Suite 402, Level 4 55 Mountain Street Ultimo NSW 2007 Tel: 02 9288 4000 Fax: 02 9288 4019 www.accan.org.au



Media release

For immediate release: 21 January 2011

Epic Vodafail: customer takes 12,000 complaints to the regulators

The creator of <u>Vodafail.com</u>, Adam Brimo, has submitted a damning 30-page document to the Australian Communications and Media Authority (ACMA) and the Australian Competition and Consumer Commission (ACCC) that summarises the experiences of 12,000 Vodafone customers in relation to poor 3G network coverage, customer service and complaint handling by the telco.

The report, *Vodafone situation: yesterday, today and tomorrow*, analyses thousands of similar stories from customers about hours spent on hold to Vodafone's call centre trying to make a complaint about its 3G network issues, including frequent call dropouts and delayed receipt of voicemail and text messages.

The report claims in many cases customers were told by Vodafone customer service representatives that there weren't any known network issues and the problems they were experiencing were related to their handset or SIM card.

Customers were told to reboot their phones, and, if that didn't work, to go into a Vodafone store to pick up a new SIM card, which in most cases didn't improve the situation either.

Vodafail and the subsequent report documents customers' frustration and anger at Vodafone's seeming indifference to the 3G network problems customers were experiencing and the telco's failure to properly handle complaints.

The company has communicated very little directly to its customers since 3G network problems began in October last year. Vodafone Chief Executive Nigel Dews <u>made an apology</u> via the Vodafone website in late December, but ACCAN says that overall there has been an information vacuum surrounding the issues that has exacerbated the telco's problems.

ACCAN Director of Policy & Campaigns, Elissa Freeman, praised the efforts of Brimo in creating a space for frustrated and disaffected customers to share their experiences at a time when she says the company was at best "hoping it could ride out the [network] issues" or at worst, suffering a fundamental breakdown in communication to its frontline staff, dealers and customers.

"Adam deserves all of our thanks for his effort in setting up the Vodafail.com website and for running it 24/7 for a month – moderating thousands of comments and creating an Australia-wide coverage map from user data and sharing information about on-hold wait times," said Ms Freeman.

"Prior to Adam setting up Vodafail many customers thought they were alone in experiencing problems because Vodafone failed to let people know what was going on. This report shines a light onto what was going on then and what some customers are still experiencing."

Cont...

Media contact: Elise Davidson 02 9288 4010 / 0409 966 931 TTY: 02 9281 5322

"Vodafone has not only damaged its own reputation by failing to be up front with its customers and by showing a disregard for basic customer service and complaint handling principles, it has damaged the industry as a whole in the midst of a major inquiry by the regulator [the ACMA] into telco customer service and complaint handling," Ms Freeman said.

ACCAN made six recommendations <u>in its submission</u> to the ACMA's <u>Reconnecting the Customer inquiry</u> regarding minimum customer service and complaint handling standards, which was supported by 15 of the peak body's members including CHOICE, the Country Women's Association (CWA) and the Consumer Credit Legal Centre.

The telecommunications industry is currently self-regulated under the Telecommunications Consumer Protection (TCP) Code.

However ACCAN says holes in the existing Code are such that it would prove difficult for the regulator, the ACMA, to find a clear breach in relation to Vodafone's conduct.

Even if the ACMA were to identify a breach, the most it could do is order Vodafone to comply with the Code – cold comfort for the Vodafone customers whose problems remain unresolved.

"Adam's report is a case study that documents a systematic failure in customer service," said Ms Freeman. "We're sure the ACMA and the ACCC will read it with great interest."

The ACMA's findings from the *Reconnecting the Customer* inquiry are due to be released in or around March this year.

Background

Adam Brimo, a 23-year old recent software engineering graduate from the University of New South Wales (UNSW), created Vodafail.com while on hold to Vodafone, when he began experiencing network problems shortly after signing up to a two-year contract.

The website was launched on December 12, 2010, and quickly gained fame through media reports and social networking sites. Vodafail has had, to date, over 11,800 people share their "pain" stories with a total of 150,000 individual visitors viewing 450,000 pages.

The site's coverage map has over 16,000 responses that detail coverage in 1500 postcodes across Australia, and provide a stark contrast to Vodafone's own network maps (see page 6 of the report).

Legal firm <u>Piper Alderman</u> is currently preparing a class action against Vodafone which around 19,000 individuals and small businesses have already signed up to.

Brimo has told ACCAN that the report he wrote is intended to provide the regulators with the background they need to conduct a thorough investigation into Vodafone's handling of its network issues, customer service and complaint handling. He also expects this report to mark the conclusion of this unexpected chapter and allow him to return to his normal life.

Telco/ISP tip sheet: 'How to make a complaint that gets heard'

Media contact: Elise Davidson 02 9288 4010 / 0409 966 931 TTY: 02 9281 5322