

## Update 2: Price rises in fixed term contracts consultation

### Breakdown of consumer complaints to Ofcom about price rises, September 2011-May 2012

Following a request from a stakeholder, we have decided to publish on an anonymised basis a full breakdown of the underlying data to the consumer complaints referred to in paragraphs 2.8 and 4.5 of the consultation document<sup>1</sup>. This is in addition to the breakdown of the total number of complaints per category published on 16 January 2013.

The table below provides a breakdown of the 1644 complaints examined by Ofcom about price rises as a “snapshot in time” for the period between **September 2011 and May 2012**:

	TOTAL	Main reason for complaint					
		Amount	Transparency	Unfair	ETC	All	Other
Provider A	1322	214	293	336	149	39	291
Provider B	145	24	60	30	7	3	21
Provider C	67	15	19	18	10	0	5
Provider D	39	8	15	4	0	0	12
Provider E	33	2	7	7	0	0	17 <sup>2</sup>
Provider F	26	0	2	10	0	0	14
Provider G	12	3	3	2	0	0	4
<b>TOTAL</b>	<b>1644</b>	<b>266</b>	<b>399</b>	<b>407</b>	<b>166</b>	<b>42</b>	<b>364</b>
<b>% of total</b>	<b>100%</b>	<b>16%</b>	<b>24%</b>	<b>25%</b>	<b>10%</b>	<b>3%</b>	<b>22%</b>

### Complaint categories

We categorised the complaints as follows:

- **Amount:** consumers complaining specifically about the amount of the price rise and how it could result in material detriment and/or financial hardship for them.
- **Transparency:** consumers complaining specifically about the lack of transparency of variation terms. These consumers complained about the price rise because they had assumed that the price was “fixed” for the duration of the contract term.
- **Unfair:** consumers complaining specifically about the principle of price rises in fixed term contracts and how they consider it “unfair” that providers can raise prices when they have already agreed to a fixed term contract.
- **ETC (early termination charge):** consumers complaining specifically about the application of the ETC and/or amount of the ETC quoted when they have asked to cancel their contract to avoid the price rise with their provider.
- **All:** consumers complaining about all the above issues.
- **Other:** consumers expressing general dissatisfaction about a price rise.

### Limitations of the above complaints data

Stakeholders should note that the number of complaints reported above is the raw data only. As providers vary in size, the above data is not directly comparable between each provider as the complaint numbers have not been recalculated to be presented as the number of complaints as a proportion of subscribers.

<sup>1</sup> <http://stakeholders.ofcom.org.uk/consultations/price-rises-fixed-contracts/>

<sup>2</sup> This figure includes 10 complaints about the provider’s notification process.