Changing world: Sustained values
Customer focus

Improving customer service is a business priority. Understanding our customers’ needs and responding to them quickly and with insight helps to set us apart from our competitors.

We operate in over 170 countries and are dedicated to meeting the needs of our different customer groups:

- major corporate customers (global corporations, multi-site organisations in the UK and overseas, and government in the UK and overseas);
- consumer customers in the UK;
- small and medium-sized businesses (SME) in the UK (typically companies with up to 500 employees, although some of our customers in this market are significantly larger); and
- other communications providers in the UK

In our consumer markets in the UK and Ireland we provide services which meet the needs of our low income customers and customers with disabilities.

Customer experience

Our goal is to be number one for customer service. This is vital in all markets to differentiate BT from the competition. Our customer service measures are designed to directly reflect our customers’ experience throughout their dealings with BT, and focus on getting things right first time and reducing cycle time.

- ‘Right first time’ measures the extent to which we keep our promises to our customers and meet or exceed their expectations
- ‘Cycle time’ is the time that passes between the customer making contact and their acceptance that the service or query is delivered or resolved, any required bill has been issued and paid.
All parts of BT are implementing plans to make sure we get things right first time. For example, our intelligent monitoring and diagnostics systems help us to identify issues with our services before customers experience any problems. We also run programmes such as My Customer to ensure that everyone at BT is focused on improving customer satisfaction.

**Performance**

Great customer service is essential for maintaining long-term, mutually rewarding relationships with our customers in such a competitive industry.

Our group-wide targets for the 2009 financial year were to improve customer service in line with our corporate scorecard, and to further increase our score against our right first time performance measure. This score actually increased by 17%, and we aim for further improvement in the 2010 financial year.

Working toward these targets has enabled us to better understand our service from a customer perspective and make BT people more aware of, and accountable for, their actions, leading to wide-ranging improvements.

For example, customer satisfaction at BT Retail increased by 32% during the 2009 financial year, following a focus on resolving customer queries during the first call. BT Retail operates mainly within the UK, where we are the largest communications services provider to residential and business customers. The focus on improving business processes, coupled with a customer service advisor training programme is yielding good results - the volume of calls referred to other departments to be resolved has reduced by almost 75%, and the time taken to resolve customer enquiries by over 60%.

**Enquiries and 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.

For example; in our BT Retail division we are investing in intelligent systems which help us identify customers with problems so we can call them before they feel the need to complain. When a customer does need to call BT, an advisor will try to resolve the query there and then. If this is not possible, we will agree a course of action and keep the customer informed until the problem is solved.

We contact our customers using the technologies that are most convenient for them, including phone calls, pre-recorded voice messages, email or SMS text message. We employ customer service advisors who speak Welsh and some Asian languages. Our advisors use Type Talk to respond to queries from customers with vision impairment.

We are investing in automated processes to make it easier for people to the access the information they need. These include interactive voice recognition, systems that give real time information, online billing and payment.

We also want to give customers the option to fix the problem themselves. For example, our Home Hub includes a self help function. Our assisted help technologies allow a BT technical advisor to access customers’ PCs remotely and fix problems with our broadband services.
Our regular Customer Experience Tracking surveys ensure we can identify issues and develop programmes to improve our handling of complaints. For example, we ask our customers about:

- Overall satisfaction with the advisor
- If they did make a mistake, did they fix it quickly
- How many people did they have to speak to
- Our explanation of technical issues and our ability to resolve the technical problems
- How well we kept them informed of progress, and whether we met agreed deadlines
- How easy it was to contact us and by which method, how long it took to get through to an advisor, and the ease of reporting a fault or complaint

There is still work for us to do on the top five issues identified in the surveys, which are:

- The advisor didn’t understand the problem
- The advisor didn’t know how to deal with the query and the call had to be transferred
- The customer had difficulty understanding the advisor
- The advisor was inefficient
- The customer had to repeat information unnecessarily.

BT Retail’s future investment plans are designed to address these issues. There are similar plans in place in our other divisions too.

**Still unhappy with our service**

If a customer is still unhappy 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 reviews all aspects of the case and strives to resolve the matter to the customer’s satisfaction.

All Public Communications Providers, such as BT, have to have an Alternative Dispute Resolution (ADR) system in place. An ADR system gives you another way of resolving a dispute if you are unhappy with the final outcome of your complaint.

We provide an ADR through an external body called the Office of the Telecommunications Ombudsman (Otelo). Otelo provides a free, completely independent service for investigating complaints which is approved by the communications regulator, Ofcom.

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 also publishes advice about how to make a complaint to a telecoms company.

We have a number of Codes of Practice covering various elements of our business.

Full details on how to contact us are published on our group website.

