



cablebahamas

**Guidelines for developing Licensee
Consumer Complaints Handling Procedures
ECS 23/2011**

**Submitted to the
Utilities Regulation and Competition Authority**

February 10, 2012

**by
Cable Bahamas Ltd.**

Cable Bahamas Ltd. and its affiliates (hereinafter, "CBL") hereby respond to the public consultation document Guidelines for developing Licensee Consumer Complaints Handling Procedures: ECS 23/2011 issued by URCA on 23rd December, 2011.

I. EXECUTIVE SUMMARY

CBL supports the proposed issuance by URCA of minimum (general) criteria for consumer complaints handling by licensees subject to the conditions set out below. CBL is mindful that a robust, cost efficient and effective consumer complaints handling process is the best recipe for a licensee's excellent customer service reputation in the industry. Though CBL is supportive of URCA's initiative, it is our view that URCA should adopt a light-touch, non prescriptive approach to these guidelines to allow licensees to be innovative in making service a competitive differentiator.

II. INTRODUCTION

Pursuant to the provisions of the Comms. Act URCA has a statutory duty to monitor and enforce the consumer protection conditions under the licences. The Comms. Act specifically provides that URCA may issue **general regulations**¹ relating to the protection of consumers which may include the handling of complaints made by persons who are consumers in the market for such services and ancillary equipment.

The Guidelines are a useful tool as they seek to establish a standardized minimum criterion across the industry for the handling of complaints by licensees and better sets out the expectations of the complaints handling process. In arriving at this standardized minimum criterion it is important for URCA to remain within its statutory ambit while bringing benefits to the consumer.

CBL welcomed the opportunity to respond to URCA's request for information relating to its procedures for handling its consumer complaints in the fourth quarter of 2010². Our submission demonstrates that CBL's complaints handling procedures have always been fair, accessible, transparent, efficient, cost effective and reasonable. We pride ourselves as being the only licensee in The Bahamas to provide 24 x 7 (twenty-four hours per day, seven (7) days per week, 365 days per year) customer support for all our services (CATV, Internet and telephony) through our Customer Care Call centers in Nassau and Freeport. We also provide toll free access from the Family Islands through our toll free numbers. Our newly updated website provides a mechanism for us to be contacted by all consumers free of charge. We also monitor our page on the popular social networking site *Facebook*, through which we engage in interactive dialog with many of our customers and offer resolution to service and other issues.

¹ section 45(2) - Comms Act

² Letter to URCA dated 2 December 2010; ref: Request for Information – Compliance with Licensee Conditions

With regard to our customer care call centers, it is CBL's objective to answer 95% of its business and residential calls, this data clearly demonstrates that CBL endeavors to be responsive to the needs of its customers. In the rare cases that customer issues are not resolved within a timely manner, CBL has in place an escalation process which provides prompt, interactive resolution and follow-up to confirm the satisfaction of our customers.

CBL's offers an array of services, has a large network and serves 90% of the population of the Bahamas. We strive to exceed our customers' expectations which are multitudinous and ever changing. CBL appreciates that we have received reports from customers, relating to a wide range of issues, we thank these customers for their conscientiousness because it is their observations and on occasion criticisms which have served to encourage us to improve our customer service. Equally, we also appreciate and commend those customers who write or call us each day to thank us or specific members of our team for the excellent customer service or support job we continue to do.

In spite of these accolades we agree that there is always room for improvement especially when it comes to customer service and support, and it is in this light that we have submitted our comments on URCA's proposed introduction of a minimum (general) set of criteria to be included by each Licensee in its Complaints Procedures.

III. RESERVATIONS AND EXCEPTIONS

CBL appreciates and agrees that URCA has a statutory mandate to monitor and enforce consumer protection conditions amongst its licensees and issue *general* regulations relating to the protection of consumers through the handling of complaints made by consumers in the market. It is CBL's view that the word "general" in the Comms. Act should be given its plain and ordinary meaning i.e. wide-ranging and broad in this context, and so URCA has been charged with issuing broad regulations for the handling of complaints made by consumers.

It is CBL's view that the Guidelines should not be prescriptive as this will limit any potential for licensees to differentiate their service: a "light touch" regulatory approach is required of URCA. In other words, in this newly liberalised industry customer service is a means by which licensees can distinguish themselves from other licensees, and URCA should be careful not to be too prescriptive so as to take away the element of competition in this area of the industry and infringe the customer's freedom to choose.

