

Customers

let's make a
better
world



Customers

We intend to be the best provider of communications services and solutions for everybody in the UK and corporate customers worldwide, working through partnerships.

We serve over 20 million business and residential customers in the UK and have more than 30 million exchange lines. We also provide network services to other licensed operators.

Here we explain our approach to:

- Customer satisfaction
- Customer communications
- Services for customers
- Wireless communications and health
- Broadband
- Twenty-first century network
- Convergence

Customer satisfaction

Improving customer satisfaction is the cornerstone of our strategy.

The quality of the service we provide - and our customers' satisfaction with that service - is fundamental to our business.

We are committed to listen to our customers through our millions of day-to-day interactions with them and through one of the largest customer-research programmes in the UK.

Our customers have told us that we must:

- Be easy to contact
- Keep them informed (we shouldn't need to be chased)
- Take ownership of their issues and champion their cause
- Live up to the commitments we make to them.

These principles guide us in all our initiatives to improve customer satisfaction. They demonstrate that satisfaction depends on price and the quality of service.

We publish a Quality of Service report with details of our performance, every six months. View the [Quality of Service reports](#) available online.

Customer satisfaction measures

To improve levels of customer satisfaction, we need a thorough understanding of what makes customers satisfied and dissatisfied.

We carry out over 2,000 face-to-face interviews with residential customers every month. We ask them about their overall perception of BT and the quality of service. Customers who use competitors are asked how satisfied they are with our competitors.

We also commission an independent agency to survey about 9,300 business and residential customers each month. Interviews include questions on the provision or restoration of a service, or how a complaint made to BT was handled.

Another independent agency surveys 1,290 BT business customers and 300 corporate and government customers every month by telephone.

BT Global Services uses three types of survey to measure customer satisfaction:

- Face-to-face interviews, normally with senior decision-makers in larger organisations
- Tracker surveys, an overall satisfaction survey conducted by telephone
- An Event Driven Customer Satisfaction Survey, a telephone survey conducted immediately after a repair or provision event.

We publish customer-satisfaction and quality-of-service measures every six months.



Customer satisfaction

Customer satisfaction measures those customers who are fairly, very or extremely dissatisfied with BT.

BT Retail's performance - tested over the last three months of the past three financial years - fell back in 2005/06. The causes of the decline are being tackled and we are confident the levels of dissatisfaction will return to those experienced in 2004/05.

Dissatisfaction scores for residential customers

2003/04 12.8%

2004/05 11.5%

2005/06 12.8%

Dissatisfaction scores for business customers

2003/04 13.3%

2004/05 17.4%

2005/06 20.3%

Customer communications

We need to know what our customers' concerns are if we want to keep them satisfied. We have established a number of consultation initiatives to help us identify these concerns.

We also provide ways for our customers to bring issues and complaints to our attention.

Customer consultation

We undertake in-depth consultation to understand our customers' needs and concerns.

Consumer liaison Panels

We run a number of consumer liaison panels across the UK. Feedback from panel members provides valuable insights into consumer thinking and informs the policy-making process within BT.

Panel meetings were held every two months in financial year 2006. Each panel has around 12 members, recruited for a two year period. The panels are recruited and chaired by independent external specialists. BT people attend the meetings to introduce topics and ideas, providing an opportunity for direct two-way feedback.

The panels are made up of consumers and some small business customers.

The panels regularly discuss a range of issues including customer service, how we keep customers informed, mobile telephony, payphones, billing, and the provision of services for customers with disabilities. During financial year 2006, broadband was one of the focus areas. Panel members were impressed with BT's efforts to drive broadband coverage. However they felt that the range of different broadband packages and product marketing was confusing and could put some potential customers off.

BT Business Panels

The Corporate Opinion Formers Group

This panel is made up of large customers in the London area. The group meets quarterly and also provide feedback through an online discussion group and bulletin board.



The Birmingham Local Business Panel

A new panel for small business customers in Birmingham. The panel meets six times a year to discuss topical issues with BT Business people and the BT Local Business network.

Customer complaints

We are committed to providing the best service to our customers. However, sometimes things go wrong, and when they do, we want to put them right as quickly as possible.

When a customer calls BT, an adviser will try to solve the problem as quickly as possible, preferably during the phone call. If this is not possible, we will agree a course of action. Billing queries are more complex and may take a little longer to resolve.

