

Telecommunications Industry Ombudsman

How we can help with complaints about customer service

Guidance Document



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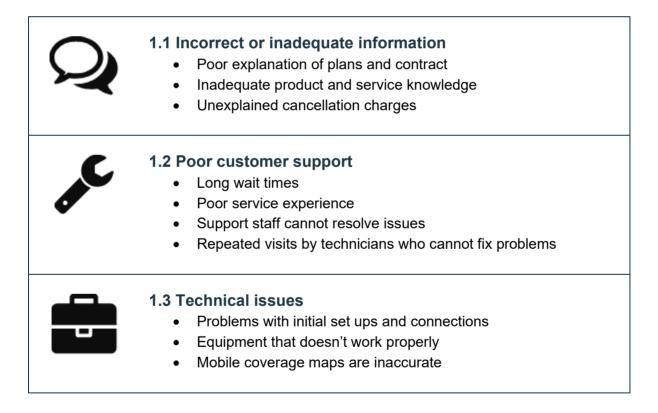
Who is this document for?

This document is for anyone who wants to understand how the TIO approaches complaints about customer service. It's designed to help consumers, representatives, and members of the scheme understand our work process and our expectations.

Whether you're making a complaint or responding to one, this guide explains how we work towards fair and consistent outcomes.

1. Common types of complaints involving customer service

The following is a list of common customer service complaints we can help with. This list does not cover all complaints, and we encourage all parties to contact us to find out if we can help with the complaint or concern.



2. How we handle complaints

When handling complaints about customer service, we uphold fair procedures and practices in all aspects of our work. We engage with all parties in a clear, independent and transparent way. We seek to build trust and collaboration through our engagement with all parties. We use common approaches to do this.



The following examples show how we may resolve cases. The examples are guides only. What is fair and reasonable depends on the individual circumstances of each complaint.

2.1 Incorrect or inadequate information

Three common complaints consumers make about customer service are providers giving them incorrect or inadequate information about plans, services and contracts, staff having poor knowledge of products and services, and not telling them about third-party equipment. Incorrect or inadequate information can lead people to make decisions they may not make if the information was correct. This can have negative financial impacts on consumers and may make them feel cheated and distrusting.

Unclear communication of plans, services and contracts

We expect providers to communicate clearly. We expect them to be honest and clear in all information they share about the products and services they sell across all contact, marketing and sales channels.

When handling complaints about unclear communication, we ask consumers what they understood they were buying and what they asked for. We ask providers for records of sales, such as call recordings, chat transcripts and interaction notes. We use these to assess the clarity and accuracy of what providers told consumers.

The rules say providers must show consumers Critical Information Summaries and contracts before they buy. This is to give consumers the opportunity to read them and ask any questions about the products and services and terms of agreements.

We also expect consumers to read Critical Information Summaries and contracts to make sure they ask any questions before they agree. This is to ensure they fully understand what they are buying and what happens if they want to cancel.

Product and service knowledge

We expect providers to train all staff dealing with consumers in current product and service knowledge. We expect provider staff to share current product and service knowledge with consumers in plain English or their preferred language if possible.

In handling these complaints, we ask providers to give us interaction notes. These show us the differences between what staff said and what consumers understood. Assessing this helps us to decide what is fair and reasonable in the circumstances.

Where providers do not have interaction notes, we may have to rely only on what consumers tell us.

Third-party equipment

Where providers sell equipment supplied by third parties to be used with their services, we expect providers to explicitly tell consumers about the length of terms, costs associated with the equipment and who owns equipment at the end of terms. This is important when third-party equipment contracts have longer terms than service contracts and contracts are bundled together.



We expect providers selling third-party equipment to show us they explicitly pointed out the difference in the terms of the contracts and who owns the equipment when the terms end.

We also expect consumers to carefully read all contracts before agreeing to them. For example, while service contracts may be for two years, some third-party equipment contracts may be for five years.

Solutions

In handling complaints where providers poorly explain their plans, services and contracts, we ask them for the information they gave consumers. Providers need to record this in interaction notes and provide Critical Information Summaries.

If we find providers showed consumers Critical Information Summaries and contracts at the time they pay or after sales (that is, after they agreed), we may ask them to refund any payments and release consumers from contract without penalty. This is because the intent of Critical Information Summaries is for consumers to clearly see what they are committing to before they agree.

If we find provider staff shared incorrect information with consumers, we may ask providers to release consumers from contracts and allow them to return any goods they bought relying on the incorrect information. We may ask providers to give staff better training.

In handling complaints where third-party contracts for equipment were not explicitly explained, we may ask providers to release consumers from these contracts without penalty, depending on the individual circumstances of each complaint.

Case study: PhoPhone told Jane a new Gold Phone 25 would solve coverage issues

Jane signed up for a mobile service with PhoPhone on a month-to-month contract at \$35 using her own three-year-old 4G phone. After a few weeks Jane noticed she often had only two bars and couldn't watch videos without them buffering or make calls that didn't drop out randomly. She reported the poor coverage at a PhoPhone Shop, where staff told her she needed to upgrade her phone to solve all the coverage problems. Jane was reluctant at first, but the shop staff showed her their phones and let her watch a video. It looked great, the resolution was incredible and the colours beautiful. One of the staff said if she wanted to buy a GoldPhone 25 for \$50 per month over 24 months, they could do it right now and transfer all her pics and data quickly. She agreed and signed up.

Jane watched videos half the way home until they started to buffer. The further away from the shop, the worse the signal. The next day she went back to the PhoPhone Shop and told them the new phone didn't fix the coverage problem. Staff helped her change settings but two days later the coverage was just as bad again. Back in the shop, Jane said she wanted to return the phone as it didn't fix the problem. Staff told her they couldn't do that and gave her our phone number.