With regard to the need for the Consultation at this time, CBL is of the view that access to analytical data and information to show or warrant the need for this consultation would have benefitted licensees tremendously as a precursor to this consultation. It seems as though URCA's reasoning behind the present consultation is as follows;-

Electronic communications service providers are now offering consumers an expanded number and variety of products and services. As such, the expectation by consumers of receiving high quality service makes complaints inevitable and the means by which consumers can seek redress for unsatisfactory service quality from

the service provider even more important. While URCA recognizes that some service providers have made strides to ensure the delivery of high quality service and customer care, it believes that minimum standards for the satisfactory handling of consumer complaints are required in an expanding, liberalised sector.³

We understand and appreciate that URCA may have been minded to publish this consultation so as to ensure that consumers have access to effective complaints procedures, but licensees who provide a suite of services to its customer base may feel disadvantaged by this process because URCA has given no indication of what segment of their product offerings or services are satisfactorily meeting the needs of the consumers and those which are not. Licensees are left to assume that their entire suite of services from the contract stage through to the installation stage and delivery of service require the same level of upgrade and focus, without any indication as to the areas which are attracting the most dissatisfaction from consumers.

There is no empirical evidence to suggest that there is an industry wide problem to warrant URCA's regulatory intervention. Although URCA may be influenced by what is occurring internationally, it really should consider the size of the Bahamian market and whether the cost is warranted by imposing the requirement on some of the smaller companies. URCA may have been better guided to use its powers to focus on "problem" licensees rather than considering a wholesale regulatory measure to address a small number of complaints.

It is CBL's view that in order for URCA to properly undertake its role of monitoring and enforcing consumer protection conditions there must be some specificity in its focus. URCA has provided only anecdotal evidence of consumer harm to justify its intervention at this stage. In other jurisdictions it is customary for the Regulator to commission some sort of market research to ascertain what areas of a service provider's offerings complaints are usually fielded from and what percentages of complaints are not resolved within a reasonable timeframe. For example in the UK, before publishing its review of Consumer Complaints Procedures⁴, Ofcom commissioned and published its Consumer Experience 2009.

Some important data coming out of this market research showed that:-

- 23% of the population had made complaints;
- 30% of the complaints remained unresolved after 12 weeks or later;
- 89% of those surveyed expressed satisfaction with fixed lines;
- 92% expressed satisfaction with mobile services; and
- 86% expressed satisfaction with broadband services

It is CBL's view that this type of analysis is valuable to licensees as it provides a measurement tool to base performance. It would also provide valuable information to the Regulator by gauging the satisfaction levels of consumers going forward. As such CBL encourages URCA to undertake this type of industry review; it is thought that the benefits would far outweigh the cost factor.

³ Consultation Document – ECS 23/2011 p. 3

⁴ Ofcom –A Review of Consumer Complaints Procedures -22 July 2010

With regard to the issue of transparency and accessibility, it is CBL's view that a significant segment of the population looks to URCA for guidance on electronic communications issues. With this in mind CBL recommends that URCA publishes a direct link from its website to all other licensees' websites and in particular their respective pages on consumer handling procedures. This in our view will facilitate/expedite accessibility.

IV. COMMENTS ON THE CODE

Question 1: Do you agree that a definition for the term "complaint" is necessary? If so, do you believe that the proposed working definition is adequate? Should you disagree with the adequacy of the propose definition, kindly explain and suggest an alternative.

Answer: We agree with the proposed working definition, but subject to the following conditions:-

There is still an element of subjectivity on CBL's part in determining whether or not a customer is making a complaint or simply making a query because not every customer that contacts us to report an issue is 'expressing their dissatisfaction with service' some customers may simply be interested in having the issue resolved as soon as possible.

CBL requires URCA to clarify whether the proposed code would apply, only to actual customers or would it be applicable to past or prospective customers or third parties.

Question 2: Do you agree that the principles of fairness and reasonableness should guide the development of the Complaints Procedures? Please provide an explanation for you answer

Answer:, CBL believes that this is reasonable standard. It is our view that the complaints procedure should be accessible to all customers and should be designed as far as possible to remove any barriers which may prevent a consumer from complaining to a licensee.

Question 3: Do you agree that the Complaints Procedures should be made available to consumers without cost? If not, please provide reasoning for your disagreement and suggest a possible cost effective means in the alternative.

