

# Survey reveals UK fears over location-based technology in customer service

LONDON, UK: More than half of UK consumers say they are not comfortable with businesses using location-based technology to pinpoint their whereabouts, even if it would improve their customer service, research from Ovum has revealed.



According to a survey\* by the independent telecoms analyst, despite the current hype about location-based services (LBS) and how they can be harnessed by companies, consumers remain wary. 61% of the consumers Ovum spoke to had concerns about the use of location-based technology in customer service.

Ian Jacobs, Ovum analyst and author of a new report unveiling the survey findings, commented: "Although many UK consumers use location-based services such as Foursquare in their daily personal lives, when brands use LBS it is seen in a very different light by consumers.

## Company transparency needed to create sense of trust

"Consumers to date have very little experience with location-based services in the context of customer service. So, it is not bad experiences, but rather pervasive concerns about privacy driving the mindsets of UK consumers who feel their location data may be misused by businesses. To create a sense of trust, businesses must become much more transparent on how the data will be put to use, and show customers some demonstrable value when using LBS for customer care."

Ovum's survey showed that just one fifth of UK consumers are comfortable to share their location with companies using location-based services.

Ovum's survey also revealed that the use of social media for customer service has not taken off with UK consumers\*\*, with just 12% saying they had used it for this purpose.

Meanwhile, 73% said they were doubtful that they would use social media sites in the future for customer support activities.

## Notes:

*\*Ovum conducted a survey of UK consumers from November 2010 to January 2011 to gauge their attitudes on changes in customer service, frustrations with contact centres, channel preferences and social media usage.*

*\*\*Consumer Preferences in Customer Service: United Kingdom*

The report is part of Ovum's signature research portfolio for 2011, which represents the premium content produced by Ovum analysts.

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