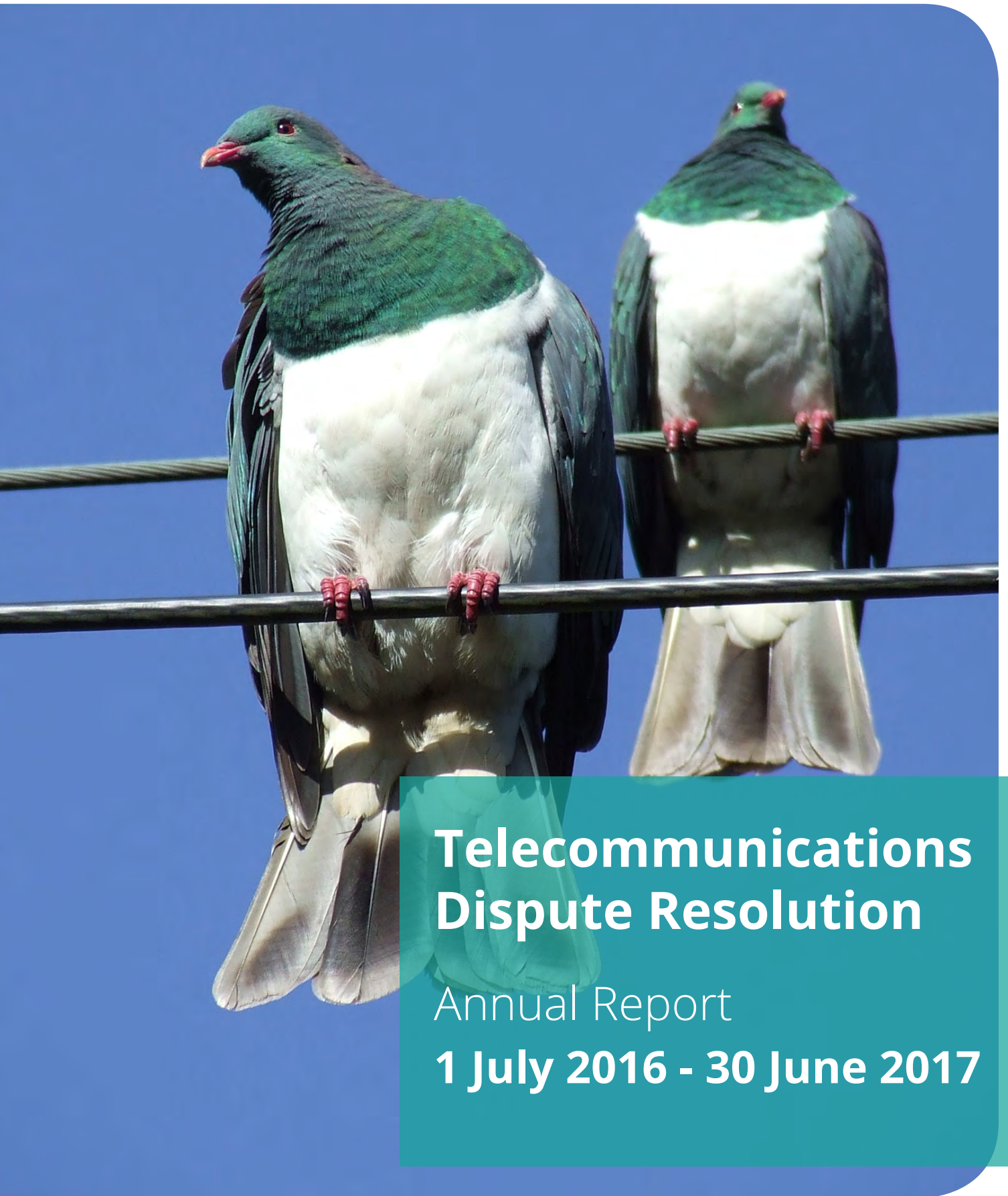




**TELECOMMUNICATIONS  
DISPUTE  
RESOLUTION**



# **Telecommunications Dispute Resolution**

Annual Report

**1 July 2016 - 30 June 2017**





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# TDR service members



# TDR Council Chair foreward

Telecommunications Dispute Resolution service (TDR) provides a simple, free and robust process for disputes between telecommunications providers and their customers. The results outlined in this annual report reflect another successful year where the service's objectives are being met and there are greater efforts being made to raise awareness of the service.

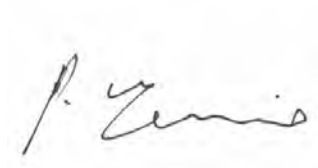
Over the year complaint enquiries have remained high, having increased substantially the previous year. This is due to a campaign to raise consumer awareness through social media and other engagement with customers. As a result, more consumers know where to get assistance to get their problems addressed and resolved.

When the TDR service first started, the disputes it handled were mainly related to problems with services over copper lines and billing. Today, TDR is dealing with wide-ranging disputes involving new technologies. The Customer Complaints Code, which TDR applies, recognises that the telecommunications industry is fast moving and that technologies change. The service has been agile in adapting to industry and market changes. TDR is also looking at ways that infrastructure providers can be more involved with resolving complaints up front, when the problem relates to the installation of services, importantly fibre.

TDR is also looking at ways to make it easier for customers and telecommunications providers to resolve complaints through new technology initiatives. It is reaching out to particular customer segments to ensure that they know about the TDR and can access it in ways that work for them.

TDR has also focused on increased, proactive reporting with key government and agency stakeholders to demonstrate that New Zealanders have access to quality, independent dispute resolution with their telecommunications providers.

I have every confidence that TDR will continue to deliver a quality dispute resolution service. A successful service such as TDR is reliant on the team directing and administering it. The oversight of the Service is in the hands of my fellow Council members, the industry body, the Telecommunications Forum and FairWay, which is contracted to run the day-to-day operation of the TDR. I thank them for their efforts during the year.



**Paul Elenio**

TDR Council Chair

# Client Director's report

AOL's AIM instant messenger service closes on 15 December 2017 after 20 years of service. For many of us, we had access to the internet before we had mobile phones. The crackle and hiss of a dial-up internet connection humming to life is etched in our collective memories, as is reaching out into the vastness of bits and bytes to say hello to someone half-way around the world. We messaged. We connected. We began to change the way we communicate, share, and learn.

