

# Consumers and industry urged to express their views on telecommunications customer care

As a vital part of its *Reconnecting the Customer* inquiry, the ACMA is seeking broad public and stakeholder input on the problems telecommunications customers are experiencing with customer service and complaints-handling.

ACMA Chairman, Chris Chapman, reiterated the ACMA's commitment to improving telecommunications customer service for all Australians when he announced the formal terms of reference and consultation paper for the inquiry in July.

'We want to understand what the problems are—the way the telecommunications industry is dealing with its customers and the root causes of those problems. And critically, we want to identify enduring solutions that will improve customer service and complaints-handling, both now and into the foreseeable future.'

The consultation paper seeks input about these issues from the Australian public, consumer groups, telecommunications companies and other regulatory agencies.

'The inquiry is being undertaken with the intention to significantly improve outcomes for Australian telecommunications consumers,' said Mr Chapman.

'As an evidence-informed regulator, we intend to gather evidence that will shine a light on the real problems causing the high number of complaints being made to the Telecommunications Industry Ombudsman, problems which are broadly corroborated by strong anecdotal feedback.

'We will be looking also for solutions that will facilitate best practice customer service in an increasingly complex communications environment. We want consumers to regain confidence that they will receive the services they need in a way that meets their expectations.

'It will also be vital to work with industry players and other key stakeholders, including other regulators, to make this work—and we will do that through regular meetings and dialogue. We want to hear from consumers, who are the current and future users of telecommunications services—and we intend to do that through workshops and other forums.

'Right now, I would encourage everyone with an interest in telecommunications services to engage with this paper, which has been constructed both to allow more general responses and, for those with relevant expertise or experiences at the coalface, more detailed, targeted responses.

'The next nine months offer us collectively a vital opportunity to make a material difference to the way telecommunications services are delivered, so they become accepted as really meeting the needs of Australians. I look forward to working together so we can make this happen.'

The *Reconnecting the Customer* public inquiry was announced by Mr Chapman at the CommsDay Summit on 20 April 2010 and has received wide-ranging support from both industry and consumers. Since the announcement, the ACMA has

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canvassed widely with key stakeholders (including chief executives of Australia's leading service providers and consumer and industry representatives) to craft terms of reference that will allow the ACMA to get to the bottom of these issues and to develop an effective and meaningful analytical framework for future industry direction and policy-making. ☎

## Submissions

Submissions in response to the consultation paper can be sent by email to [reconnectingthecustomer@acma.gov.au](mailto:reconnectingthecustomer@acma.gov.au) or by mail to:

Manager  
Public Inquiry Section  
Australian Communications  
and Media Authority  
PO Box 13112  
Law Courts  
Melbourne Victoria 8010

Submissions are due by 5.00 pm, Friday 10 September 2010.

The *Reconnecting the Customer* public inquiry terms of reference are published in full over the page. The consultation paper and other information about the inquiry are available on the ACMA website at [www.acma.gov.au](http://www.acma.gov.au) (go to For licensees & industry: Service & technical requirements > Telecommunications: Reconnecting the Customer) or by calling 1800 062 130.

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In addition to the terms of reference, the information below provides some background to the *Reconnecting the Customer* inquiry. More information is available on the ACMA's website at [www.acma.gov.au](http://www.acma.gov.au).

### Scope of the ACMA's public inquiry under the *Telecommunications Act 1997*

The ACMA is undertaking a public inquiry to examine customer service and complaints-handling practices within the telecommunications industry.

The inquiry will focus on the customer service and complaints-handling experiences of personal customers.

### Why is the ACMA undertaking this inquiry?

The ACMA is undertaking this inquiry with the clear intention of materially improving outcomes for consumers of telecommunications services. It will examine how the Australian telecommunications industry is dealing with, and resolving the problems of, its customers, whether the industry meets best practice standards, and whether the current legislative and regulatory framework supports the achievement of best practice standards.

A primary driver for the inquiry has been the significant increase in the number of complaints made to the Telecommunications Industry Ombudsman (TIO). In 2008–2009, the TIO recorded a 130 per cent increase in complaints about the way in which individual service providers handle customer complaints and a 72 per cent increase in complaints about customer service practices.<sup>1</sup> The way complaints are handled is fundamental to the success and integrity of any self- and co-regulatory scheme.

A second driver for the inquiry is technological and market change. The ACMA's recent experience with matters such as mobile premium services and the prospective developments that may be expected from the advent of the National Broadband Network, mean that it is timely to consider the current regulatory framework and whether it is likely to provide adequate community safeguards in future telecommunications environments.

### How will the ACMA undertake the inquiry?

The inquiry intends to take a forward-looking approach to customer issues in the telecommunications consumer market that take account of convergent devices and services, increasingly complex supply chains (and cross-border issues) and emerging legislative and policy developments.

The ACMA is issuing a consultation paper and seeking submissions from all interested stakeholders. It will also conduct public forums and workshops on customer service and complaints-handling issues identified during the inquiry. The ACMA will obtain case studies from both consumers and industry to identify relevant customer experiences.

The ACMA will have regard to relevant experiences in other market sectors and other jurisdictions, and to best practice standards, and will prepare a report which sets out its findings, flowing from the evidence obtained in the inquiry.

### What customer service practices will be considered in the inquiry?

The inquiry will focus primarily on the service practices that are ancillary to the provision of telecommunication products. The TIO identified complaints about the following practices as being the main causes of customer service complaints in 2008–2009:

- > service providers giving incorrect, inadequate or inconsistent advice
- > service providers failing to action consumers' requests
- > consumers being unable to contact their service providers.<sup>2</sup>

### What complaints-handling practices will be considered in the inquiry?

The inquiry will focus on the adequacy and effectiveness of current complaints-handling procedures, including current institutional arrangements. The ACMA will consider options to improve complaints-handling practices, both in the current environment and in the light of emerging market, institutional and regulatory developments.

### What will not be covered by the inquiry?

It is not intended that the inquiry will consider specific customer complaints about products or services or quality of service issues, such as broadband speeds or geographical coverage of telecommunication services. ☞

## Terms of reference

The ACMA will:

### Customer service practices

1. Examine customer expectations and experiences in relation to customer service in the Australian telecommunications industry.
2. Identify the causes of customer dissatisfaction about customer service.
3. Identify best practice standards for customer service.
4. Identify barriers to the implementation of best practice customer service.

### Complaints-handling practices

5. Examine customer expectations and experiences in relation to complaints-handling in the telecommunications industry.
6. Identify the causes of customer dissatisfaction about complaints-handling.
7. Identify best practice for complaints-handling.
8. Identify barriers to the implementation of best practice complaints-handling.

### General

9. Identify the options for addressing any problems identified and their causes, including market-based, regulatory or institutional measures to facilitate best practice customer service and complaints-handling, having regard to the increasingly complex communications environment.
10. Where appropriate, consider any related systemic underlying problems that become apparent in the course of examining customer service and complaints-handling issues.



1 *Telecommunications Industry Ombudsman 2009 Annual Report*.

2 *Telecommunications Industry Ombudsman 2009 Annual Report*. The TIO notes that complaints about customer service issues are mostly recorded as secondary issues to primary complaints.