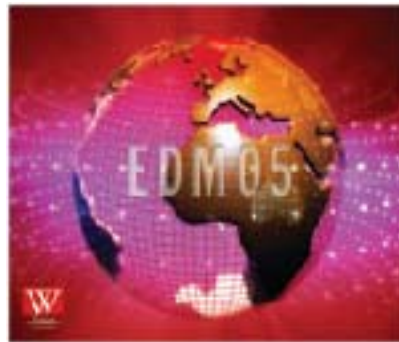


The Paisley Group Ltd and Paisley 118

Meg MacRae
Managing Partner



Answering 2 Critical DQ Quality Questions with Statistics

1. What effect does deregulation have on DQ quality?



2. What effect does speech recognition automation have on DQ quality?

Measurement Method



- Customer FulfillmentSM – the definitive DQ measure. Answers the question:

How often do DQ customers receive the correct report based upon database and operator accuracy?

- Customer CareSM – completes the 360 degree view of quality and answers the question:

To what extent do operators balance customer advocacy and efficient call-handling?

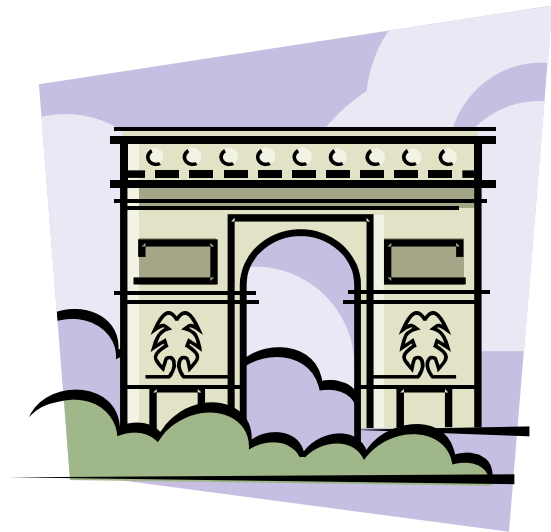
Fulfillment/Care Model

- Is based upon traditional Telco and Bellcore quality measures of Courtesy, Accuracy and Productivity
- Is based upon the presence (or absence) of satisfiers and dis-satisfiers (outcomes and behaviors) identified by DA/DQ customers in Focus Groups.
- Includes all DQ stakeholders in that it is based upon accuracy plus how effectively operators demonstrate **both** customer advocacy and efficient call-handling.



1. Deregulation

- Using Customer FulfillmentSM and Customer CareSM measurements, Paisley audited the DQ services of 4 UK carriers in late 2002 and then again in late 2004.
- Methodology
 - Process
 - Sample
 - Access routes



Customer FulfillmentSM

	Customer Fulfillment SM – Autumn 2002	Customer Fulfillment SM – Autumn 2004
Company A	89.0%	90.0%
Company B	84.0%	96.0%
Company C	84.0%	92.0%
Company D	84.0%	94.0%



Customer FulfillmentSM since Deregulation



	Operator Accuracy – Autumn 2002	Operator Accuracy – Autumn 2004	Database Accuracy – Autumn 2002	Database Accuracy – Autumn 2004
Company A	95.0%	97.3%	94.0%	93.0%
Company B	93.0%	98.3%	91.0%	98.0%
Company C	95.0%	96.0%	94.0%	96.0%
Company D	93.0%	97.3%	93.0%	97.0%

Cross-Correlation of Findings

- Operator accuracy has improved significantly.
- The accuracy of Cable and Wireless' database has been impressively increased since deregulation.
- BT's database is the only one that did not improve at all.



Customer CareSM

	Customer Care SM - Autumn 2002	Customer Care SM - Autumn 2004
Company A	87.0%	95.0%
Company B	80.0%	89.0%
Company C	88.0%	95.0%
Company D	84.0%	96.0%



Differences in Customer CareSM since Deregulation



Company	Acknowledging	Tone of Service	Call-Handling Efficiency	Problem-Solving	Understanding the Request
Company A	↑	↑	Same	↑	↑
Company B	↑	Same	↓	↑	↑
Company C	↑	↑	↓	Same	↑
Company D	↑	↑	↑	↑	↑

Cross Correlation of Findings

- Operators are talking to customers more and doing it more courteously.
- In some cases this may have decreased call-handling efficiency.
- Operators' ability to more quickly understand the request and problem-solve where necessary, have improved. This contributes to higher operator accuracy, more efficient call-handling and more satisfied customers.



