# Telecoms and pay-TV complaints

Q2 (April to June) 2017

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# About this document

This document presents data for complaints recorded by Ofcom against the largest telecoms and pay-TV providers in the quarter April 2017 to June 2017. This is Ofcom's twenty-sixth quarterly report.

This document is intended to help consumers make better informed decisions, especially those who are thinking about changing provider or purchasing a new service. We also believe that publication of provider-specific complaint volumes incentivises providers to improve their performance. Complaint volume data is one of a number of measures that can provide an indication of service quality. In April 2017, we published our first Comparing Service Quality report to provide an annual update on a range of other service quality metrics such as customer satisfaction.

The next complaints publication will include data for the period July to September 2017, and we expect to publish it in January 2018.

# Contents

# 1. Dashboard

## Ofcom telecoms and pay-TV complaints data

| Landline | Q2 2017 | | Q1 2017 | |
|---|---|---|---|---|
| **Most complaints** | **TalkTalk§** | **17** | TalkTalk | 22 |
| | **Post Office** | **17** | Plusnet* | 21 |
| | **BT†** | **15** | Post Office | 21 |
| | **Plusnet** | **14** | BT† | 20 |
| | **Virgin Media** | **11** | EE | 19 |
| | **EE‡** | **10** | Virgin Media | 12 |
| **Fewest complaints** | **Sky** | **6** | Sky | 7 |
| ***Industry average*** | | ***12*** | | *16* |
| **Fixed broadband** | | | | |
| **Most complaints** | **BT** | **28** | BT | 34 |
| | **TalkTalk** | **24** | TalkTalk | 29 |
| | **Plusnet** | **20** | Plusnet | 25 |
| | **EE‡** | **15** | EE | 24 |
| | **Virgin Media** | **13** | Virgin Media | 13 |
| **Fewest complaints** | **Sky** | **7** | Sky | 8 |
| ***Industry average*** | | ***18*** | | *21* |
| **Pay-monthly mobile** | | | | |
| **Most complaints** | **Vodafone** | **11** | Vodafone | 17 |
| | **BT**** | **11** | BT** | 14 |
| | **TalkTalk** | **9** | TalkTalk | 8 |
| | **Virgin Mobile** | **7** | Virgin Mobile | 8 |
| | **Three** | **3** | EE | 4 |
| | **O2** | **3** | O2 | 4 |
| | **EE** | **3** | Three | 3 |
| **Fewest complaints** | **Tesco** | **1** | Tesco* | <0.5 |
| ***Industry average*** | | ***5*** | | *6* |
| **Pay TV** | | | | |
| **Most complaints** | **BT** | **13** | BT | 19 |
| | **Virgin Media** | **8** | Virgin Media | 9 |
| | **TalkTalk** | **6** | TalkTalk | 7 |
| **Fewest complaints** | **Sky** | **1** | Sky | 2 |
| ***Industry average*** | | ***4*** | | *5* |

* All figures rounded to nearest whole number apart from where they are less than 0.5. Actual measurable difference may in some cases be less than one.
** This is the first report to include BT pay-monthly mobile complaints. See footnote 42 for further information.
† Due to the different methodologies used to compile subscriber figures, readers should note that BT's performance in Q2 2017 may be comparable to TalkTalk's and Post Office's (see section 4 below).
‡ EE did not submit its Q2 2017 subscriber figures for landline and fixed broadband services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.
§ TalkTalk's landline result for Q2 2017 has been adjusted from 16 complaints per 100,000 subscribers in the September issue of this report to 17 in the December issue to rectify a discrepancy. Its performance remains comparable with Post Office's and BT's.
Note: All complaint volumes displayed per 100,00 subscribers. Industry average is limited to those providers included in the report. Data source: Ofcom, CCT data.

# 2. Executive summary

## Introduction

2.1 Ofcom's principal duty is to further the interests of citizens and consumers, where appropriate by promoting competition. In doing so we must have regard to the interests of consumers in terms of price, quality of service and value for money. Consumer information plays a critical role in promoting effective competition and the absence of key information can lead to poor purchasing decisions and inhibit switching.

2.2 On average, Ofcom receives nearly 250 contacts per day from consumers including calls, post and submissions[1] via our website. Many of these contacts result in complaints, and some contain more than one complaint.[2] These complaints are likely to be made where a consumer has been unable to resolve an issue with their provider to their satisfaction. We record these complaints by service (e.g. fixed broadband or mobile) and by provider. We believe that this information is useful for consumers; for example, this data may be relevant to those considering a new service or change of provider.

2.3 We have previously published data for each quarter between October 2010 and March 2017.[3] [4] This publication provides data for the quarter April 2017 to June 2017.

2.4 When considering the information in this report, readers should note a number of important limitations that apply to the complaints information we publish. In particular:

- The data only covers complaints that consumers have chosen to report to Ofcom, and does not represent complaints consumers may have made directly to their providers or to other agencies (e.g. Alternative Dispute Resolution schemes). As such it only provides a partial picture of complaints relating to any provider.
- The complaints data is calculated using subscriber figures provided by the operators in question, and when comparing operators' performance, it is important to note that there are some differences in the methodologies operators use to compile them.[5] The

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[1] Ofcom received around 90,000 calls and items of correspondence directly from consumers in 2016/17 (*source*: Ofcom 2016/17 Annual Report, page 35: https://www.ofcom.org.uk/__data/assets/pdf_file/0021/104358/annual-report-2016-accessible.pdf)

[2] Where a consumer complains about a single matter, we record that as a single complaint. If they complain about two or more separate matters relating to one service (e.g. fixed broadband), we record that as two complaints. Where they complain about more than two matters, we record the two most serious ones (through discussion with the caller) unless it is not possible to determine this (e.g. the contact is made by letter) or the consumer insists on all complaints being logged. Complainants raising more than two matters relating to the same service account for around 1% or less of total complainants in each sector. In general, we record up to two complaints per service per contact. An average of 1.6 complaints were recorded per consumer contact with Ofcom in 2016.

[3] For complaints data published since Q2 2015 see https://www.ofcom.org.uk/research-and-data/multi-sector-research/telecoms-complaints-data and for complaints data published since October 2010 see http://webarchive.nationalarchives.gov.uk/20160702162827/http://stakeholders.ofcom.org.uk/market-data-research/other/telecoms-research/complaints/

[4] As a result of a number of checks, pay-monthly mobile data is no longer presented in any publication prior to Q1 2014 (where it was restated); pay-TV complaints were first published from October 2011 (i.e. from Q4 2011).

[5] Ofcom has carried out checks on the data in the report to ensure that it is accurate enough to be of use to those seeking to compare providers. In instances where there is little material difference between operator complaint levels, we treat their performances similarly.

complaints data reflects the views of consumers as reported to Ofcom and the way we record them. Ofcom has sought to ensure that its data is sound but has not checked the veracity of individual complaints.

