

## Telecommunications Firms in Customer Respect Group Study Ranked on How They Treat Online Customers

***Leaders Use Web as an Integral Part of Overall Customer Experience  
Most Industry Sites in Transition as Products, Services, Business Models  
Evolve***

### ***Verizon Wireless Gains “Excellent” Rating***

IPSWICH, Mass., Nov. 14, 2008 — The Customer Respect Group, an international research and consulting firm that focuses on how corporations treat and respect their online customers, today released findings from its Fourth Quarter 2008 Online Customer Respect Study of Telecommunications Industry Websites.

The criteria used to measure websites constitute the Customer Respect Index (CRI) and are structured into five subindexes: Content, Navigation, Search, Trust and Dialog. The CRI reflects best practice, online trends, common practices and developments within the corporate web environment.

The study is the first of a series of three, the other two being:

- Online Self-help – can the user self serve to solve problems and setup service?
- Online Account Management – Does account management provide enough to encourage online enrollment?

### **Summary**

Overall, the telecommunications industry scores slightly below a cross-industry average, with a score of 5.9. This is a decrease from the previous study when the industry scored just above the cross-industry average. The industry scored higher in the latest study in overall site usability, but fell by a similar amount in creating a sense of trust.

The three leading sites can be seen in the chart below including Verizon Wireless, whose score warrants an “Excellent” Rating.

Customer Respect Index	Rating
Verizon Wireless	7.39
Verizon	6.89
Bell Canada	6.52
Industry Average	5.92
Cross-Industry Average	6.23

Not surprisingly, overall, the more sophisticated online strategies belonged to wireless operators. Customers in this category have more choices and can move vendors more easily generating the most customer churn. Wireless operators also have a higher percentage of younger customers who demand greater online functionality.

The majority of traditional landline companies are playing catch-up, struggling to offer a competitive online experience to a new range of customers as they upgrade from a single product to the complete communications experience that includes Internet, television, home phone and mobile services. We see some companies reinventing themselves with new advanced offerings, heralding new websites and online customer service models that are rolled out incrementally to a more limited customer base. Other companies, having acquired third-party solutions, are desperately trying to tie the solutions together and create a uniform experience. In the study results, website performance, in part, illustrates the maturity of the “bundle” within an organization and how well the separate business units have integrated the solution.

### **What Differentiates the Websites?**

The best industry sites are following overall web trends and innovations, applying some of the lessons and techniques that can be seen in other, possibly more dynamic industries.

#### **Consistency between Products and Support Sections of the Site**

Sites fail to see online users as both buyers and customers. Sites are largely developed as separate entities, creating frustration for users who must search unnecessarily for relevant information on the website. This is made even worse by sites bringing in “best of breed” applications (to quickly provide functionality) that lack continuity and consistency with the site structure. Many sites are, and operate like, a combination of functions thrown together under a single URL.

#### **Lack of Continuity between Online Research and Off-line Sales/Service**

Customers often seek to research options online but then prefer to speak to a representative to “close the deal.” Companies make this harder than necessary when there is a lack of continuity between the channels. The website should be seen more as an integral part of the sales/marketing/support process than a discrete channel.

#### **Escalation and Dialog with the Online User**

A real variation in performance exists across the industry. Some companies offer plenty of options for the customer to speak with the company, encouraging contact, while others hide or discourage contact. The preferred method continues to be telephone by far, but there is a strong growth in the online chat sector. The level of support for incoming e-mail questions has become progressively worse in recent studies, partly due to the difficulties in resolving complex technical issues with email.

User-generated content is on the increase, but many companies remain in the early stages in deciding how to harness the power of their users. The most common use is in the support for



Internet services. The majority of companies cite the lack of a clear strategy regarding negative comments from users as the reason for slow implementation.

A more detailed scorecard is available from The Customer Respect Group at (978) 834.6700 or by emailing [clientservices@customerrespect.com](mailto:clientservices@customerrespect.com).

According to Terry Golesworthy, president of The Customer Respect Group, “The industry is fighting hard to integrate new products and services at the same time it is trying to drive greater online adoption. This is a truly challenging time for website owners, but with the complexity of the current product offerings, it is vital to use an online presence to drive sales and cut support costs.”

# THE CUSTOMER**RESPECT** GROUP

IMPROVING THE ONLINE EXPERIENCE

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The Customer Respect Group is an internationally recognized leader in the creation and measurement of benchmarks in the arena of online customer experience and respect. Benchmarks have been shown to provide an invaluable means to consider comparative performance, learn from the leaders and take advantage of strengths. The Customer Respect Group has objectively measured websites since 2003 and has amassed a huge database of knowledge and data.

For more information, visit  
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