

## Can you hear me?

### Ranking the customer service of Australia's phone and internet companies

Customer service in the telecommunications industry can be a frustrating experience for consumers who want and need to quickly and efficiently make contact with their provider.

In 2016/17 the Telecommunications Industry Ombudsman (TIO) received 158,016 complaints<sup>1</sup>. 76,932 (48.7%) of these complaints related to customer service<sup>2</sup>. In the first 6 months of 2017/18 a further 84,914 complaints were received by the TIO<sup>3</sup>.

To discover the aspects of customer service most in need of improvement, ACCAN surveyed 1,347 customers of 10 telecommunications providers<sup>4</sup>. The screening process for the survey found that in the last 12 months, 51% of respondents had made contact with their provider, not including routine contact to pay a bill or top up an account. This suggests over half of telecommunications consumers have had an issue or query relating to their service.

### Key findings

#### Don't hold your breath for a fast resolution:

Respondents were unimpressed by the amount of time they spent trying to seek a resolution to their enquiry or issue. They gave an average ranking of 6.5 out of 10<sup>5</sup> when asked about the timeliness of resolution by their telco. In practice this translates to averages of:

- **2.6 contacts**<sup>6</sup> initiated by the customer to talk to the provider (3 for Telstra customers)
- **3 phone transfers**<sup>7</sup> before connecting to the right person/team
- **13 days**<sup>8</sup> seeking a resolution (however Telstra, Belong, Activ8me and Skymesh customers, spend an average of 15.4, 28.7, 37.6, and 35.5 days respectively)
- Activ8me and Telstra customers are significantly more likely (on average 46% and 24% respectively) to find themselves spending **over a month** trying to resolve a query/issue.

And it gets worse. 19% of respondents reported their issue to be **unresolved** at the time of the survey. Roughly half of these people were still actively seeking a resolution, the other half had given up. Shockingly, those still seeking a resolution reported it had taken an **average of 60 days to date**<sup>9</sup>.

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<sup>1</sup> TIO 2017, 2016-2017 Annual Report: [http://www.tio.com.au/\\_data/assets/pdf\\_file/0018/250911/Telecommunications-Industry-Ombudsman-Annual-Report-2017.pdf](http://www.tio.com.au/_data/assets/pdf_file/0018/250911/Telecommunications-Industry-Ombudsman-Annual-Report-2017.pdf), p.28

<sup>2</sup> Ibid, p.29

<sup>3</sup> TIO 2018, July-December 2017 six month update:

[http://www.tio.com.au/\\_data/assets/pdf\\_file/0003/254937/Telecommunications-Industry-Ombudsman-Six-Month-Update-Jul-to-Dec-2017.pdf](http://www.tio.com.au/_data/assets/pdf_file/0003/254937/Telecommunications-Industry-Ombudsman-Six-Month-Update-Jul-to-Dec-2017.pdf), p.p.9

<sup>4</sup> The providers were: Telstra, TPG/iiNET, Vodafone, Optus, Virgin, Dodo/iPrimus, Amaysim, Belong, Activ8me and Skymesh. For the breakdown in completed interviews across providers see the full report: <http://accan.org.au/our-work/research/1523-can-you-hear-me-ranking-the-customer-service-of-australia-s-phone-and-internet-companies>