- Contact with Ofcom may reflect the relative (lack of) quality of complaints handling services, as well as the quality of service received. Given this, companies with poor complaints handling processes may feature more prominently than those with good complaints handling processes.
- Ofcom may see spikes in call volumes from customers of certain providers when we publicise certain types of enforcement action (e.g. investigations, fines).
- Bigger performance fluctuations are likely for smaller operators compared to larger operators because of the smaller numbers of subscribers against which complaints are measured for these operators. This should be taken into account when observing shorter term movements in the data.

2.5 In April 2017, we published our first annual Comparing Service Quality report which includes other service quality metrics, such as customer service, in addition to complaint volumes.[6]

2.6 The charts in this report only include complaints data from providers who meet our inclusion criteria. As of Q2 2014[7], we have included providers with a market share of 1.5% or above.[8]

2.7 As providers vary in size, we publish complaints as a proportion of residential subscribers.[9] Presenting the complaint numbers in this manner ensures that meaningful comparisons can be made between the data for each provider.

2.8 The four services[10] covered in this publication are: fixed line telephony (landline), fixed broadband (fixed broadband)[11], pay-monthly mobile telephony (pay-monthly mobile) and pay TV (pay TV).

## Key findings

2.9 The main findings relating to Ofcom complaints data for the reporting period covering April 2017 to June 2017 (Q2 2017) are as follows:

[6] https://www.ofcom.org.uk/__data/assets/pdf_file/0012/100605/comparing-service-quality-report.pdf

[7] For publications up to, and including, Q1 2014, providers were generally included in the report if they had a relevant market share of 4% and regularly generated more than 30 complaints per month. See our Q2 2014 report for more information on these changes.

[8] This is the criteria that Ofcom will generally apply, unless there are exceptional circumstances warranting a different approach.

[9] Complaints are displayed per 100,000 subscribers. This enables the providers to be compared on a like-for-like basis.

[10] As detailed in our Q2 2014 publication, we have determined that the current complaint ratios for PAYG mobile services are so small that they are unable to provide meaningful comparisons. As a result, we only provide basic information on the overall trend in the PAYG mobile sector, but will continue to monitor it closely.

[11] Excludes mobile broadband datacards and dongles.

- **Overall complaints**:
  - In comparison with Q1 2017, the total volume of complaints per 100,000 subscribers decreased by four for landline services, decreased by three for fixed broadband services, and decreased by one for both pay-monthly mobile and pay-TV services.
  - Fixed broadband and landline services continue to generate the highest number of complaints, and Ofcom continues to receive the fewest complaints about PAYG mobile services and pay TV compared to other services included in this report.
- **Landline:**
  - The providers covered here are BT, EE[12], Plusnet, Post Office HomePhone, Sky, TalkTalk and Virgin Media.
  - TalkTalk and Post Office HomePhone were amongst those who generated the highest volume of complaints per 100,000 subscribers in Q2 2017. The figures appear to show that BT's complaint volumes were lower than these providers'. However, due to operators using different methodologies to compile their subscriber figures[13], we have identified through sensitivity checks that BT's performance may be comparable to TalkTalk's and Post Office HomePhone's. This should be taken into consideration when comparing provider performance[14].
  - TalkTalk, Post Office HomePhone and BT all shared the same main complaint driver: faults, service and provision issues[15].
  - Plusnet (another brand owned by BT Group) also generated complaint volumes above the industry average.
  - Sky generated the fewest complaints per 100,000 subscribers compared to the other fixed line providers in the report.
- **Fixed broadband:**
  - The providers covered here are BT, EE[16], Plusnet, Sky, TalkTalk and Virgin Media.
  - BT generated the highest relative complaint volumes in Q2 2017.
  - BT's main complaint driver was faults, service and provision issues.
  - TalkTalk and Plusnet also generated above industry average complaint levels.
  - Sky generated the lowest relative complaint volumes compared to the other fixed broadband providers that we report on.

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[12] EE did not submit its Q2 2017 subscriber figures for landline services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.

[13] See 2.4 and A1.20

[14] TalkTalk's landline result for Q2 2017 has been adjusted from 16 complaints per 100,000 subscribers in the September issue of this report to 17 in the December issue to rectify a discrepancy. Its performance remains comparable with Post Office's and BT's.

[15] Service in this context relates to issues with the communications service being provided, for example, coverage issues, broadband speeds, restriction of service by provider etc.

[16] EE did not submit its Q2 2017 subscriber figures for fixed broadband services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.

- **Pay-monthly mobile:**
  - The providers covered here are BT[17], EE[18], O2, TalkTalk[19], Tesco Mobile, Three, Virgin Mobile and Vodafone.
  - Vodafone and BT had the highest relative volume of complaints this quarter.
  - Vodafone and BT's main complaint driver was complaints handling.
  - Complaint levels for TalkTalk and Virgin Mobile were above the industry average.
  - Tesco Mobile generated the lowest relative volume of complaints compared to the other providers reported on.
- **Pay TV:**
  - The providers covered here are BT, Sky, TalkTalk and Virgin Media.
  - BT generated the highest relative volume of complaints in Q2 2017.
  - The main driver of BT's complaints related to faults, service and provision issues.
  - Virgin and TalkTalk also generated complaint volumes above the industry average.
  - Sky generated the lowest volume of complaints per 100,000 subscribers.

2.10 In June 2017, we published an interactive tool alongside the Q1 2017 report on the Ofcom website[20]. That tool has now been updated to include this Q2 2017 data. It allows readers to easily search for the data they want to find (for instance by service or provider), and to make comparisons across different providers.

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[17] This is the first report to include BT pay-monthly mobile complaints. The report also includes their complaint number for Q1 2017, as BT exceeded the 1.5% market share threshold for residential pay-monthly mobile services in Q1 2017.
[18] For pay-monthly mobile we present data for Orange, T-Mobile and 4GEE in an aggregated form. The charts throughout the report refer to this data as "EE".
[19] TalkTalk was first included in the pay-monthly mobile analysis in Q3 2016, reporting on results as far as back as Q1 2016.
[20] https://www.ofcom.org.uk/research-and-data/multi-sector-research/telecoms-complaints-data

# 3. Introduction

## Background

3.1 Consumers' overall level of satisfaction with communications services is 88% for landline services, 84% for broadband services and 92% for all mobile services.[21] Where concerns arise, consumers typically raise their complaint with their provider in the first instance.[22] If the provider is not able to resolve the complaint within eight weeks, or if deadlock is reached earlier, the consumer can make an application to an independent Alternative Dispute Resolution (ADR) scheme. The ADR scheme can examine the complaint and make a judgement on the issue.[23]

3.2 In addition, some consumers choose to contact Ofcom due to our role as regulator of communications services. On average, we receive nearly 250 consumer contacts a day, by telephone call, email and letter, each of which may involve one or more complaints.[24] While we do not resolve individual complaints ourselves, we offer consumers advice on how they might best seek to resolve the issues that are raised. We also use the complaints data to inform policy, enforcement and monitoring work[25] to deliver positive results for consumers.