How Does US DA/DQ Quality Stack up? - Fall 2004

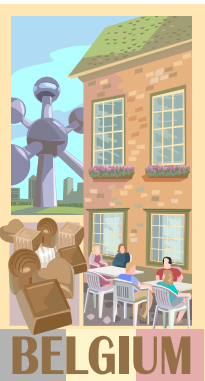


Company	Operator Accuracy	Database Accuracy
Company A	97.3%	93.0%
Company B	98.3%	98.0%
Company C	96.0%	96.0%
Company D	97.3%	97.0%
AT&T	98.3%	96.0%
Qwest	98.7%	97.0%
Nextel	97.3%	97.0%

2. Speech Recognition Automation – Its Influence on Call Quality and Customer Satisfaction (CSat)

- Over an 12-month period, Paisley audited how speech recognition technology influenced Customer FulfillmentSM, Customer CareSM and CSat in a fully deployed environment at 4 US DA/DQ providers.



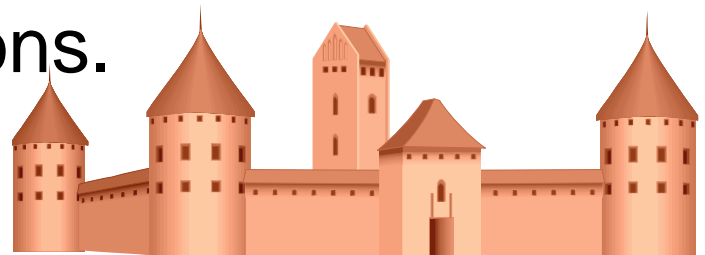


Establishing the Correlation Between Passed Calls and CSat

- Based upon the results of thousands of audit/survey combinations performed, Paisley (and its clients) have confirmed over and over that customers who are both fulfilled and cared for (Passed calls) will rate their DA service Very Good or Excellent with a small correction for valid no find/ex directory reports).
- The following information is based upon the results of the audits and the tracking and analysis of the findings over time.

Fulfillment Increases

- Operator-related keying, spelling and scanning errors are eliminated on fully automated calls.
- Errors caused by poor listening skills disappear.
- Automated systems tend to be less effective (than operators) at disambiguating (problem solving for the caller) i.e. identifying differences, suggesting appropriate options, offering alternative locations.



Customer CareSM Declines In Predictable Areas

- The primary factor that decreases Customer CareSM (and increases customer frustration) is the hand-off from the automated system to the operator where an operator is required to provide the final disposition of the call.
- Other contributing factors are:
 - Text to speech issues
 - Failure to appropriately suggest/identify
 - System suggest with listing options that are totally unrelated to the request





Persona

- Automated systems suggest, identify and verify less effectively than live operators but acknowledge/interact with the caller more effectively in terms of customer acknowledgement.

“Receiving Eye Contact from the Operator over the Phone makes me feel Valued, and Confident that the Operator is Searching Effectively for my Request”

Total Call and Operator Work Time

- For callers who interact with the automated system and then the operator, average call time increases to more than 60 seconds.
- Operator work time increases because operators handle difficult to find requests and No Find reports



Boston Globe Article



Darby Bailey, a voice actor for Tellme Networks Inc., recorded responses for the Verizon 411 system in June 2002. (AP Photo)

Information gap

The Boston Globe

Verizon voice 411 system struggling

By Sally Jacobs, Globe Staff | December 25, 2004

Boston Globe Article

"Customer care has definitely decreased for Verizon with Darby," said Meg MacRae, managing partner of The Paisley Group in Castle Rock, Colo., which evaluates the nation's leading directory assistance providers. "One big area with Darby is the calls that have to go to the operator because she can't find the number, which means customers are asked to repeat what they want three times. Customers detest being asked more than once, much less twice."

Horton <*Executive Director of Verizon technology*> said customer satisfaction dropped by 30 percent in some markets when Bailey was introduced but has risen steadily as improvements have been made and people become more accustomed to the system. Currently, according to Horton, 70 percent of customers surveyed rank their experience in calling 411 as very good or excellent, up from a low of 50 percent.



Boston Globe Article



The system was unable to decipher a number of local addresses sought by the Globe. Asked for Worcester, she offered Norton. Asked for the Cambridge restaurant Upstairs on the Square, she first offered Upper Pendleton and then suggested something nearly unintelligible that sounded like, "You said, you've lost your hair?" When asked for the Boston Athenaeum, she handed the call directly to a human.

And that's where The Paisley Group found one of the system's biggest problems. The human operators who pick up where Bailey falls short often aren't listening in, as they are supposed to. The human operator hears a "whisper" of a caller's request and is supposed to be ready with the listing if the caller is bounced to them. But Paisley found that operators had to ask for the listing again in 40 out of 300 test calls, resulting in an average call time of 62.3 seconds, or as MacRae put, "a very long time."

"Customers hate that because they think the operator is not even listening to them," said MacRae. "I won't say the reason why that happens, but there is an opportunity to mitigate customer care issues in an automated environment by working with the humans. I would imagine they do not particularly like Darby."

Q and A



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The Takeaway