Telecoms Customer Satisfaction Survey

Fixed Line Results

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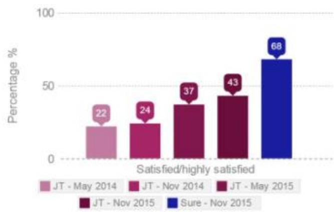
Telecoms Satisfaction Survey - Headline Results

Fixed Lines - Jersey (JT and Sure)

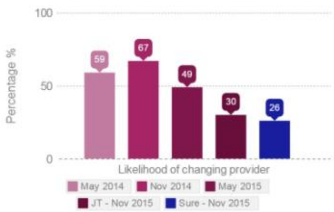
Quality of Service

Billing



9% of those surveyed changed service provider since the introduction of competition in the market. The majority of responders cited price as the main factor

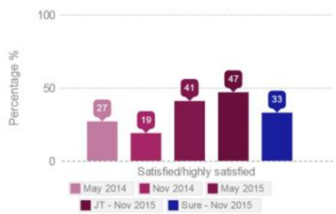
Likely or very likely to change provider in future



Just under
50%
indicated that price would be the main factor influencing their decision to change operator

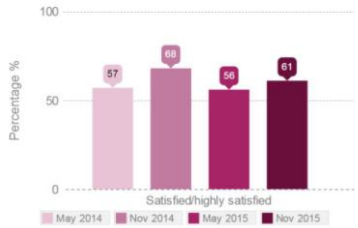
Satisfaction with customer service response

In Jersey
26%
of JT customers had cause to contact customer services as did
42%
of Sure customers

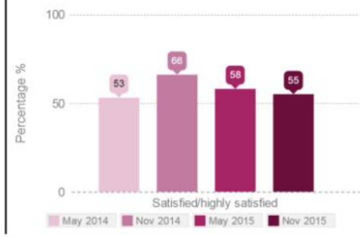


Fixed Lines - Guernsey (Sure)

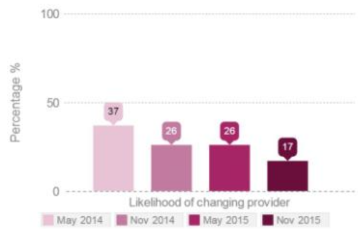
Quality of Service



Billing



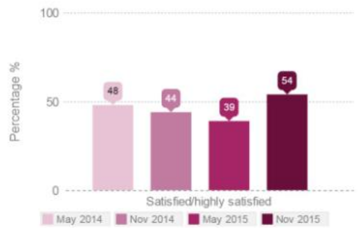
Likely or very likely to change provider in future



More than
51%
indicated that price would be the main factor influencing their decision to change operator

Satisfaction with customer service response

24%
of Sure customers had cause to contact customer services



Introduction

This report on customer satisfaction with fixed line telecoms services is one of three reports that we, the Channel Islands Competition and Regulatory Authorities (CICRA), are publishing over the next few weeks.

We expect this report to help

- customers make decisions about which fixed line telecoms provider they subscribe to and which provider they choose in the future
- fixed line telecoms service providers by showing where they may need to improve to better meet their customers' expectations
- us to identify the most important issues for customers which will, in turn, inform our future work in the telecoms sector

We carry out this survey every six months so we can track changes in customer satisfaction over time and see how responsive the providers are to customer feedback. In November 2015 we commissioned our fourth survey of c.1,000 customers across the Channel Islands[1] again focussing on the areas we know customers are particularly interested in: quality of service, billing and issue resolution (through customer services). The survey was conducted in Jersey and Guernsey seeking customers' views on these three areas for three types of services - fixed line telecoms services, which is the focus of this report, and broadband and mobile services, which are the focus of the other reports, which will be published shortly. Further details of our methodology can be found on our website www.cicra.gg.

From 1 June 2015, as a result of steps taken by CICRA, Sure and JT have both been able to offer a wider choice of fixed line services across the Channel Islands. Other operators may choose to offer fixed line services in the future. We believe that all customers benefit from being offered a choice of provider even if ultimately they do not switch. At the time the survey was undertaken Jersey customers had the choice of JT and Sure for fixed line services (sometimes referred to as landlines), whilst in Guernsey Sure was the only fixed line provider. The number of Sure customers in Jersey is small and therefore care must be taken when interpreting the ratings it has achieved.

