made to go through irrelevant steps on the call, compared to customers of AT&T, Sprint, and T-Mobile.** Thirty-two percent of Verizon customers interviewed in Q2 2010 complained of irrelevant steps, up 7 percentage points from 25% in Q1 2010.

Over the past 2 quarters, the number of Sprint customers who complained of irrelevant steps dropped by 10 percentage points, from 36% to 26%.

### Irrelevant Steps

% of customers who felt they were made to go through irrelevant steps



Our research has consistently shown that problem resolution and an efficient call flow (few irrelevant steps) are among the most important factors in driving overall satisfaction and other business goals. This suggests that Sprint's strong performance over the past 2 quarters are tied to these improvements.



## About the Author

Peter U. Leppik is president and CEO of Vocalabs. After several years as an investment analyst following call center technologies, he founded Vocal Laboratories Inc. in 2001 to apply scientific principles of data collection and analysis to the problem of improving customer service.

Leppik is a frequent industry speaker on the topic of measuring and improving customer service quality in call centers and automated speech environments. He is also coauthor of *Gourmet Customer Service: A Scientific Approach to Improving the Caller Experience*. Leppik has led efforts to measure, compare and publish customer service quality across a range of industries through third party, independent research, and works with industry associations to sponsor research to advance the state of the art in customer service. At Vocalabs, Leppik has assembled a team of professionals with deep expertise in survey methodology, data communications and data visualization to provide clients with best-in-class tools for improving customer service through real-time customer feedback.

Mr. Leppik holds B.S. degree in Physics from the University of Minnesota and an M.S. degree in Physics from the University of Illinois at Urbana-Champaign.



## About Vocal Laboratories Inc.

Vocalabs helps leading brands improve customer service by collecting timely and actionable feedback about customer service quality. We interview customers immediately after a customer service call, retail store visit or IVR interaction while the memory of the experience is still fresh. Using our powerful hosted survey and reporting platform, clients discover and share insights to improve business decisions.

Vocalabs' customers include Fortune 1000 companies, telecommunications carriers, industry consultants and equipment vendors. Vocalabs' award-winning services include immediate, live-agent surveys and usability testing for speech recognition and Interactive Voice Response (IVR) systems using large consumer panels. Vocalabs also conducts independent research on customer satisfaction with phone-based customer service. Vocalabs' current syndicated research covers computer technical support and mobile phone customer service. Learn more at [www.vocalabs.com](http://www.vocalabs.com).

### NCSS Data Set Availability

The National Customer Service Survey (NCSS) is sponsored and unwritten by Vocalabs to track the quality of phone-based customer service across industry verticals. Current research includes Computer Tech Support (covering Apple, Dell and HP) and Mobile Phone Customer Service (covering AT&T, Sprint, T-Mobile and Verizon).

Each full dataset, including survey results and recordings, is available on an annual subscription basis. Clients access the dataset, including survey responses and recordings, through Vocalabs' hosted survey reporting and analysis tool. Please contact us for pricing and additional information.

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