

SERVICE PERCEPTIONS IN MEXICO - 2009

Introduction

The following report presents some of the main findings stemmed from our annual study “Service Perceptions in Mexico”.

First conducted in 2007, the main objective of this project is to monitor the opinions and attitudes of the population towards this topic, as well as to analyze the performance of several industries in terms of the service offered to their customers.

With a one-of-a-kind approach, the information from this research represents a source of fundamental knowledge for all those organizations interested in understanding Mexican consumers better and in establishing a long-term, customer service-based competitive advantage.

Methodology

601 telephone interviews were conducted among men and women living in Mexico City, Guadalajara and Monterrey, aged 20 to 60 and belonging to socioeconomic levels ABC+, C and D+.

Fieldwork took place in January 2009.

The study’s margin of error is $\pm 4.0\%$ calculated for a confidence Level of 95%.

General Assessment of Customer Service in Mexico

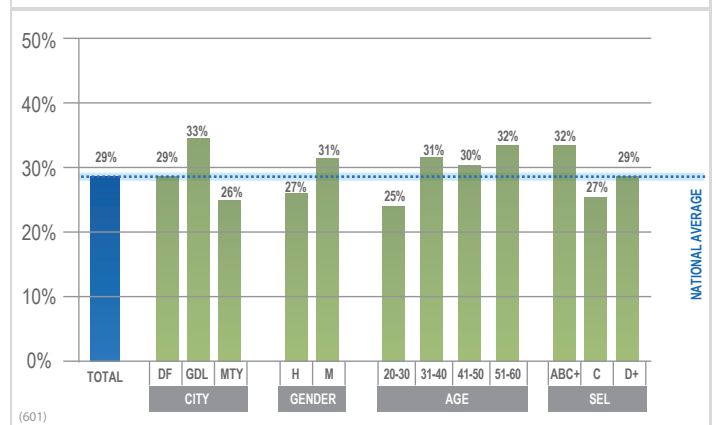
In the past two years the general quality of customer service in Mexico has failed to show any significant evolution and continues to be on a very low level. In 2009 the overall rating assigned by respondents barely scraped 7.3, virtually equal to the 7.2 achieved in 2007.

	2007	2009
General Quality of Customer Service in Mexico (0 to 10 scale)	7.2	7.3

Changes Perceived in the Last Year

Only 29% of the population believes that customer service in the country evolved favorably in 2008. Consumers from Guadalajara, females and the ABC+ class have a more positive perception, while consumers from Monterrey, males, the young and the middle class are more critical about it.

% Respondents who believe customer service improved in 2008

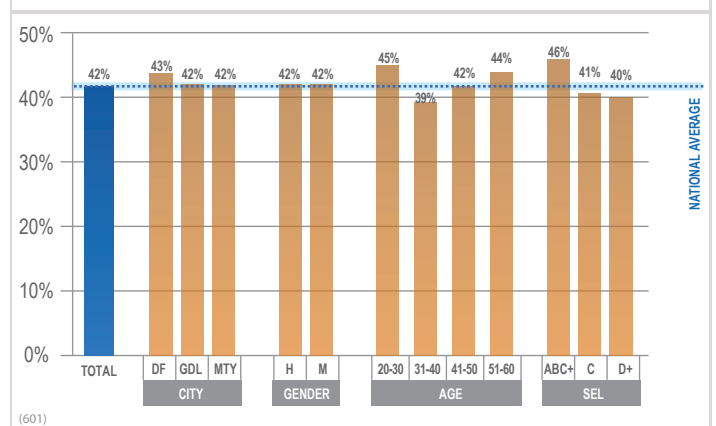


Improvement Expectations for 2009

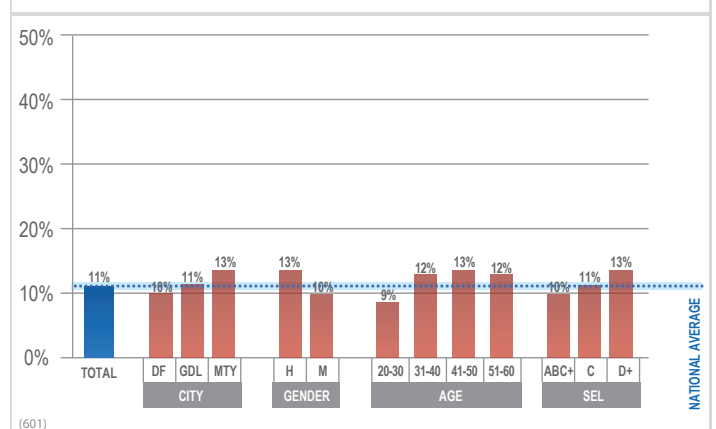
4 out of 10 Mexicans hope to see some general improvement in the quality of the service offered in the country, while only 1 out of 10 expects it to get worse.

There’s greater optimism among the young and the ABC+ class, while the most pessimistic are respondents from Monterrey, males and the D+ class.