CICRA is the name given to the Jersey Competition Regulatory Authority and the Guernsey Competition and Regulatory Authority. Our aim is to ensure that consumers receive the best value, choice and access to high quality services in addition to promoting competition and consumers' interests. In Jersey, we are responsible for regulating the telecoms, postal and ports sectors along with administering and enforcing competition law. In Guernsey we are responsible for regulating the telecoms, postal and electricity sectors along with administering and enforcing competition law.

1 Island Global Research (part of the BWCI Group) undertook the survey using primarily online survey methodology with the proviso that, if the sample achieved did not truly provide a robust sample of the community, there was an option to carry out face-to-face interviews. A robust sample of c.500 self selecting participants in each island was achieved. The survey and the sample response were also robust in terms of quality and depth of response.

Quality of Service

Survey participants were asked the following question

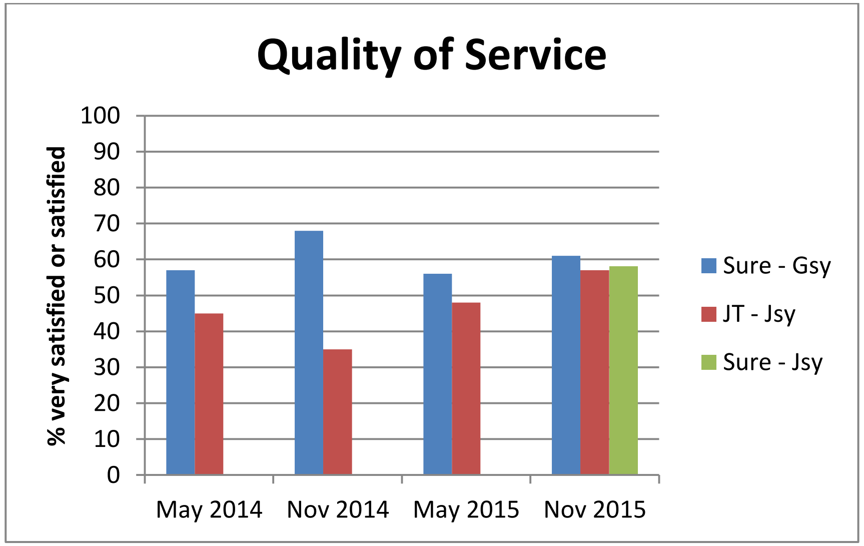
'Overall how satisfied are you with the quality of the fixed-line service you receive from your provider?'

Participants were asked to answer on a scale of very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied or very dissatisfied.

Overall, since CICRA's first survey undertaken, Sure and JT's quality of service ratings have improved.

In Guernsey, a large majority of participants rated Sure's quality of service as satisfactory or very satisfactory, an increase from May 2015.

In Jersey, a similar proportion of participants rated JT's quality of service as satisfactory or very satisfactory an increase from 48% in May 2015 and consistent with the levels reported by Sure (Jersey) customers (Sure began offering fixed line services in Jersey in June 2015).



Billing

Survey participants were asked the following question

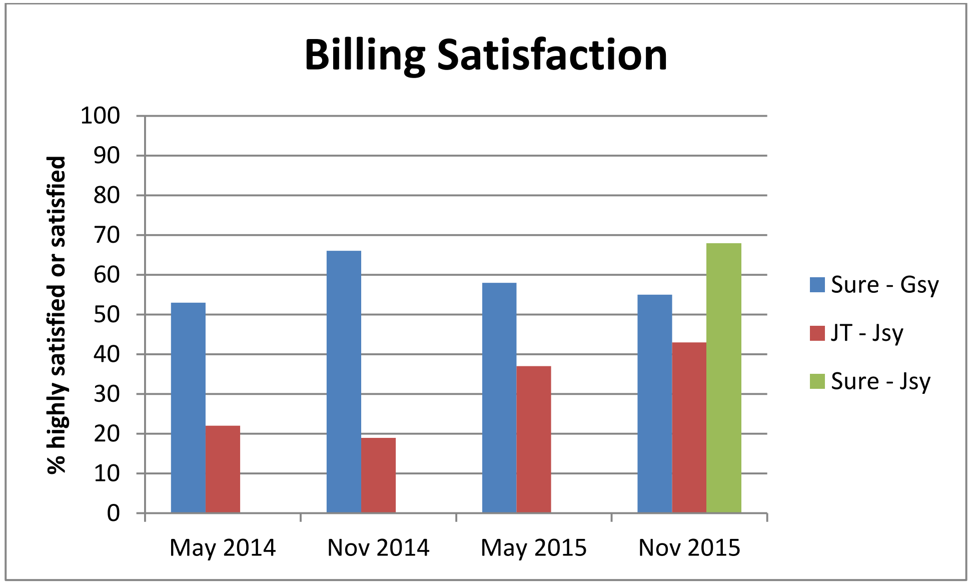
'How satisfied are you with regard to your provider's billing process for the fixed-line service?'