3.3 One example of this is our work on complaints handling and customer service, where we continue to remain concerned that complaint volumes are too high. We are currently focused on driving down complaints to Ofcom in these areas and are working with the industry to target reductions in complaint numbers.

## Why publish provider-specific complaints?

3.4 Since April 2011 we have published quarterly Ofcom complaints data by provider. Complementary to this report, we have also, since 2009, regularly published research on 'customer service satisfaction' on a provider-specific basis. The latest research was published as part of Ofcom's 'Comparing Service Quality' report in April 2017.[26] That report includes additional consumer research and other metrics, broken down by service and provider, showing for example general levels of consumer satisfaction, satisfaction with reliability and satisfaction with complaints handling.

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[21] Ofcom, *Communications Market Report, United Kingdom 2017*, pages 142, 148 and 162, in relation to fixed voice, fixed broadband and mobile services, respectively. https://www.ofcom.org.uk/__data/assets/pdf_file/0017/105074/cmr-2017-uk.pdf

[22] This has been found in research, including, for example, that carried out for the 2008 Consumer Complaints Review available at http://stakeholders.ofcom.org.uk/binaries/consultations/alt_dis_res/research.pdf

[23] Ofcom requires all providers to be a member of an approved ADR scheme: Ombudsman Services: Communications and the Communications and Internet Services Ajudication Scheme. Ofcom is currently carrying out a review of the two schemes that we approve https://www.ofcom.org.uk/consultations-and-statements/category-2/adr-review-17

[24] See footnotes 1 and 2.

[25] Information on any investigation we launch as a result of complaints to Ofcom can be found in the enforcement bulletin http://stakeholders.ofcom.org.uk/enforcement/competition-bulletins/

[26] https://www.ofcom.org.uk/__data/assets/pdf_file/0012/100605/comparing-service-quality-report.pdf

3.5 The ADR schemes that Ofcom approves, Communications and Internet Services Adjudication Scheme (CISAS) and Ombudsman Services: Communications (OS), publish quarterly complaints information regarding their member CPs that have a market share over 1.5%.

3.6 The publication of performance data is consistent with our statutory duty relating to transparency and our obligations as a public authority. Moreover, it is in line with our principal duty to further the interests of citizens and consumers, where appropriate by promoting competition. Consumer information plays a critical role in ensuring that competitive communications markets work for consumers. The absence of information can lead to poor purchasing decisions. Therefore, if information is not readily available or is unclear, there may be a case for Ofcom to intervene in the interests of consumers. Under section 26 of the Communications 2003, we have a duty to arrange for the publication of such information and advice as appears to us to be appropriate to make available to consumers.[27]

3.7 We recognise that there is no single source of information that can give consumers a full picture of the relative performance of different providers. In addition, different service features will matter more for some consumers than for others. Ofcom research suggests that, for many consumers, comparative price and network performance information is of primary importance. In light of this, we have ensured that consumers have improved information available in these areas. Examples include publication of broadband speeds research,[28] mobile coverage maps,[29] and our scheme for accrediting price comparison calculators.[30]

3.8 In addition, the publication of provider-specific complaints data may act as an incentive for providers to improve their performance.[31] Similar information is also available to guide consumers in a number of other sectors, including, for example, financial services.[32]

3.9 We believe that our complaints data, along with other information,[33] can be useful for consumers seeking to compare providers.[34] We also observe that the data is of interest to intermediaries such as consumer groups, journalists and price comparison services who advise consumers.

3.10 Taking the above into consideration, we consider that the objectives of publishing this report are to:

- ensure transparency of data;

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[27] Having regard to the need to exclude confidential information from publication. For the reasons set out here, Ofcom considers that, having had that regard, publication of the information in this report is appropriate.
[28] Available at: https://www.ofcom.org.uk/research-and-data/telecoms-research/broadband-research/broadband-speeds
[29] http://maps.ofcom.org.uk/check-coverage/
[30] See: https://www.ofcom.org.uk/consultations-and-statements/category-2/price-calculator-accreditation
[31] See the responses of key consumer groups to Ofcom's consultation on complaints handling procedures at: http://stakeholders.ofcom.org.uk/consultations/complaints_procedures/?showResponses=true
[32] http://www.fca.org.uk/consumers/complaints-and-compensation/complaints-data
[33] For example, information on price, speed, coverage, contract terms and so on.
[34] In the Statement for our Review of Complaints Procedures, we said that publishing complaints data would likely benefit consumers in respect of price, quality and value for money. We also noted that there are a number of ways for such information to be made public. See: http://stakeholders.ofcom.org.uk/consultations/complaints_procedures/statement/

- further the interests of citizens and consumers by providing them with information that will help them facilitate and take advantage of a competitive market; and
- incentivise improved provider performance.

3.11 This is the twenty-sixth report to include Ofcom telecoms complaints data by provider, and the twenty-second to include complaints data about pay-TV services.

3.12 Further information about the methodology for compiling the complaints data, including how we account for the variation in size of provider and how we record complaints about bundled services, can be found in Annex 1.

