



2008 Annual Report
Better Business Bureau

Be Everywhere



2008 Annual Manual



A Message from the President & CEO

The American Nobel Laureate Prize-winning economist, Milton Friedman once expressed that, "most economic fallacies derive from the tendency to assume that there is a fixed pie; that one party can gain only at the expense of another." In 2007, your Better Business Bureau committed to Continuous Improvement through education and awareness both internally and externally. The result of these efforts: We baked a bigger pie!

Your BBB now serves 53 counties and boasts nearly 7,000 Accredited Businesses. This year, we've focused on consumer education and impeccable service. The result of our efforts: National recognition for excellence in Dispute Resolution, Investigations and Non-Dues Revenue Programs.

We will continue to build trust in the marketplace by facilitating necessary dialogue between you and your customers that will ultimately help your business grow.

I am proud to bring you a snapshot demonstrating the 2007 growth and success in this BBB Annual Report. Throughout this report, you will see the facts illustrating that your BBB is talking and your customers are listening. Additionally, you will spot overviews of new programs bringing more benefit to our Accredited Businesses and the communities we serve.

Friedman also stated, "The most important single central fact about a free market is that no exchange takes place unless both parties benefit."

As we continue to build this network of Accredited Businesses, we will keep this mutual benefit in mind by reaching out to consumers and educating them about the importance of your participation in our organization. Your commitment to ethical business practices and BBB Standards will aid in our commitment to "BBBe Everywhere!" in 2008.

As a membership organization, our most valuable asset is our members - those companies just like yours that support the BBB's mission of advancing marketplace trust. Our organization's growth and prosperity are wholly dependent on increasing the number of companies that we call BBB Accredited Businesses.

On behalf of your BBB, I thank you for your continued support.

Respectfully Submitted,

Carrie A. Hurt, *President & CEO*

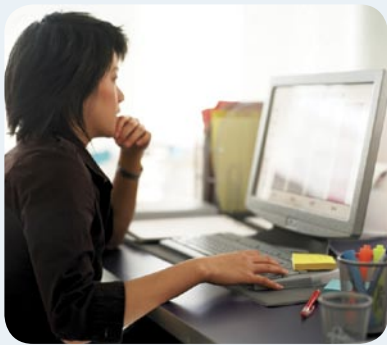
Service Note: The 2008 Annual Report consists of data that has been compiled from the services provided to our 53 counties of Central and South Central Texas.

Reliability Reports Requested

Most calls to your BBB are pre-purchase inquiries from consumers and businesses seeking reliability reports on area companies. These callers are seeking assurance that the company they are considering spending their money with has no unresolved complaints or history of unethical practices in advertising or selling of their products and services on file at BBB.

In 2007, your BBB provided 875,733 reliability reports on local companies to inquirers. Since these callers were relying, in part, on BBB reporting to make their purchasing decisions, we asked them for an estimated cost for their planned purchases. The combined answers totaled more than \$13.9 billion in planned purchases made with the assistance of BBB reports!

All BBB pre-purchase reports indicated whether the company inquired about is a BBB member. Additionally, many of the 101,000+ call-in consumers asked BBB for a referral to a member company.



\$13.9 Billion Influence in Consumer Purchase Planning in 2007

Most Inquired About Industries

- 1 Work-At-Home Companies
- 2 Home Builders
- 3 Roofing Contractors
- 4 Movers
- 5 Construction & Remodeling Services
- 6 Pool Contractors/Dealers/Design
- 7 AC Contractors & Systems
- 8 Insurance
- 9 Auto Repair & Service
- 10 Credit & Debt Counseling

Most Complained About Industries

- 1 Computers-Dealers
- 2 Consumer Finance & Loan Companies
- 3 Telephone Companies
- 4 Apartments
- 5 Security Equipment, Systems, Monitors
- 6 Auto Dealers- New Cars
- 7 Prepaid Credit Cards & Gift Cards
- 8 Auto Repair & Service
- 9 Furniture- Retail
- 10 Internet Shopping Services

Your BBB is now nationally recognized for Excellence in Dispute Resolution Services.

Dispute Resolution

Consumers who want to present a complaint to a company through BBB often begin by calling. These consumers are provided with instructions for filing their complaints in writing or online. Often, counseling and assistance helps direct the consumer to the person at the business who can best address and/or resolve the complaint, thus preventing the need to file a formal written complaint.

Historically, BBB members have a settlement rate of over 99%. The remaining unresolved complaints represent those filed against firms whose BBB accreditations were subsequently revoked by the Board of Directors. Non-members typically have an overall lower resolution rate of about 66%.

Your BBB is now nationally recognized for Excellence in Dispute Resolution through the development of our complaint delivery and handling with large companies. BBB has gathered a sharp team of volunteers trained and certified to conduct arbitration hearings hosted at BBB offices. In 2007, BBB conducted 97 arbitrations. BBB also processed more than 23,350 written complaints- 16% more than in 2006. Often times, BBB's involvement helps keep both businesses and their customers out of court.