Participants were asked to answer on a scale of very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied or very dissatisfied.

Overall, since CICRA's first survey undertaken, Sure's ratings in this area have remained fairly consistent and higher than its counterpart in Jersey and with a November 2015 rating similar to that reported in May 2014. By comparison JT's ratings have significantly improved over time, albeit from a low start point to a level that continues to close the gap but remains lower than its counterpart in Guernsey, with a November 2015 rating of 43% compared to a May 2014 rating of only 22%.

In Guernsey, the majority of participants continue to rate Sure's billing as satisfactory or very satisfactory, and relatively consistent ratings are seen across the period of the CICRA surveys.

In Jersey, while less than half of participants rate JT's billing as satisfactory or highly satisfactory, perception of JT's billing service continues to improve from a relatively low level. Preliminary indications are that a more significant proportion of Sure's customers in Jersey, which recently offered a competing line rental service, rate its billing as satisfactory or very satisfactory (though the small sample size means the ratings at this stage should be regarded as indicative only).



Customer Services

Survey participants were asked the following questions

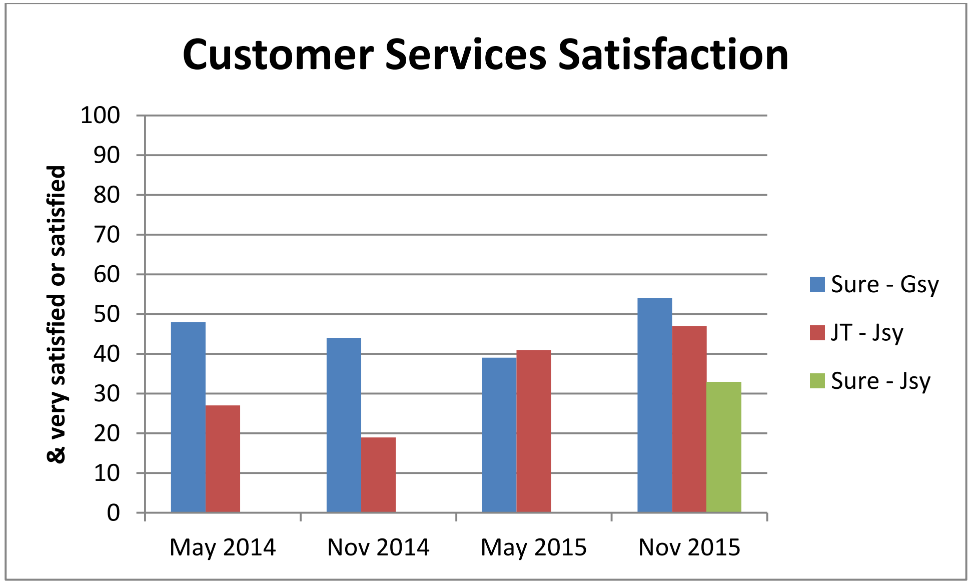
'Over the last six to 12 months have you had to contact customer services with regard to your fixed line service? If yes how would you describe your overall experience dealing with customer services?'

Participants were asked to answer on a scale of very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied or very dissatisfied.

Overall, since CICRA's first survey undertaken in May 2014, there has generally been an improvement in Sure and JT's ratings for customer service experience.

Of the c.500 people surveyed in each island, in Jersey 26% of JT participants and 42% of Sure participants indicated that they had cause to contact customer services in the past six to 12 months which is similar to that reported by Guernsey participants (Sure customers).

