Record high customer satisfaction gives iiNet plenty to celebrate

07 August 2013: After 20 years in the ISP business, plenty has changed from the early days when CEO, Michael Malone, founded the company in his parents' Perth garage.

iiNet has grown to a $1 billion company with close to one million broadband customers – the clear number two ADSL broadband provider in Australia – with services now extending across telephony, television and mobile. What has remained steadfast is iiNet's commitment to customer service as the foundation for success.

In the months leading up to its twentieth birthday, iiNet has achieved the best customer service results in its history – measured using the global-standard Net Promoter Score (NPS).

"You can have the best, most innovative products on the market but without satisfied customers you don't have anything," Michael said. "Happy customers make a direct impact on our bottom line and I'm pleased to say that we are really focused on keeping that culture of customer service even as the company grows and matures."

Introduced to iiNet in 2007, NPS is a performance metric that measures how customers rate service. It's a simple survey sent to every customer after any interaction with iiNet to measure whether that customer would recommend iiNet to a friend. NPS is a scale from minus 100 per cent to plus 100 per cent. In broad terms, a negative score means that customers aren't very enthusiastic about the company while a positive score means that customers are more likely to recommend that brand to friends.

In the first half of 2013, iiNet achieved a company NPS of 56.7 per cent, its best performance to date and believed to be the only positive score in the Australian telecommunications industry.

Ensuring iiNet improves customer satisfaction as the company grows has required single-minded commitment at every level of the organisation. Not only can everyone at iiNet see the results from the surveys, but a percentage of all staff remuneration – including Michael's – is tied to NPS performance and customer feedback.

"We are serious about doing business differently; 80 per cent of our staff are in customer service roles and we invest heavily in those people. We don't have scripts and staff are not measured on how many calls they do per hour. We want our staff to use their discretion and judgement in helping customers solve problems from day one," Michael said.

"NPS has been a big part of that process over the past six years. We were fortunate that the business was built on a principle that service matters, so we started with a small positive score in 2007, but we've seen our NPS grow from there as we really got everybody focused on the feedback

from customers. It's taken a huge effort to get to where we are and I'm enormously proud of the way it has allowed everybody to get behind a common goal.

"Improving satisfaction is great for our customers but it also means they stay longer with iiNet and purchase more of our innovative products. One of the big breakthroughs at iiNet is that we have been able to link this improvement in service levels directly to financial performance."

In 2014 iiNet will set its sights even higher, raising its NPS target to a minimum of 58 per cent. In recent years at iiNet, every per cent increase in NPS has had a measurable positive impact of $1.65 million on the business, meaning iiNet can continue to grow and invest for the benefit of customers.

"My parents taught me that most simple lesson about running a business, which is to put your customers first. This may seem really obvious, but I think too many businesses lose sight of it as they grow. Helping our customers connect and get the most out of their technology has defined iiNet from the outset. iiNet is so very different now from when we started, but I'm especially proud that focus on customer service is one of the few things that hasn't changed," Michael said.

About NPS

- NPS measures how likely a customer would be to recommend a company to people they know
- A survey is sent to every customer after every interaction
- NPS is a net figure, based on the ratio of brand advocates minus those unlikely to recommend
- Staff receive customer feedback in real-time, continually monitoring their own performance
- Surveys are also sent to management, so the voice of our customers is heard at every level
- If a customer raises a complaint or issue, a Customer Service Manager will follow up.

- ENDS -

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About iiNet
iiNet is Australia's second largest DSL Internet Service Provider and the leading challenger in the telecommunications market. We employ more than 2000 inquisitive staff across three countries – 80 per cent of whom are employed to directly service to our 900,000 customers. We maintain our own super-fast broadband network and support over 1.7 million broadband, telephony, mobile and Internet Protocol TV (IPTV) services nationwide. Publicly listed on the ASX 200, our company is valued at approximately $1 billion.

We're committed to making it simple for all Australians to connect across both our own network and on the NBN. Our vision is to lead the market with products that harness the potential of the Internet and then differentiate with award-winning customer service.