Improving Communications

After spending a year developing and reintroducing the new BBB brand, your BBB has developed near-full integration of its communications efforts among consumers, BBB Accredited Businesses and future members. The year 2007 marks the launch of its Member Retention Program, a Mass Media Advertising Campaign and expanded efforts in Investigations & Public Relations.

Member Retention Program

A frequent question of current and future BBB Accredited Businesses is, "What's in it for me?" Your BBB answered with a comprehensive communications program. It is an operating calendar of periodic communications to members about what BBB is doing for them and the benefits of utilizing all of the opportunities developed to help promote their part in advancing trust in the marketplace. BBB's ultimate goal is to be sure businesses have all the tools they need to let their customers know they have earned BBB Accreditation.

New members have overwhelmingly expressed appreciation for BBB's new proactive approach, which includes the following:

- Congratulations Phone Call**
- Accreditation Welcome Kit**
- Need Anything? Questionnaire**
- Online Survey**
- Accreditation Benefits Reminder**
- Online and Offline Accreditation Leverage**
- Accreditation Certificate Updates and New Decals**

Advertising Campaign

In 2007, your BBB completed its first mass media advertising campaign efforts, to include print placement in newspapers across its 53-county service area, and outdoor placement on highway billboards along IH-35.

The campaign invited a fresh look at the purpose of this organization with bold call-to-action messaging, "Start With Trust." Advertising efforts achieved trackable results in brand awareness by driving consumers and business owners to the BBB website. These efforts helped to yield close to 5.7 million page views last year.

Investigations & Public Relations

The dedicated efforts of your BBB Investigations Department afforded a total of 300+ media mentions in 2007. In fact, in December alone, we earned more media recommendations than any other BBB in the nation! Your BBB has also had the opportunity to host the BBB Military Line event at several military posts with Military Line National Director, Holly Petreaus.

We Want **BBB** To Know

Do You Need Anything?

How Can We Help?

- BBB seal for print/web advertising
- BBB decals/certificates
- Information about how to use BBB accreditation to increase consumer referrals
- Please call me! I have questions

Name _____
 Business _____
 Phone _____
 Address _____
 Website _____
 Email _____

"Just fill out the card, drop it in an envelope and mail it to us. As always, help is also just a phone-call away."

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 Austin, TX 78722-3815
 www.bbb.org
 512.445.4748

What is BBB OnLine?

Taking Advantage of Your BBB Accreditation on the World Wide Web.

Get With the Program.

The **BBB OnLine** Program is a way to address your clients' concerns about shopping online with you.

April 1997 marks the launch of BBB's promotion of trust and confidence in e-Commerce. Close to 36,000 companies had joined our movement by July 2007. Between January and June of last year, BBB surpassed the 15 million mark on click-throughs by online consumers.

Work With Us.

In a nutshell, it's an opportunity for BBB Accredited Businesses to use our BBB Seal on their website.

Differentiate your online business with the BBB Accredited Business Seal. Be a part of a reliable consumer resource with your listing in our search engine. Help us continue fostering consumer trust & confidence in a virtual environment. Demonstrate your belief in honest advertising, fair treatment of customers, and self-regulation in business.

Raise the Standard.

If you answer "yes" to the following questions, you may just qualify.

Are you an Accredited Member of BBB?
 Do you have a website?
 Is there an office on the other side of that interface?
 Are good ethics a part of your general business practices?
 When a customer has a complaint, are you willing to work it out?

Check Us Out.

To find out how to become a part of the **BBB OnLine** call 512.445.4748

Click **Education** to view how we are educating online consumers.
 Click **For Consumers** to test our search engine.
 Click **For Businesses** to check out all of our standards.

Start With Trust

When looking for a contractor, or any other business, you want one you can trust. A business with a proven track record for keeping its commitments and doing the job right. They are easy to find. Just look for the Better Business Bureau Seal.

Start at bbb.org · Start With Trust

BBB Achievements 2007

Start With Trust.

- Processed 22% more complaints in 2007 than in 2006.

Talk It Out.

- Conducted more than 100 alternative dispute resolution cases through mediation and arbitration last year.
- Nationally recognized for outstanding BBB work in Dispute Resolution at International Assembly.

Spread the Word.

- Implemented Accredited Business Concept and created a plan to communicate better with BBB Members.
- Recognized for outstanding BBB work in both Internet-Based Program implementation and investigation efforts.
- Completed first mass media advertising effort in Central and South Central Texas.

Get Results.

- Surpassed the 7,000 member mark.
- Expanded to include Gillespie County, to service a total of 53 counties.
- Increased website traffic and consumer line calls in 2007 by 33%.
- Among 128 local BBB chapters in North America, received three of only 16 awards at International Assembly.



Better Business Bureau, Inc.

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