

PRESS RELEASE

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Los Angeles Department of Water and Power achieves top quartile eSOURCE IVR ranking with eLoyalty and Cisco

LAKE FOREST, IL, February 2, 2010 -- eLoyalty Corporation (NASDAQ: ELOY), a leading Integrated Contact Solutions and Behavioral Analytics™ services and solutions company, announced today that its client, the Los Angeles Department of Water and Power (LADWP), achieved the top quartile ranking for IVR self-service solutions among all North American Utility companies for 2009.

The recognition is based on the "E Source 2009 Review of North American Electric and Gas company IVRs". The E Source independent study examines the IVR systems of 95 U.S. and Canadian utilities through an extensive research process. The process rates IVR self-service usability and functionality based on 13 capabilities that are most in demand by residential utility customers.

"This award is a great tribute to LADWP's commitment to making their IVR a positive self-service experience for their customers," said Wendy Bloechle, Director of Marketing at E Source.

LADWP is the nation's largest municipally owned public utility supplying and distributing water and electricity to over 1.9 million commercial and residential customers in the Southwestern United States. Their requirement was to: replace aging customer service systems; improve self-service to handle traffic spikes due to power outages, shortages and water restrictions; and, to virtualize call routing among 14 branches and 2 contact centers.

Working with eLoyalty and Cisco, LADWP implemented a new Voice over IP (VoIP) Contact Center solution that included IVR Self-Service with Speech Recognition, Intelligent Routing of calls, a Customized Agent Desktop solution with 'Screen Pop', and Outbound Dialing based on campaigns to proactively notify customers of service delivery or changing environmental conditions that could affect their water and electric services.

The IVR solution, based on Cisco's Customer Voice Portal and Nuance Speech Recognition, was designed and developed by eLoyalty. Since initial deployment, IVR self service rates climbed from approximately 7% to an average of 25% during the first two weeks of operation. Additional application development and speech tuning during the second phase of the project have raised the self service average to 35-40% fulfillment.

In addition, the solution has enabled other business results including:

- better utilization of customer service capacity from the integrated call routing between the branches and call centers
- the ability to handle spikes in call volume up to 5 times normal peak volume – for severe conditions
- an improved customer experience with a dramatic reduction in greeting time in addition to the improved self-service and call routing capabilities
- Disaster Recovery Capabilities allowing contact center support to be provided from mobile users at any location with access to the LADWP network



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"eLoyalty and Cisco have helped LADWP to make a measurable difference in the level and quality of service we can deliver to LA residents," said John Chen, Assistant General Manager at LADWP. "Our top quartile ranking for 2009 is particularly remarkable considering we moved up from the bottom quartile in 2008. This reinforces our commitment to customer satisfaction."

For more information about the "E SOURCE 2009 Review of North American Electric and Gas Company IVRs," please visit www.esource.com/public/products/IVR_2009_Review

About eLoyalty

eLoyalty enables its customers to achieve breakthrough results with revolutionary analytics and implementation of advanced VoIP applications for contact centers and self-service. eLoyalty's principal offerings include the Behavioral Analytics™ Service and Integrated Contact Solutions (ICS).

About E SOURCE

E SOURCE has been providing unbiased, objective energy business intelligence to over 300 utilities and large energy users for more than 20 years. Our benchmarking services are supported by the latest market research looking at what customers want in utility self-service. That research helps us determine what utility IVR and web site tasks and functions should be assessed during our reviews. Our research analysts and consultants are among the best minds in the business, delivering significant and timely research that equips our customers with the right information at the right time to make better, faster decisions. We predict and address trends, technologies, and problems related to energy efficiency, utility customer satisfaction, program design, marketing, customer management, and sustainability.

About Cisco

Cisco (CSCO) is the worldwide leader in networking that transforms how people connect, communicate and collaborate. Information about Cisco can be found at <http://www.cisco.com>.

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