**Offshoring and customer service**

We constantly seek to improve the way we handle the millions of customer calls we receive each month. Where appropriate, we look for suppliers around the world that can offer our customers a
great service. We ensure service is consistent irrespective of location by using the same processes, systems, monitoring and performance measures. Our research shows that in certain areas, such as consumer–broadband technical support, dissatisfaction with the fact that the helpdesk is overseas has fallen. Overall satisfaction is also increasing thanks to the quality of service provided.

HomeAdvisors

In the 2009 financial year we ran a small-scale pilot in the Thurso and Wick areas of Scotland in which our advisors worked from home. We are now expanding the pilot around the UK. Customer Service HomeAdvisors are provided with equipment, training and an agreed flexible work schedule, helping us to meet peaks and troughs in call times and allowing advisors to better plan their work/ life commitments. This reduces time and money spent on commuting and enables split-shift working, which suits many advisors.

See attracting and assigning our people for more on our global sourcing strategy.

Affordability

Cost is one factor that affects take-up of technology. At BT we aim to be the best provider of communications services for everybody in the UK – including those on low incomes. This section explains:

- Our phone services for low-income customers
- Services for businesses

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, by agreeing payment plans over a longer period than usual, for example.

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 Codes of Practice describes our procedures for requesting payment and the help customers can expect if they have problems paying.
For more information, see BT’s Codes of Practice.

Low income customers

Phone Services

A phone service can act as a lifeline. We provide a basic telephone service for everyone, including
people on low incomes and those who have trouble paying their bills.

On 8th October 2008 we launched BT Basic, a low-cost line rental scheme designed to help customers on low incomes who would otherwise have difficulty affording a home phone service. We now have over 200,000 customers on BT Basic. Features include:

- Line rental of only £13.20 per quarter including VAT, including a call allowance of £4.50
- An automated 'Call My Bill' service which helps customers budget by telling them how much they have spent since their last bill
- The option to choose to bar certain types of call e.g. to Premium Rate numbers
- Broadband access.

Other services for low-income customers include the pay-as-you-go service BT Pay & Call. This provides a BT fixed-line service which is pre-paid by credit or debit card or by using BT’s Pay & Call Payment Card through PayPoint. Around 32,000 customers use the service.

Supporting businesses

Pricing is as important to business customers as it is to consumers. In February 2009, we reduced the price of our business broadband packages and increased the range of services they include, to help business customers cut costs and give them a stronger competitive edge in the economic downturn.

BT’s business packages include fixed and mobile internet access, free calls to 0800 and 0844 numbers, UK phone, online workspaces and internet-based voice over IP telephone services, among others.

More information on our services can be found on our website.

Availability of products and services

In the UK we can help increase digital inclusion by providing a range of different connections, at home, in the office or on the move and by making these widely available.

In this section we explain our approach to:

- Broadband and WiFi
- Payphones

Broadband and WiFi

Broadband provides a fast, always available connection to the internet. More than 99.8% of UK homes and businesses are connected to broadband-enabled exchanges. We are working to improve availability even further.

We have been working with the Welsh Assembly government to enable six communities in Wales to receive broadband. We have also launched the i-Plate, a device which can be installed in homes which filters out electrical interference caused by televisions, lighting and wiring that can often slow down the speed and affect the stability of a broadband connection.

The UK government published its interim Digital Britain Report in which it proposed that, by 2012, all
homes should be served by broadband, with speeds up to 2Mb per second. BT has pledged to invest £1.5 billion to roll out super fast broadband over fibre optic cables to as many as ten million premises by 2012 (subject to our ability to make a proper return).

The UK government also published Delivering Digital Inclusion, An Action Plan for Consultation. This report provides a framework for increasing digital inclusion and for using technology to tackle social inequalities. The report highlights the following BT supported digital inclusion programmes as examples of good practice: BT Internet Rangers, Everybody Online and the Age Concern Digital Inclusion Network.

We are involved in the Home Access Taskforce, a programme to provide school age children from jobless and low income families with a free computer and free broadband access in their homes. Pilots are being held in Oldham and Suffolk Local Authority areas before nationwide rollout begins in autumn 2009. In September 2008, Prime Minister Gordon Brown announced plans to invest £300 million in the programme. BT is a member of the Home Access stakeholder group which is providing advice to Government, from an industry perspective, on the development and implementation of the home access programme.

WiFi

Some customers want access to the internet on the move. We offer these customers 3G modems as part of their Total Broadband package. Moreover, BT FON enables customers who agree to share a small, secure section of their home broadband connection access to broadband via other BT FON member locations and BT Openzone Wi-Fi hotspots. Between them, BT Openzone and BT FON offer BT customers the chance to get online at more than 130,000 locations in the UK and Ireland and at more than 50,000 locations worldwide, through roaming partners. We have also developed WiFi coverage extensively across many UK city centres, providing outdoor coverage, including Westminster, Newcastle and Birmingham. The BT Openzone network continues to change, full details are on the website.

