



Contents

Report from the Chair	
Scheme Director's report	2
TDR Scheme Members	5
Complaints	6
TDR issues resolved by category	7
Non-relevant enquiries	8
Location of complaints	9
Source of referrals to facilitators	10
Systemic issue	11
Website statistics	12
Case studies	13
Service level report	15
Stakeholder survey and feedback	16
Complainant feedback	17
Contact details of Scheme Members	18

Report from the Chair

I am pleased to provide comments for this annual report, following another successful year for Telecommunication Dispute Resolution (TDR).

The TDR Scheme was established to provide a simple, free and robust dispute resolution process for disputes between telecommunication providers and their customers. Reflecting on the performance of the TDR over the past year, I am satisfied that it has achieved those objectives, as will be confirmed in the results set out in this report.

It is notable that over the past year, TDR has seen a significant increase in enquiries, an increase of just over one third when compared with the previous year. In my view the increase has been due primarily to greater awareness of the TDR Scheme. In short more customers know where to go to have their problems resolved.

When the TDR Scheme commenced, the disputes it handled in the main related to problems with services over copper lines. 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. I have been impressed at how the Scheme has been agile in adapting to industry and market changes. TDR is currently 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 to resolve complaints, with an online dispute resolution process.

A highlight this year has been the introduction of the TDR Service Award. This is a new initiative for the TDR Scheme. The award measures providers on a range of considerations, all relating to providing good service to customers when something goes wrong with their service or relationship with the provider. The TDR team have advised me a competitive attitude has developed among the Scheme Members, who are wanting to ensure they win this important award. I have also seen that same level of engagement at higher levels. I look forward to announcing which member of the TDR Scheme wins this award, that announcement is due early in 2017.

I have every confidence that the TDR Scheme will continue to deliver a quality dispute resolution service to the customers of the TDR Scheme Members.

A successful scheme such as the TDR is reliant on the team directing and administrating it. I have been privileged to have been supported by my fellow Council members, the TCF and FairWay, which is contracted to run the day-to-day operation of the TDR.

David Russell

Chair TDR Council

David Russell

Scheme Director's report

The TDR Scheme received 2,619 enquiries during the year, the highest since the service began operating in November 2007. This is 35% up on last year, which was in turn 18% higher than the previous year. The only factor to which this upturn can be attributed is increased awareness of the scheme from online and social media advertising. We overhauled our website and made it 'mobile-friendly', shortened our information video and ran Google and Facebook advertising campaigns. Together, these drove enormously increased online activity.

Most of the enquiries we received were referred back to the Scheme Members to attempt resolution through their internal complaints processes, in accordance with the scheme rules. The members resolved the vast majority of them. Only 49 complaints were accepted by the scheme during the year and of those, 26 were settled by mediation and 23 went to adjudication.

Although billing again topped the list of the most common issues, fibre-related complaints began to emerge at the beginning of 2016. We identified complaints about delays in the installation of fibre services as a systemic issue. We also began to receive complaints about the placement of the ONT (optic network terminal, where the fibre line terminates at the end-user's premises).

Online dispute resolution is an option we have been exploring this year for certain categories of complaints, with the aim of resolving them more quickly and with fewer formalities. We will continue this investigation next year with the aim of implementing the best solution towards the end of the financial year.

We introduced an annual customer service award for our Scheme Members at the beginning of this year. The award acknowledges excellent service in customer complaint handling, and will go to the member graded best according to five agreed criteria: the proportion of complaints resolved early; promotion of awareness of the scheme; participation in scheme activity; alignment of the members' terms and conditions with the Customer Complaints Code and general law; and a general assessment of members' performance by the TDR team. When we began scrutinising their performance for purposes of the award, it became clear that many of our members are indeed very committed to excellent service in complaint-handling. Early scoring shows a tight competition and any one of a number of members could take it out by the end of December 2016.

This year we used an online survey to produce a Net Promoter Score (NPS).

Customers are asked how likely they are to recommend TDR to friends and customers.

