



VOCALABS™

National Customer Service SurveySM Computer Tech Support

January 2010

Based on data collected from
May 2008 to December 2009

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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 1,859 completed telephone interviews conducted between May 2008 and December 2009. Of the companies we studied, we collected enough data on Apple, Dell, and HP to make direct comparisons of the three companies' support effectiveness.

Methodology

Consumers were recruited online to participate in this study, and called an alternate toll-free phone number for technical support. This alternate number forwarded to the company's published technical support 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 to Vocalabs clients.

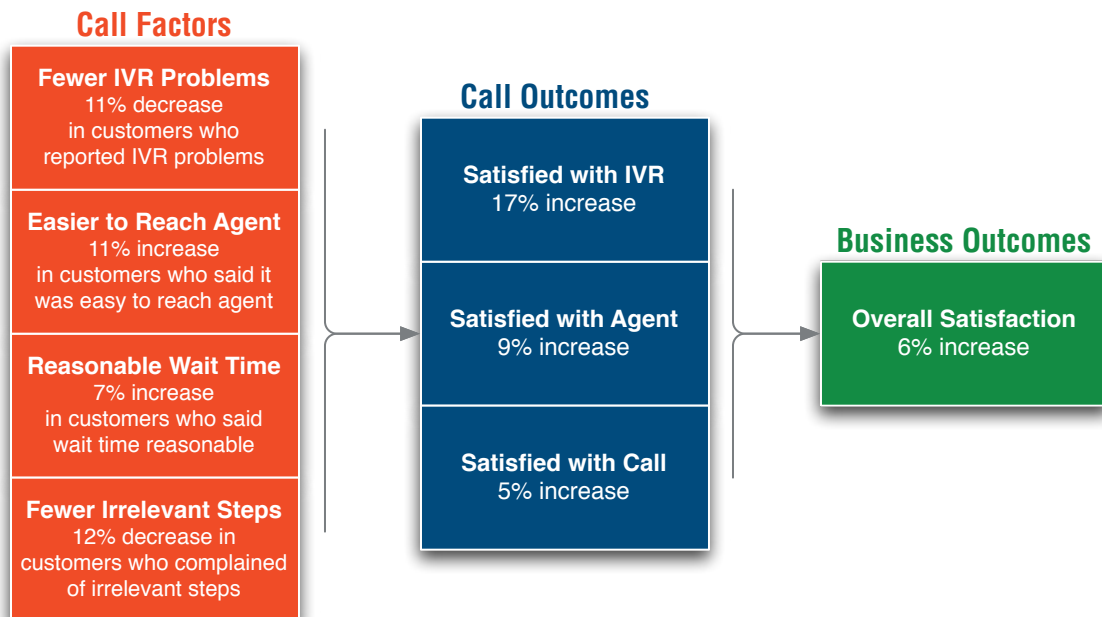
The National Customer Service Survey is a continuation of Vocalabs' ongoing research, formerly called Service Quality Tracker. Vocalabs has been publishing syndicated industry research on phone-based customer service quality since 2004.



Summary of Key Findings

- **While Apple continues to lead Dell and HP across key customer satisfaction metrics for phone-based technical support, HP made marked improvements in customer satisfaction with its agents and the automated portion of the call.** Sixty-four percent of Apple customers surveyed during 2009 said they were “Very Satisfied” with the call, a 19 percentage point lead over Dell and a 17 percentage point lead over HP.
- **HP improvements in technical support calls drove increases in customer satisfaction.** Year over year results for HP demonstrate how call factor improvements can in turn have a positive impact on call and business outcomes.
 In 2009, HP customers reported fewer problems with the automated portion of the call (also known as interactive voice response or IVR) compared to 2008. HP customers also said it was easier to reach an agent and fewer felt they were made to go through irrelevant or repetitive steps on the call. In turn, HP saw a 9 percentage point increase in the percentage of customers who were “Very Satisfied” with the agent, and a 17 point increase in the percentage of customers who were “Very Satisfied” with the automated portion of the call. This led to a 6% increase in overall satisfaction for HP.
- **Customer satisfaction with computer technical support calls has a significant impact on loyalty and likelihood to recommend.** Customers who said they were “Very Satisfied” with the call were 3.2 times more likely to say they would repurchase again than customers who were dissatisfied with the call, and 3.3 times more likely to say they would recommend the company to a friend or colleague.
- **Of the call factors measured, issue resolution has the greatest impact on technical support call satisfaction.** Eighty-six percent of customers who said their issue was resolved on the call said they were very satisfied with the call, compared to 12% of customers who said their issue was not resolved on the call.