Since then smartphones, streaming services, and apps have dominated the way we communicate and share. The rate of technological change has shaped consumer expectations and appetites for telecommunications services. There is a dizzying array of options and a stronger push for instantaneous access. The separation between our digital and our personal lives blurs more each day and we can be connected anywhere. This is why we have chosen iconic New Zealand images and landscapes to punctuate this year's annual report.

What has not changed in the 10 years since TDR began is complaints. Complaints about billing have consistently been the primary complaints focus in TDR. What also remains the same is that at the heart of almost all complaints is a sense of not being heard. Despite the growing number of ways we can communicate, misunderstandings and miscommunications continue.

In 2016/17, complaint enquiries remained steady. While slightly lower than the previous

year, the current level of complaints is quickly becoming the new normal. This is the result of strategic use of social media and engagement plans, which has seen a 55% overall increase in visits to the TDR website. Previous changes to make the TDR website mobile-friendly saw a 209% increase in mobile users visiting it.

Two other elements have resulted in greater awareness of TDR. Information about TDR is now provided on invoices to TDR members' customers, and TDR, in conjunction with the TDR Council, engaged in a one-off awareness push during the last quarter of the year. The concentrated effort saw a significant amount earmarked for a social-media led awareness campaign that also resulted in increased awareness of TDR.

TDR dealt with 2,252 complaint enquiries from consumers in 2016/17. 94% of the enquiries (2,117) did not result in formal complaints to TDR. This means that in most of those complaints, the telecommunications provider resolved the issue with the consumer directly. This is the best possible outcome. Many consumers reported that just making the enquiry to TDR, which TDR then escalates with the provider, resulted in them in getting their issue resolved quickly.

However, there will always be complaints that need outside assistance through TDR's formal resolution process. We are pleased to say that of the 53 complaints TDR assisted with directly, 66%, or 35 of those, were resolved by our mediators and facilitators. This means that the consumer and the telecommunications provider reached

agreement together with TDR's assistance and without TDR having to make a formal decision on the complaint.

Those who use TDR service also continue to rate the experience very highly, which reflects well not only on TDR staff and processes, but the telecommunications providers who respond promptly to the complaint enquiries received by TDR. We maintained a very high net promoter score (the likelihood that someone would recommend TDRS) of +67 and also received excellent feedback from those who used the service.

Much like technology, changes to TDR are on the horizon, particularly as a result of proposed amendments to the Telecommunications Act. Whatever the outcome, TDR has come a long way over the past ten years and is better known and utilised by the general public. Engagement and education continue to be strong areas of emphasis for TDR, with plans already in place for the 2017/18 year. The TDR is ready for whatever comes next.



A handwritten signature in black ink that reads "Jennifer Mahony".

**Jennifer Mahony**

Client Director of  
Telecommunications Dispute  
Resolution

## About TDR

TDR is an independent body for the prompt, unbiased resolution of disputes at no cost to the consumer.

TDR was set up by the New Zealand Telecommunications Forum (TCF), whose members provide a service to 95% of New Zealand telecommunications customers.

The Customer Complaints Code sets out the rules for members. The Terms of Reference sets out the governance of the service.

The Telecommunications Dispute Resolution Council oversees the service. The Council consists of four industry representatives and four consumer representatives, including one representative appointed by the Minister of Consumer Affairs.

In July 2007, Dispute Resolution Services Ltd (now FairWay Resolution Limited) was appointed as the agent to set up and manage the TDR service.

FairWay Resolution Limited is an independent, employee-owned company providing specialist conflict management and dispute resolution services. FairWay employs around 100 staff and contracts with around 110 specialist reviewers and dispute resolution practitioners throughout New Zealand. FairWay handles over 14,000 disputes each year — of all kinds and levels of complexity, including medical, insurance, financial services, telecommunications, family, local government and construction disputes. FairWay have dispute resolution and conflict management expertise in all parts of the conflict management cycle — prevention, management, resolution and analysis of conflict. FairWay has offices in Auckland, Wellington, Christchurch, and Dunedin.

# The Year in Review





# Statistics at a glance

Under the Customer Complaints Code, the dispute resolution process consists of two phases.

## Phase I – Enquiry and registration

TDR receives an enquiry, and gathers information from the parties in order to determine whether the complaint:

- is relevant (is about a telecommunications member of TDR and their telecommunication service or products)
- had previously been made to the telecommunications member and is at deadlock
- is within the jurisdiction of the TDR to consider.

## Phase II – Investigation and resolution

If the complaint is within jurisdiction, then a practitioner will work with both the customer and the TDR member to resolve the dispute. The practitioner initially works to mediate the dispute, but if it cannot be settled in a collaborative way, then the practitioner will issue an adjudicated decision. That decision is binding on the TDR member if accepted by the customer. When a complaint is in 'Phase II', the process is managed by a single practitioner.

BUSINESS PERFORMANCE		
Effectiveness/Quality	Target %	Achieved %
Jurisdiction checks	95%	98%
Enquiry and registration phase	95%	100%
Investigation and resolution phase	95%	99%
Final determination phase	80%	93%

<p><b>Jurisdiction checks</b></p> <p>TDR member replying to TDR within three hours of jurisdiction check.</p>	<p><b>Enquiry and registration phase</b></p> <p>Receiving complaint and completing summary of dispute within 24 business days.</p>
<p><b>Investigation and resolution phase</b></p> <p>Issuing final determination or mediated agreement within 27 days of receiving summary of dispute.</p>	<p><b>Final determination phase</b></p> <p>From issuing final determination to closing dispute within 30 business days.</p>

# Statistics at a glance

2263 complaint enquiries were registered with TDR in 2016/17

Complaints related to	# of complaints	% of complaints
Billing issues	812	36%
Faults	331	15%
Customer service	317	14%
Contracts	271	12%
Other, non-specific issues	246	11%
Credit management issues	137	6%
Network performance	126	5%
Service provider's complaint handling process	23	1%

TDR handled 2252 complaint enquiries in 2016/17. In most cases, the service provider and the customer were able to resolve the issue without formal intervention from TDR staff.