<sup>5</sup> See figure 43 in the report

<sup>6</sup> See figure 69 ibid

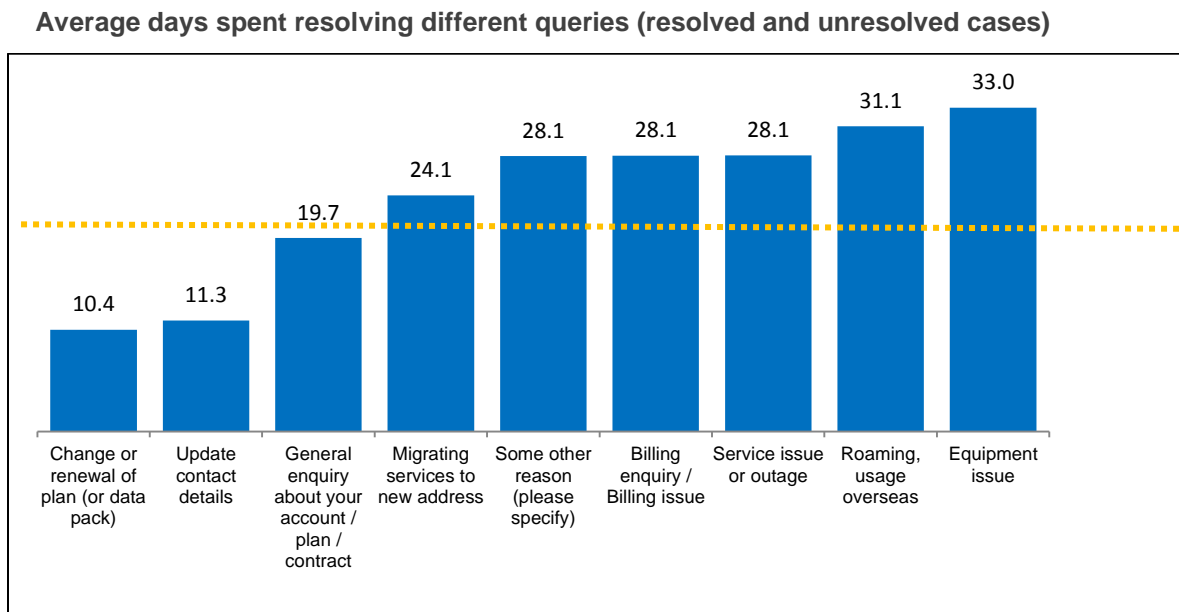
<sup>7</sup> See figure 54 ibid

<sup>8</sup> Based on resolved cases only. See figure 46 ibid

<sup>9</sup> See figure 7 ibid

## Some things take longer than others...

The time it takes to get a resolution can vary significantly depending on the type of enquiry or issue. Even those wanting to simply update their contact details can experience a painfully long wait- an average of 11.3 days. The below graph illustrates the average time spent trying to get a resolution (for resolved and unresolved cases) for different issues.



*(The yellow line illustrates average days- 21- across all providers)*

## Phone contact is preferred by most, but don't think it will be easy:

A majority of respondents (66%) chose to phone their provider (compared with 13% in person and 12% by online chat/message feature). Despite being the most popular method of contact, providers are not making it easy for their customers to get a resolution over the phone.