Of the participants in Jersey who had contacted customer services, almost half of JT customers found their experience to be satisfactory or highly satisfactory which is higher than for Sure customers (but as note above this is indicative only). However, it is apparent that across the period of the CICRA surveys there is a steady improvement in perceptions in this area by JT customers. In respect of the participants in Guernsey who had contacted customer services, more than half reported their experience to be satisfactory or highly satisfactory compared which is also a significant improvement since the last survey in May 2015.



Switching providers

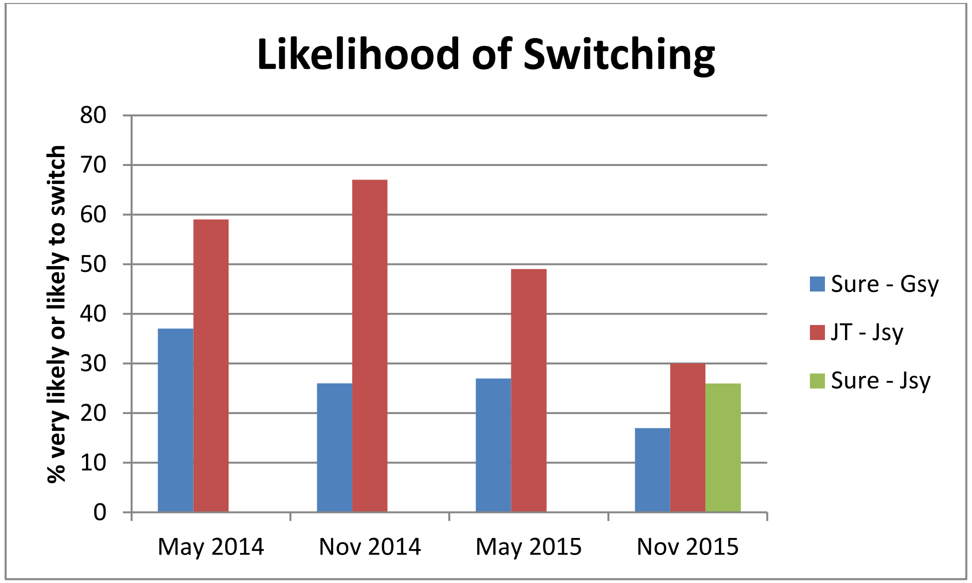
Survey participants were asked the following questions

'How likely would you be to switch provider in the future?' If you have answered 'very likely' or 'likely' what are your main reasons for possibly changing provider?'

Participants were asked to answer on a scale of very likely, likely, unsure, unlikely, or very unlikely.

In Jersey about a third of JT participants said they are likely or very likely to change provider in the future compared with about a quarter of Sure participants. In May 2015 the rating for JT was around a half of respondents (there was no rating for Sure given it was not in the market at the time).

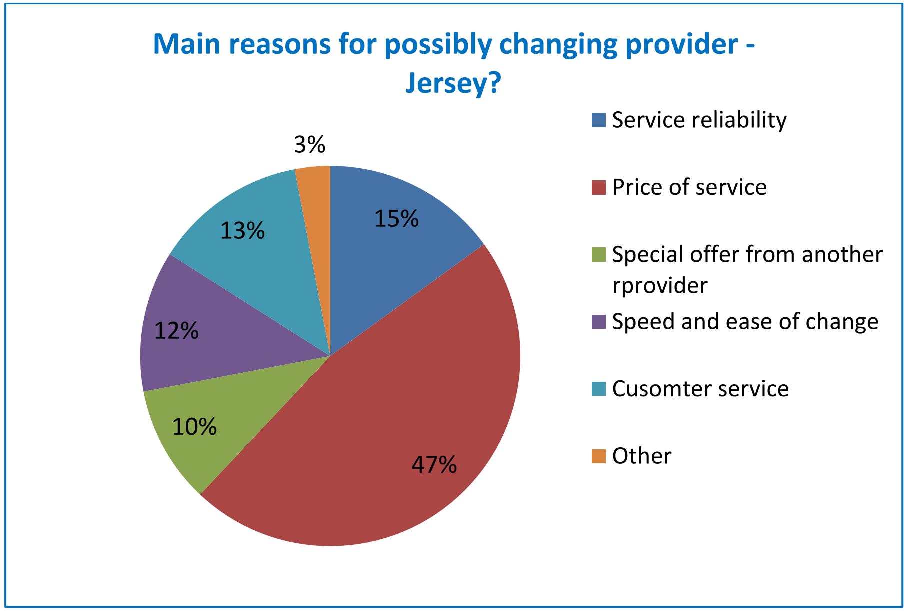
In Guernsey the proportion of Sure participants who said they are likely or very likely to change provider in the future was approximately half that reported by JT participants in Jersey and some way lower than reported by Sure customers in previous surveys.