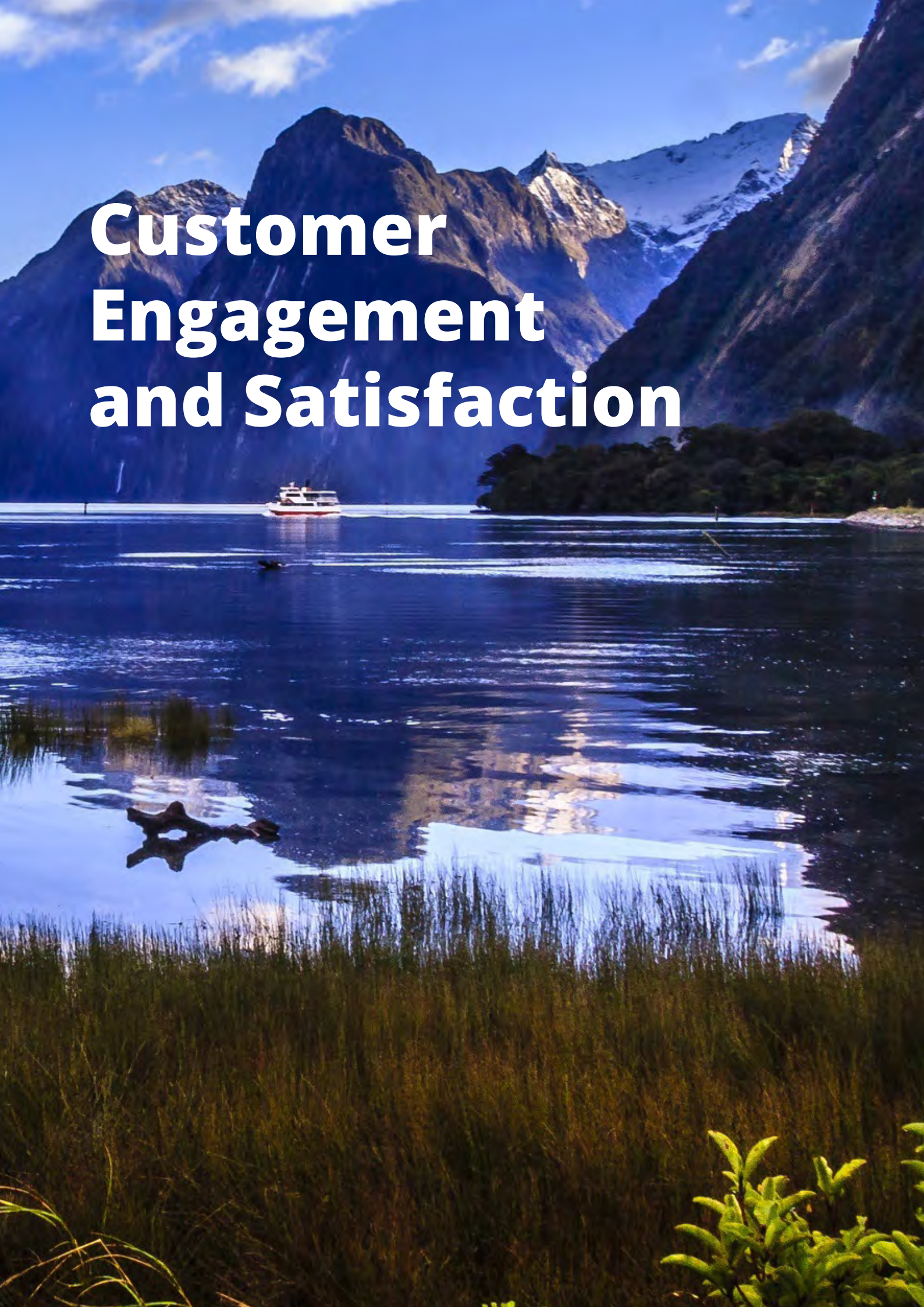
Complaints	# of complaints	% of complaints
Were resolved before requiring resolution assistance from a TDR facilitator or practitioner	2117	94%
Were classified as non-relevant and closed	49	2%
Were closed because they were not within TDR's jurisdiction	17	1%
Were withdrawn by the customer, or no customer response was received from the TDR	16	1%

TDR's formal process resolved 53 complaints in 2016/17

Outcome	What it means	#	%
Settlement	These complaints were settled by TDR facilitators or mediators, meaning that before the TDR had to make a decision, the consumer and their telecommunications provider were able to collaboratively resolve with assistance from TDR.	35	66%
Upheld	Of the complaints considered by TDR, none were fully successful.	0	0%
Partially upheld	Some of the complaints in those five cases were successful.	5	9%
Not upheld	These complaints were not successful.	13	25%



# Customer Engagement and Satisfaction



# Community and industry engagement

## *Who we meet with and what we do*

- **Presenting to consumer-focused groups and events.** TDR regularly participates in Consumer Rights Days, organised by the Ministry for Business, Innovation and Employment; presents to Citizens Advice Bureaus across the country; and meets with Community Law branches. TDR also actively engages with other consumer groups to find out about the telecommunications issues their members are facing and how TDR can both educate and ensure access to dispute resolution.
- **Meeting with TDR members.** We regularly meet with TDR members to better understand what is happening for them. We also provide opportunities for education and discussion, and opportunities for our telecommunications providers to get to know each other, share insight and skills, and discuss what is happening in the sector. It is also a good opportunity for us to assist with internal complaints handling process audits and training on complaints handling. Talking to members also helps inform TDR's submissions on proposed legislation and policy.
- **Quarterly reporting.** TDR provides regular reporting to both government and consumer organisations on the complaint trends we see. We also provide case studies and identify recurring issues.
- **Bi-monthly Dispute Investigators' Group meetings.** TDR attends these meetings as they are useful in understanding complaint trends across a variety of sectors.
- **Consumer awareness.** TDR, with the TDR Council, focused on consumer awareness this year. Information about TDR can now be found on TDR members' invoices. There was also a significant spend on promotional work through a targeted awareness campaign in the last quarter of the financial year.