HP Tech Support Calls Impact of Call Factor Improvements on Call and Business Outcomes 2008 vs. 2009

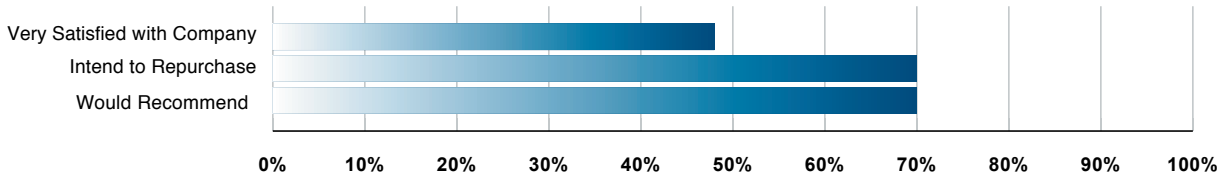




Call Satisfaction and Business Outcomes

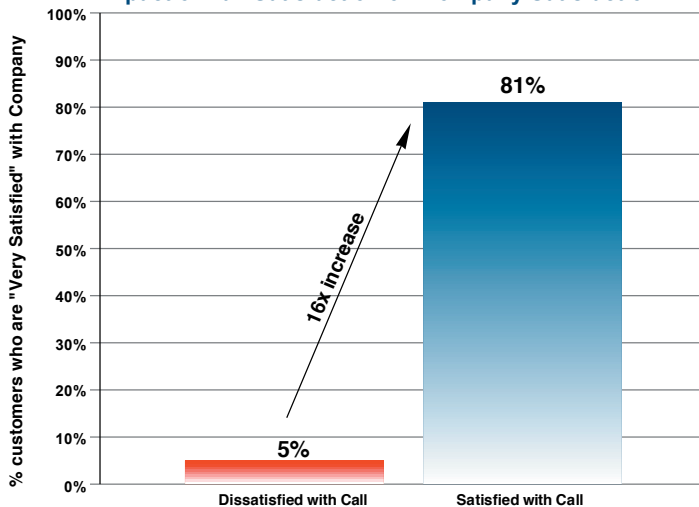
Of the customers surveyed during 2009, 70% said they intended to purchase from the company again in the future. The same percentage of customers surveyed said they would recommend the Company to a friend or colleague. Forty-eight percent of all respondents said they were very satisfied with the company overall.