Answer: We agree that the complaints procedure should be made available to customers at no cost or at the very worst minimal costs (depending on the circumstances). We believe that accessibility should be as inclusive as the circumstances permit.

In addition, the proposed code should offer some protection to licensees against frivolous complainants, so as to avoid the obligation on licensees of having to comply with the complaints handling process thereby expending time and resources to deal with complaints that have no merit or have already been addressed. CBL would recommend a direct complaints process to URCA in cases of frivolous complainants.

Question 4: What media do you believe should be used to notify customers of the existence of the Complaints Procedures? Please give reasoning for your answer

Answer: It is CBL's view that notification on the licensee's website as well as access to a standalone document sufficient to notify customers of the existence of the Complaints Procedures. CBL would also recommend that URCA's website be used to notify customers of the existence of the Complaints Procedures and providing a direct link to each licensee's contact page.

CBL does not agree with URCA's suggestion regarding periodic billing inserts. Aside from it being too prescriptive, it is our view that such an initiative would be extremely costly without being effective. Additionally, this may not be a very efficient method of notification as many customers do not collect their bills. Our experience suggest that billing inserts are outmoded and as companies are encouraged to be environmentally conscious as well as cost efficient, the move is towards electronic billing. Companies should be allowed to explore the efficacy and opportunities for notification of the Complaints Procedure in this context.

With regard to URCA's suggestion regarding new customers and including the information in a Welcome Package, it is CBL's view that this initiative will not be an efficient means of raising awareness as new customers are seldom interested in a licensee's complaints procedures at that stage and unlikely to retain the information. URCA must also again be mindful of the cost benefit of such requirement, which CBL believes would be very costly and wasteful with little benefit.

Question 5: What media do you believe should be used to make the Complaints Procedures available to consumers? Please give reasoning for your answer

Answer: It is our view that the Complaints Procedures should be made available to customers on our website as a standalone document, as a direct link from URCA's web page to our website and by hard and soft copy at the request of the customer.

We think that these are the most cost effective mechanisms of making a complaint with no cost to the consumer.

Question 6: Do you agree that, as a matter of transparency, consumers should be notified and informed by the Licensee of any significant changes to the Complaints Procedures? Please explain.

Answer: We do not agree that consumers should be informed by the Licensee of any significant changes to the Complaints Procedures. It is CBL's view that such notification is a waste of valuable resources, we believe that accessibility to the procedures when needed by the consumer should be the paramount goal of the industry.

Question 7: Do you agree that the periodic review, analysis and revision of the Complaints Procedures by the Licensee should allow for it to be more effective in its application? Kindly explain.

Answer: Yes, we do agree that the periodic review, analysis and revision of the Complaints Procedures by the Licensee should allow for it to be more effective in its application. It is our view that a robust and efficient complaints handling procedure is a hallmark of a licensee's

customer service. In keeping with the need for light touch regulation, the frequency and type of review process should therefore be left to the individual licensee's to implement as they deem necessary in accordance with the respective licensee's established service levels. URCA's role should be to create a competitive market which will translate into customer service being a differentiator.

Question 8: Do you believe that fifteen (15) business days (and in exceptional circumstances up to thirty (30) business days) is a reasonable period within which a complaint should be resolved? Please provide an explanation for your answer

Answer: These timeframes seem reasonable for most routine complaints. However, these timeframes are not realistic in catastrophic events which impact customer service and support. In these circumstances, the timeframes would need to be very lenient.

Question 9: Do you agree with URCA's proposal that complaints should be categorized in order to establish reasonable timelines for resolution? If not, kindly suggest an alternative approach.

Answer: We do not agree with this approach. It is our view that the actual handling of complaints is an internal process for each licensee, and even if they may wish to categorize them in order to establish reasonable timelines for resolution, this should be done internally in accordance with the established service standards of the particular licensee. Any other approach by URCA would be too prescriptive.

Question 10: Do you believe that an internal escalation procedure is appropriate for inclusion in the Complaints Procedures? Kindly explain.

Answer: Although we understand the need to incorporate the elements of transparency and accessibility into our complaints handling process the internal escalation procedure should be in very broad terminology.

Question 11: Should the escalation procedure be subject to timeframes within which the complaint should be resolved, depending on the nature of the complaint? If so, please suggest timeframes and provide reasoning for your suggestions

Answer: No, we do not believe that the escalation procedure should be subject to timeframes, CBL's view is that the only conditions which should be imposed on the escalation process is that there is fair and timely resolution of the issue, and any timeframes imposed should serve as internal guidance only.

