

1 March 2021



Tristan Gilbertson
Telecommunications Commissioner
Commerce Commission
regulation.branch@comcom.govt.nz

By email only

PUBLIC VERSION

Re: Improving retail service quality for consumers

Dear Tristan,

Thank you for inviting Vodafone to share its views on how retail service quality could be improved to better reflect consumer demands. You have asked specifically about the key pain points experienced by fixed and mobile consumers and about potential remedies to these.¹ The Commission's interest in this area reflects the need for better consumer outcomes in retail telecommunications markets.

We support this objective. For many years, Vodafone's teams and customers have been telling us that they want more control over services, for services to be as simple and intuitive as possible, for us to proactively fix issues that mean they don't need to contact us, but to be able to reach us quickly and have problems solved first time when they do.

Improving service quality is at the core of Vodafone's strategy

We know that service quality is increasingly a key competitive differentiator between retailers. This is why delivering our customers an experience that is super easy, digital first and right first time is a fundamental pillar of our business strategy. Vodafone is ready to collaborate with the Commission in lifting service quality but it is vital that *how* we do this has regard for the following important principles:

- Service quality is a point of competitive differentiation. Competition will be reduced if retailers are constrained within a prescriptive and rigid model of service provision.
- Service models are evolving as technology and digital tools advance. Retailers must be allowed to innovate and adopt new service models. Requiring retailers to maintain legacy models of service provision would be a bad outcome for competition and end users.

¹ We note that the Commission is also interested in how the existing industry dispute resolution scheme could be improved. This issue is separately addressed by the Telecommunications Carriers Forum.

Vodafone New Zealand Limited

Vodafone New Zealand Limited: 74 Taharoto Rd, Takapuna, Auckland 0622, New Zealand.
Private Bag 92161, Auckland 1142, New Zealand.

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³ Relationship Net Promoter Score assesses Vodafone's overall relationship with customers.

² Also sometimes called Transactional Net Promoter Score, this is assessed via customer survey that measure satisfaction with a specific business transaction.

[Redacted content]

- Metrics used to assess service quality and experience should align with standard measures that are already applied by industry. There should not be any additional 'reporting burden' on retailers or customers. Alignment with industry standard measures would support meaningful comparison of service quality across retailers.
- Actions on service quality must be balanced with broader demands for industry investment, including in networks and coverage, promoting digital inclusion and product innovation.





any specific action or solution.

Customers have different service requirements and retailers respond to these requirements in a variety of ways. Any successful approach to addressing consumer pain points will recognise both i) the diversity of end user experiences and requirements; and ii) that effective solutions to these pain points will require innovation and differing approaches across retailers. It is therefore vital that any solutions proposed by the Commission are framed in terms of high-level objectives rather than constraining all retailers to a highly specific service approach. It is also particularly important that retailers not be tied to a requirement to deliver historic, legacy approaches to service provision in a reality where digital tools and new approaches offer opportunities for a step change in customer experience.

Some causes of service quality problems need a broader lens

Finally, some service quality dimensions in which the Commission expresses interest are not solely within the control of retailers. For example, the Commission is interested in installations and has invited views on whether retailers "communicate well during the installation process". Obviously, the accuracy and quality of communication where installation involves third party access services will depend on the quality of input from that third party, which is not solely within the control of the retailer.

[REDACTED]

Confidentiality

Confidentiality is sought in respect of the information in this submission that is contained within square brackets (**Confidential Information**). Confidentiality is sought for the purposes of section 9(2)(b) of the Official Information Act 1982 on the following grounds:

- a) the Confidential Information is commercially sensitive and valuable information which is confidential to Vodafone; and

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Tom Thursby
Lead Counsel & Head of Public Policy
Vodafone New Zealand Limited

Naku nā,

We ask that the Commission notify us if it receives any request under the Official Information Act 1982 for the release of any part of the Confidential Information, and that the Commission seek and consider its views as to whether the Confidential Information remains confidential and commercially sensitive before it responds to such requests.

b) disclosure of the Confidential Information would be likely to prejudice unreasonably the commercial position of Vodafone.