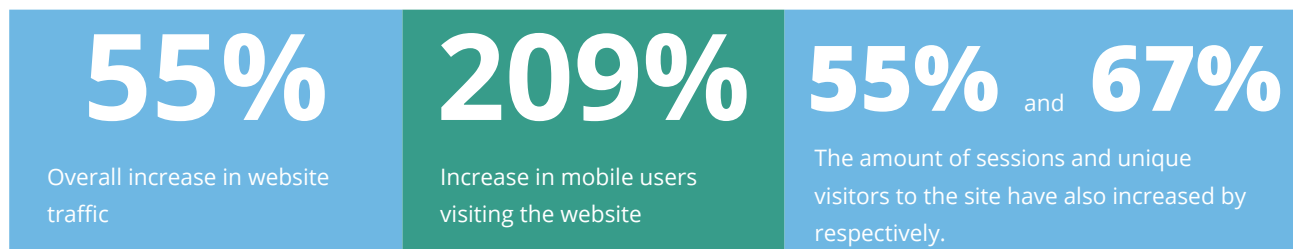
## *Where we are headed next*

There is always more that we can do. As part of the year ahead, we are:

- Expanding our engagement with both the telecommunications sector and consumers to create opportunities for connection, training, and understanding.
- Continuing to provide great dispute resolution and service while also finding ways to improve.
- Exploring ways to make TDR even more accessible for both consumers and telecommunications providers.

# Website statistics

TDR made engagement and visibility of the service a primary focus in the 2016/17 financial year. We worked on a number of new ways to increase traffic to our website, including monitoring referrals, direct visits and organic search; running numerous social media and Google AdWords campaigns to improve our digital presence; and advertised and monitored our display ads. TDR members also funded a special one-off campaign to assist with improving consumers' awareness of TDR. Our social media statistics tell us that the investment is working. In 2016/17 we saw:



Website statistics	2015/16	2016/17	Change
Mobile users	6,256	19,354	209%
Website visits	29,429	45,677	55%
Unique website users	20,572	34,862	67%

Breakdown of visits to website	2015/16	2016/17	Change
Referrals	5,737	3,527	-39%
Direct Visits	7,614	8,222	8%
Organic Search	13,561	13,285	-2%
Display	405	9,172	2165%
Paid Search	1,409	7,067	402%
Social	703	4,402	526%
OVERALL	29,429	45,677	55%

The challenge now is to improve our website traffic again in 2017/18 and to begin setting goals and monitoring engagement so that we can see how much value our website brings to customers.

Our key referral channels are tabled below. This highlights our Facebook page (517% increase in visits from Facebook) and our relationship with TCF (125% increase in visits from TCF) as our strongest referrers to the TDR site. It also reaffirms that we have work to do to make sure other sources continue to link to our TDR website.

Referral visits to website	2015/16	2016/17	Change
Facebook (desktop and mobile)	543	3,348	517%
CAB	457	377	-18%
TCF	150	338	125%
Vodafone	295	222	-25%
FairWay Resolution	345	151	-56%
Spark	269	151	-44%
OVERALL	6,440	7,929	23%

Finally, our social media stats show that our facebook page can be influential in driving the TDR brand's reach and engagement. Our TDR facebook page proves that social media is both a useful way of referring people to our website and as a tool for engaging with a broader audience. This can be seen in the 11,525% increase in reach and 6,825% increase in engagement once we focused on promoting our services using this channel.

TDRS Facebook (Paid/Organic)	2015/16	2016/17	Change
Reach	3,450	401,076	11,525%
Engagement	185	12,812	6,825%

We have had some great results with our social media campaigns this year. We need to continue to target our investment so that awareness of TDR is raised and the consumers know that there is an independent, free service they can use to resolve complaints with their telecommunications providers.

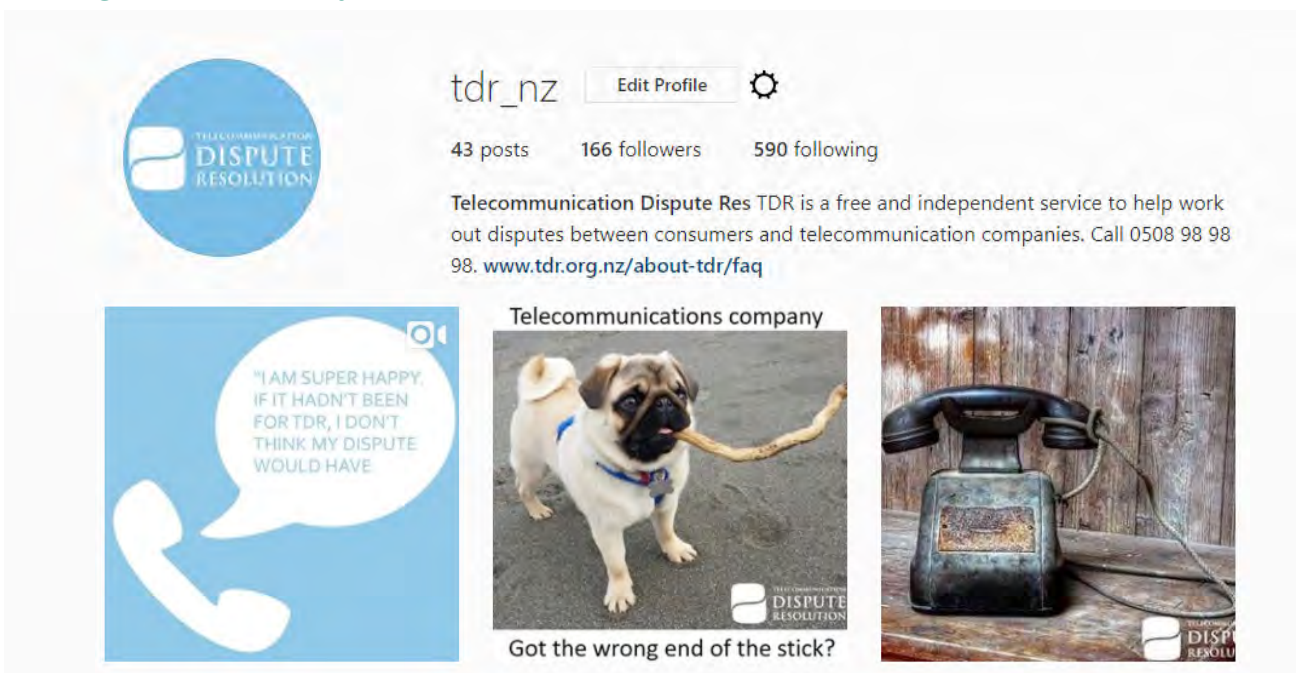
# Consumer awareness

Here are some examples of our promotional materials that were circulated during the past year in an effort to raise public awareness of TDR.