Business Outcome Metrics

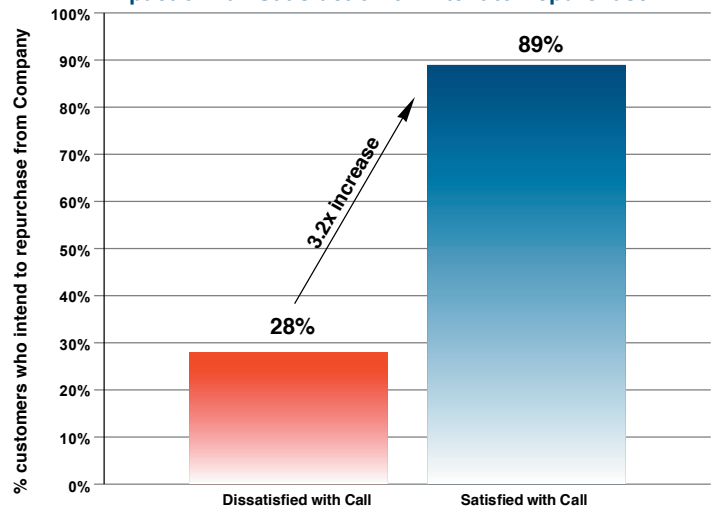


We found that customer satisfaction with the call, agent and automated system had a significant impact on intent to repurchase and on overall satisfaction with the company. Eighty-nine percent of customers who said they were “Very Satisfied” with the call reported they intended to repurchase from the company again, compared to 28% of those who were dissatisfied with the call. Eighty-one percent of customers who were “Very Satisfied” with the call said they were satisfied overall with the company, while just 5% of customers who were dissatisfied with the call said they were satisfied overall with the company.

Impact of Call Satisfaction on Company Satisfaction



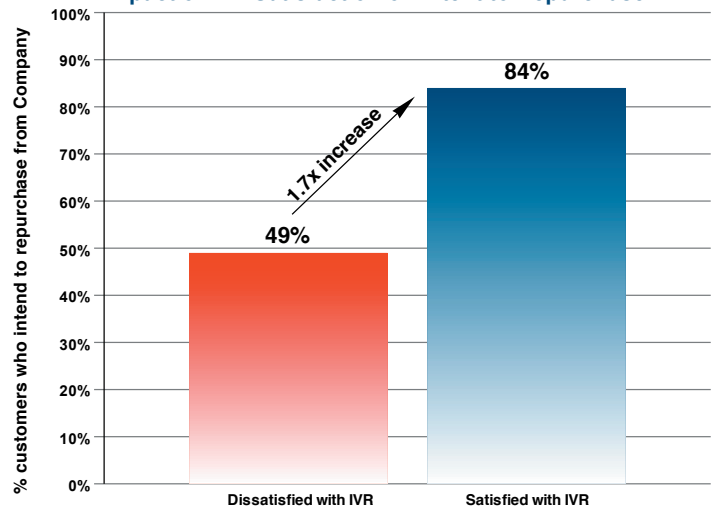
Impact of Call Satisfaction on Intent to Repurchase



We found that satisfaction with the automated portion of the call (IVR system) also had an effect on business outcomes, although the effect was less pronounced than satisfaction with the agent or the call overall.

Eighty four percent of customers who said they were “Very Satisfied” with the automated portion of the call said they would repurchase again, compared to 49% of customers who said they were dissatisfied with the call.

Impact of IVR Satisfaction on Intent to Repurchase





Technical Support Trends: Apple vs. Dell vs. HP

The National Customer Service Survey for Technical Support launched in the first half of 2008, giving us over 18 months of continuous survey data on customers' perceptions of the quality of the technical support they receive from Apple, Dell, and HP. Two significant trends are visible in the survey data from 2008 to 2009, one at Apple, and another at HP.

At Apple, the percentage of customers reporting that it was easy to reach an agent and that the hold time was reasonable improved significantly. The average self-reported wait time for a technician at Apple was about three minutes 40 seconds in 2008, and dropped to two minutes 20 seconds in 2009. This led to corresponding improvements in overall satisfaction with the support call as well as high-level business metrics like company satisfaction and intent to repurchase.

At HP, we saw a significant improvement in customers' satisfaction with the automated part of the call, before speaking with an agent. In 2008, 24% of HP customers we surveyed reported having a problem with the automated part of the call, and only 23% of the customers were "Very Satisfied" with the automation. In 2009, this improved significantly, with only 13% of customers reporting problems, and 39% "Very Satisfied" with the automated portion of the call.