Payphones

BT has a legal duty, known as our Universal Service Obligation, to make basic telephone services available to all UK consumers at affordable prices. This includes an obligation to provide payphones to meet their reasonable needs.

In Great Britain, we currently have just over 55,000 public payphones in operation, with a further 13,185 managed payphones. There are 1,610 public payphones and 928 managed payphones in Northern Ireland. Calls from payphones have fallen considerably in recent years, mainly due to increased mobile use. Many payphones are now unprofitable to maintain.

During the 2009 financial year, we removed 6,312 public payphones. In all cases, local authority consultation was undertaken in line with Ofcom guidelines on kiosk removals. As part of this street removal programme, BT launched the Adopt a Kiosk scheme, an initiative designed to offer communities with little used payphones the opportunity to retain them for heritage reasons. Communities were offered the opportunity to either ‘adopt’ their kiosks, whereby they assumed full ownership of the kiosk, or ‘sponsor’ their kiosk, whereby they retained a full working payphone in return for a small sponsorship fee. By March 31st, 833 councils had either applied or expressed an interest in adopting their kiosk and 143 councils had applied or expressed an interest in the sponsorship scheme.
Accessibility

Accessible product design and customer service help more people benefit from communications technology, particularly older people and people with disabilities.

We aim to make our products as accessible as possible by considering the needs of older or disabled customers at the product design stage. We have had a dedicated accessibility and inclusive product design team since 1984. The team works with healthcare professionals, disability organisations and consumer groups to understand the needs of customers with different capabilities.

We aim to improve access right across our core product range, rather than focusing on specialist accessibility products.
In this section we discuss:

- Inclusive design in BT
- Product accessibility features
- How we engage with stakeholders on accessibility

Read about our support for community projects which promote digital inclusion.

Product accessibility features

These are some examples of efforts to incorporate accessible features across our product range:

- The **BT Home Hub** has a socket for an inductive loop for people with hearing impairments; raised pips on buttons to aid location for those with poor eyesight; and improved layout of sockets to make installation easier for people with dexterity problems.

- The **BT Big Button 100** is one of our best selling corded phones. It is a development of the original phone launched in 1998 with an easy-grip handset and larger keys that help older customers and those with limited mobility.

- The **Converse 1200** business or home office corded phone has an incoming call flashing light and a speech amplifier for people who are hard of hearing; quick speed dials prominently positioned for people with poor eyesight; and a hands free function for those with dexterity problems.

- Our new cordless phones, the **Freestyle 710**, has an easy grip handset; large, well-spaced buttons; a built in inductive coupler; an easy to use speed dial and a back lit screen with large characters. This improves accessibility for people with a range of visual or hearing impairments and those with dexterity problems.

We also look to develop accessibility features for our mainstream products by exploring innovative new concepts. For example:

- The **TwoTone Phone** was designed for BT by the Helen Hamlyn Centre, to help older people contact their friends and relatives more easily. The phone has six ‘presence’ buttons that light
up when friends and family are online. Users can then dial without needing to input a long telephone number and speak to a person first time, rather than connecting to an answering service.

- **BT Balance** is a motion sensing laptop that allows users to manipulate menus and applications without the need for a keyboard or a mouse.

**Championing inclusive design**

We aim to drive consideration of consumer issues deep into our operations and to champion inclusive design outside BT.

The Freestyle 710 and 750 cordless phones, launched in October 2008 are great examples of how working with our stakeholders can help both our customers and our business.

These competitively-priced phones have been highly rated by customers, critics and consumer groups. The Freestyle 750 received 10/10 in a Sunday Mirror review, and their ease of use has been praised by groups working with older people and people with visual or hearing impairments.

BT’s head of consumer affairs and inclusion, Liz Williams said: “The Freestyle 750 is testament to the impact of making inclusion an integral part of the product design process from start to finish.” Designing this phone was made easier by the online Inclusive Design Toolkit, commissioned by BT and developed by Cambridge University, which helps designers to consider the needs of people with reduced capabilities at an early stage.

We also tested the Freestyle phone with a range of users, including our Employee user panel, and this fed back into the final design. We keep in regular contact with a range of consumer groups and stakeholders through regular meetings, our newsletters and by attending exhibitions and these help us to tell people about new products such as the Freestyle phones.

At over 200 ‘Try Before You Buy’ centres around the country, older and disabled people can get advice from expert staff and try our products. During Autumn 2008, 97% of surveyed visitors said that the loan of phones was very or extremely helpful in helping them make a ‘right first time’ product choice.