# 4. Telecoms and pay-TV complaints

## Introduction

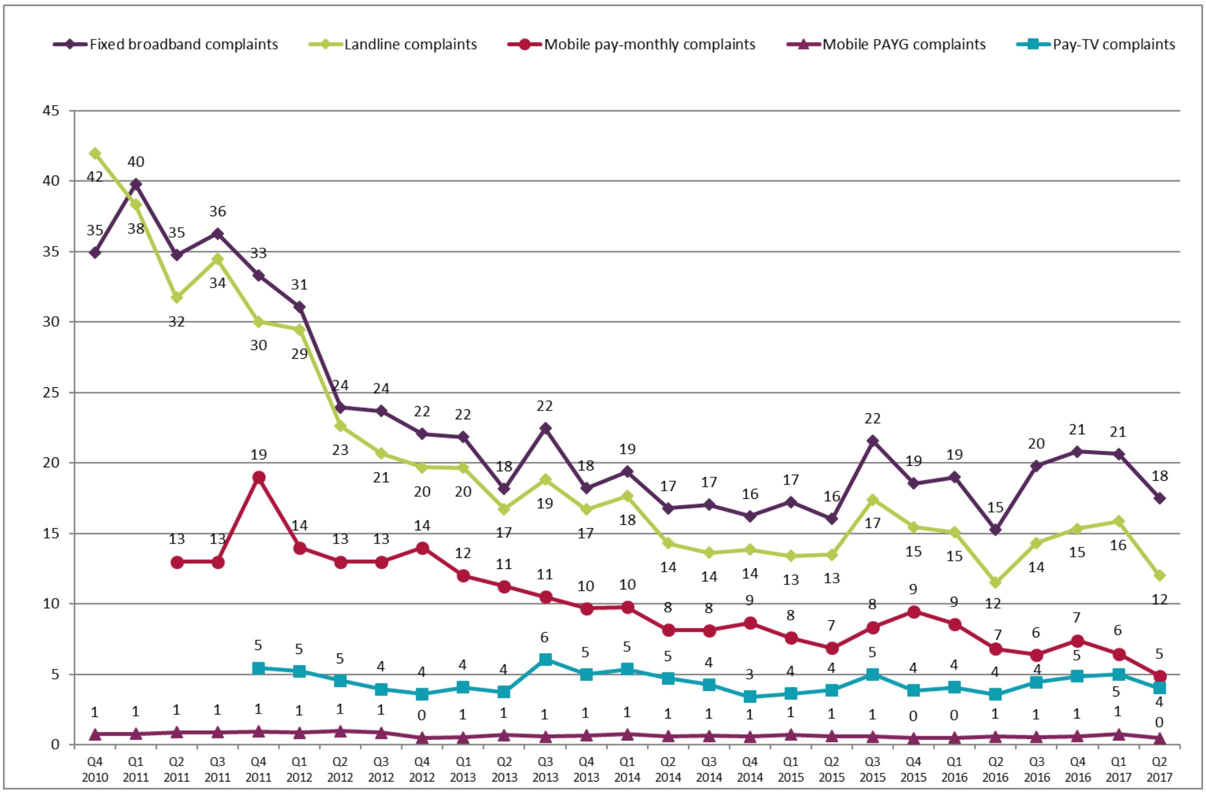
4.1 This section sets out our data on residential consumer complaints received by Ofcom across landline, fixed broadband, pay-monthly mobile and pay-TV services. Data is presented on a quarterly basis from Q3 (July – September) 2015 to Q2 (April – June) 2017 inclusive.[35] Only providers who meet the current generally applied criterion for inclusion (having a market share of 1.5% or more in the relevant market[36]) are included in the report. For each sector we also present a table noting performance over the most recent quarter only. The information is presented per 100,000 subscribers for the period covered.

## Relative complaints by service sector

4.2 Figure 1 shows that fixed broadband and landline services generate the highest number of complaints. Ofcom continues to receive the fewest complaints about PAYG mobile services and pay TV compared to the other services included in this report.

[35] Except for Figure 1 which shows complaint volumes dating further back to: Q4 (October – December) 2010 for fixed broadband, fixed line, and mobile PAYG services; Q2 (April – June) 2011 for pay-monthly mobile services; and Q4 (October – December) 2011 for pay-TV services.
[36] A provider will generally be removed from the report if its market share has dropped below 1.5% for four consecutive quarters.

**Figure 1: Relative volume of complaints per sector per 100,000 subscribers: Q4 2010 – Q2 2017, by quarter**




*Source: Ofcom, CCT data*

## Landline complaints

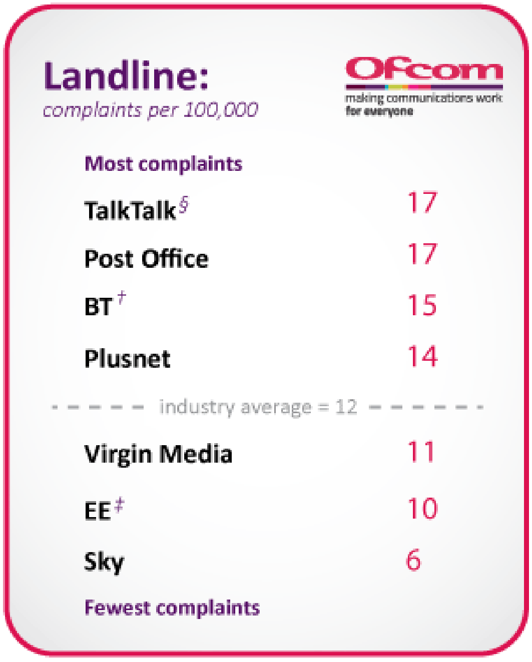
4.3 The following figures show the residential consumer complaints that Ofcom received against the largest providers of landline services in Q2 (April – June) 2017[37], and between Q3 (July – September) 2015 and Q2 (April – June) 2017 inclusive.

4.4 TalkTalk and Post Office HomePhone were amongst those who generated the highest volume of complaints per 100,000 subscribers in Q2 2017. The figures appear to show that BT's complaint volumes were lower than these providers'. However, due to operators using different methodologies to compile their subscriber figures[38], we have identified through sensitivity checks that BT's performance may be comparable to TalkTalk's and Post Office HomePhone's. This should be taken into consideration when comparing provider performance[39].

4.5 TalkTalk, Post Office HomePhone and BT all share the same main complaint drivers. They received the most complaints relating to faults, service and provision issues, followed by complaints handling and, billing, pricing and charges.

4.6 Plusnet (another brand owned by BT Group), also generated relative complaint volumes above the industry average. Sky generated the least complaints per 100,000 subscribers compared to the other landline providers in the report.

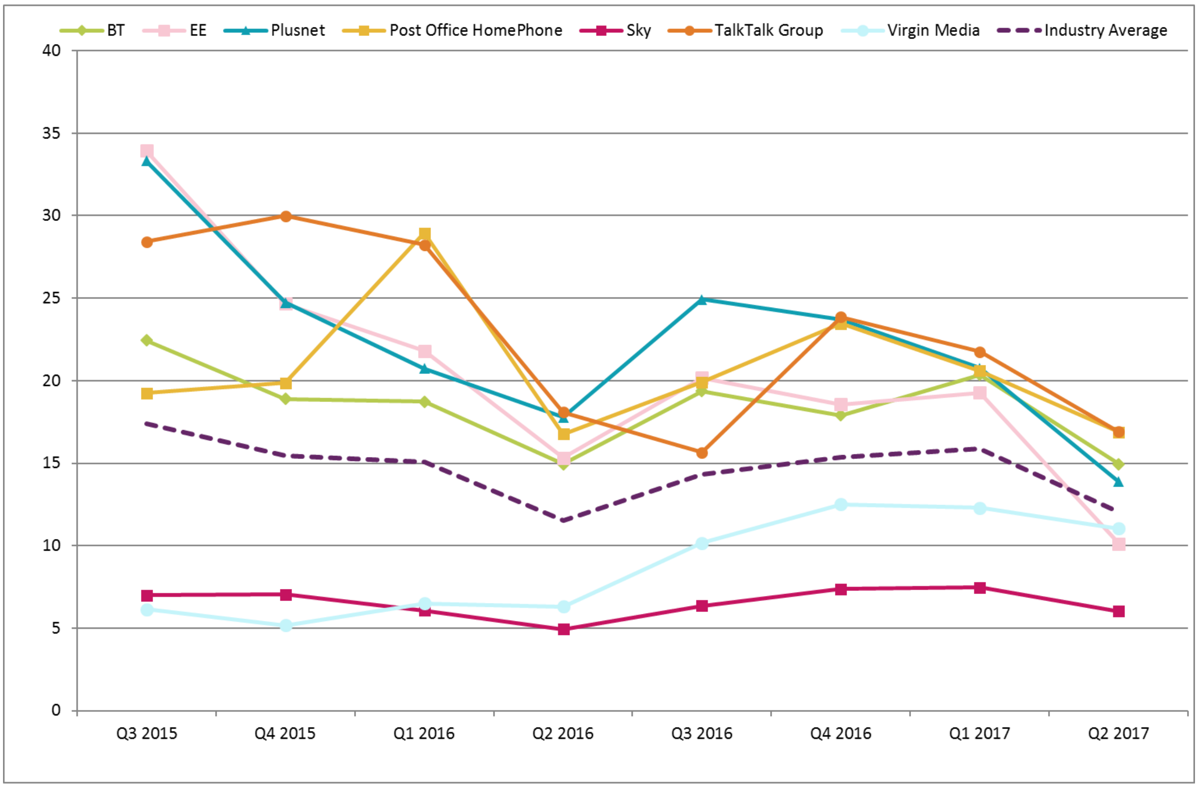
**Figure 2: Landline complaints per 100,000 subscribers: Q2 2017**