Business Outcomes

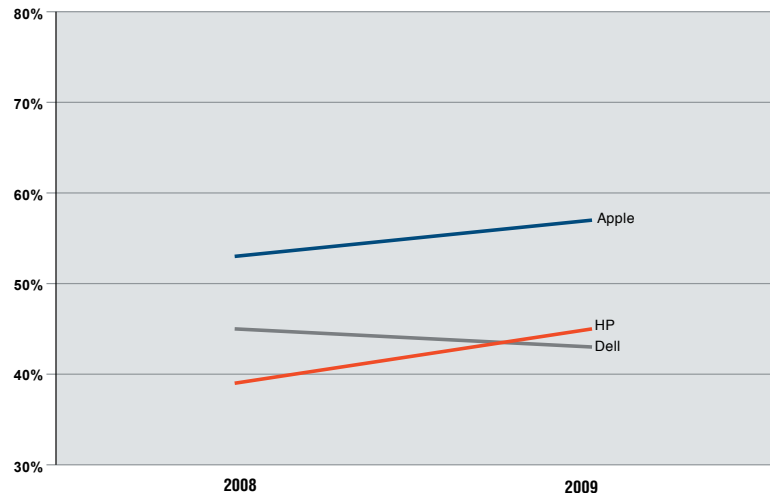
Apple has historically had a reputation for a high level of customer service and satisfaction, and that reputation was borne out once again by our survey results. Apple beat both Dell and HP in every major customer service metric in our survey including company satisfaction, intent to repurchase, likelihood to recommend the company's products, call satisfaction, and problem resolution.

In 2009, 57% of the Apple customers we surveyed reported that they were "Very Satisfied" with Apple, as compared to 43% of Dell customers and 45% of HP customers. Both Apple and HP showed small improvements in their overall company satisfaction from 2008, while Dell dropped slightly.

Similar patterns are apparent in other key metrics, with 78% of Apple customers reporting that they would purchase again from the company, as compared to 64% of Dell customers and 67% of HP customers. Here, too, Apple and HP improved slightly from 2008, while Dell dropped. Eighty-two percent of Apple customers reported that they would recommend Apple to a friend or colleague, while 60% of Dell and 68% of HP customers would make a similar recommendation. This recommendation question was new on the NCSS survey in the second half of 2009, so comparisons to 2008 data are not available.