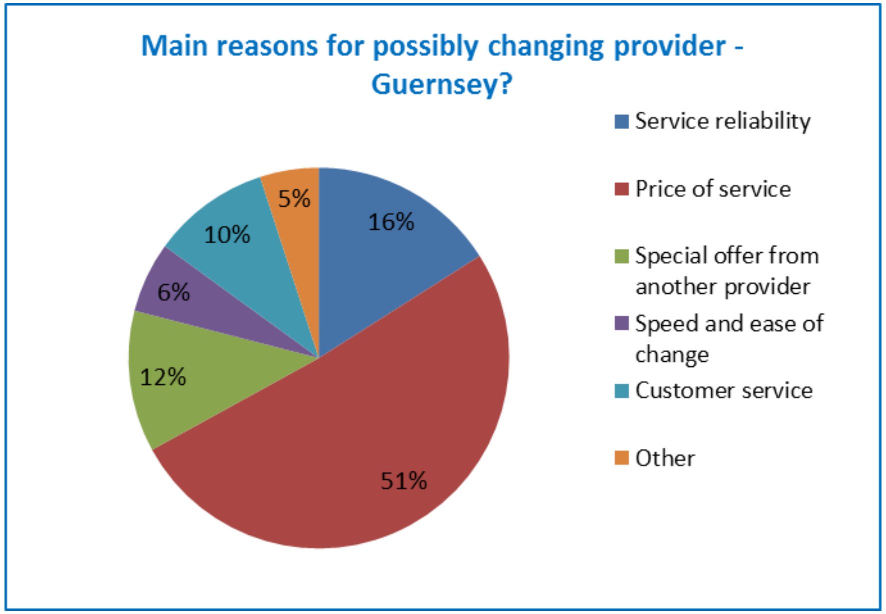


Switching providers (cont.)

In both islands by far the biggest reason given for seeking to change operators was price (47% in Jersey and 51% in Guernsey).

With a significant proportion of participants indicating that pricing plays an important role in their purchasing decision, this sends a clear message to providers to ensure that the products and services that they offer, both now and in the future, are perceived to offer value for money.





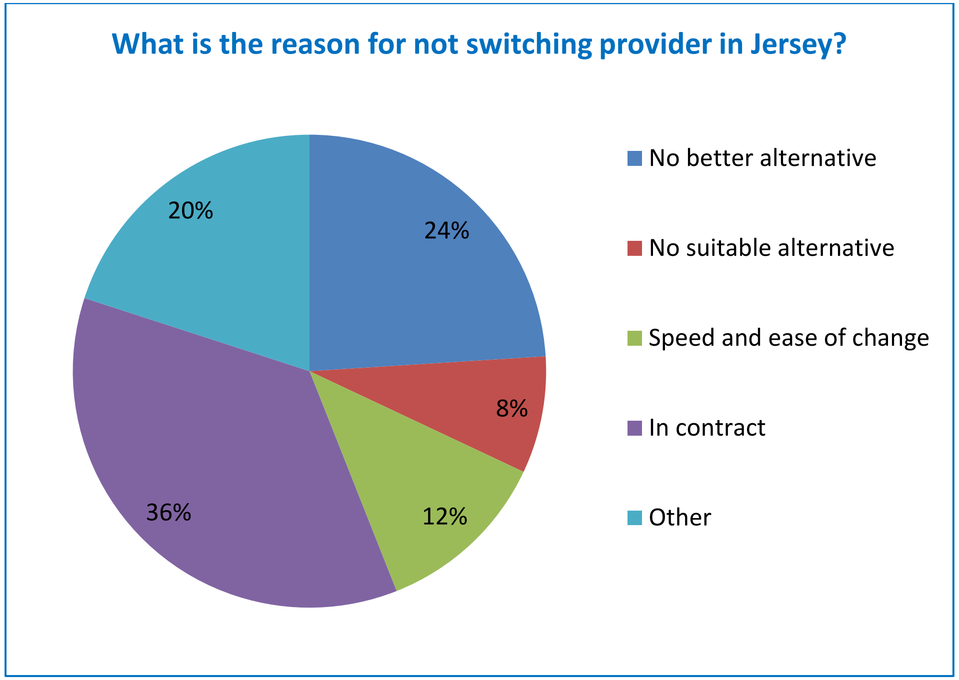
Switching providers (cont.)