**All figures rounded to the nearest whole number. Actual measurable difference may be less than one.*
*† Due to the different methodologies used to compile subscriber figures, readers should note that BT's performance in Q2 2017 may be comparable to TalkTalk's and Post Office's.*
*‡ EE did not submit its Q2 2017 subscriber figures for landline and fixed broadband services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.*
*§ TalkTalk's landline result for Q2 2017 has been adjusted from 16 complaints per 100,000 subscribers in the September issue of this report to 17 in the December issue to rectify a discrepancy. Its performance remains comparable with Post Office's and BT's.*
*Note: Industry average is limited to those providers included in the report*
*Source: Ofcom, CCT data*

[37] EE did not submit its Q2 2017 subscriber figures for landline services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.
[38] See 2.4 and A1.20
[39] TalkTalk's landline result for Q2 2017 has been adjusted from 16 complaints per 100,000 subscribers in the September issue of this report to 17 in the December issue to rectify a discrepancy. Its performance remains comparable with Post Office's and BT's.

**Figure 3: Landline complaints per 100,000 subscribers: Q3 2015 – Q2 2017**



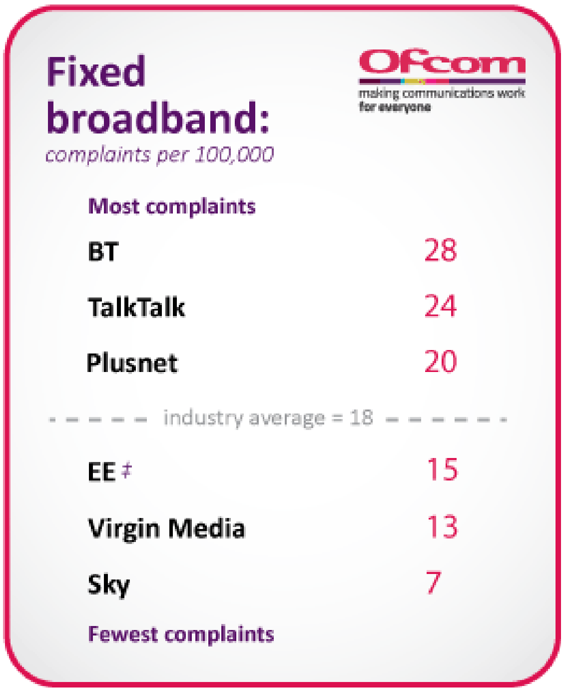

*Note: Industry average is limited to those providers included in the report. Source: Ofcom, CCT data*

## Fixed broadband complaints

4.7 The following figures show the residential consumer complaints that Ofcom received against the largest providers of fixed broadband services in Q2 (April – June) 2017[40], and between Q3 (July – September) 2015 and Q2 (April – June) 2017 inclusive.

4.8 Figures 4 and 5 show that BT generated the highest relative complaint volumes in Q2 2017. BT's main complaint drivers related to faults, service and provision issues, followed by complaints handling and billing, pricing, and charges. TalkTalk and Plusnet also generated above industry average complaint levels. Sky generated the lowest relative complaint volumes compared to the other fixed broadband providers that we report on.

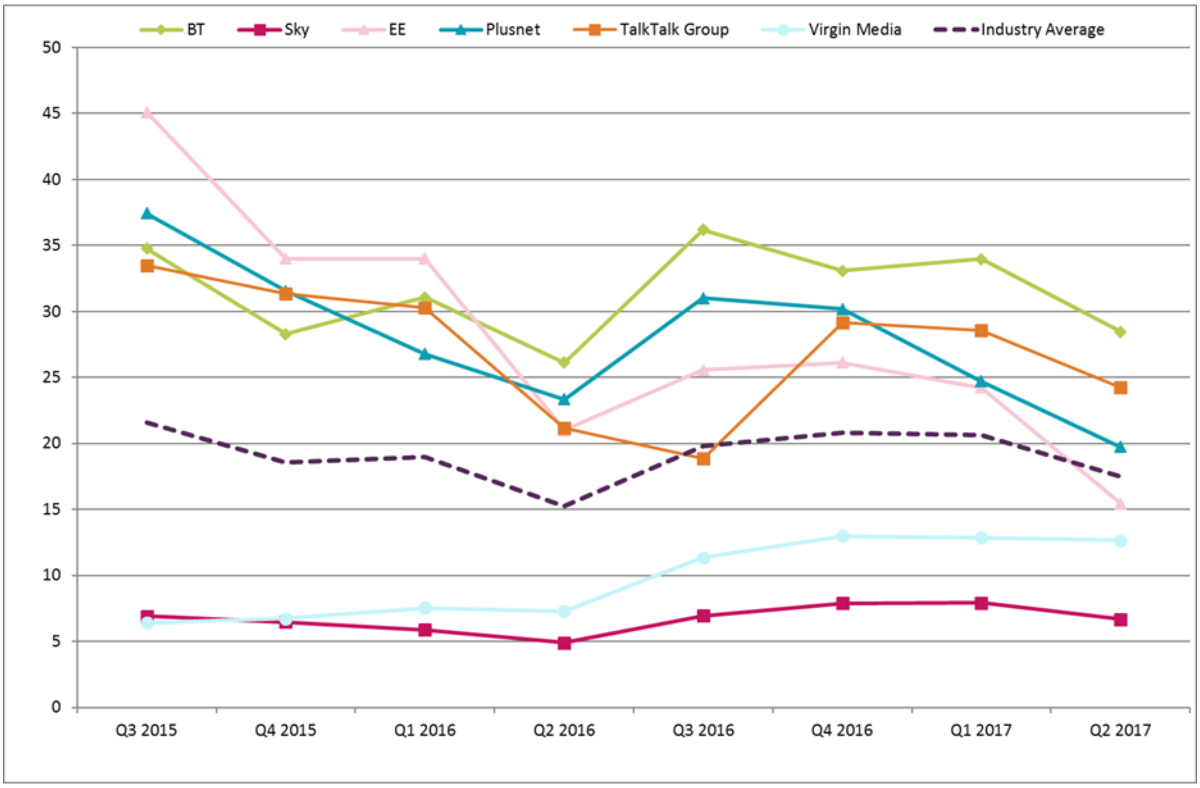
**Figure 4: Fixed broadband complaints per 100,000 subscribers: Q2 2017**




