

CASE STUDY

Twitter uncovers the ROI on engaging in positive customer service

Recently, Twitter partnered with Applied Marketing Science (AMS) to analyze customer interactions between airlines and their customers in order to demonstrate the value of receiving a customer service response via Twitter.

The Research revealed that consumers who receive a prompt response to Tweets are willing to spend more for tickets on that airline than those who had a less positive experience. “This research shows that providing quick and helpful customer service through Twitter can increase a brand’s value, in terms of customer loyalty, willingness to recommend, and above all, willingness to pay,” said AMS President and Managing Principal John Mitchell.

The study, which involved more than 1,000 Twitter users, utilized a market simulation task known as conjoint, or choice-based, analysis. AMS used the results to develop a statistical model that measured the willingness of customers to spend on major airlines based on customer service interactions.

“Conjoint analysis is widely used by product and service developers to understand how consumers trade off features and price when making purchase decisions, but this application was quite unusual, perhaps unique in marketing science. We used conjoint analysis to measure the value a brand creates, in dollars, by delivering positive customer service interactions through Twitter as well as other channels. Our analysis demonstrated that consumers are more willing to pay a premium for a future flight on a particular airline if they had a recent positive interaction—a complaint resolved or a question answered—with that airline through Twitter, than through more costly or cumbersome channels like email or telephone service,” explained Mitchell.

CLIENT

Twitter

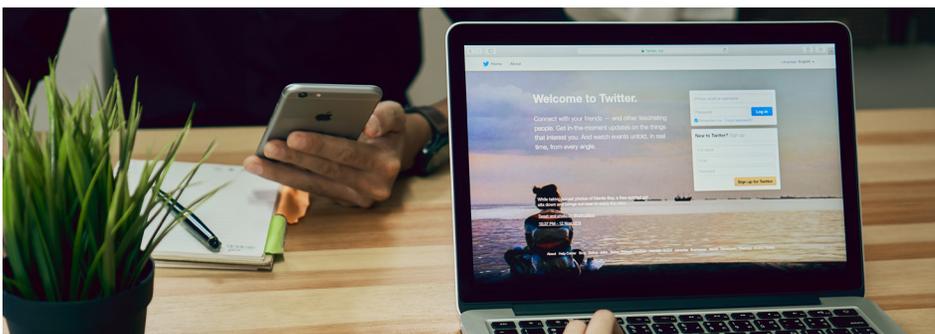
INDUSTRY

Technology and Telecommunications

SERVICES

Conjoint Analysis/Discrete Choice,
Customer Experience

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