If a customer is unhappy with our response they can ask for the matter to be referred to the appropriate senior manager. If the complaint still cannot be resolved, the case can be taken to the BT Complaint Review Service. The Service will review all aspects of the case and strive to resolve the matter to the customer's satisfaction.

More information on BT's complaints procedure is provided in the back of BT Phone Books and on our website at [Complaints about our Service](#). Ofcom, the regulator for the UK communications industry, publishes advice about how to make a complaint to a telecoms company, see www.ofcom.org.uk.

Services for customers

We want to make sure we help customers gain the benefits of telecommunications while helping to protect them from those who abuse the network.

Here we explain our approach to:

- Advertising commitments
- Disconnections
- Protection from internet abuse
- Online safety
- Low income services
- Nuisance Calls Bureau
- Protection from internet dialer scams
- Payphones
- Services for customers who are older or disabled
- Voluntary and mandatory services.

Advertising commitments

As one of Britain's largest advertisers, we not only have a public duty to uphold the highest standards of advertising, but a great deal to gain from adopting such standards. By promoting such a culture, BT can:

- Avoid adverse publicity
- Avoid risk of prosecution.

BT's values in this area are set out in the BT Statement of Business Practice and the BT Competitive Marketing Principles.

The BT Statement of Business Practice states that BT will be truthful and accurate in all our communications with customers, and be helpful and honest in all our dealings with them.

The BT Competitive Marketing Principles refer to BT selling its products and services positively, on their merits, persuading customers to buy BT because of excellence in facilities, price, delivery, quality, service and value for money.

In the 2006 financial year, there were 27 complaints made to the Advertising Standards Authority about BT and 5 of these were upheld. During the 2006 financial year, BT made 58 complaints to the ASA, of which 15 were upheld.



Disconnections

We regard a disconnection as a failure and make every effort to avoid it. We offer flexible payment options to help customers budget for bill payment. If customers have temporary payment difficulties, we are eager to work with them to avoid having to disconnect their service. For example, by agreeing payment plans to help customers pay over a longer period than usual.

If we do not receive payment after issuing the first reminder, we will give the customer a second reminder, usually by telephone. If we still do not receive payment, or have been unable to agree a payment plan, we restrict the customer's service to incoming calls only (except for calls to BT and emergency numbers). We only consider temporarily disconnecting the service from outgoing and incoming calls if payment is still not forthcoming or we are unable to negotiate a realistic payment plan with the customer.

Our Bill Payment Code of Practice describes our procedures for requesting payment and the help customers can expect if they have problems paying.

For more information, see [BT Customer Service](#).

Protection from internet abuse

Internet abuse falls into two categories - content and contact. Content refers to websites, files and images that are posted as a 'one way' communication, where the person posting the illegal content and those using it have no immediate relationship. Contact, however, covers person-to-person contact over the Internet - either between two people abusing the net by common agreement, or someone approaching a child or harassing a victim over the net.

We have introduced 'Cleanfeed', which uses the latest technology to block child abuse sites blacklisted by the UK Internet industry body, Internet Watch Foundation. The blacklist is a worldwide list of child sexual abuse websites that have been assessed as "illegal to view" in the UK under the 1978 Child Protection Act. Illegal child sexual abuse material is the only material under UK law where possession (by downloading from a website) is a criminal offence in itself. This means the blocking technology prevents offences being committed, and is therefore a direct crime prevention measure.

Cleanfeed blocks any blacklisted material. This could be a whole site, a page or even a picture. A customer who tries to access a blacklisted site will see the 'error 404' message. There will not be any indication that the material is blacklisted. The technology does not have the capability to record attempts to access blacklisted material.

More information on content controls and privacy is included in the [Human Rights](#) section of this report.

Online safety

BT and Guardian Unlimited

BT is working with the online news service, Guardian Unlimited, on a major online security campaign.

BT is sponsoring a microsite on Guardian Unlimited, which will include a comprehensive guide to online security and advice on how broadband users can protect themselves against online theft, fraud and viruses. There will be information for teachers and parents on how to protect children from dangers online.

Internet Green X Code

BT launched the Internet Green X Code in 2004 to help children stay safe on the internet. The code encourages children to 'Stop, Think and Stay Safe' when they are online through their computer or mobile phone. It also contains guidelines for parents and teachers, such as keeping computers in a communal room and making internet surfing a joint experience for parents and kids.