*‡ EE did not submit its Q2 2017 subscriber figures for fixed broadband services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.*
*Note: Industry average is limited to those providers included in the report*
*Source: Ofcom, CCT data*

[40] EE did not submit its Q2 2017 subscriber figures for fixed broadband services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.

**Figure 5: Fixed broadband complaints per 100,000 subscribers: Q3 2015 – Q2 2017**




*Note: Industry average is limited to those providers included in the report. Source: Ofcom, CCT data*

## Pay-monthly mobile complaints

4.9 The following figures show the residential consumer complaints that Ofcom received against the largest providers of pay-monthly mobile services[41] in Q2 (April – June) 2017, and between Q3 (July – September) 2015 and Q2 (April – June) 2017 inclusive.

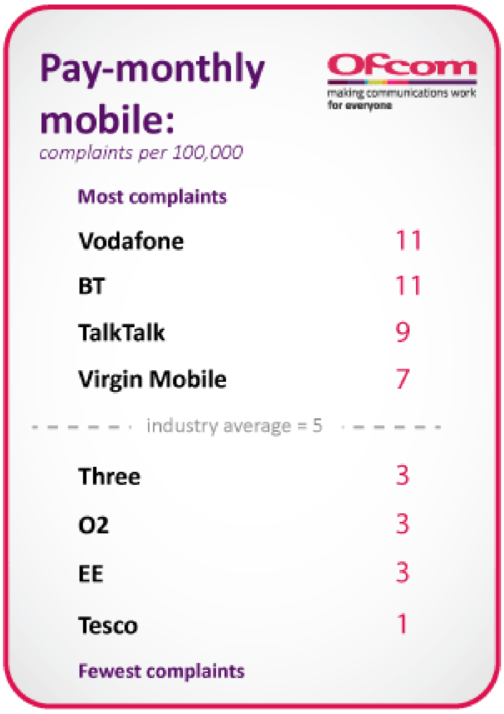
4.10 Figures 6 and 7 show that Ofcom received the most complaints per 100,000 subscribers about Vodafone and BT.

4.11 This is the first report[42] to include BT complaints for pay-monthly mobile services.

4.12 Vodafone and BT's main complaint drivers were complaints handling, followed by issues around billing, pricing and charges. These were followed by changing provider for Vodafone, and faults, service and provision issues, for BT.

4.13 Complaint levels for TalkTalk and Virgin Mobile were above the industry average. Tesco Mobile generated the lowest relative volume of complaints compared to the other providers reported on.

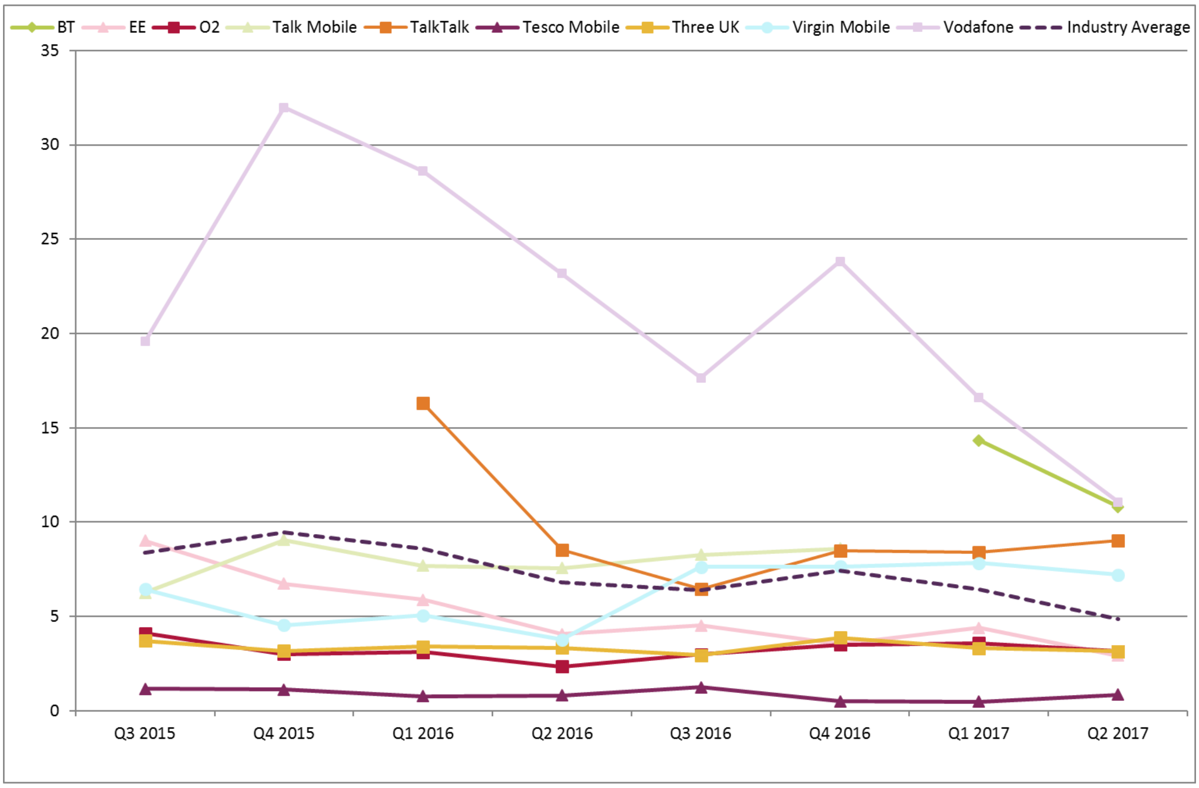
**Figure 6: Pay-monthly mobile complaints per 100,000 subscribers: Q2 2017**




*Note: Industry average is limited to those providers included in the report*
*Source: Ofcom, CCT data*

[41] These exclude complaints about mobile broadband services (datacards and dongles).
[42] BT exceeded the 1.5% market share threshold in Q1 2017 and its Q1 result has been included in Figure 7. It received 14 complaints per 100,000 subscribers in Q1 2017 (compared to the industry average of 6).

