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MEDIA RELEASE

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Grumpy old men replaced by grumpy young couples when it comes to customer service satisfaction

New Australian-first research commissioned by Customer Service Institute of Australia (CSIA) reveals a generational shift in Australians' customer service satisfaction, with grumpy old men a disappearing stereotype, replaced by unhappy young couples.

Australians over the age of 65 were much more positive (92%) about the level of friendly customer service they receive from Australia's major companies, while young childless couples had the highest levels of dissatisfaction.

In addition, 36-45 year olds recorded the lowest average scores for all of their customer service experiences (79%).

The research, conducted by Antenna, one of the country's leading consumer insights specialists, surveyed 2,000 Australians to gauge public perceptions of customer service and friendliness provided by major Australian companies across 15 industries.

Customer Service Institute of Australia CEO Anouche Newman said that generational shift in satisfaction comes down to the fact that Australian businesses are struggling to deliver authentic and friendly customer service across all channels of communication.

"Young people are more willing to jump online rather than wait to talk to someone over the phone these days, and friendliness can be harder to communicate in an online environment," she said.

"In contrast, older people are used to communicating with providers and suppliers over the phone where they are more accustomed to waiting, and where many businesses focus their customer service efforts.

"The issue is that few businesses are providing a genuinely holistic approach to customer service and are not delivering the same quality of friendliness when they connect with consumers online.

"Many businesses are also more focused on the functional aspects of products and services, as opposed to the emotional connection with customers."

The research also revealed that one in three Australians believe that customer service by big business is now worse than what it was five years ago. Only 18% of people believe it is more friendly now as opposed to then.

Face-to-face is considered the friendliest channel for customer communication (65%), compared to e-mail (13%), while phone was voted the least friendly communication channel used by Australian businesses (9%).

When it comes to the friendliest industries, internet service providers (65%), everyday banking and car servicing (54% each), and car insurance (53%) came in on top, while the water and electricity utilities (27% and 34% respectively) and superannuation (35%) were billed as the least friendly.

CSIA commissioned the research to better understand the role friendliness plays when it comes to customer engagement, and the impact it has on the purchase and use of a brand's products and services.



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“Academic studies have shown that customers are more likely to make a purchase based how they feel about a brand, as opposed to logic and need. When companies engage with their customers on a personal level, this often translates into higher sales,” said Ms Newman.

“A recent EY Sweeney study commissioned by CSIA revealed that friendliness is the biggest factor in delivering a great customer experience. In fact, twice as many Australians see friendliness as the key factor, compared to the quality or accuracy of the service itself.

“Similarly, the biggest factor in what made a bad customer service experience was poor attitude and unfriendliness. There is no doubt that friendlier service is essential for any business’ bottom line.”

Ms Newman added that friendly customer service has become even important in the digital age.

“Opportunities to connect with customers on an interpersonal level are becoming increasingly rare, so the chance to show an organisation’s human touch represents an important moment of truth for businesses looking to improve the customer experience and engage new and existing customers,” she said.

The research was conducted by Customer Service Institute of Australia as part of the annual Australian Service Excellence Awards, which recognise the achievements of Australia’s most outstanding customer service-driven organisations and individuals.

For the first time in the event’s 16-year history, this year’s awards include The Friendly Awards, a new awards category based solely on the national survey, and consumers’ experience with Australia’s leading brands.

In the instance where there was not a clear winner as voted by the public, finalists were independently and objectively mystery shopped by The Realise Group, a market leader in customer experience measurement, to determine category winners.

-ENDS-

Table: Australian friendliest companies across key industries, as identified by the research and independent mystery shopping.

Everyday banking	Bendigo Bank
Internet service provider	iiiNet
Mobile service provider	Amaysim
Superannuation	AMP Superannuation
Home loans	ANZ Bank
Home insurance	RACQ
Health insurance	HBF
Automotive servicing	BMW
Retail	Mitre 10
Fast food	Boost Juice
Domestic airlines	Qantas Airways
Cruise lines	Carnival Cruise Line
Electricity provider	ActewAGL
Gas provider	Simple Energy
Water provider	Yarra Valley Water

Notes to editors:

- Consumer perceptions of ‘friendly’ were based on the following criteria: friendliness of store staff, the tone and language used in written letters, emails, brochures and on the internet, and how customer service representatives talk on the phone, on live chat or through social media.

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About Customer Service Institute Australia

Founded in 1997, Customer Service Institute of Australia is the country's leading independent customer service organisation. CSIA believes that great customer experience is fundamental to every business, and supports organisations and individuals with best-practice know-how, international recognition and practical support. The goal of this Sydney-based institute is to help people see the world through a customer lens. www.csia.com.au