The Internet Green X Code is the first guide to be endorsed by the Home Office, the Children's Charities Coalition on Internet Safety (CHIS), the Internet Watch Foundation and the Department for Education and Skills' Parents Online.

The code can be [downloaded](#) or you can e-mail greenxcode@bt.com to obtain a copy.



Low income services

A phone service can act as a lifeline. We provide a basic telephone service for all, including people on low incomes or those who have trouble paying their bills. The services are:

BT's Light User Scheme - for those who need a phone but make few calls because they can't afford them. It is available on BT residential phone lines. Customers pay standard rental and call charges, and receive a rebate if their bill is below a certain level. Around two million customers benefit from the scheme which costs BT around £70 million a year. This is a level of support for the needy that we believe is unmatched by any other UK business.

BT In-Contact Plus is a basic telephone service that offers normal incoming call facilities, but restricts outgoing calls to 999, 112, 150, 151 and 12822 (Ring Me Free). It is aimed at customers who previously could not afford a telephone service, as well as those customers who need to control their telephone costs. The joining fee is £9.99 (inc VAT), and there is a quarterly rental of £9.25 (inc VAT).

BT Pay & Call is a new 'pay as you go' service. It provides a BT fixed line service which is pre-paid by credit or debit card or by using BT's Pay & Call Payment Card (cash payments at PayPoint). Over 400,000 customers use the service.

Nuisance Calls Bureau

BT voluntarily operates a Nuisance Calls Bureau (NCB) to help and support customers receiving malicious and nuisance calls. Initial enquiries are answered by specially trained advisers who offer simple advice and solutions. The NCB is open 24 hours a day, 365 days a year.

Complex cases, which may require police investigation or call tracing, are passed on to NCB specialists who are trained in police liaison and may appear in court as prosecution witnesses if necessary.

The Nuisance Call team can be contacted 24 hours a day on 0800 661 441.

Protection from internet dialler scams

Rogue internet diallers are an industry wide problem. Customers have experienced higher than expected telephone bills. This is usually as a result of the installation of software diallers that call premium rate services from computers. In some cases the installation is done secretly via the internet, or it is installed by someone other than the bill payer. In many cases, the installation is perfectly legitimate but customers are unaware of the cost implications.

BT has been working closely with the industry and ICSTIS (the premium rate services regulator) to resolve this. We offer several services to warn customers and help them protect themselves:

BT Modem Protection – a free software download that stops PCs dialling premium rate or international numbers, even if dialler software is present. Customers are warned if their modem starts to dial anything other than a list of approved numbers.

BT Privacy Online SMS Alert - an early warning system for customers affected by diallers. If a customer's bill rises dramatically above its usual pattern in a day or a call is made to a destination suspected of operating unregistered diallers, a text or voice message is immediately sent to the customer's landline. A premium rate bar can then be placed on the line.

Customers can sign up to BT Privacy by calling 0800 121 8000 or registering online at <http://www.bt.com/privacy>. Customers who already have a caller display service for BT Privacy should call 0800 121 8000.

Payphones

BT has a legal duty - known as our Universal Service Obligation - to make basic telephone services available to all UK consumers, throughout the country and at affordable prices. This includes providing payphone services to meet community needs, including rural communities.

We currently have 64146 public payphones in operation, with a further 873 managed sites. Calls from public payphones have fallen considerably in recent years – mainly due to increased mobile use – making many payphones unprofitable.

BT's challenge is to meet regulatory requirements on providing access, while ensuring that our payphone operations are financially viable.



During the 2006 financial year, we removed 296 public payphones. None of these removals resulted in the total loss of payphone services in the areas affected. Before deciding to remove a public payphone we look at several factors including the age profile of the local population and mobile phone coverage in the area.

New services

We are looking for ways to sustain our payphone service by offering customers a wider range of services.

We have 1,300 public e-payphones in the UK, enabling customers to surf the internet, send emails and text messages and make payphone calls. We have joint initiatives with several local councils to enable communities to access on-line e-government services from our e-payphones.

Other options we are exploring include a combined payphone and ATM.