**Figure 7: Pay-monthly mobile complaints per 100,000 subscribers: Q3 2015 – Q2 2017**




*Note: Industry average is limited to those providers included in the report. Source: Ofcom, CCT data*

## Pay-TV complaints

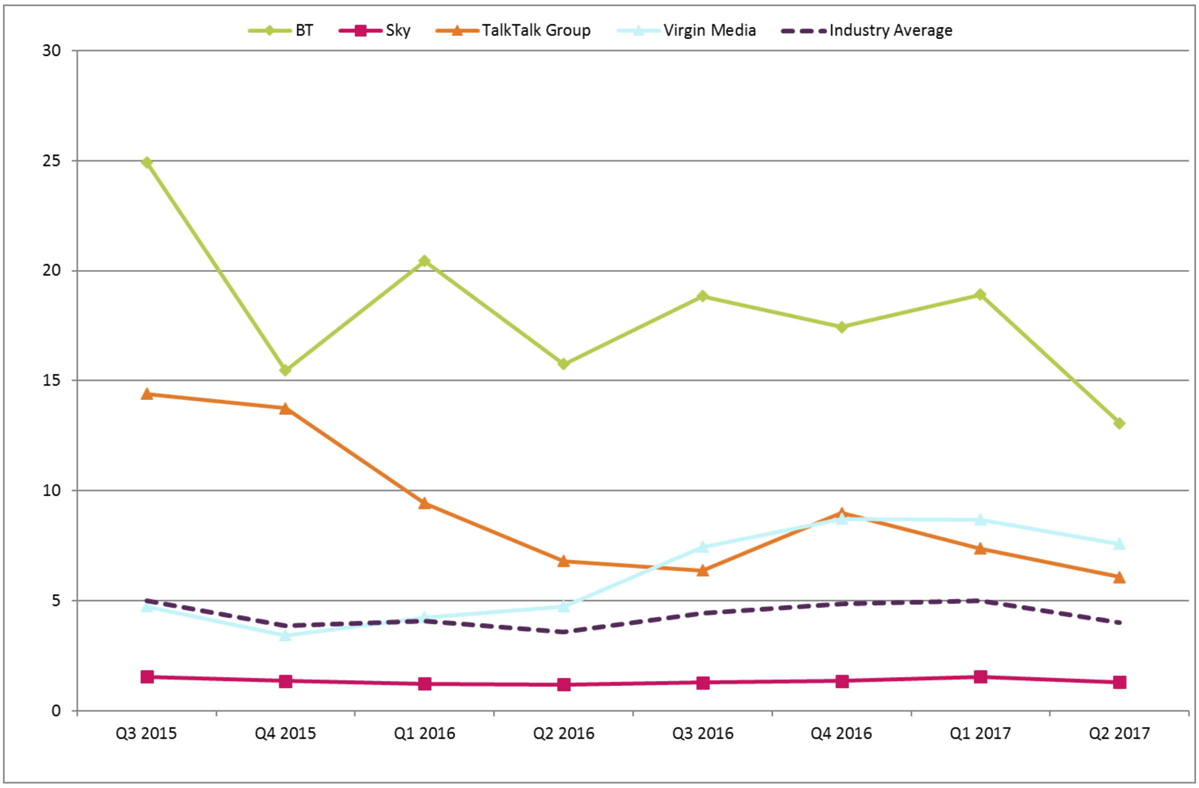
4.14 Figures 8 and 9 show the residential consumer complaints that Ofcom received against the largest providers of pay-TV services Q2 (April – June) 2017, and between Q3 (July – September) 2015 and Q2 (April – June) 2017 inclusive.

4.15 BT generated the highest relative volume of complaints in Q2 2017. The main driver of BT's complaints related to faults, service and provision issues, complaints handling and billing, pricing and charges. Virgin and TalkTalk also generated complaint volumes above the industry average, while Sky generated the lowest volume of complaints per 100,000 subscribers.

**Figure 8: Pay-TV complaints per 100,000 subscribers: Q2 2017**


*Note: Industry average is limited to those providers included in the report*
*Source: Ofcom, CCT data*

**Figure 9: Pay-TV complaints per 100,000 subscribers: Q3 2015 – Q2 2017**




*Note: Industry average is limited to those providers included in the report. Source: Ofcom, CCT data*

# A1. Telecoms and pay-TV complaints detailed methodology

## Introduction

A1.1 Consumers, both residential and business, can contact Ofcom with complaints or enquiries over the phone, by letter or through one of the dedicated complaint submission forms on our website.[43] All complaints[44] are logged in the same database by Ofcom's Consumer Contact Team (CCT), providing a record of the total complaints that Ofcom has received, as well as details on the services affected and the providers of those services.

A1.2 In this Annex, we outline key elements of the approach we take to the publication of our complaints data.

## Scope of the data published

A1.3 We collect complaints data across a wide range of services - broadcasting, spectrum, telecoms and post.[45]

A1.4 The focus of this publication is complaints made by residential[46] consumers in relation to landline, fixed broadband, pay-monthly mobile telephony and pay TV.

A1.5 Consumers complain to Ofcom about a wide range of issues[47] so we have considered carefully the way we record complaints and what level of data would be useful and robust enough for publication. In any particular call to Ofcom, or other contact with us, a consumer may complain about one or more separate matters. If they complain about two separate matters (e.g. billing and complaint handling) relating to one service (e.g. fixed broadband), we record that as two complaints. Where they complain about more than two matters, we generally record only the two most serious ones per service unless it is not possible to determine this through discussion with the consumer (e.g. the contact is made by letter) or the consumer insists on all their complaints being logged. Complainants raising more than two matters relating to the same service account for around 1% or less of total complainants in each sector. In general, we record up to two complaints per service per contact. An average of 1.6 complaints were recorded per consumer contact with Ofcom in 2016.

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[43] Refer to: https://www.ofcom.org.uk/complain-to-ofcom
[44] A complaint is an expression of dissatisfaction made by a customer related to the communications provider's services, or to the complaint-handling process itself. Where the complaint is made to Ofcom over the phone, the consumer is asked whether their call is about an enquiry or complaint.
[45] We publish complaints about the content of programmes broadcast on television by provider in our Broadcasting Bulletins. Spectrum complaints cannot be reported in more detail as the majority of complaints are about interference and as such are not provider specific.
[46] Ofcom records business and residential telecoms complaints separately, based on how the individual identifies themselves when reporting the complaint.
[47] We currently record over 159 different categories of telecoms complaints.

A1.6 In view of the complexity of some of the data, our current position is that we should only publish complaints data by service rather than by detailed category of complaint for each service.

