



## Submissions: Proposed Changes to Customer Transfer Code

Two of TDR's facilitators attended the Open Discussion re proposed changes to the Customer Transfer Code (held in Wellington). Both facilitators, having non-technical backgrounds, found the meeting to be useful in gaining some further understanding of the (often) complex nature of the transfer process.

It became clear that TDR are only seeing a *small fraction* of the total number of complaints that customers bring forward regarding transfer issues. The majority, it would appear, are being dealt with by the Telcos direct.

It is probably fair to say that the more complicated the technicalities involved, the more likely they are to lead to misunderstanding or confusion for the customer and service provider alike.

However, when this leads to errors it is inevitably the customer who faces far greater impact through disruption to services or problems with billing.

### **The Key Transfer Issues reported to TDR are as follows:**

- Double Billing
- Unauthorised transfer
- Incomplete transfers (where multiple services are involved)
- Transfer Delays
- Services Not Available
- Sales Tactics

More often than not, TDR becomes involved because of the difficulties customers face when trying to find out *who they should turn* to when a problem arises.

Actual example: Customer moved his 2 phone lines from X to Y a few months ago. However one of the phone lines didn't get transferred (Incomplete Transfer) and the customer was being billed by both companies for one of the phone lines (Double Billing). The customer has been trying to get this problem sorted but is being told by X that the request for the change was sent correctly by them for the two lines, and Y are saying they only received the request for 1 line. The customer is trying to pay what is owing to Y minus the double billing but the customer is being told that the issue is with X ( Difficulty in resolving dispute).

The proposed use of **Supply Chain Information** would, in theory, have helped to avoid a number of issues, but not all.

- The avoidance of errors at the outset relies upon effective information gathering / exchange through *good customer service*.
- Better follow up communication and confirmation that transfers “have gone according to plan” would alert parties to a problem sooner and avoid the situation escalating.
- The management of the dispute process will also rely on timely provision of good customer service, preceded by *clear and readily available advice* as to where the customer should turn to for assistance.

**TDR submits that robust processes need to be in place to ensure high standards of customer service, information delivery and sales activity - together with clear processes for disputes resolution.**

**TDR submits these factors are of paramount importance, however, we concede that steps to tackle the former will be difficult to write into the Code, and acknowledge that the latter *have* already been taken into consideration.**

## **Specific Questions TDR would ask relating to Transfer Issues**

### **1. Who is providing services?**

Currently, if a customer finds that services have been transferred (without their knowledge or sometimes without correct authorisation), the Losing Service Provider is unable to advise the customer who the Gaining Service Provider is – even though they would normally be able to identify this from their records. This can mean that the customer is forced to start ringing around different companies in an effort to find out who their services are with.

Actual example      Customer states: *“(Company X ) say my account has been disconnected but I have called ALL other landline providers and none of them have my number in their records. I now have a fault on my line and nobody will fix it. Nobody is taking responsibility and all I want to do is pay someone for my phone service so I can get up and running again.*

*My real complaint is that if my account actually has been disconnected (1) who gave them permission to do so, and (2) why have they not invoiced me so I know who they are?*

*I don't believe my account has been disconnected from (Company X) however as I still have call diversion in place and I have never had to reprogram it. Also if I had changed providers I would have had to give the new ones details of my account so my broadband could be transferred properly, which I have never had to do.”*

**TDR submits that the LSP should be able to advise customer “where their services have gone”.**

## **2. What happens when problems are identified “On the Day”?**

TDR is often contacted by customers following transfer problems that only become apparent when the actual transfer takes place. There appears to be no process to identify faults or lack of availability of services until the actual transfer is initiated.

Actual example: The business was contacted by salesperson Mr Y from Provider Z and arranged for services to be transferred on (date). The company were advised that the transfer would be seamless. However as a result of delays the company were without services for a number of days. The complainant contacted Mr Y for assistance but he was away on sick leave. His replacement advised that they had no technicians available and that the company should obtain 3rd Party assistance. The company incurred \$XYZ in direct costs as a result of the delay. An invoice was sent to Mr Y to seek redress for these costs in full. In response Mr Y admitted complete responsibility for the delay in an email (he advised that he has incorrectly assessed the details of the systems being transferred which caused the delay) Mr Y offered to cover 50 % of the 3rd Party technical charges The Company seek redress for all costs incurred.

**TDR submits that there should ideally be a step in the transfer process that allows a customer’s services to be reinstated with the original provider if a fault or problem is identified, thus preventing loss of services. TDR acknowledges that implementation of this proposal would present a significant challenge.**

## **3. Transfer of some services (in particular tolls) but not all?**

This appears to occur quite often when customers want to keep their main services with provider A and transfer only their tolls to provider B. In most cases TDR receives the complaint when the toll services are taken back by the original provider without the knowledge of the customer. The problem then is that the customer does not know who to talk to, since there may be a wholesaler involved.

Actual example: Customer has had her tolls with Company Y since 21 July. Her landline is with Company X. On 11 July 2008 this stopped and her tolls have gone back to Company X without her authorisation. She has rung to complain and spoke to a CSR on 8 August who was to ring her back but hasn't. Customer would like to know how this has happened.

**This happens often enough to suggest there may be a switching/timing problem between provider and the wholesaler. Does there need to be a step in the process to require customer authorisation for *any* change?**

## **4. Do “new connections” need to be considered as part of the Customer Transfer Code?**

One area that TDR feels warrants consideration is the question of new connections. Quite appropriately, providers often see transfer requests as opportunities for Sales. However

bundling together new services with existing services can lead to a plethora of problems for the customer, particularly when faults or lack of availability of services cannot be identified in advance.

Actual example: *Customer states "When I signed up with Company X in June they assured me that when I moved to the house we were building, we would just have to inform them and it would be a formality to switch over phones and Broadband. Our connection was to be on the same exchange at (location). When we moved Broadband was not connected. After several phone calls and emails to them I have now been told that I go to the bottom of the list for connections and there is no space left for me, even though I am an existing customer. They have kindly offered me free dialup until I can become connected but cannot tell me when this will be. To disconnect with them will cost me \$XYZ even though they can't provide the service I signed up for. I rang Company Y and they said for \$ABC they could check to see if there was space on the exchange so I could sign up with them. They could also not tell me if and when the exchange will be upgraded or if there was space available without me paying them \$ABC. I don't think it should cost me a total of \$DEF to get a broadband connection, and as I was already a broadband customer with Company X they should not be able to disconnect me at will. ...."*

**TDR submits that customers should be advised of potential difficulties in obtaining services before they agree to any new contracts. The customer would therefore be made aware of any worst case scenarios.**

## **5. What happens when transfer is delayed?**

Actual example: Mrs C requested transfer of services from X to Y. She received a letter advising that she would be sent another letter confirming the transfer date. Nothing was ever received and customer continued to be billed by X. Then customer went away for several weeks. On her return found that her services had been disconnected and she had received a bill for \$XYZ from Y.

Customer's issues:

- a) Didn't know transfer had taken place (no letter of confirmation)
- b) Still being billed by X
- c) Now faces disconnection and reconnection fee and is left without services.

**TDR submits that some form of acknowledgement should be sought from the customer to confirm they are aware of the date a transfer is due to take place.**

## **6. What if the customer finds they have a problem involving a company that is *not* part of the TDRS?**

**TDR submits that there should be more clarity around options for customers of companies who are *not* part of the TDRS.**