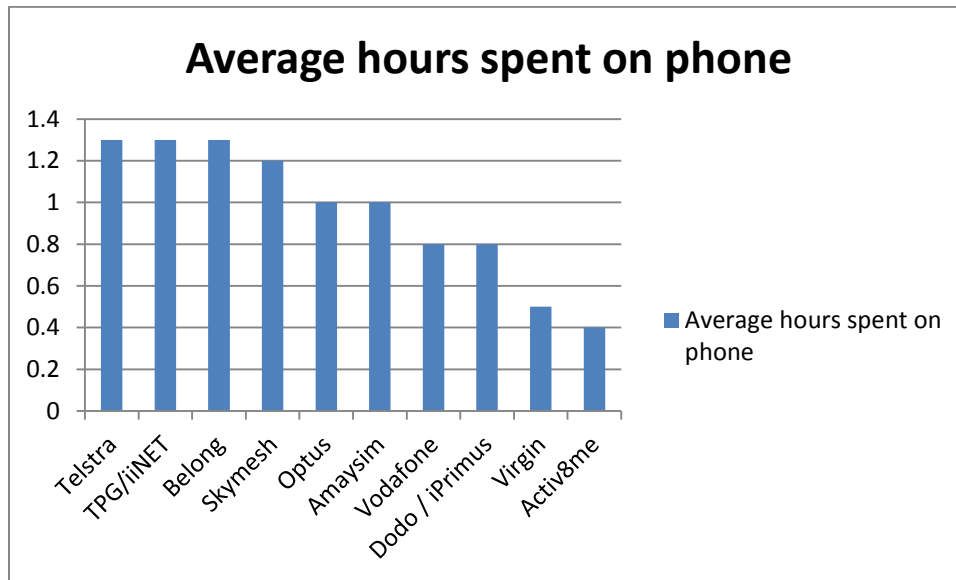
- **Getting a resolution on first contact is hard over the phone:** Only 55%<sup>10</sup> reported their issue to be resolved on the first phone contact
- **You'll wait a long time for a resolution:** For contact made via phone, the average time (for resolved and unresolved cases) spent seeking a resolution is 23.3 days<sup>11</sup>
- **You'll need to follow-up:** Customers phoning their provider had to contact their provider on average 2.7 times to get a resolution
- **Wait times- assume they're long:** On calling their provider, less than half (46%) of respondents reported being told the wait time to speak to someone. On average, customers who call spend an average of 1.2 hours on the phone before reaching the right person to talk to
- **Requesting a call-back is risky:** Less than half of respondents (48%) contacting their provider by phone reported being offered a call back option instead of waiting on hold. When a call-back was requested, 17% of respondents said they never received the call<sup>12</sup>.

<sup>10</sup> See figure 11 in the report

<sup>11</sup> Ibid

<sup>12</sup> See figure 64 and figure 25 ibid

The below graph illustrates the average hours spent on the phone by provider:



*Note: Activ8me and Skymesh figures based on n<30*

### How about other methods of contact?

Customers willing to go to battle face to face are far better off, but forget email as your inbox will be left hanging.

- By visiting a **store**, you can get a significantly faster resolution with respondents waiting an average of 8 days and requiring an average of 1.6 contacts. 74% of those visiting a store reported getting a resolution on the first contact<sup>13</sup>
- While not often chosen by our respondents, using **social media** such as Facebook to contact a provider will land you a resolution in about 15.5 days<sup>14</sup>
- **Online chat or messenger feature** on the provider's website gets a resolution in about 19.6 days. Customers choosing this option need to make contact on average 2.5 times. 60% of those using this option reported getting a resolution on first contact<sup>15</sup>
- **Email** is by far the slowest way to get a resolution. Respondents reported having to wait an average of 30 days for a resolution and needing to make an average of 4.4 contacts to their provider<sup>16</sup>

### Record-keeping leaves a lot to be desired (and a lot to be explained again and again and again):

Despite what may seem like an easy exercise (recording key information about the customer's issue), providers are failing to keep adequate records.

- **Over half (58%)** of respondents said they needed to re-provide some (34%) or most (24%) of the details of their issue on subsequent contacts. This was a whopping 86% for Virgin customers<sup>17</sup>
- These respondents needed to re-provide information an average of **3.7 times**

<sup>13</sup> See figure 11 in the report

<sup>14</sup> Ibid. Note results are based on a sample size less than n=30

<sup>15</sup> Ibid

<sup>16</sup> Ibid

<sup>17</sup> See figure 27 ibid

- **21%** were required to repeat information twice<sup>18</sup>
- **26%** were required to repeat their case information **more than five times**<sup>19</sup>

This suggests poor record keeping and synchronisation across customer service teams.

### Thinking about escalating an issue or making a complaint? You're in for a bumpy ride:

30% of respondents reported escalating their issue to a complaint<sup>20</sup> (either internally, or externally). Their experience was far from positive.