A1.7 The four services[48] covered in this publication are:

- Landline - includes complaints against companies that offer both line rental and calls as well as those that supply calls only services;
- Fixed broadband - includes copper based ADSL services, cable services and fibre services;
- Pay-monthly mobile services;[49] and
- Pay TV - includes complaints relating to access to the service but does not include the content delivered over the pay-TV service. This category includes services provided through cable, satellite, digital terrestrial television or over a dedicated broadband connection.

## Complaints about bundled services

A1.8 Many consumers choose to purchase a bundle of services from one provider (for example, landline with a fixed broadband service). Any issues that subsequently arise may affect one or more of those services and this influences how a complaint may be recorded by us.

A1.9 The approach we take when recording complaints received from consumers who take a bundle of services from a provider is as follows:

- If the complaint only relates to one of the services in the bundle, the complaint is recorded against that single service only. For example, if a consumer has fixed line telephony and fixed broadband as part of a bundle and complains about slow broadband speeds, the complaint would be logged against the broadband service only as it is this aspect of the service that is causing the problem.

- If the complaint is about an issue that affects a number of services in a bundle, the complaint is recorded against each affected service for that provider. For example, if a consumer complains about being mis-sold a triple play service, the complaint will be counted as a fixed telephony, fixed broadband and as a pay-TV complaint for that provider.

A1.10 This approach enables us to have a record of all complaints received by provider and by service. Also, as we are publishing total complaints by provider for each service, but not across the services in aggregate, the complaints are not double counted.

[48] See footnote 10.
[49] Mobile pay-monthly services will include complaints about use of data through a mobile handset but do not include dongles or datacards.

## Complaints about transfers to unknown providers

A1.11 If a consumer is unexpectedly told by their existing provider that a request has been made to transfer their service to another provider, they may complain to Ofcom without knowing the name of the new provider.[50] In these circumstances Ofcom refers the case to Openreach to find out recent activity on the line, including applications to transfer and completed transfers. If a request for a transfer has been made by another provider, the complaint is recorded against that other provider. If no request for a transfer has been made, then the complaint is recorded against the existing provider.

## Focus on the largest providers

A1.12 Ofcom records complaints received by it against any provider in the UK. The size of each individual provider varies greatly, as does the number of complaints received. As a result, to ensure that this report covers as many providers as reasonably practicable, we adopt a criterion to help us decide which providers are included in the report.

A1.13 Specifically, following a review,[51] from Q2 2014 onwards this report now generally includes complaints data[52] for those providers which, for the service being reported, have a market share of 1.5% or more in the relevant market.

A1.14 For providers included in the reporting for periods before Q2 2014, we have not retrospectively adjusted the previous generally applied publication criteria for inclusion (i.e. having a 4% market share and regular generation of at least 30 complaints per month). Therefore, the previous criteria still apply to those reports. In addition, a provider will generally[53] be removed from the report if, from Q2 2014 onward, its market share has dropped below 1.5% for four consecutive quarters.

A1.15 The current scope of the report encompasses the providers set out in Table 1 below. Together, these providers account for at least 90% of each market covered.[54]

**Table 1: Providers included in this publication**

| | |
|---|---|
| **Landline** | BT |
| | EE |
| | Plusnet |
| | Post Office HomePhone |
| | Sky |
| | TalkTalk Group |
| | Virgin Media |
| **Fixed broadband** | BT |

[50] Their existing provider may not have visibility of the new provider either, and may only be aware that a request has been made to take over the service.
[51] See our Q2 2014 report for further detail.
[52] In the absence of exceptional circumstances, in which, should they apply, we may take a different approach.
[53] In the absence of exceptional circumstances.
[54] At least 90% of market for fixed lines, 97% for fixed broadband, 97% for pay-monthly mobile telephony and 90% for pay TV.

| | |
|---|---|
| | EE |
| | Plusnet |
| | Sky |
| | TalkTalk Group |
| | Virgin Media |
| **Pay-monthly mobile** | BT[55] |
| | EE[56] |
| | O2 |
| | TalkTalk Group[57] |
| | Tesco Mobile |
| | Three |
| | Virgin Mobile |
| | Vodafone |
| **Pay TV** | BT |
| | Sky |
| | TalkTalk Group |
| | Virgin Media |

## Aggregating data

A1.16 For pay-monthly mobile we present data for Orange, T-Mobile and 4GEE in an aggregated form. The charts throughout the report refer to this data as "EE".

## Complaints as a proportion of subscribers

A1.17 Other things being equal, the more subscribers a provider has the more complaints are likely to be made. Given the variation in size of provider, we publish complaints as a proportion of the relevant subscriber base to put complaints numbers into context and to help ensure the data is more meaningful for consumers.

A1.18 To achieve this, we use the number of subscribers[58] provided to Ofcom by the operators in question[59]. We do not collect these data for pay-TV providers and so, to calculate pay-TV complaints per one-hundred thousand subscribers, we use customer data from the providers own published investor reports. All of the pay-TV providers that we report on publish subscription data on a regular basis as part of their updates to investors.

A1.19 We understand from providers that quarterly subscription data is more robust than monthly data[60] and therefore we use quarterly data to calculate the complaints data.

[55] This is the first report to include BT pay-monthly mobile complaints. BT exceeded the market share threshold for pay-monthly mobile services in Q1 2017, and its Q1 result has also been included in this report. See paragraph 4.11 and footnote 40 for further information.
[56] This includes Orange, T-Mobile and 4GEE.
[57] TalkTalk was first included in the pay-monthly mobile analysis in Q3 2016, reporting on results as far as back as Q1 2016.
[58] Note that it is possible for an individual to have more than one subscription.
[59] EE did not submit its Q2 2017 subscriber figures for landline and fixed broadband services. Therefore, for this report only, we have used its Q1 2017 subscriber numbers. We have carefully considered this and assessed the impact on EE's results. We are satisfied they are sufficiently accurately presented.
[60] Particularly where the quarterly data is reported externally.

A1.20 While the subscriber figures provided to Ofcom are the most accurate ones available to each provider, there are some differences in the methodologies which have been used to compile them. These differences mean that there may be instances where one provider has reported a customer as being a residential user when another would not have. Ofcom has carried out checks on the data in the report to ensure that it is accurate enough to be of use to those seeking to compare providers. In instances where there is little material difference between operator complaint levels, we treat their performances similarly.

A1.21 For reference, landline can be provided as a combined calls and line rental service or as a call only service. As both services can generate landline complaints, Ofcom considers it is appropriate for them both to be included in the customer base used here.

## The industry average line

A1.22 As an additional data point against which to measure the performance of each provider, we include an industry average line. This shows the average number of complaints per 100,000 subscribers across all the providers included in the published data for each service. It does not include smaller providers who generally have a market share lower than 1.5%.