Services for customers who are older or disabled

Our aim is that all members of society should have the same freedom and opportunities to communicate. Our Age & Disability Team influence accessible product design across BT and work within local communities to improve access to communications for older and disabled people. As we launch a new wave of products and services we must make sure these engage rather than exclude older and disabled people.

Accessible Information

We make our printed and on-line information easy to understand and use. We provide bills, contracts and some service information in alternative formats such as Braille and large print.

Our [Age & Disability Action](#) website provides clear information about our services and was awarded the RNIB's 'See it Right' Accessibility logo.

BT Text Direct and RNID Typetalk

BT TextDirect is a simple way of making and receiving calls between voice and textphone users.

Typetalk enables people who are deaf or hearing impaired to make and receive calls to and from hearing people. It is run by the Royal National Institute for Deaf People and funded by BT

Consultation

We consult disabled people on key issues. The BT Disability User Panel, made up of BT people with an interest in disability, provides early feedback on the accessibility of new services.

Digital Divide

Many older and disabled people do not have access to technology or find it difficult to use. We are committed to helping these customers engage with technology. For example, our website includes information on broadband in British Sign Language. We are working with the National Library for the Blind to investigate how broadband can give disabled people greater online access to books. Further details are on our [Age & Disability Action Website](#).

Directory enquiries

Disabled customers can use our 195 free directory enquiry service.

Products

We are proud of our extensive range of 'Design for all' phones including the Big Button range and the BT Relate 3000. We currently supply the only rental textphone in the UK.

Our Age & Disability Action Team work directly with healthcare and independent living specialists across the UK to provide a unique product trial service, allowing older and disabled customers to find the right BT product for their needs.

All existing payphones have inductive couplers to assist people wearing compatible hearing aids. Our latest range of text payphones also allow UK customers to send e-mails and SMS messages and some incorporate a textphone with access to BT TextDirect.



Protected Service

We offer services to protect the phone lines of vulnerable customers in relation to payment of bills and line faults.

Voluntary and mandatory services

BT takes pride in pioneering services for customers and seeks to provide levels of service beyond our mandatory requirements. Some services that we have offered voluntarily have become licence requirements.

Voluntary services

Service	Notes
Nuisance Calls Bureau	BT set up this facility to offer expert advice and practical action to victims of malicious and nuisance calls.
Telephones for disabled customers	BT supplies a wide range of equipment for disabled people.

Mandatory services

Typetalk/TextDirect	BT provided significant financial support to Typetalk voluntarily, before this became a licence condition. The text users rebate scheme is a regulatory requirement for BT.
Free priority fault repair service	BT provides a priority fault repair service to severely disabled customers. We have also extended this service to establishments which exclusively house the elderly
Directory enquiry information for those unable to use a phone book	BT is obliged to provide a free directory enquiry service to disabled customers who cannot use a phone book.
Billing and general information for disabled customers in braille, large print or on audiotape	BT has voluntarily provided bills and selected publications in alternative formats for many years. Our licence now requires us to provide contracts and bills in an acceptable alternative format upon request. Under the Disability Discrimination Act 1995, BT also has wider obligations to provide any customer contact in alternative media.
Public payphones with inductive couplers	BT is required to provide inductive couplers (used by people with hearing aids) in public payphones.

Customers - Key Performance Indicators

Indicator	Description	Measure	Target
Customer Satisfaction	A measure of satisfaction across BT's entire customer base*	There was a 3% increase in satisfaction during the 2006 financial year.	To increase the number of extremely and very satisfied customers by 5% during the 2007 financial year.‡
UK Addressable Broadband Market	A measure of the geographical reach of broadband	99.7% of UK homes and businesses have access to broadband.	To maintain at 99.7% and actively look for economic opportunities to extend during the 2007 financial year. A new target will be developed for the 2008 financial year.

* revenue weighted.