- **More than half of respondents (55%)** who looked for information about how to lodge a complaint with their provider said the information was difficult to find<sup>21</sup>
- **Only 18%** of those who lodged a formal complaint with their provider found the experience easy<sup>22</sup>
- Activ8me customers are significantly more likely (59% versus 31% for all providers) to lodge or want to lodge a formal complaint with their provider. Vodafone customers are least likely (to escalate a query or lodge or want to lodge a complaint with their provider (19% versus 31%)<sup>23</sup>
- Respondents were more likely to have made a formal complaint (either internally or externally) if they: made initial contact by phone; are aged 18-29; had to recontact their provider 5 or more times; did not have their language requirements accommodated for.

### Providers are making it hard to take an issue to the TIO:

- **24% of respondents** lodged or wanted to lodge a formal complaint with the TIO. This is significantly higher for Activ8me (51%) and Belong (41%) customers. Vodafone customers are significantly less likely (13%) to lodge or want to lodge a complaint with the TIO<sup>24</sup>
- Only 3% of these people proceeded with lodging a complaint with the TIO. The survey revealed two potential reasons for such a small number going ahead:
  - **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>25</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 (63% for Amaysim and 48% for Optus). A good note for Telstra - their customers are less likely to feel discouraged (19%)<sup>26</sup>

Whilst these findings are concerning, they identify a need for further research to properly understand, firstly why people are not taking a complaint to the TIO when they intended to, and secondly why they felt discouraged by their provider to do so.

The high level of complaints to the TIO shows consumers are so frustrated that they overcome these barriers and are prepared to pursue their complaint, suggesting serious levels of unhappiness with their telco when things go wrong.<sup>27</sup>

<sup>18</sup> See figure 28 in the report

<sup>19</sup> See figure 28 ibid

<sup>20</sup> See figure 33 ibid

<sup>21</sup> See figure 36 ibid

<sup>22</sup> See figure 36 ibid

<sup>23</sup> See figure 34 ibid

<sup>24</sup> Ibid

<sup>25</sup> See figure 37 in the report

<sup>26</sup> See figure 35 ibid

### **It's no surprise that expectations are low:**

Survey results indicate that some customers are having a positive and easy customer service experience, but there are still many who are having a poor experience. Respondents were asked to rank their customer service experience against their expectations:

- In considering the overall experience, **60% of respondents** said it was in line with what they expected<sup>28</sup>. **46% of respondents** said that the time it took to get a resolution (on average 13 days, or 60 days and counting for those still waiting) was in line with their expectations. **Only 13%** said the time it took was shorter than expected<sup>29</sup>
- **46%** said that the time they spent on the phone trying to get a resolution (on average 1.2 hours) was in line with what they expected<sup>30</sup>

In light of these results, it is fair to say that telecommunications consumers may have grown accustomed to poor customer service from their providers.

### **Choosing a provider based on customer service:**

The results paint a bleak picture for those wanting quality customer service from their provider. Based on the survey results there are no outstanding providers when it comes to customer service.

Vodafone however consistently performed above average across many elements (for example Vodafone customers spend on average less time (6.2 days) seeking a resolution, are more likely to get a resolution on first contact, require less contacts, and are less likely to take a complaint to the TIO). Virgin also performed well but is not long for this world<sup>31</sup>.

Telstra on the other hand performed poorly and well below average across many metrics. Telstra customers are significantly more likely to: contact their provider about an issue; contact their provider more times about an issue; spend over a month trying to get a resolution compared with customers of other providers. Telstra staff are reportedly less knowledgeable, less able to provide accurate and relevant information, and less likely to resolve an issue on first contact.

The graph below shows the percentage of customers for each provider who rated their experience as positive<sup>32</sup>. Virgin customers were most positive about the customer service they received, followed by Vodafone customers. Skymesh, Telstra, Optus, Activ8me and Belong all scored low, with less than half their customers feeling positive about the customer service they received.

