Agenda

Key Drivers of Call Center Satisfaction

Call Center Strategies for Excellence: Lessons Learned and Case Study

J.D. Power and Associates Call Center Certification

Questions
For 40 years, J.D. Power and Associates has been providing information, tools and guidance for our clients - and, in some instances, entire industries - to improve the quality of their products and services.
Customer Satisfaction Varies by Industry

Experiences from one Industry influence customer expectations for other industries
Overall Call Center Index Ranking
2008 Insurance Customer Contact Study

<table>
<thead>
<tr>
<th>Country</th>
<th>Industry Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amica Mutual</td>
<td>899</td>
</tr>
<tr>
<td>The Hartford</td>
<td>866</td>
</tr>
<tr>
<td>Progressive</td>
<td>850</td>
</tr>
<tr>
<td>GEICO</td>
<td>842</td>
</tr>
<tr>
<td>Liberty Mutual</td>
<td>842</td>
</tr>
<tr>
<td>Erie Insurance</td>
<td>835</td>
</tr>
<tr>
<td>American Family</td>
<td>830</td>
</tr>
<tr>
<td>CSAA</td>
<td>828</td>
</tr>
<tr>
<td>Safeco</td>
<td>824</td>
</tr>
<tr>
<td>ACS C</td>
<td>821</td>
</tr>
<tr>
<td>Nationwide</td>
<td>817</td>
</tr>
<tr>
<td>AIG</td>
<td>816</td>
</tr>
<tr>
<td>Auto-Owners</td>
<td>815</td>
</tr>
<tr>
<td>MetLife</td>
<td>815</td>
</tr>
<tr>
<td>GMAC</td>
<td>813</td>
</tr>
<tr>
<td>State Farm</td>
<td>807</td>
</tr>
<tr>
<td>Farmers</td>
<td>801</td>
</tr>
<tr>
<td>Travelers</td>
<td>797</td>
</tr>
<tr>
<td>Allstate</td>
<td>790</td>
</tr>
<tr>
<td>COUNTRY</td>
<td>787</td>
</tr>
<tr>
<td>Encompass</td>
<td>772</td>
</tr>
<tr>
<td>Mercury</td>
<td>755</td>
</tr>
<tr>
<td>ACG</td>
<td>744</td>
</tr>
<tr>
<td>USAA</td>
<td>914</td>
</tr>
<tr>
<td>ANPAC</td>
<td>779*</td>
</tr>
</tbody>
</table>

*Caution Small Sample
Overall Call Center CSI vs. Likelihood to Renew

*Data sourced from J.D. Power and Associates 2008 Customer Contact Satisfaction Study*
Key Drivers of Call Center Satisfaction
Over half of customers contact their insurer’s call center in the past 12 months.

<table>
<thead>
<tr>
<th></th>
<th>Agency</th>
<th>Call Center</th>
<th>Web Site</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industry Average</strong></td>
<td>78%</td>
<td>54%</td>
<td>53%</td>
</tr>
<tr>
<td>Allstate</td>
<td>89%</td>
<td>52%</td>
<td>56%</td>
</tr>
<tr>
<td>GEICO</td>
<td>43%</td>
<td>90%</td>
<td>85%</td>
</tr>
<tr>
<td>Progressive</td>
<td>60%</td>
<td>67%</td>
<td>72%</td>
</tr>
<tr>
<td>Safeco</td>
<td>80%</td>
<td>50%</td>
<td>51%</td>
</tr>
<tr>
<td>State Farm</td>
<td>93%</td>
<td>39%</td>
<td>46%</td>
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</table>
More than half of call centers customers must cross service channels to resolve a single issue—a significant dissatisfier.
Drivers of Call Center Satisfaction
2008 Insurance Customer Contact Study

- Customer satisfaction with the call center is driven by courtesy of the representative and timely issue resolution.

Overall Call Center Index

<table>
<thead>
<tr>
<th>Factor</th>
<th>%</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Courtesy of the CSR</td>
<td>27%</td>
<td>8.58</td>
</tr>
<tr>
<td>Knowledge of the CSR</td>
<td>14%</td>
<td>8.30</td>
</tr>
<tr>
<td>Concern for your contact</td>
<td>14%</td>
<td>8.20</td>
</tr>
<tr>
<td>Usefulness of info provided</td>
<td>11%</td>
<td>8.25</td>
</tr>
<tr>
<td>Timely resolution of contact</td>
<td>22%</td>
<td>8.28</td>
</tr>
<tr>
<td>Automated phone system</td>
<td>10%</td>
<td>7.25</td>
</tr>
</tbody>
</table>

Satisfaction Ratings

Index Score: 824
5 key call center service practices for handling a customer.

- Easy to understand representative(s): 96%
- Customers’ needs resolved: 94%
- Access account information within 60 seconds: 71%
- Not put on hold: 68%
- Connected to representative within 2 minutes: 60%
Call centers hit on all KPIs a near majority of the time; satisfaction, however, erodes more quickly with each additional KPI missed.
Call Center Strategies for Excellence: Lessons Learned and Case Study
Why Undergo a Call Center Assessment Through J.D. Power and Associates?