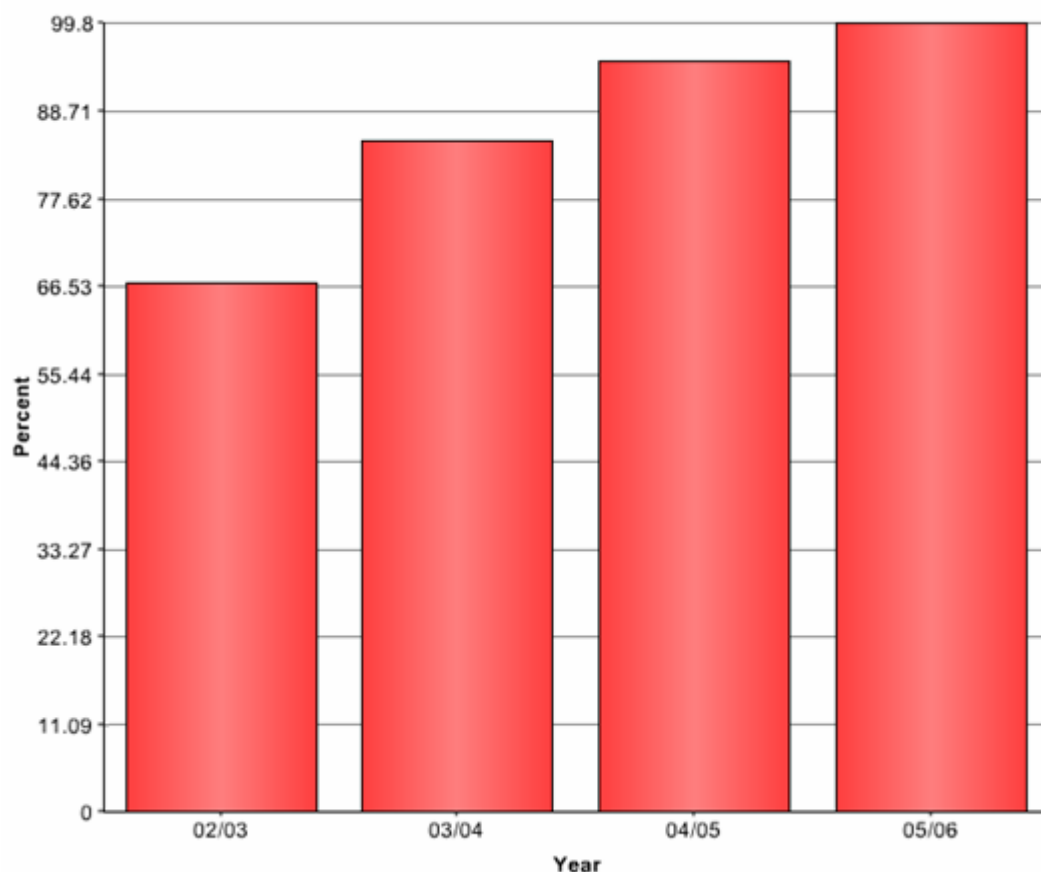
‡ this is a revenue weighted measure and is combined with a target to limit the levels of dissatisfaction to March 2006 levels.



Customers Targets

Start Date	End Date	Description	Update	Target Status
April 2006	March 2007	BT will increase the number of extremely and very satisfied customers by 5%.		New
April 2006	March 2007	BT will maintain its Broadband coverage at 99.8% and actively look for economic opportunities to extend.		New
April 2005	March 2006	We will increase the number of extremely and very satisfied customers by 5% and limit the levels of dissatisfaction to March 2005 levels (revenue-weighted measure).	There was a 3% increase in customer satisfaction in the 2006 financial year. The customer satisfaction target of 5% was therefore not met.	Failed
April 2004	September 2005	We will make Broadband available to exchanges serving over 99% of UK homes and businesses.	As of 30th September, there were 25,320,639 households in enabled exchanges out of a UK total of 25,376,239 (99.8%).	Completed

Broadband coverage



Customer satisfaction - Key Performance Indicators

Indicator	Description	Measure	Target
Customer Satisfaction	A measure of satisfaction across BT's entire customer base*	There was a 3% increase in satisfaction during the 2006 financial year.	To increase the number of extremely and very satisfied customers by 5% during the 2007 financial year.‡

* revenue weighted.

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Customer satisfaction Targets

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Customer satisfaction measures - Key Performance Indicators

Indicator	Description	Measure	Target
Customer Satisfaction	A measure of satisfaction across BT's entire customer base*	There was a 3% increase in satisfaction during the 2006 financial year.	To increase the number of extremely and very satisfied customers by 5% during the 2007 financial year.‡

* revenue weighted.