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<sup>27</sup> [https://www.tio.com.au/\\_data/assets/pdf\\_file/0003/254937/Telecommunications-Industry-Ombudsman-Six-Month-Update-Jul-to-Dec-2017.pdf](https://www.tio.com.au/_data/assets/pdf_file/0003/254937/Telecommunications-Industry-Ombudsman-Six-Month-Update-Jul-to-Dec-2017.pdf)

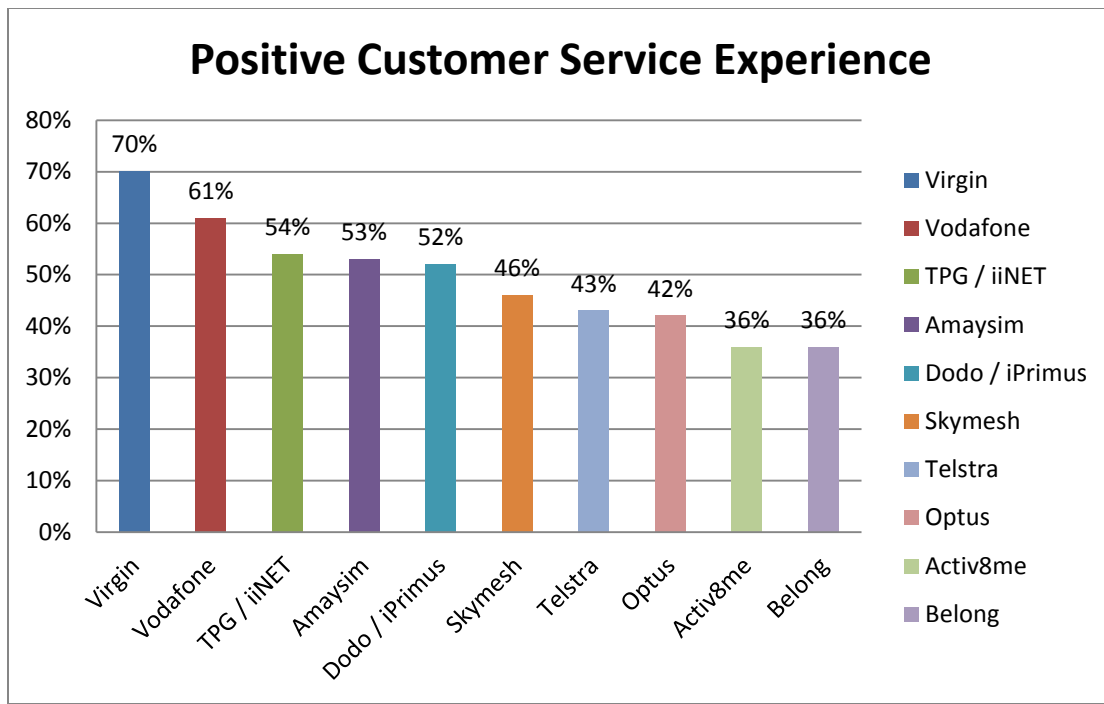
<sup>28</sup> See figure 78 in the report

<sup>29</sup> See figure 79 ibid

<sup>30</sup> See figure 80 ibid

<sup>31</sup> <https://www.itnews.com.au/news/optus-will-progressively-close-virgin-mobile-491591>

<sup>32</sup> Respondents were asked to rate on a scale of one (extremely negative) to 10 (extremely positive) their overall experience of their provider's customer service. Graph portrays % of customers for each provider who rated their experience as positive (8-10).



#### What can you do?

If like many of the respondents to this survey you have experienced long wait times, shoddy record keeping, difficult complaint processes and overall poor customer service from your provider, then don't feel you have to settle. Make sure to hold your provider to account by lodging a formal complaint with them and/or taking your issue to the TIO<sup>33</sup>.

If you are truly fed up with poor customer service from your provider, then you could consider switching to another provider. Check out the [finder](#) and [Whistle Out](#) websites to compare current offers, and ask friends and family for advice.

<sup>33</sup> To make a complaint to the TIO head to their website: <http://www.tio.com.au/consumers>