% Respondents who expect customer service in Mexico to improve in 2009

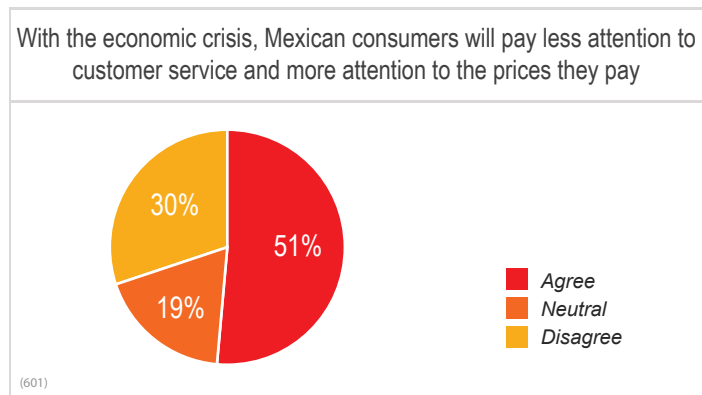


% Respondents who expect customer service in Mexico to get worse in 2009

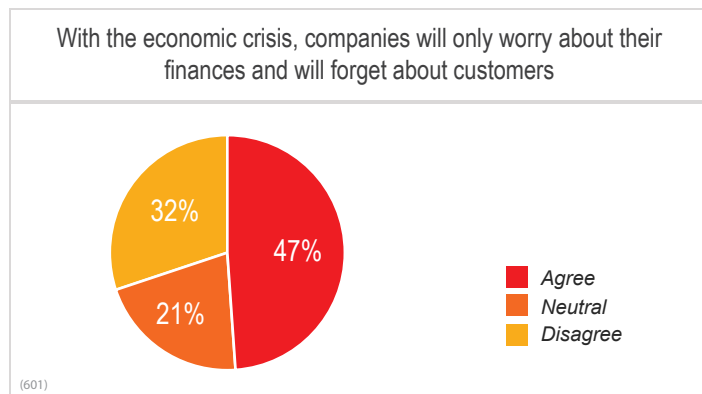


Customer Service in the Context of the World Crisis

Half the population thinks that the financial crisis will make consumers more aware of the prices they pay and less conscious of the customer service quality they receive. Although this figure is significant, the truth is that for the other half of the population customer service will continue to be a key factor in their purchase decisions, even in this context of economic crisis.



Likewise, 5 out of 10 Mexicans consider that during these tough times companies will forget about them and worry more about their finances. This feeling of discouragement and low expectations certainly represents an opportunity for those companies wishing to surprise their costumers with above-the-average customer service.



Industry Ranking

Hotels and private hospitals hold their position as the industries with the best customer service perception in Mexico. Other sectors with high ratings are coffee shop chains, airlines and movie complexes.

In contrast, government offices have the worst image followed by banks and insurance companies. However, despite the bad opinion of the population, the latter, along with mobile communication companies, have shown the greatest progress in the past two years.

Ranking 2009	Industry	Rating 2007	Rating 2009	Difference
1	Hotels	7.6	8.4	0.8
2	Private Hospitals	7.4	8.3	0.9
2	Coffee Shop Chains	ND	8.3	----
4	Airlines	7.0	8.2	1.2
4	Movie Complexes	ND	8.2	----
6	Supermarkets	7.2	8.0	0.8
6	Internet Service Providers	7.0	8.0	1.0
6	Car Agencies	ND	8.0	----
9	Fast Food Restaurants	ND	7.9	----
10	Cable and Satellite TV Companies	6.7	7.7	1.0
10	Mobile Communication Companies	6.4	7.7	1.3
12	Fixed Telephone Companies	ND	7.6	----
13	Insurance Companies	6.2	7.4	1.2
13	Banks	6.1	7.4	1.3
15	Government Offices	ND	5.9	----

Conclusions

Mexicans have a bad image of the quality of customer service offered in the country, and in general do not perceive any positive change in the past years. In spite of this, some strata of the population, especially the young and the ABC+ class, expect to see a significant improvement in 2009, situation that poses a major challenge for those brands with an important customer base from this segment, such as Starbucks Coffee, Superama, Sky and IXE Banco.

Although the position of industries in the service quality ranking hasn't changed much, a clear tendency is perceived in terms of evolution. Thus, the worst assessed sectors in 2007 are the ones that have most improved their performance in these two years, which might indicate that they have been aware of their situation and started looking for ways to decidedly revert it.

Although the economic crisis has stressed the importance of price and reduced the relative value of customer service, the latter will continue to play a key role in purchase decisions of large consumer sectors.

In this world scenario, opportunities abound, and proof of this is the widespread belief that companies will be too worried about getting their own finances covered and that they will forget about their customers as a consequence of this, which can be built on by those organization offering more human and emphatic customer service, thus surprising consumers, strengthening the emotional bond and increasing brand loyalty.

