

Research reveals disconnect in Asia Pacific between C-Level executives and customer service professionals

Survey of regional companies shows APAC aims higher, but still suffers significant gaps between CEO promises and the customer experience

Melbourne, August 13, 2008 When it comes to aligning the executive suite with the customer service organisation, a survey of companies in Asia Pacific found there are significant gaps between what C-level executives (CEO/CIO/CFO/CTO), promise and what customer service organisations deliver. The comprehensive survey of 212 companies, *The Executive Disconnect: The Strategic Alignment of Customer Service in APAC*, takes an in-depth look at businesses across key countries across the Asia Pacific region.

To provide perspective on the issue, Genesys Telecommunications Laboratories, Inc., an Alcatel-Lucent company (Euronext Paris and NYSE: ALU) surveyed a group of C-level executives and compared their responses to the customer-centric professionals who are much closer to the front lines (Contact Centre Managers/Directors of Customer Care/Sales Managers and Directors/Marketing Directors).

The research is part of a global project covering 47 countries and 927 participating companies, and was commissioned by Genesys to better understand the challenges in strategically aligning customer service with the business goals of the company. In Asia Pacific, it covered 12 countries, including Australia, China, Hong Kong, Japan, India, Indonesia, Malaysia, New Zealand, Singapore, Taiwan, Thailand and Vietnam.

Nearly a quarter of the participants worldwide held senior C-level titles, and 20 percent of the respondents were C-level in APAC. Participants came from a variety of markets including financial services, telecommunications, healthcare, government, retail, manufacturing, technology and education. The size of companies customer service operations ranged from under 100 to more than 10,000 employees, and respondents included more than 1,500,000 contact centre agents, as well as back office, branch, and field level support professionals. Respondents included more than 350,000 Asia Pacific-based contact centre agents, as well as back office, branch and field level support professionals across occupations and industries.

The good news is that companies in Asia Pacific are aiming very high, said Michael McBrien, senior vice president, APAC Field Operations, Genesys. The bad news is they have a lot of work ahead of them to live up to their own expectations. The key lesson to be learned from this survey is that it is critical to engage top executives in both the strategy and execution required to make excellent customer service a reality.

Key takeaways in APAC

The survey found a significant gap between C-level perceptions and the reality experienced by most of their customers. Here are a few highlights:

Customer service professionals in Asia Pacific have higher standards than most of the world, but they are also extremely realistic about assessing whether their companies are living up to them. For example, customer satisfaction is a more important metric in Asia Pacific than anywhere in the world (82 percent versus 70 percent of companies globally). In addition APAC companies are much more rigorous than their peers in measuring such indicators as call duration (83 percent versus 68 percent) and average speed to answer (84 percent versus 67 percent).

Few APAC companies give their contact centres high strategic marks. Only 36.9 percent of APAC companies view their contact centres as strategic. And only 11 percent track their performance based on strategic measures such as customer lifetime value, well below the 21 percent in the global survey.

Top executives in APAC, however, think they are doing a better job than the evidence indicates. The C-level executives in APAC are consistent with their peers worldwide in assuming they are delivering on their promise of making customer service more strategic even when front line professionals say they are not.

For example, in the Asia Pacific survey, 76 percent of C-level executives think their company is doing a good job of collecting information on customer and market needs and passing it on to sales; yet only 65 percent of customer service professionals agree. These results are consistent with the global survey, where 78 percent of C-level executives thought they captured customer feedback, while only 62 percent of customer service professionals

agreed.

Strategic vs. operational role Asia Pacific is the only region where customer service professionals have higher strategic expectations of customer service than the C-level executives. In Asia Pacific, customer care professionals and executives overwhelmingly agree that customer service impacts the companys brand identity, and yet very few believe their customer service has fulfilled its promise as a strategic function. In Asia Pacific, 20 percent of C-level executives and 29 percent of customer care professionals characterise their contact centres as largely strategic.

Finding a cure - On a positive note, many companies have already implemented, or plan to initiate, priority projects over the next 18 months to address their misalignment:

- o Asia Pacific is a leading region in terms of reporting and striving to understand end-to-end customer interactions, with 49 percent setting a goal to address this issue in the next 18 months, compared to 34 percent of companies worldwide
- o Asia Pacific also plans business level analysis that is far more advanced than in the global survey. Over 47 percent of companies in Asia Pacific plan to link business drivers with customer behaviours, compared to 36 percent of companies globally
- o To support proactive business management in Asia Pacific, 40 percent of those surveyed plan to enable information consoles that provide real-time views that leverage customer data across the enterprise

Leveraging the entire organisation Two significant areas of investment are helping companies become more dynamic: extending customer service to branch offices and virtualisation.

- o In Asia Pacific, 16 percent of companies surveyed are already moving to incorporate branch offices to expand the pool of resources available during high volume periods, but that significantly lags the 28 percent of companies found globally
- o Regionally, the United Kingdom is the leader, where 39 percent of companies are doing so, followed by Spain at 38 percent
- o Asia Pacific is, however, a leader in operating multiple contact centres as a single entity (virtualisation) with 49 percent currently virtualising or planning to do so, compared to only 40 percent worldwide. Asia Pacific is second only to the United Kingdom (50 percent) in virtualisation

To obtain a complete copy of the research data, visit http://www.genesyslab.com/resources/resource_library.asp or email press@genesyslab.com. The survey was conducted for Genesys by an independent research firm, Equation Research.

About Genesys Telecommunications Laboratories, Inc.

Genesys, an Alcatel-Lucent company, is the only company that focuses 100 percent on software to manage customer interactions over the phone, Web and in e-mail. The Genesys software suite dynamically connects customers with the right resources self-service or assisted-service to fulfill customer requests, optimize customer care goals and efficiently use resources. Genesys software directs more than 100 million customer interactions every day for 4,000 companies and government agencies in 80 countries. These companies and agencies can leverage their entire organization, from the contact center to the back office, to improve the overall customer experience. As a result, Genesys helps stop customer frustration, drive efficiency and accelerate business innovation. For more information, go to www.genesyslab.com or visit the industry blog at www.betterinteractions.com.

About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) provides solutions that enable service providers, enterprises and governments worldwide, to deliver voice, data and video communication services to end-users. As a leader in fixed, mobile and converged broadband networking, IP technologies, applications and services, Alcatel-Lucent offers the end-to-end solutions that enable compelling communications services for people at home, at work and on the move. With operations in more than 130 countries, Alcatel-Lucent is a local partner with global reach. The company has the most experienced global services team in the industry, and one of the largest research, technology and innovation organizations in the telecommunications industry. Alcatel-Lucent achieved revenues of Euro 17.8 billion in 2007 and is incorporated in France, with executive offices located in Paris. For more information, visit Alcatel-Lucent on the Internet: <http://www.alcatel-lucent.com>

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