TDR developed a video in-house that has received 338,875 views since it was initially posted on 23 April 2017.



On May 1 2017 TDR created an Instagram account that has since gained 166 followers and continues to gain more each day.






The following are samples of successful social media outreach that have been viewed over 87,000 times since they were published on 26 May 2017 and 1 June 2017 respectively.

**Telecommunication Dispute Resolution - TDR**  
May 26

Last chance to win an iPhone 7! Answer a few questions on the TDR website to enter.  
Be quick - the competition closes today!



**WIN!**

Tell Us About Your Phone and Internet Provider!

Tell us about your telecommunications provider below, and go in the draw to win an iPhone 7!

TDR.ORG.NZ

**94712 people reached**

**93,990** People Reached

**687** Reactions, Comments & Shares

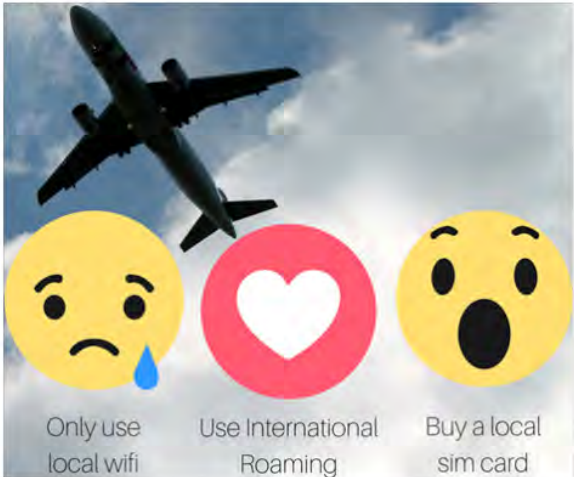
462 Like	445 On Post	17 On Shares
16 Love	14 On Post	2 On Shares
5 Wow	3 On Post	2 On Shares
1 Angry	1 On Post	0 On Shares
162 Comments	142 On Post	20 On Shares
41 Shares	37 On Post	4 On Shares

**2,790** Post Clicks

0 Photo Views	2,346 Link Clicks	444 Other Clicks
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**Telecommunication Dispute Resolution - TDR**  
June 1

When you travel overseas how do you stay connected? Buy a local sim card, use international roaming, or live off local wifi? Find out more about how TDR can help with data usage here <https://goo.gl/RSDqIU>



Only use local wifi    Use International Roaming    Buy a local sim card

**87828 people reached**

**87,828** People Reached

**2,175** Reactions, Comments & Shares

289 Like	206 On Post	83 On Shares
279 Love	263 On Post	16 On Shares
9 Haha	5 On Post	4 On Shares
992 Wow	964 On Post	28 On Shares
451 Sad	419 On Post	32 On Shares
7 Angry	3 On Post	4 On Shares
122 Comments	114 On Post	8 On Shares
36 Shares	33 On Post	3 On Shares

**1,888** Post Clicks

837 Photo Views	348 Link Clicks	703 Other Clicks
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# Satisfaction with our service

Our independent researcher BuzzChannel collects our customers' feedback on a monthly basis. We also conduct a sample of qualitative telephone surveys throughout the year in order to get a deeper understanding of how complainants find TDR.

**+67**

TDR maintained a high NPS (Net promoter score) of +67. Net promoter scores measure the likelihood that someone will recommend TDR.

**80%**

of overall complainants were very satisfied or satisfied with their TDR experience.

**TDR's staff are friendly and understanding.** The listening and empathy skills of our facilitators and practitioners were noted in many comments.

**86%**

of respondents strongly agreed or agreed that TDR staff are friendly and courteous.

**83%**

of respondents strongly agreed or agreed that TDR facilitators listened and understood their complaint.

**80%**

of respondents found TDR practitioners (mediators and adjudicators) listened and understood their complaint.

**TDR's process is fast and efficient.** Most commenters shared that once the TDR got involved, issues resolved quickly.

**82%**

of respondents strongly agreed or agreed that the TDR's process was timely and efficient.

**TDR's staff are knowledgeable and professional.** A repeating theme in the comments is that our facilitators and practitioners are clear about the process and that people using TDR know what to expect, which gives them a greater sense of confidence.

**79%**

of respondents strongly agreed or agreed that they were kept well-informed about what was going to happen.

**80%**

of respondents strongly agreed or agreed that the TDR process was fair and impartial.

**79%**

of respondents strongly agreed or agreed that the TDR facilitators were knowledgeable and provided all of the information that they needed.

# Feedback

One of the best ways for us to understand how our service works is through the written comments we receive about our people and our process. Highlights include:

*"Just AWESOME, AWESOME, AWESOME."*

*"Very quick response and action by TDR. The matter was resolved by TDR within a few hours. A huge thank you to TDR from us. Until we had contacted TDR the matter had dragged on for some time."*

*"Your liaison with the service provider helps a lot."*

*"Your logging of a complaint, and advice about what outcomes could occur allowed me to negotiate having the final bill reduced with confidence. It also put me in contact with someone at [my provider] who had the authority to make bill changes which made a resolution much faster. Thanks!"*

*"You guys do an AWESOME JOB, thank you for not making me feel stupid, every question I had was answered in a friendly and informative manner."*

*"Your service is tops."*

*"The [TDR staff member] listened very carefully without interrupting. He is the first person we had spoken to about the issue who actually listened to my whole barrage without interrupting."*

*"All instructions on how to handle my complaint were clear and easy to follow. Website easy to navigate. The suggestions given to me from you worked and my complaint was resolved very quickly."*

*"The TDR representative was very attentive, showed empathy, knew what he was talking about. Go TDR."*



# Issues at a Glance



# Issues at a glance

We have six case studies that highlight the trends and themes TDR has seen over the past year. Before we discuss the cases, below are the issues that have affected the telecommunications sector in New Zealand in 2016-17 and how they have been reflected in TDR's complaint statistics.