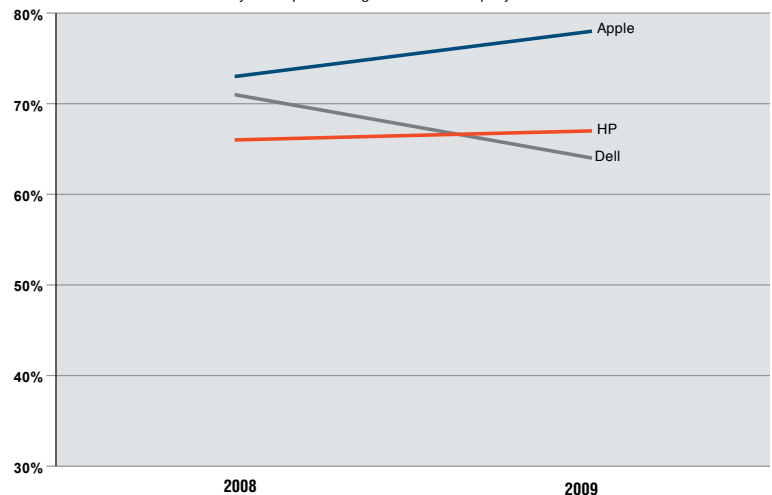
Company Satisfaction

% of customers who said they were "Very Satisfied" with the Company



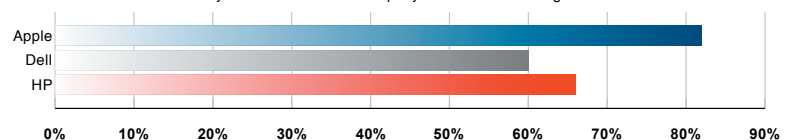
Intent to Repurchase

% of customers who said they would purchase again from the Company



Likelihood to Recommend

Customers who said they would recommend Company to a friend or colleague





Call Outcomes

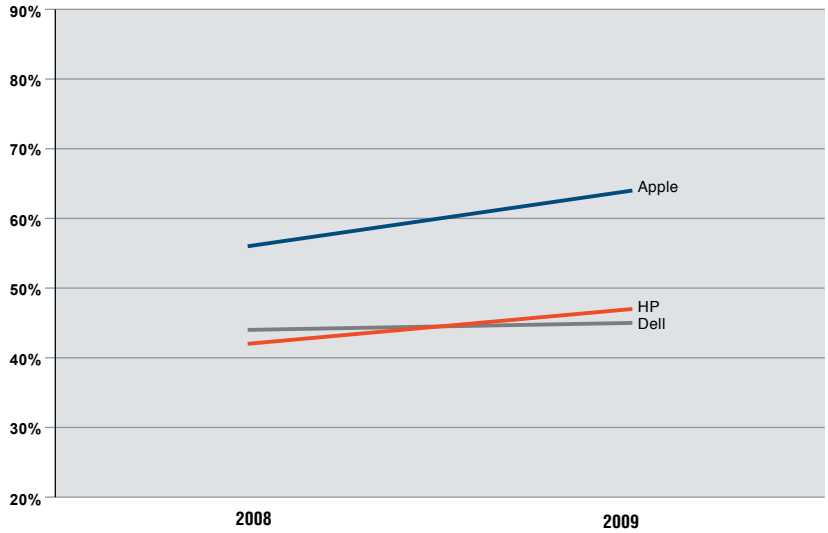
In 2009, 64% of Apple customers reported being “Very Satisfied” with the call as a whole, as compared to 45% of Dell customers and 47% of HP customers. This represents a statistically significant improvement for Apple as compared to 2008, a marginally significant improvement at HP, and essentially no change for Dell. We attribute the changes in call satisfaction to Apple’s improvement in the ease of reaching an agent, and the process improvements customers reported at HP.

At Apple, 75% of customers were “Very Satisfied” with the support agent they spoke to, as compared to 55% at both Dell and HP. This represents no change for Apple or Dell, but a significant improvement at HP.

Forty-two percent of Apple customers were “Very Satisfied” with the automated part of their call in 2009, as compared to 30% of Dell customers and 39% of HP customers. This is essentially unchanged at Apple and Dell, but a whopping 17 point improvement for HP as compared to 2008.