We are pleased to report a NPS of +67 for the year, which is excellent. It reflects not only satisfaction with the way in which the TDR managed matters, but also the part played by Scheme Members in responding quickly to resolve issues.

Changes to the scheme are on the horizon, particularly as a result of proposed amendments to the Telecommunications Act to make provision for land access disputes. Whatever the outcome, the TDR service has come a long way over the past nine years, is better known and utilised by the general public and completely accepted by the industry. We relish the challenges ahead.

Derek Pullen

Scheme Director

MAMMY











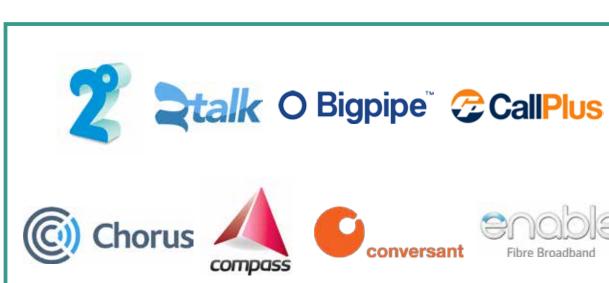








TDR Scheme Members































Complaints

Since 1 August 2011, under the amended Customer Complaints Code, the dispute resolution process has consisted of only 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 Scheme Member and their telecommunication service)
- has previously been made to the Scheme Member and is at deadlock
- is within the jurisdiction of the Scheme to consider.

Phase II – Investigation and resolution

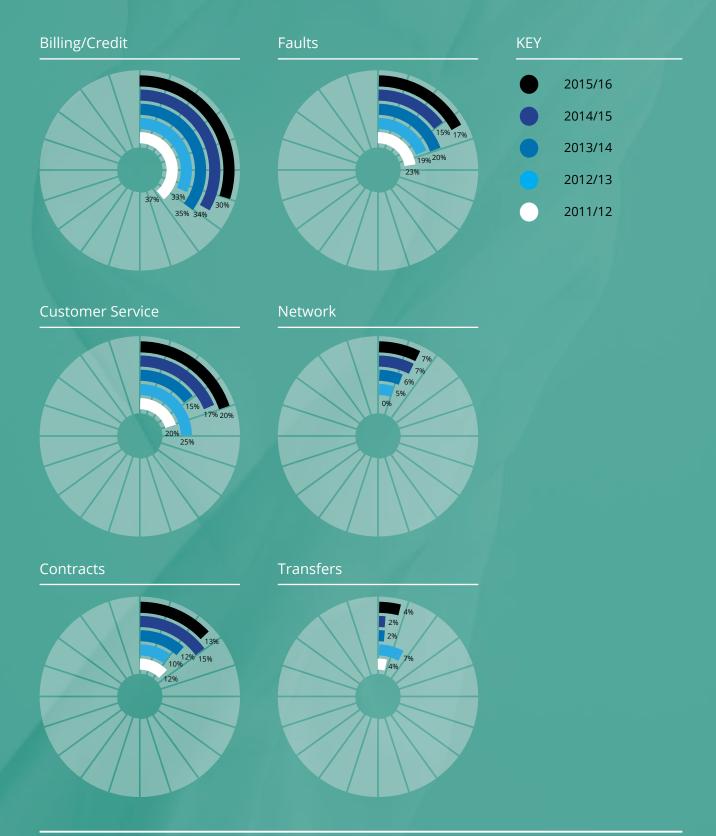
If the complaint is within jurisdiction, then a Complaint Resolution Practitioner works with both the Customer and Scheme Member to resolve the dispute. The Practitioner initially works to mediate the dispute, but if it cannot be settled that collaborative way then the Practitioner will issue an adjudicated decision. That decision is binding on the Scheme Member if accepted by the Customer.

When a complaint is in 'Phase II', the process is managed by a single Complaint Resolution Practitioner.

A total of 2,530 enquiries were registered in Phase I and of those 43 issues were moved into Phase II during the reporting period.

