



October 14, 2013

Davis Theopolis
President
Wingnutty, Inc.
324 Wingnut drive
Crescent City, CA 95531

Dear Mr. Theopolis,

We apologize for the any inconvenience and or problems the implementation of our new phone answering system may have caused. We are aware of the number of customers we have that are not comfortable with change and or would rather talk to a living and breathing person. In order to satisfy that all the system not only has the self-service option which is one of two options and apparently we have not made it clear enough to our customers that they have a choice and can still speak to a service agent if they choose too, we thank you for bringing this to our attention and I can assure you we will increase our efforts to get the message out.

We take great care to ensure that important matters such as this are properly taken care of; we would like to take this opportunity to explain to you the advantages a customer will benefit from if the new phone answering system is used. First of all service is available twenty-four hours a day, there is no waiting period for the next available sales clerk, the customer is not required to input their information more than once during a transaction. The system will recognize a steady customer's phone number using caller ID and you will not need to input your information at all.

Since you are a stock holder in our company you might like what this new technology has done to the bottom line. We have lowered operating cost and increased revenue. The younger generations like the enhancements listed above and the bottom line is the proof that this is the way of the future. You can read all about this in the annual stock holders report.

We at the Avis Budget Group would like to thank you for all of the past business your firm has given to the ABG and we hope we can expect to be working together for many more years to come. We have enclosed with this letter a 10% savings voucher for your next rental. In addition we will contact you soon to ensure that this meets your approval. Please contact me should you have any further cause for concern.

Sincerely,

Lawrence Spahn
Customer Service
Avis budget group

cc; J. Heartland

Problem Evaluation Report

Customer complaint #1:

He identifies himself as a person that is not comfortable using automated voice mail systems. Perhaps he had a bad experience, or technology impaired.

Yesterday, I telephoned AVIS Car Rental Company, to book a vehicle for an upcoming trip to Lake Tahoe for the Wingnut Mania 2012 convention next week. Imagine my surprise whenever a stupid computerized voice greeted me. I am not a person who likes to deal with robo-voices. I want a real person to talk to, not a computer, and I thought you were the last corporation in the USA that gave your customers that courtesy.

Customer complaint #2:

He fears the loss of the personal touch. "Your company used to provide a personal touch."

Customer complaint #3:

He also appears to resist change.

ABG's position:

Avis Budget Group decided to enhance every aspect of the customer experience by implementing the Tell me cloud-based speech platform and Voxify speech applications in its contact center. The solution gives callers a convenient self-service option for common tasks — e.g., confirming or cancelling reservations — thus allowing staff to focus on revenue-generating calls. The complete solution



was deployed in only 12 weeks, and now delivers a self-service completion rate 10 points above projections. Avis Budget Group saved \$1.5M USD in the first year, while also stating that the solution contributed to revenue growth. The solution sits on top of a platform that has delivered 100-percent availability.

How ABG's position benefits customer:

Avis Budget Group, with more than 10,000 rental locations in 175 countries, made a strategic and financial decision to adopt an enterprise-wide "Customer Led, Service Driven" initiative to attract customers by enhancing every aspect of the customer experience at every customer touchpoint.

A key part of this initiative was taking a closer look at its inbound contact center in the US, the initial point of contact for most North American customers. Handling between 16 - 20 million calls annually, reservation agents dealt with several types of calls, both revenue-generating and informational in nature. One inefficiency uncovered in this analysis was that agents were spending considerable time collecting customer data on calls and keying it into the reservation system.

A self-service option was an obvious win-win for both the company and its customers. Customers who didn't need to speak with agents could change, confirm, or cancel their reservations on their own, freeing up agents to spend more time with customers booking new reservations. A speech self-service solution such as an automated interactive voice response (IVR) system could increase customer satisfaction, reduce costs, and simultaneously add to revenues.

How ABG's position may disappoint customer:

When in business you need to satisfy the many who like improved service and allow the few move on to another customer. The future will always favor technology. There will always be someone who is not happy with the services provided or so called improvements. That is human nature, we tend to make many complaints and offer few solutions.

The value of ABG's position despite customer's complaints:

Calls handled by the self-service solution rather than agents saved Avis Budget Group \$1.5M USD in costs in the first year. "Our investment in Tell me speech



self-service is proving to be a very good one," says Rachel Vorstenbosch, Director of Financial Planning and Analysis for Avis Budget Group. She says the company expects the value of that investment to increase as it finds additional places and ways to take advantage of the solution's speech and natural language capabilities. Reducing costs is not the only financial benefit the solution is providing for Avis Budget Group; the other benefit is in helping to increase revenues.

"We can definitely say that the new interactive speech self-service solution is having an impact on revenues," says Vorstenbosch. "Customers who like self-service now get that option from us, and they appreciate the opportunity. That contributes to greater customer loyalty. We can't tie it to specific numbers, but we are confident that it's having an impact."

What is ABG's goodwill offering to close:

- Apologize for his inconvenience he is experiencing with the new system.
- Offer to instruct him the most efficient use of the system
- Offer him a complementary discount on his next rental
- Appeal to him the benefits to the company stock holders.