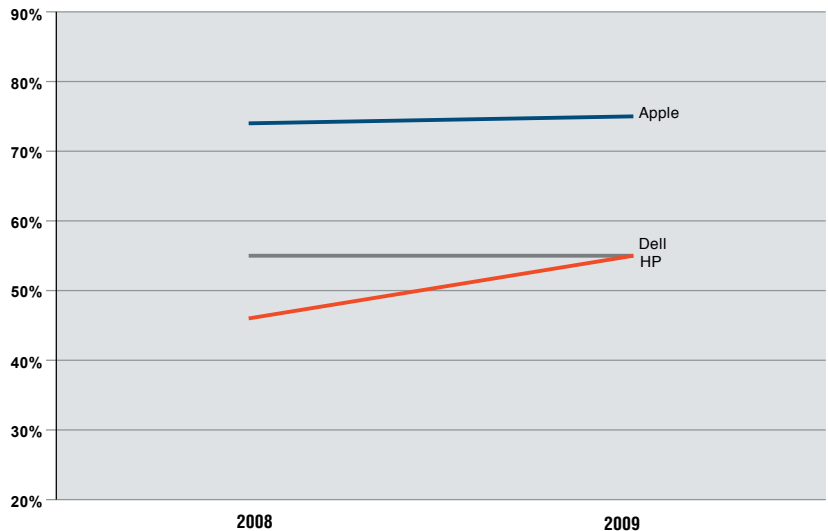
Call Satisfaction

% of customers who said they were “Very Satisfied” with call



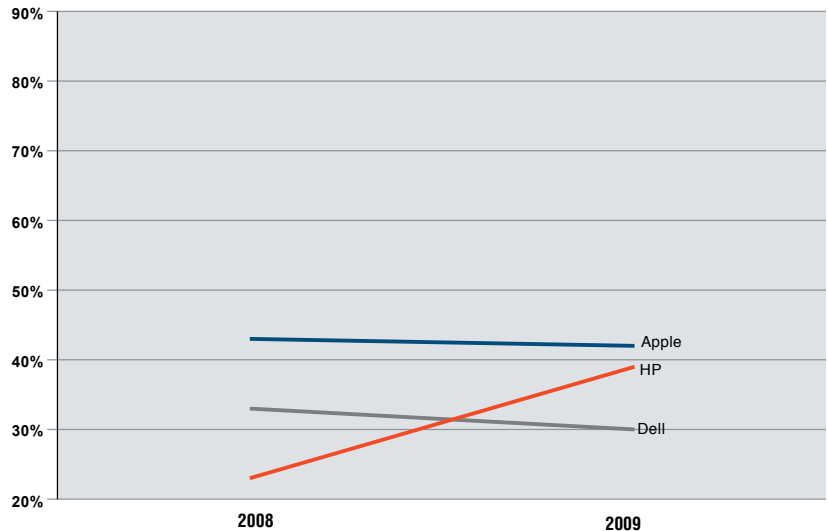
Agent Satisfaction

% of customers who said they were “Very Satisfied” with agent



IVR Satisfaction

% customers who said they were “Very Satisfied” with the automated portion of the call





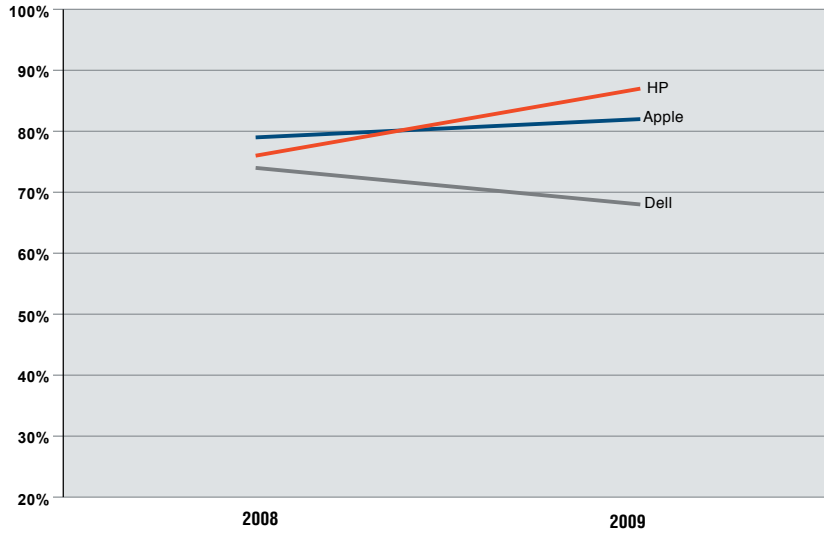
Other Call Factors

In addition to the higher level metrics discussed above, we track a number of specific call factors to help determine the root cause of changes in the performance of the companies we follow. Most of these metrics changed only modestly from 2008 to 2009 (at or below the threshold for statistical significance), but there were several notable trends:

- The percentage of customers reporting no problems with the automated portion of the call at HP increased 11 points from 2008 to 2009.
- The percentage of customers reporting that it was easy to reach a live person improved significantly at both Apple and HP: 10 points at Apple, and 11 points at HP.
- The percentage of customers reporting that the wait time to reach a live person was reasonable increased across the board, but most significantly at Apple where it improved by 10 points.
- The percentage of customers reporting that they had to go through repetitive or irrelevant steps on their support calls dropped by 12 points at HP.