TDR issues resolved by category

Billing and credit issues at 30% still remain as the largest category of issues resolved with customer service at 20%, faults at 17% and contracts at 13% of issues resolved.

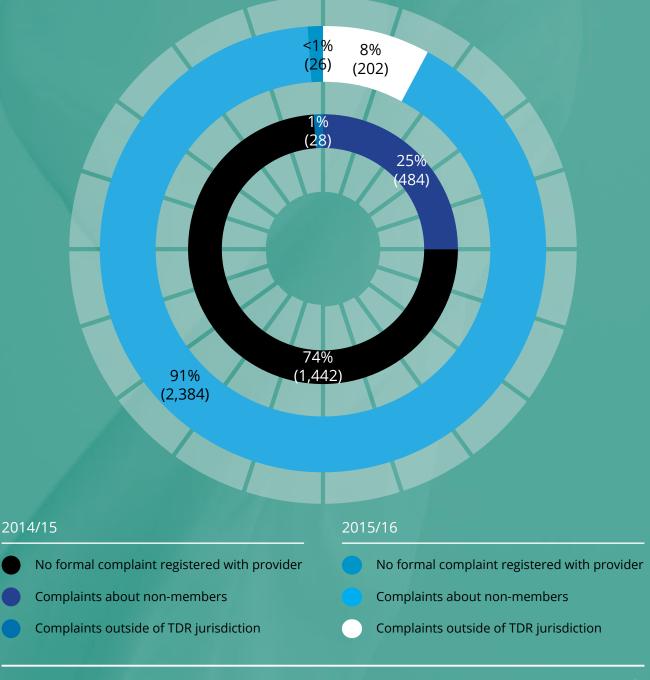


Non-relevant enquiries

This year we have seen a significant increase in the number of complaints (2,384 as compared to 1,442 in the 2014/15 year) from customers who had not previously contacted their telecommunications provider prior to contacting TDR.

The number of complaints about non-members of the scheme has continued to reduce; this year down to 26 enquiries from 28 in 2014/15.

A further significant reduction was seen in the number of complaints that were outside of jurisdiction. In 2014/15 we received 484 of these complaints and this year we received only 202 complaints.



Location of complaints



Source of referrals to facilitators

	2014-2015	
1	Found on web	990
2	Scheme Member advice	188
3	Word of mouth	145
4	Citizens Advice Bureau	126
5	Phone book	107
6	Consumer NZ	74
7	Commerce Commission	60
8	Other	21
9	Fair Go	0

2015-2016		
Found on web		1,204
Word of mouth		354
Scheme Member	advice	208
Citizens Advice Bu	ıreau	192
Consumer NZ		105
Commerce Comm	nission	92
Fair Go		79
Phone book		43
Other		38

Systemic issue

We classify an issue as 'systemic' when we receive more than one enquiry about the same problem. We identified one industry-wide systemic issue, reflecting the industry rollout of fibre broadband services during the year.

Fibre connection delays

There were a number of complaints about delays in the connection of fibre services. The number of complaints accelerated in January 2016, and has been steady ever since.

The typical complaint is that the Scheme Member signs the customer up to the fibre service with an indicative commencement date. This date passes with no service being connected, and eventually the lapse of time brings the customer to the TDR.

It appears that the Scheme Members, in notifying the installation date, rely on information provided by the fibre installation companies. The installation companies do not then complete the work on time. There may be other causes.

Following discussion with the TDR Council, we advised Scheme Members not to give undertakings regarding the connection date if they were unable to ensure that the service would be provided on a stipulated date so as to avoid creating expectations. We also suggested that Scheme Members obtain more realistic dates from fibre installation companies. We posted information on our website advising customers to be prepared for the possibility of installation delays.



Website statistics

The number of visits to the TDR website has continued to grow in the 2015/16 year; both unique visitors and total website visits have increased by 15% and 22% respectively. The number of visits to the website from mobile devices users has increased by 73%.