## 1. Fibre installation

The Government's commitment to ultra-fast broadband and the rural broadband initiative, as well as consumers' appetite for fibre and connectivity, saw a strong increase in fibre-related complaints. In 2014/2015, TDR received four fibre-related complaints. In 2015/16, the number increased to 65. In 2016/17, the number of fibre-related complaints more than doubled to 142. Most related to installation delays or methods. Two of our case studies discuss complaints about method of installation. While the complaints seen by TDR about fibre installation are a fraction of the number of installations completed in the year, TDR advised the industry of the issue and the industry responded. The TCF is preparing a code for fibre installation.

A draft of the Telecommunications (New Regulatory Framework) Amendment Bill was available during the year and was tabled in the House in August 2017. The purposes of the bill include creating a regulatory framework for fibre access services; streamlining regulatory processes; and providing more regulatory oversight of retail service quality.

TDR believes that the number of fibre-related complaints will continue to increase as it becomes more broadly available in New Zealand.

## 2. Terms and conditions

The level of choice available to consumers can make it hard to differentiate between what is available, particularly when bundled services

are involved. Further, the level of choice now available requires a higher degree of inquiry to ensure that everyone understands what is being bought and what happens should something go wrong. Several case studies deal with the "fine print", which often comes into play when something goes wrong.

TDR believes that the number of cases it sees involving disputes about terms and conditions will remain relatively stable, but that the nature of those complaints will change as the industry and technology develop.

## 3. Communication

Communication is at the heart of most complaints and continues to be a key theme in complaints received by TDR. Whether it is about understanding key terms and conditions, or missing emails, communication issues can lead to expensive issues. Two of our case studies deal with what happens when the communication goes wrong. In some cases, information was not documented well or there were genuine misunderstandings. While consumers are responsible for their decisions, telecommunications providers must also be mindful of issues around communication, and disclosure. These issues are further amplified when working with vulnerable consumer groups and with consumers with low levels of financial literacy.

TDR believes that complaints involving communication issues will also remain steady with the increased awareness of the service and complaint information on invoices.

## Overhead fibre installation: Sometimes you can't always get what you want

Alisi\* was excited about getting fibre through her telecommunications provider, but not so excited about the fact that the fibre installation would be an aerial one. This meant that her internet would be connected via an aerial on her roof. She discussed this with the fibre installer who explained that it was the only free option available. Alisi agreed to the installation, though she made it clear that a buried cable or underground duct was her preferred option.

A few weeks after the installation was completed, she was chatting with her neighbour about how great it was to have fibre. Alisi noticed that her neighbour didn't have an aerial connection and asked about it. Her neighbour shared that she had had her fibre installed underground by the same company and did not have to pay extra for it.

Alisi was upset and contacted TDR to complain about her telecommunications provider. She wanted the existing aerial installation to be converted to an underground installation without charge.

Because the telecommunications provider was not the provider of the fibre, it had no control over the placement of fibre or the charges associated how it was placed. Therefore, TDR got the fibre installer (what TDR calls a 'Wholesale Scheme Member') involved in the case. All fibre installers in New Zealand are also members of TDR for precisely this reason.

The fibre installer stated that they had installed Alisi's fibre as required by the plan. The installer noted that the neighbour's fibre had been incorrectly installed, as the contractor had exceeded his authority in altering the plan (which also called for an aerial) at the request of the neighbour and without cost. Alisi wasn't satisfied with that response. From her perspective, if the fibre installer had been able to make an exception for her neighbour, then they could make an exception for her as well.

The case was assigned to one of our dispute resolution practitioners. The parties attempted to mediate the issues, but were not able to reach agreement. It was then up to the practitioner to act as an adjudicator and make a decision on the complaint.

The adjudicator listened to both sides and reviewed all of the documents. While the adjudicator had sympathy for Alisi's position, she noted that the aerial installation was the standard free installation method. She also determined that it would not be legally correct to carry out a further "incorrect" installation simply because the original contractor exceeded his authority when installing the neighbour's fibre. On that basis, the adjudicator determined that the fibre installer's decision not to change the customer's fibre without charge was correct.

*\*Names have been changed to protect our customers' identities*

## Fibre installation: Miscommunication and false information

Lee\* ordered an internet service connection for his new house. The connection process sounded straightforward, and Lee was looking forward to enjoying his favourite movie and TV streaming apps again.

Unfortunately, neither the connection process nor the billing proceeded smoothly. The first issue occurred when the fibre installer incorrectly determined that Lee needed to install a service lead, which would cost Lee close to \$250 extra. Lee paid the fee, keen to get his internet up and running.

The service lead was not actually needed, though. This, along with miscommunications from the fibre installer and between Lee and his telecommunications provider, meant that there was a nine-week delay in installing Lee's internet service and that Lee had paid for services he did not need.

Lee's primary issues were resolved directly by his provider. The provider gave Lee an account credit and a written apology. However, other issues lingered for Lee around the service he received. Lee contacted TDR for help.

After Lee and his provider attempted to resolve the remaining issues and were unable to do so, TDR assigned the complaint to one of its adjudicators. The adjudicator looked at several issues, including whether the provider had treated Lee fairly and courteously; acted timely to resolve issues; kept him informed with up-to-date information; and engaged fairly in the dispute resolution process. The adjudicator upheld one aspect of Lee's complaint about the service he received: the provider had breached its obligation to keep Lee informed with up-to-date information.

