

## **Disappointing Report Card on Telco Customer Service**

Peak communications consumer group, the Australian Communications Consumer Action Network (ACCAN), has released a report, called *Can You Hear Me?*, on the customer service provided by 10 telco providers.

Major findings are that consumers are unimpressed by the amount of time they spend getting a resolution to a telco issue. It takes an average of 13 days, but for those with harder to resolve issues averages blow out to 2 months. The results confirm customer experiences of having to contact providers multiple times about an issue, repeatedly explaining the problem, and disappointing levels of first contact resolution. It also shows that escalating an issue to a formal complaint can be difficult.

‘We’ve all got our own experience of telco customer service, but we wanted to quantify this and give consumers some idea of who is providing the best service across a number of metrics’ said ACCAN CEO Teresa Corbin. ‘Nearly half the complaints received by the Telecommunications Industry Ombudsman (TIO) last year identified customer service as an issue, so we know it’s a source of considerable frustration’ said ACCAN CEO Teresa Corbin.

The ACCAN survey of customers of 10 major telcos found the bar is low across the industry. Rankings varied between providers - 61% of Vodafone customers said they had a positive experience, followed by customers of TPG/iiNet, Amaysim, Dodo/iPrimus (just over 50%). Telstra and Optus customers gave rankings of 43% and 42% respectively. Lowest ranked were Belong and regional provider Active8Me, both getting positive scores of only 36%. Another regional provider, Skymesh, was rated more positively at 46%. Highest scorer Virgin (70%) is no longer in the market.

‘It’s obvious that there is clear need for improvement’ said Ms Corbin. ‘Poor customer service by the industry shifts costs from providers to their customers, who are experiencing loss and disruption by spending far too long trying to resolve issues. We found customers are spending days trying to sort out very straightforward things like changing a plan, updating contact details, and general account inquiries. This is not acceptable. It’s time to shift the balance back from telcos to customers so that customers are not carrying such heavy costs to maintain their essential telecommunications services’

'We're recommending a fresh look at customer service by the industry and the regulator, the Australian Communications and Media Authority. There's an opportunity to do this now with the current review of the industry Telecommunications Consumer Protections Code, and a new ACMA Complaints Handling Standard. We'd like to see more concrete obligations in the Code, and more active enforcement by the regulator' added Ms Corbin.

Particular recommendations identified by ACCAN include reduced timeframes to resolve issues, reduced wait times to contact customer service staff, increased first contact resolution, and improved training and performance of customer service staff.

For more detail about how the individual providers performed and a summary of the biggest issues uncovered by the survey, see our blog post. You can also download the full report from our website.

### Further survey statistics

The Colmar Brunton survey of 1,347 telecommunications consumers was conducted between 20 February and 14 March 2018. Respondents were customers of the eight providers with the biggest market share, along with two providers with the largest number of satellite customers.

Key findings are:

- *Time it takes to get a resolution:* on average customers have to contact their provider 2.6 times, and spend 13 days seeking a resolution (37.6 for Activ8me and 35.5 for Skymesh)
- 19% of respondents reported their issue to be unresolved at the time of the survey. For these people the average number of days spent seeking a resolution increased to 60 to date
- *Methods of contact:* going instore will get you a resolution the fastest (average of 8 days), followed by social media (average of 15.5 days), online chat or messenger feature on the provider's website (average of 19.6 days), phone (average of 23.3 days), and email (average 30 days)
- *Phone contact* is most preferred (66%) by respondents, but respondents reported this involved contacting their provider on average 2.7 times, an average of 3 transfers, and spending on average 1.2 hours on the phone before reaching the right person. Less than half (46%) of these respondents reported being told the wait time to speak to someone whilst on hold and only 48% were offered the option of a call-back
- *Re-providing information:* 58% of respondents said they needed to re-provide some (34%) or most (24%) of the details of their issue on subsequent contacts (86% for Virgin customers). 26% said they needed to repeat their case information more than five times

- *Making a complaint:* 55% of people who looked for information on how to lodge a complaint with their provider said the information was difficult to find. Of those who lodged a complaint with their provider, only 18% found the process easy
  - *Complaining to the TIO:* 24% of respondents wanted to, or did lodge a complaint with the TIO. Only 3% proceeded with lodging a complaint to the TIO. Potential reasons for this could be:
    - 48% of those who either wanted to or had complained to the TIO reported it was difficult to find information from their provider about how to do so<sup>1</sup>
    - Of those who escalated their query with their provider or lodged a formal complaint with either the provider or TIO, 32% said their provider discouraged them from taking the matter to the TIO
  - 48% of those looking for information from their provider about lodging a complaint with the TIO said it was difficult to find.
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<sup>1</sup> See figure 37 in the report