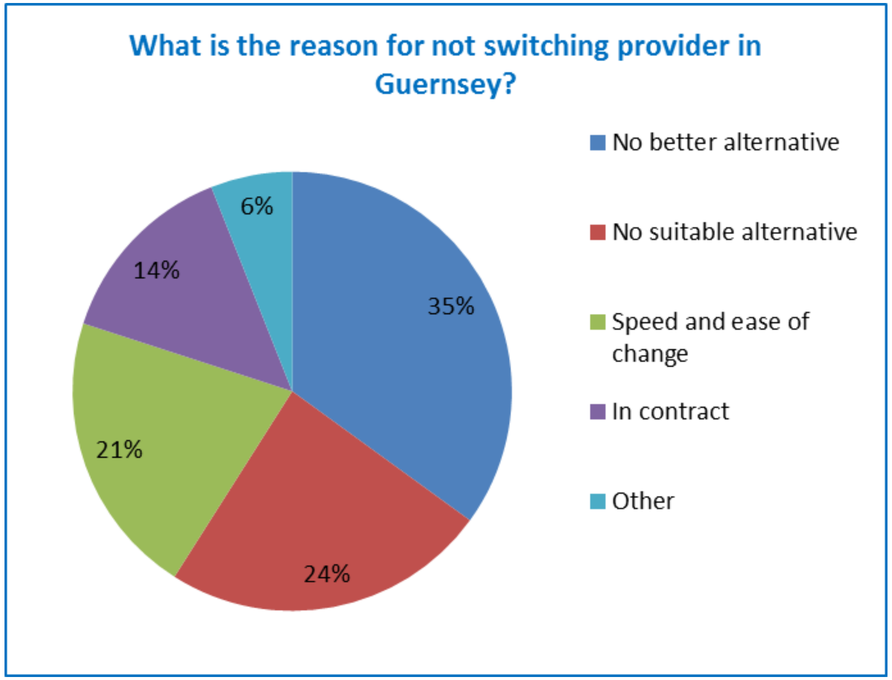
A new question was introduced into the November 2015 survey. Survey participants were asked the following:

'If you are not satisfied with your current fixed-line provider but you haven't switched, what is stopping you from doing so?'

In Jersey the most commonly cited reason for not changing provider when not satisfied, was due to being in a contract (36%), followed by there being no better or suitable alternative (32%).

In Guernsey the consumers only had the choice of Sure as fixed line provider in the island at the time of the survey, so it is unsurprising that the main reason cited for not changing provider when not satisfied was there being no better or suitable alternative (59%).





How we will use this information

During 2016, as part of our work programme for the year, we will be reviewing the current service standards received by telecoms customers to ensure they are fit for purpose. This review will take place in conjunction with telecoms operators who themselves have in place customer engagement processes.

In addition to this review, as a result of CICRA's actions, from 1 June 2015 customers have had a choice of fixed line provider enabling them to 'vote with their feet', should they choose to do so. Experience from other markets indicates that customers who have choice feel more empowered and able to influence their service provider even if they ultimately do not choose to switch. As a result of the choice now open to customers we anticipate that telecoms service providers will seek to improve both the quality and pricing of their services to win new customers and to persuade their existing customers not to switch away from them. We also expect to see improved engagement by the service providers as they seek greater feedback from their customers and respond to that feedback.

We will provide all the (anonymised) data to operators and work with them to ensure their attention is focussed on the areas we consider will deliver the greatest improvement to customer satisfaction.

Next steps

The next survey is scheduled for May 2016. This will be the second survey to gather customer satisfaction results since the introduction of choice for fixed line telecoms services and will help customers make an informed choice of fixed line service provider, allow us to track the impact of the introduction of choice on customer satisfaction levels and track how service providers are performing in tackling underlying issues.

We want to take this opportunity to thank all who have participated in the survey. We would like to encourage consumers to participate in the next survey in May.