In reaching this determination, the adjudicator noted that there was a significant amount of confusion between Lee's provider and the fibre installer about who was responsible for certain payments, how the work was to be scheduled, and who the customer should be speaking to about installation issues. It was also not clear what work had been carried out on Lee's property already and what was outstanding. However, the provider became aware that a service lead would not have to be installed but did not confirm this for Lee until nearly six weeks later.

As the provider had already issued an account credit for slightly more than what Lee paid and issued a written apology to him for the experience, the adjudicator found that no further action was required.

As previously highlighted, fibre installation complaints has been one of key issues this year. TDR advised the industry of the issue and the industry responded. The TCF is preparing a code for fibre installation.

*\*Names have been changed to protect our customers' identities*



## Miscommunication woes: Repayment plans gone wrong

Marco\* had a great holiday but came home to find that he had incurred approximately \$2,500 in mobile internet usage charges while he was away. Marco was upset with himself that he had not sorted his roaming better and did not dispute the debt. He contacted his provider to cancel his service and also asked for extra time to pay off the outstanding amount in instalments.

Marco's provider agreed to a repayment plan in instalments. Because Marco was terminating the contract before the minimum term had expired, his provider charged a termination fee of nearly \$500, which added to the outstanding debt. They agreed that Marco would pay \$500 a fortnight and/or completely pay off the debt within 12 weeks, or his debt would be passed to a collection agency.

Despite his best efforts, Marco was unable to manage this repayment amount. He paid about \$150 a week for several weeks but then ran into difficulty. He contacted his provider and attempted to negotiate a lower weekly payment. During the conversation, he advised that he could pay \$50 a week.

His provider gave him a reference number so that he could set up a direct debit on his bank account and make the \$50 payments. Marco continued making the payments.

However, several weeks later, he received a letter from a collection agency demanding immediate payment of the outstanding debt in full plus fees of over \$400. Confused, Marco called his provider. He was told that there was no record of any agreement to pay a lower weekly amount. His provider advised that because it appeared that he had defaulted on the original plan to pay \$500 per fortnight, the matter had been passed on to the collection agency.

The customer contacted TDR and made a complaint. Marco argued that by giving him a reference number so that he could set up a direct debit for \$50 a week, the provider had accepted the revised payment terms.

TDR worked with both Marco and his provider. Following discussions facilitated by one of the TDR's facilitators, the provider agreed that Marco had been genuine in his efforts to repay the debt and that there had been miscommunications and misunderstandings internally on changes to the repayment plan.

Marco and his provider agreed that he could continue to make \$50 payments weekly and the debt collection ceased.

*\*Names have been changed to protect our customers' identities*

## A fault on the line: When is compensation available?

Susannah\* is a small business owner. She decided that having a freephone number for her calls was one way to increase her sales. After obtaining and paying for a freephone number, she ran a series of newspaper advertisements featuring the number.

After a few days, and having received fewer calls than expected, Susannah contacted her provider to make sure there was not a fault on the line.

Upon investigation, it was found that there had indeed been a problem with the freephone number, which the provider subsequently fixed. However, Susannah wanted compensation for lost business and goodwill as well as reimbursement for the cost of the newspaper advertising. The provider refused to give compensation but did make a goodwill offer of credit.

Dissatisfied, Susannah contacted TDR. The TDR facilitator explained the limits of the Customer Complaints Code to her, which excludes awards of indirect losses and compensation. Susannah accepted that, but also felt that there were direct losses in the cost of the newspaper advertisements that she should be able to recover.

The complaint was referred to the provider so they could try to resolve it themselves. They were not able to do so. TDR assigned the case to one of its dispute resolution practitioners. Susannah and her provider attempted to mediate the complaint with the practitioner's help first, but they were not able to reach an agreement. The practitioner then adjudicated the matter and issued a decision.

The adjudicator determined that neither party could have been expected to be aware of the problem until Susannah brought it to her provider's attention. The adjudicator determined that the fault had been repaired within an acceptable timeframe and that the terms and conditions in Susannah's contract with the provider excluded payment of compensation. The adjudicator determined that the offer of goodwill was a sufficient remedy in the circumstances. The complaint was not upheld.



*\*Names have been changed to protect our customers' identities*

## Transfer of service gone wrong

Barbara\* currently had home phone and internet services, but enquired about service options and fibre installation with a new provider. Barbara had been hearing a lot about fibre speed, and as she worked from home, was keen to give it a go. The new provider she called had advertised fibre connection and a bundled service that would be less than she was paying currently.

Barbara spoke with a customer service representative and asked lots of questions, writing it all down to consider later. She did not intend to transfer her service at that time; however, the new provider interpreted Barbara's call and her questions as a transfer request. The new provider then notified Barbara's existing provider of the transfer.

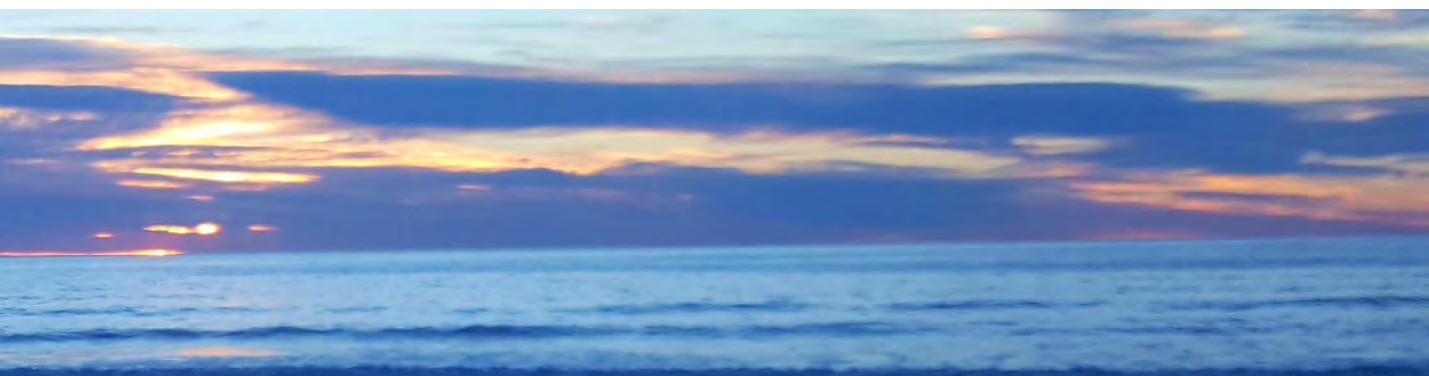
The existing provider did not contact Barbara to confirm whether she intended to transfer her service. This is because under the Transfer Code, Barbara's existing provider was limited in how, and under what circumstances, it could contact Barbara. For example, if Barbara would have incurred an early termination fee or had an amount outstanding that would have to be paid before the switch. The restriction on contacting transferring customers is to ensure that consumers may freely switch providers. In this case, the restrictions applied.