• Cultural impact
  – If you are serious about inculcating or reinforcing a culture built around your customers, J.D. Power and Associates is uniquely positioned to drive that message home for employees and stakeholders at all levels

• Performance impact
  – We help organizations meet and exceed customer expectations through collecting, analyzing and effectively integrating VOC information into their operations – creating competitive advantage

• Bottom-line impact:
  – Better service yields higher retention rates and more advocacy, which reduces sales cycles and protects your pricing power
    o In the current economy, customers are more concerned than ever about value for their money
  – Reduce attrition– especially of good people who consistently enable or deliver excellent customer service in a timely manner
    o Saving only a few people pays for our CCA

• Cost-effective
  – Combine with Call Center Certification to save tens of thousands of dollars
Top Five Attributes of Cross Industry Call Center Customer Satisfaction in Order of Weight

- Timely Resolution of Problem/Question/Request
- Ease of Getting Through to a CSR
- Knowledge of the CSR
- Courtesy of the CSR
- Concern of CSR for Question/Problem
Customers often prefer to have a longer call than to feel rushed...

Source: J.D. Power and Associates
Success Strategy #1:
Start With the Strategy and Build From There

Brand X

The call center must be aligned with the corporation’s brand, strategy and UVP
Strategy #2: Leadership Drives Everything

- Set a clear vision and communicate it
- Orchestrate and lead change efforts
- Make decisions based on customers

- Value and recognize teamwork among management
- Over-weight communication
- Engage employees to solve challenges
- Create a fun, performance-oriented culture
Success Strategy #3: Keep a Close Eye on a Few Things

- Adherence to Consistent and Good Coaching Levels at All Times
- Employee Satisfaction Scores
- Customer Satisfaction Scores
- Attrition Rates
Call Center Assessment Offering

Four Levels
- Corporate Strategy Level,
- Strategic Call Center Level,
- Operational Call Center Level,
- Tactical Call Center Level

Three Foundational Elements
- Leadership
- Communication
- Relationship

Seven Executional Areas of Focus
- Performance Management
- Planning
- Execution
- Measurement
- Adjustment
- Processes
- Technology
Call Center Assessment Offering

Program Components and Deliverables

- Assessment – Operational and CSAT
- Issue Prioritization
- Root Cause
- Solution Planning and Implementation
Case Study- Insurance Industry

**Situation**
Award winning call center in Insurance industry looking to understand relative strengths and weaknesses compared to cross-industry leaders.

**What we did**
Multi-week engagement to do full analysis of Customer Service Ecosystem

**Challenge and Root Cause**
Operation was metrics and project oriented rather than employee and customer oriented

**Solution**
Shifted focus “from projects to people” while reducing the number of initiatives/projects undertaken

- **CSAT & QA Linkage**
- **ESAT Employee Engagement Reward and Recognition**
Case Study Results

QA Results After Shift "From Projects to People"

<table>
<thead>
<tr>
<th>Location 1</th>
<th>Location 2</th>
<th>Location 3</th>
<th>Combined</th>
<th>Far Exceeds Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Location 1**: Blue line and markers.
- **Location 2**: Pink line and markers.
- **Location 3**: Yellow triangle markers.
- **Combined**: Cyan cross markers.
- **Far Exceeds Goal**: Purple star markers.

**Time Period**
- Oct
- Nov
- Dec
- Jan
- Feb
- Mar
- Apr
- May
J.D. Power and Associates Call Center Certification Program
Goals of the Certification Initiative

• Relate call center effectiveness metrics to customer satisfaction
  — Uniquely deep cross-industry satisfaction data
  — Proprietary Voice-of-the-Customer satisfaction modeling tools and expertise

• Encourage development of best practices
  — Help call center management understand areas to focus on for improvement
  — Provide call center management with unbiased, impartial data to support their change initiatives

• Provide a unique, satisfaction-driven call center performance measurement model
Why Certify Through J.D. Power and Associates?

Brand/Marketing Differentiation

Recognize Employees

Operational Improvement
Certified Call Center Program

Offered to customer-centric centers meeting standards across two dimensions:

Site Audit

Customer Survey
The Process

Readiness Assessment
- Pre-audit call with J.D. Power and Associates auditor

Scheduling
- Onsite audit and survey launch dates are determined by mutual agreement

Decision
- Audit pass/fail decision delivered within 24 hours of audit
- Survey pass/fail decision delivered within 5 days following close of fieldwork

Reporting
- Complete audit and survey reports are provided within three weeks following each phase
Deliverables to Clients

Reports include:

- Practices and procedures where center meets or exceeds standards
- Focus areas for further work to achieve higher performance
Successful Companies Can License Certification

- Clients licensing their certification can use the J.D. Power and Associates’ certification emblem and trophy image:
  - In mailings (including e-mail) to
    - existing customers
    - prospective customers who have requested additional information
  - On the certified company’s Web site, with a link to www.jdpower.com for details of the program
  - In B2B presentation materials and sales tools
  - On printed literature describing the Call Center Certification program
  - On signage at point-of-sale and at all Certified Call Center locations
2006-2008 Sample of Call Center Services Clients

Operations Assessment & Strategy

Strategy & Training

Call Center Assessment

20+ Site Service Consistency (Assessment + Implementation)

Call Center Certification

Call Center Assessment

Strategy & Training

Call Center Assessment

Major Insurer
Contact Information:
Marnie Montes
(248) 312-4316
Marnie.Montes@JDPA.com