Website statistics	2014/15	2015/16	Change
Mobile users	3,610	6,256	73%
Website visits	24,178	29,429	22%
Unique website users	17,910	20,572	15%

A pleasing aspect of the growth in website visits is the increase in referrals, direct visits, and organic search numbers. These increases reflect the higher profile the TDR Scheme has achieved through the use of social media channels and advertising such as the Google and Facebook advertising campaigns as well as the flyposting campaign in the central areas of Auckland, Wellington and Christchurch.

Breakdown of visits to website	2014/15	2015/16	Change
Referrals	5,549	5,737	3%
Direct visits	6,747	7,614	13%
Organic search	10,867	13,561	25%

A review of the number of visitors to the website (compared to the previous financial year) that have come via another source such as a link from other websites or social media channels is tabled below.

Referral visits to website	2014/15	2015/16	Change
Consumer Protection (formerly Consumer Affairs)	1,446	1,978	37%
CAB	310	457	48%
FairWay Resolution Limited	274	345	26%
Facebook (desktop and mobile)	210	543	158%
Telco 1	1,022	295	(71%)
Telco 2	130	472	263%
Skykiwi.com forum	11	179	1,527%
TCF	194	150	(23%)

Case studies

Spend control limit

The customer bought two mobile phones at different times from the Scheme Member: one for herself and one for her partner. She requested a spend control limit of \$50 on the services related to both phones.

The customer and her partner then went on holiday to Rarotonga. Her partner used the data roaming service on his phone to access information about Rarotonga, but then disabled the service in order to minimise the cost. He did not make any other use of data roaming while in Rarotonga.

When the customer got back home, she received a bill from her provider for data roaming charges on her partner's phone, amounting to \$7,500. She disputed this as she could not understand how her partner's limited use of data roaming could have led to such a high cost. Besides, she pointed

out that she had a spend control limit of \$50 on the phones, and that the maximum charge for the month in which they were in Rarotonga should therefore have been \$50 per phone.

The Scheme Member responded that while the customer had asked for a spend control limit on her phone, she did not do so for the phone her partner used. Nevertheless, the Scheme Member offered to reduce the amount owing to \$2,000 on a goodwill basis. The customer did not accept the offer and approached the TDR service.

After investigating the matter, the TDR service found that the customer had requested the \$50 spend control limit on both phones, and that she was entitled to rely on those being enforced. The disputed invoice was thus reduced to \$50 for each phone.



ONT placement

A customer arranged for her provider to install a fibre connection to her house. A technician arrived some time later to do a site assessment. He advised that the best location for the ONT¹ would be inside the hot water cupboard above the cylinder. He advised the customer that she would need to buy some materials from a hardware store to enable him to do the installation.

Another two technicians arrived shortly afterwards. They were not aware of the visit by the previous technician. They also advised that the hot water cupboard was far from ideal for the placement of the ONT. They said that there was no need for her to buy any hardware materials as advised by the first technician. They set a date for the installation.

Nobody arrived on the set date, so the customer called her provider. A new installation date was arranged, and the first technician showed up on that date. He went ahead and installed the ONT in the hot water cupboard. He advised the customer that she could plug her modem directly into the ONT, but needed to place a blanket on the cylinder before doing so.

The hot water cupboard was not easily accessible, especially for the customer who was 71 years of age.

The customer's landline stopped working following the installation. In the course of troubleshooting with the provider, she was asked to climb into the hot water cupboard and onto the cylinder so that she could plug in her landline, failing which she would need to get a technician to do so at her expense.

The customer contacted the TDR service. She considered that she had been mistreated by her provider. She felt that the ONT was in the wrong place, especially if she had to plug her phone directly into it to get it to work.

The TDR service passed on the customer's complaint to the provider, as she had not previously laid a complaint with them. The provider settled the issues with the customer directly.

Tip: Customers are advised to discuss the placement of the ONT with the installation technician, and to agree a location that is convenient for them. TDR has issued a position statement on complaints about ONT placement – see http://www.tdr.org.nz/cases/common-complaint-services-hardware/optical-network-terminal-ont-placement

^{1 &#}x27;Optic Network Terminal', the termination point for the optic fibre cable which connects to a router.