It was only when a fibre installer arrived at Barbara's home several weeks later that she realised a transfer had occurred. Barbara halted the installation and contacted the new service provider to state that she had never authorised a transfer.

This resulted in several weeks of disconnection which led to losses that Barbara was entitled to recover. Not getting anywhere in trying to resolve the issue on her own, Barbara contacted TDR for help.

Barbara's complaint was resolved through mediation, with the new provider formally apologising to her and making a significant monetary contribution in excess of \$7,000 towards her losses.

This case highlights how important it is for new service providers to ensure that customers sincerely wish to switch, given that existing service providers are limited in their contact with customers after receiving a transfer request.



*\*Names have been changed to protect our customers' identities*

## Hacking: Who is at fault?

Tom\* had his internet and email account with a telecommunications provider for many years. He was also in the process of building a house. He got an email from his builder that had an invoice attached for an amount in excess of \$40,000. He received what appeared to be a duplicate email and invoice the next day. He duly paid the second invoice and was surprised when his builder called him several weeks later to find out what was holding up the payment.

After extensive investigation, it turned out that Tom had been hacked. In a sophisticated scam, the scammer(s) sent a fraudulent invoice the day after Tom received the legitimate one. Tom paid the fraudulent invoice instead of paying his builder. There was no explanation or understanding from any of the parties as to how the fraud was committed.

Tom came to TDR to complain, believing that his internet provider was at fault. He argued that the provider had failed to protect his email, and that it was guilty of negligence. The provider attempted to resolve the issue but was unsuccessful.

TDR assigned the case to one of its dispute resolution practitioners. Tom and his provider attempted to mediate the complaint with the practitioner's help first, but they were not able to reach an agreement. The practitioner then adjudicated the matter and issued a decision.

The adjudicator noted that there was clear evidence that a criminal act was committed by hacking Tom's email. However, there was no evidence that the provider participated in the fraudulent activity or that the provider breached the Consumer Guarantees Act by not using reasonable care or skill in maintaining the security of Tom's email account. As there was no breach of the Consumer Guarantees Act, the customer's complaint was not upheld.



*\*Names have been changed to protect our customers' identities*

# Contact details for TDR members

If you have any questions or concerns about your current services and would like to discuss them with your service provider, or you would like to sign up with one of the companies that belong to TDR, please see their contact details below.

2degrees	0800 022 022
2Talk	09 281 4357
AWACs Communications	021 305 500
Big Pipe	<a href="http://www.bigpipe.co.nz">www.bigpipe.co.nz</a>
Chorus	0800 600 100
Compass	0800 640 840
Conversant	0800 894 111
DTS	0508 387 669
Enable Networks Limited	0800 4 FIBRE (0800 43 42 73)
Flip	0800 60 SALES (0800 60 72 53)
Northpower Fibre	0800 667 847
NOW	0800 GET NOW (0800 43 86 69)
Orcon	0800 131 415
Primo Wireless	0800 123 PRIMO (0800 12 37 74)
Skinny Direct	0800 44 00 11
Skinny Mobile	0800 4 SKINNY (0800 475 4669)
Slingshot	0800 892 000
Spark	Call 123 or *123 (mobile)
TNZ Group Ltd	0800 000 860
Trust Power	0800 878 787
Ultrafast Fibre	0800 FIBRE LTD (0800 34 27 35)
Unison Fibre	0800 286 476
United Networks	0800 442 015
Vocus Communications	0800 895 000
Vodafone	0800 800 021 Customers formerly with TelstraClear 0508 888 800
Warehouse Mobile	0800 284 800

# Who we are and what we can do for you

TDR is part of FairWay Resolution Limited, New Zealand's largest specialist conflict management company, with over 210 people working with us across the country.

From complaints and conflict, to issues and disagreements, FairWay can help resolve your dispute. There are lots of different ways that FairWay can help people move forward– such as mediation, facilitation, adjudication and specialist coaching.

FairWay offers a wide range of services to help New Zealanders in conflict move forward, working across a wide range of industries both in the public and private sector. They have extensive experience in dispute resolution and conflict management across a wide range of sectors from financial services, insurance and telecommunications to education, local government, construction and family.

## FairWay's mission, vision and values

Every aspect of our work is guided by our commitment to our core mission, vision and values. These are simple, straight-forward, effective and designed to empower those we work with.

### Mission

To help people in conflict move forward

### Vision

To be the leading conflict management services provider by:

Protecting consumers' rights

Assisting people to resolve disputes themselves

Strengthening organisations' reputations by improving their conflict capability

### Values

FairWay's fundamental values are to pursue excellence in all we do through:

Professionalism	Providing a high quality service that meets customer expectations and professional standards, ensuring customers have trust in the fairness of our services.
Integrity	Upholding ethical standards and communicating in an open, honest and transparent way. Always focused on the health and safety of our people and customers.
Collaboration	Seeking opportunities to work in teams towards shared objectives, knowledge and success.
Fairness	Abiding by objective standards, allowing full participation in our processes, and giving all voices an opportunity to be heard.
Empathy	Acknowledging where people are coming from and identifying their needs by asking, listening and clarifying. Demonstrating respect to one and another and our customers, acknowledging difference, and encouraging diversity.

# Telecommunications Dispute Resolution

Tenth Birthday Celebration

30 November 2017



Remind Me



Message



Decline



Accept



**TELECOMMUNICATIONS  
DISPUTE  
RESOLUTION**

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