

CSP to grow 10 percent this year, looks to explore other industries and products

by Michelle Leach

Despite hardship in the financial services industry, Customer Service Profiles is on track to increase its revenues by 10 percent.

"When times are tough and a company is in a commodity business where the differentiator is customer service, they need to focus on giving the best service possible and that's where CSP can really help them," said President Steve Kutilek, co-owner.

CSP helps banks, credit unions, finance companies and insurance companies by offering its Voice of the Customer model. This model is made up of three parts: transactional research, customer assessment of behaviors and attitudes beyond the transaction and internal customer service.

Transactional research measures the customer's experience. Data is gathered through online, telephone and mail research as well as the product the company was founded on 22 years ago: customer-based mystery shopping.

"We have a proven system in place to recruit, train and manage current customers of the institution,"

Kutilek said. "We have them provide objective and unbiased feedback on their experience during a routine transaction."

"Clients that use this system as a carrot, and reward their employees for excellent performance, are the ones that are most effective," he said.

The customer relationship assessment goes beyond measuring an experience. This product provides data on customer loyalty, satisfaction and the likelihood that a customer will refer and ultimately "sell" the business to others.

"We interviewed 1,500 bank customers across the country so we would have solid national and regional benchmarking, comparative data," Kutilek said. "Financial institutions can see how their customers compare to the customers of their peers, so benchmarking data adds a tremendous amount of value to the customer relationship assessment."

The internal customer survey gathers data from the employees of departments that interact with their customers so clients can have a better handle on areas that are roadblocks to good customer service, as well as areas that are bright spots.

He said the goal is to help financial institutions improve their performance so they can retain more customers and, ultimately, increase their bottom line. CSP research also guides companies on how to best allocate their training budget dollars.

Rhode Island-based Washington Trust Co. has been working with CSP for four years.

"What they did was they took the results of our research and tied that into an incentive plan for their employees," Kutilek said.

Through CSP's research each employee's performance was rated.

"Washington Trust Co. said, 'We're going to reward you with cash incentives for outstanding scores out of this process,'" he said. "They have improved that incentive plan and have seen the feedback from their customers improve, their loyalty scores have improved and their retention has improved."

Kutilek indicated CSP's differentiators, including an immediate, user-friendly Web-based reporting system, are fueling the 10 to 15 percent revenue growth expected in 2009. However, its growth is also due to CSP addressing volatility in the banking industry

early on, and making appropriate adjustments to its own business in light of this.

"We would work very hard to build up a very large client whom had a big impact on our revenue, only to have our client acquired by a larger financial institution," he said. "Then overnight all that revenue goes away. That happened three or four times over the last eight years, so we have built a more stable base of small to mid-

size customers."

CSP currently serves 50 clients of varying sizes, and no single client constitutes more than 10 percent of its overall revenue.

With the help of investment partner McCarthy Group, Kutilek said, CSP hopes to continue to build value by refining its products — and offer those products to an increasingly diverse base of clients.

"As we look into the future, we feel we will expand into other industries outside of financial services and continue to broaden our research offerings as we go into other industries," he said.

Kutilek worked for Call Interactive, a division of First Data, for 11 years before buying CSP.

He serves on the board of directors for

Customer Service Profiles

Address: 12020 Shamrock Plaza, Suite 310, Omaha 68154

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Services: customer service research, employee performance feedback, data analysis, and competitive benchmarking for businesses in the financial services industry

Goals: 10 to 15 percent revenue growth in 2009, expand services to other industries, improve technology and add staff in all departments as the company grows

Industry outlook: Enhancing technology to improve the survey and data collection process will become increasingly important.

Web site: www.csp.com

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President and co-owner Steve Kutilek ... Customer research firm grows as more clients in the financial services industry recognize the importance of evaluating customer satisfaction during hard economic times.

the Omaha Ronald McDonald House and Hillside Athletic Association, and volunteers for Sacred Heart School, Creighton Prep,

Westside High School and Christ the King Church.

Kutilek is married with four sons.

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