Complaints can be escalated for many different reasons, some within our control and others outside our control. It is our view that during the escalation procedure the most important ingredient is communicating with the customer to assure them that the resolution of their matter is a priority to the licensee and that we are working for them to have their matter satisfactorily resolved.

It is not clear whether URCA seeks to include the escalation procedure timeframe in the timeframe indicated in Question 8. It would be our contention that the timeframe of between 15 to 30 business days is the maximum and that should include any escalation procedure. In this scenario, imposing timeframes on the escalation process would seem unwarranted since the onus is on the licensee to complete the process with the 15 to 30 business day maximum.

Further, CBL is aware that URCA has scheduled a Public Consultation on the Alternative Dispute Resolution process for the Electronic Communications sector in March 2012, CBL requests, clarification on how this relates to the Complaints Procedure and specifically, the escalation process.

Question 12: What are your views on URCA conducting a public consultation on its approach and internal processes to resolving outstanding consumer complaints (and other disputes)?

Answer: We support a public consultation by URCA on its approach and internal processes to resolving outstanding consumer complaints (and other disputes). We think it is important for URCA to communicate to the public in clear and unequivocal terms that they will only intervene to resolve outstanding consumer complaints with licensees where the consumer has previously made a complaint to the licensee and there has been no resolution of the matter within a reasonable timeframe as set by the Code. We believe statutorily that URCA is required to conduct a consultation since the approach and internal process is likely to be of public significance as it may impact persons carrying on activities in the electronic communications sector as well as on the general public.⁵

With regard to the Alternative Dispute Resolution process CBL request clarification on how this relates to its proposed internal complaints procedures.

Question 13: What measures do you believe that service providers should implement to ensure that consumers would be able to track the progress of their complaint?

Answer: URCA has proposed that the complaints handling procedure of a licensee makes provisions for consumers to track their complaints. It is our view that URCA not prescribe any

⁵ Section 13 - Comms. Act

particular method as the solution has to be tailored to the size and systems of the licensee. The licensee should be free to explore various options and upon request demonstrate that its Complaints Procedure satisfies the general requirement that consumers be able to track complaints.

Question 14: Do you agree that provisions should be made for the retention of records of complaints and how long do you think these records should be kept?

Answer: We agree that provision should be made for the retention of records for complaints. We will support an initiative to retain records up to 12 months.

Question 15: Do you agree that the proposed ninety (90) day timeframe is a reasonable period within which a complaint should be lodged. Please explain.

Answer: We do not agree that the proposed 90 day period is a reasonable period within which a complaint should be lodged. It is our view that complaints should be lodged as expeditiously and as contemporaneously as possible after the occurrence of the incidence complained of. It is our view that a 30 day period is a much more reasonable time within which a complaint should be made and that 90 days is far too excessive in this industry where a consumers billing cycle is approximately 30 days.

Also, it is CBL's view that URCA should strive to attain consistency in all of its policies and procedures and the 30 day period as suggested coincides with the time recommended in the Regulation of Content Services.⁶

Question 16: Do you believe that URCA should firstly approve proposed changes to the Complaints Procedures by the Licensee? Please explain your answer.

Answer: CBL believes that this is not an efficient use of URCA's resources. Instead URCA should develop a code establishing a regulatory requirement for licensees to resolve complaints in a fair and timely manner and also outline minimum expectations about accessibility, transparency and effectiveness of licensees' complaints handling procedures. It is CBL's view that notification to URCA of these changes is sufficient and is consistent with URCA's statutory duty to monitor the consumer protection conditions in the licences⁷.

Question 17: What do you consider would be an appropriate time frame within which modifications or amendments to existing Licensees' Complaints Procedures consequential to this consultation should be made?

⁶ Code of Practice for The Regulation of Content Services and Audiovisual Media Services ECS 19/2011 – PART 10

⁷ Section 45 - Comms. Act

Answer: It is difficult to propose a timeframe as this is dependent on the final rules requirements. If significant changes have to be made to systems and existing processes, then budgetary constraints may not allow for changes to be operational for twenty-four (24) months after the Statement of Results. We would suggest that URCA pose this question for further comment by licensees after the final rules have been settled.

Respectfully submitted

for

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