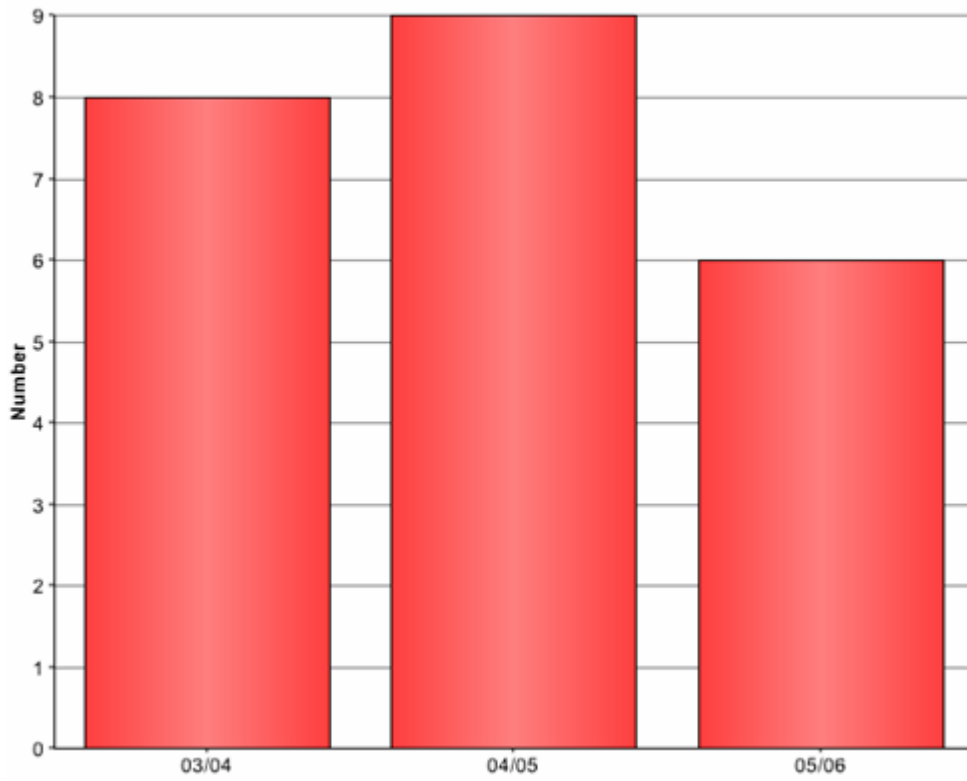
‡ this is a revenue weighted measure and is combined with a target to limit the levels of dissatisfaction to March 2006 levels.