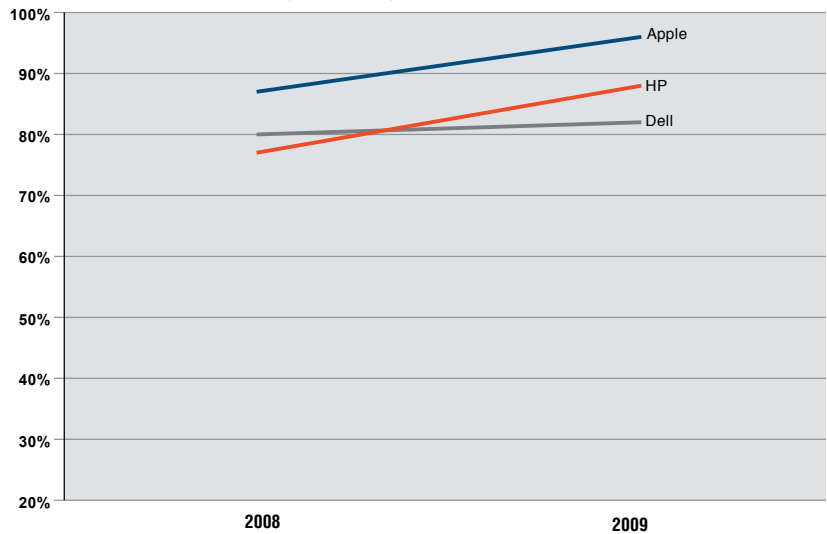
Problems with the IVR

% customers who said they had no problems with the automated portion of the call



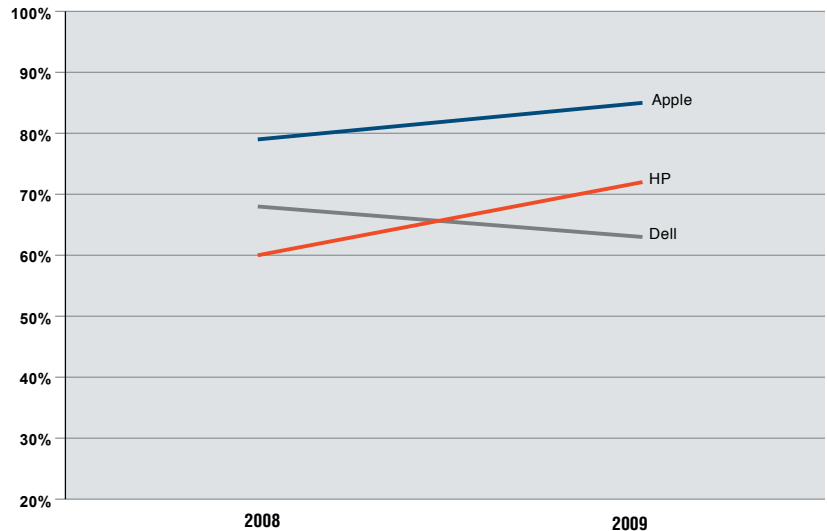
Ease of Reaching an Agent

% customers who said it was easy to reach an agent



No Irrelevant Steps

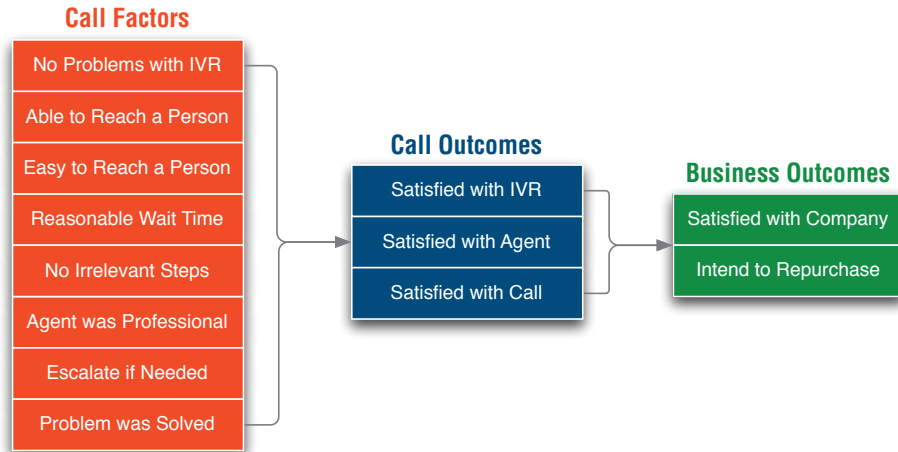
% customers who said they did not feel there were irrelevant or repetitive steps on the call





Improving Business Outcomes through Improved Service

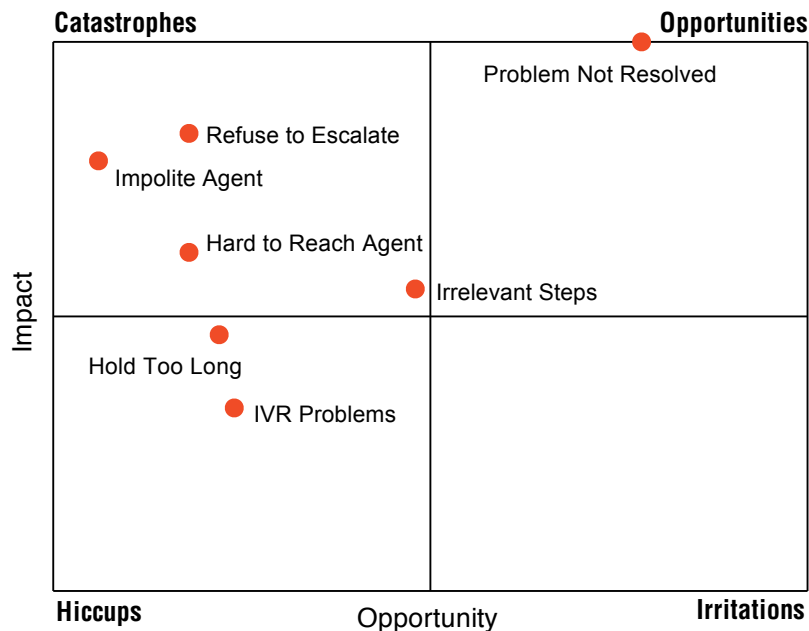
Vocalabs uses its Impact Opportunity Analysis to estimate how much improvement in business goals can be expected from particular improvements to customer service. Different call factors are scored on their impact (effect on business goals) and opportunity (how often problems occur). This allows resources to be focused on those specific areas where the investment is likely to yield the maximum improvement.



Looking at 2009 combined results for Apple, HP and Dell, we see that the best places to look for improvement in business goals—those call factors towards the upper right on the scatter plot—are in resolving customers’ problems during the tech support call and reducing the number of repetitive or irrelevant steps on the call. The best opportunities at each individual company will differ somewhat, however, since each company’s operations have their own strengths and weaknesses.

From 2008 to 2009, we saw HP dramatically reduce the number of reported problems with its automated (IVR) system, and also significantly reduce the percentage of callers who reported irrelevant or repetitive steps during a call. Apple reduced the percentage of callers who reported that they had to wait too long for an agent or that it was difficult to reach a person. As a result, both companies saw improvements in overall call satisfaction and satisfaction with the company, as predicted by the Impact Opportunity Analysis.

Impact of Call Factor Improvement on Overall Satisfaction



Impact Opportunity Categories
Opportunities Greatest opportunity to improve top-line business objectives
Catastrophes Infrequent problems with dramatic impact on business outcomes
Irritations Minor issues that happen frequently but have limited impact on business outcomes
Hiccups Problem affects limited number of customers and has limited impact on outcomes



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.