Service level report

TELEPHONY SERVICE LEVEL INDICATOR

92.3%

ANSWERED CALLS

Percentage of calls answered within target 80% within 20 seconds.

3.4%

ABANDONED CALLS

Percentage of calls abandoned.

The TDR Scheme received a total of 6,948 calls in the 12-month period, a total of 6,413 were answered within the target time of 20 seconds.

EFFECTIVENESS/QUALITY

Effectiveness/Quality	Target %	Achieved %
Jurisdiction checks	95%	92.8%
Enquiry and registration phase	95%	99%
Investigation and resolution phase	95%	100%
Final determination phase	80%	93%

Jurisdiction checks

Scheme member replying to Scheme Agent within three hours of jurisdiction check.

Investigation and resolution phase

Issuing final determination or mediated agreement within 27 days of receiving summary of dispute.

Enquiry and registration phase

Receiving complaint and completing summary of dispute within 24 business days.

Final determination phase

From issuing final determination to closing dispute within 30 business days.

Stakeholder survey and feedback

Stakeholder satisfaction

	2014/15	2015/16
Member satisfaction rating	67.	70
Target 90%	6/%	/8%
Complainant satisfaction rating	00.,	70.,
Target 90%	88%	/8%

Propensity to recommend TDR

TDR scored a NPS of +67

The Net Promoter Score (NPS) was developed to use as a measure of customer loyalty. Respondents are grouped into three segments (Promoters, Passives and Detractors) based on their reported willingness to recommend the organisation in question. The NPS score is calculated by subtracting the proportion of Detractors from the Promoters.

Complainant feedback

Complainants expressed their agreement/satisfaction with TDR staff as follows.

"I had been waiting three weeks for my broadband connection and had been tola it would be another five weeks. Twenty minutes after contacting your service I received a call from a customer resolutions specialist and my connection was up and running next morning. Thanks so much for your help."

"Team was extremely efficient, kept me in the loop at all times. Contacted the service provider who immediately came back to me several times over the next two days to ensure matter was resolved."

"I personally talked to the service provider, they are at a commanding position and disrespectful, ignore all the facts I provided and anything I requested, their attitude is "we are going to do it with you; you have to accept what we are going to do". But after I contacted the TDR, they suddenly went quiet for two days and their attitude 180 degrees changed, be polite and can be talked. I am sure TDR help a lot, I would like to say thank you again here."

"Service from TDR was excellent! Quick efficient and my service provider rang me within two hours of TDR contacting them and sorted my problem that day...

Amazing! Cause I was waiting two months for my service provider to fix and they kept fobbing me off... I couldn't of asked for better help. Thank you!!!"

"The simple fact that the TDR exists means that us consumers have an easy user-friendly way to escalate issues or difficulties with our service providers, your website portal is easy to use and the process seems quite efficient."

"Just friendly and swift. Took it all seriously, but not stuffy serious. Result-oriented, facilitators serious. He seemed to understand my upset and not cast unnecessary judgment. Good job!

Contact details of Scheme 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 this scheme, please see their contact details below.

2degrees	0800 022 022
2Talk	09 281 4357
Big Pipe	www.bigpipe.co.nz
CallPlus	0800 895 000
Chorus	0800 600 100
Compass	0800 640 840
Conversant	0800 894 111
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	0800 4 SKINNY (0800 475 4669)
Slingshot	0800 892 000
Spark	Call 123 or *123 (mobile)
TNZ Group Ltd	09 929 3000
Trust Power	0800 878 787
Ultrafast Fibre	0800 FIBRE LTD (0800 34 27 35)
United Networks	0800 442 015
Vodafone	0800 800 021 Customers formerly with TelstraClear 0508 888 800
Warehouse Mobile	0800 284 800



www.tdr.org.nz | 0508 98 98 98