Customer satisfaction measures Targets

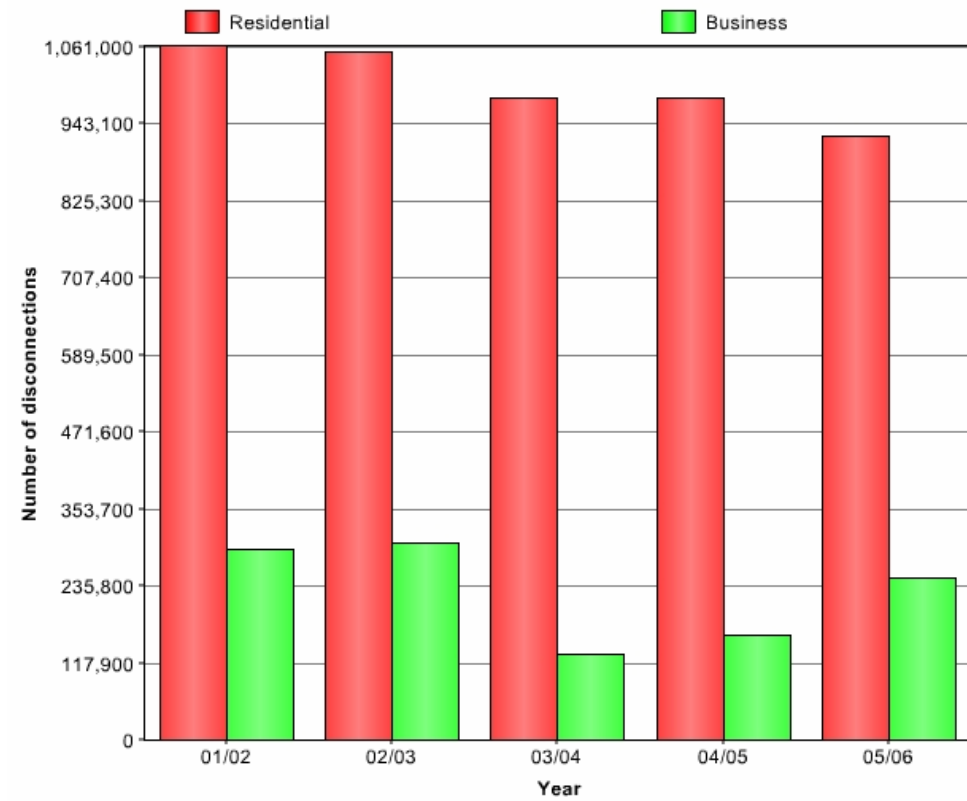
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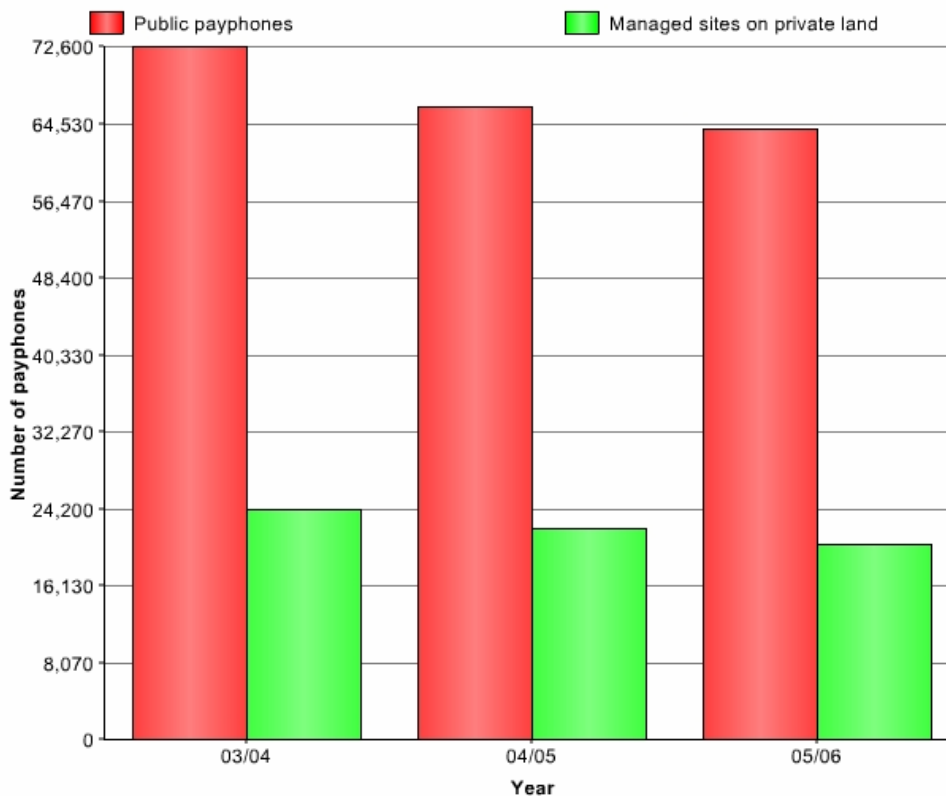
Complaints upheld by the ASA



Disconnections



Payphones



Broadband - Key Performance Indicators

Indicator	Description	Measure	Target
UK Addressable Broadband Market	A measure of the geographical reach of broadband	99.7% of UK homes and businesses have access to broadband.	To maintain at 99.7% and actively look for economic opportunities to extend during the 2007 financial year. A new target will be developed for the 2008 financial year.

Broadband Targets

Start Date	End Date	Description	Update	Target Status
April 2006	March 2007	BT will maintain its Broadband coverage at 99.8% and actively look for economic opportunities to extend.		New
April 2006	March 2007	BT will develop a new digital inclusion target for use in the 2008 financial year. By March 2007, BT will develop a new digital target for use in the 2008 financial year.		New
April 2004	September 2005	We will make Broadband available to exchanges serving over 99% of UK homes and businesses.	As of 30th September, there were 25,320,639 households in enabled exchanges out of a UK total of 25,376,239 (99.8%).	Completed