Jane wanted PhoPhone to take the phone back because it didn't fix poor coverage like they said it would.

We asked PhoPhone for the interaction notes from the store, Critical Information Summary for Jane's plan, and an accurate and current coverage map. We also asked if PhoPhone thinks new phones fix coverage issues and why it did not let Jane return the phone.

PhoPhone said it had no interaction notes from the store and sent us the contract Jane signed. It also said there was no fault with the phone, so they did not take it back. PhoPhone did not make an offer to Jane.

In a <u>Fair and Reasonable Assessment</u> we recommended PhoPhone release Jane from contract, take back the Gold Phone 25, refund all charges Jane paid, train its staff in product and service knowledge, and pay Jane \$300 to reflect the incorrect information it gave her and the inconvenience it caused her.

Jane and PhoPhone accepted the Fair and Reasonable Assessment.

2.2 Poor customer support

Consumers complain about poor customer support when there are long wait times on the phone or webchat to speak to provider staff. Consumers also complaint when agents are unhelpful or impolite, and when they are unable to resolve issues and when technicians come to their places to fix services or equipment and they leave without fixing anything.

Poor customer service can erode trust in the provider-customer relationship and cause resentment of the time they spend trying to communicate with providers.

Long wait times

Where consumers experience long wait times over the phone or in webchats, we may ask providers to apologise.

We expect providers manage their staffing levels to meet the needs of consumers, and to review these regularly. This is so they can support consumers before, during and after they buy products.

Unhelpful or impolite staff

We expect providers to respond to complaints with appropriate resolutions that acknowledge consumers' experiences.

We also expect consumers to respect provider staff and be polite.

In handling complaints about unhelpful or impolite staff, we may ask providers to share call recordings and interaction notes. Where providers say they have no information recording such interactions, we may have to rely on the information consumers give us.



Staff can't resolve issues

We expect providers to keep their staff up to date with current product and service knowledge. This is so they can engage meaningfully with consumers about the goods and services they pay for.

In handling complaints about staff's inability to resolve issues, we may ask for information about the issues and why staff are unable to resolve them.

We may ask providers to share call recordings or interaction notes so we can assess the quality of interactions. We may then share our findings with providers.

Technicians can't fix problems

As above, we expect staff to have current product and service knowledge. We also expect providers to be open to feedback about customer service. This is because we know acceptance of feedback is a positive driver of good customer service.

Consumers say technicians who come to their places to fix services or equipment may leave without fixing anything because they don't have the right equipment or another company needs to do something first.

In handling these complaints, we may ask providers to explain why technicians are not prepared to fix common faults, such as lead-in cables. We may use their responses to assess the level of predictability in faults and then share this with providers. This feedback improves the readiness and reliability of staff.

Solutions

If we find consumers have experienced poor or unreasonable customer service, we may ask providers to apologise to them and compensate them in proportion to the impact the quality of customer service had on them.

If consumers report poor staff behaviour, we may ask providers to apologise to consumers, address staff members and compensate consumers in proportion to the impact the quality of customer service had on them.

Case study: Emu's customer service was poor, but its offer wasn't enough for Guowei

Guowei wanted Emu to tell him if the mobile data device he bought from Emu several years ago was locked to its network or not. If it was locked, Guowei wanted to know how he could unlock it, given he was now out of contract. He'd been an Emu customer for 17 years.

Guowei went to an Emu shop where staff said he had to call technical support for this service. The next day he called Emu technical support, explained what he needed to the technician, who did not seem to understand. The technician insisted Guowei call another provider to remove the SIM. When Guowei asked the technician to transfer him to someone with better knowledge, the technician said he couldn't transfer him to



another person in his team. Guowei then asked to speak with his manager, the technician refused and said he will ask his colleague for a solution. Guowei waited for a while and then got disconnected. He complained to Emu, which referred him to us.

Guowei originally wanted Emu to tell him what he needed to know about the service but now wanted Emu to compensate him for its terrible treatment of a loyal customer.

We asked Emu to respond to Guowei's complaint and send us the call recording. Emu sent the call recording and offered to credit Guowei's account \$50, equal to one month's service charge for the device.

Guowei rejected the offer and said he wanted three months' charges or \$150. Emu offered him two months' charges, or \$100. He rejected the offer again.

We listened to the call. We told Guowei while the customer service was poor, and we asked Emu to provide better training to staff, we think the offer of \$100 is fair as the impact on him was low. Guowei disagreed and insisted on \$150 compensation. Using a <u>Fair Offer Assessment</u>, we explained why we thought the offer was fair and closed the complaint.

3. Laws, Codes and relevant information

The laws, codes and relevant information below are what we will consider in complaints involving customer service.

- <u>Australian Consumer Law</u>
- <u>Telecommunications Act 1997</u>
- <u>Telecommunications (Consumer Complaints Handling) Industry Standard 2018</u>
- <u>Telecommunications Consumer Protections Code 2019</u>
- <u>Telecommunications (Financial Hardship) Industry Standard 2024</u>
- <u>TIO Terms of Reference 2025</u>

TIO Good Industry Practice

Our Good Industry Practice Guide for Customer service sets out what we think is good industry practice for complaints about customer service.

The Good Industry Practice Guide for Customer Service sets out our expectations of providers under these headings:

- Complaint handling processes
- Managing complaints
- Product and service knowledge
- Compensation
- General customer service.

Please see the TIO Good Industry Practice Guide for Customer service.