We are dedicated to helping our customers make good environmental choices, in line with our CBI climate change task force commitments. As part of BT Retail’s goal to make 90% of phones more energy-efficient all our new phones have power units designed to use less than half the power of previous units.

We are proud to be one of the founding members of the Engage business network: a network set up in 2008 to drive forward the agenda of older people in the consumer market. Amanda Ball, Group Marketing Director of Age Concern and Help the Aged, said: “It is great to have companies such as BT as founder members of the engage network and encouraging to see that, with the help of the network, the Freestyle phone is aiming to acknowledge older people’s needs and requirements.”

**Inclusive design**

In 2007, we set up a centre of excellence to support inclusive design at BT Retail. The centre’s role was
to ensure that inclusivity issues were thought about at the outset of the design process and that our teams had the tools and support they needed to make all BT products as inclusive as possible. As a result, Inclusive design is now a business-as-usual element of our design process and no longer requires a dedicated resource outside the design teams.

In 2007 we trained 130 product managers in customer centric design. In the 2009 financial year, we prepared the training for a wider audience. We worked with the consultancy Human Factors International and ran pilot courses, to ensure that the material meets the needs of our product designers.

We have developed an inclusive design toolkit, in partnership with i~design (a business and academic consortium), which is publicly available at www.inclusive design toolkit.com. The toolkit explains the benefits of inclusive design and provides guidance for product designers within BT and other businesses. It includes an “exclusion calculator” to help product teams understand how they can increase the potential market for a particular product by considering customers with reduced capabilities. In 2008 a new Visual Simulator was added to the toolkit. This allows designers to better understand how the design of their products affects people with visual impairments such as colour blindness and cataracts. We have developed a computer based training programme for BT employees based on the new toolkit which raises awareness of the business case for inclusive design.

The toolkit is being used to increase awareness of inclusive design amongst the next generation of product designers and is now incorporated in design courses in a number of universities around the world. Since it was launched it has received around 2.5 million online hits.

In the 2009 financial year we presented the toolkit and our approach to inclusive design at a number of events: Ofcom’s Usability Conference, Help the Aged’s Engage Seminar, International Federation on Ageing conference in Montreal and a regulators event on inclusive design in Ireland.

Engagement

We engage with consumer, age and disability organisations to understand customer accessibility requirements. We use a number of channels to communicate information on customer needs to our employees.

External engagement

We have long-standing relationships with many consumer advocacy bodies including Consumer Focus (formerly the National Consumer Council), Citizen’s Advice Bureau, Ofcom and specialist age and disability organisations.

Our interaction with these groups gives us a better understanding of the needs of our customers, helping to ensure that feedback on accessibility requirements are fed into our product design processes.

Through our digital inclusion projects we work with partners to help older and disadvantaged people gain ICT skills they can use to improve their lives.

Publications

We publish guidance on accessibility issues and information on suitable products and services from BT on our Inclusion website. For example:
• Communications Solutions – our guide to the full range of BT products with accessibility features.
• Sound Connections Guide – our guide to hearing better on the phone.
• The Internet: It’s easier than you think – our guide encouraging people to get online.

Please see our stakeholder engagement section for more information on how we communicate with other stakeholders.

Internal engagement

It is important that accessibility and inclusion are considered in all aspects of our customer experience from product development, to advertising and the service provided by our contact centres.

Our Consumer Affairs and Inclusion team is responsible for raising awareness of accessibility issues across BT. Communications channels include:

• An inclusion intranet site providing guidance and background information for employees.
• Our main online news service, BT Today.

Marketing practices

We aim to communicate with our customers honestly and sell our products fairly.

We established the BT Sustainable Marketing Programme in August 2007 as part of our commitment to embedding the principles of sustainability into business as usual, and to help educate and inspire our marketers to consider their sustainability impacts. The programme is based on an intranet resource centre and provides guidance on best practice, help, advice and training.

This section explains our approach to advertising and pricing our products and services.

Pricing

We aim to make our prices clear so customers know what they will pay to use our services. Our tariff guide for residential customers is available on our website. We try to ensure that customers don’t end up paying more or buying services they don’t need.

For example, in January 2009, we announced that calls to 0870 and 0845 numbers would be free, and in February 2009 we reduced the price of our business broadband packages.

In October 2008, we introduced a new subsidised telephone service to help people receiving one of three specific benefits in the UK – Income Support, income-based Job-Seekers Allowance and Guaranteed Pensions Credit – to cope with the rising cost of household bills. See the section on low-income customers for more information.

Simplifying prices for some services is more difficult. For example, calls to other networks such as international calls or calls to mobiles vary because each operator charges BT a different amount for different types of call. We offer tailored services to our large customers worldwide to ensure we meet their needs in a competitive marketplace. The price of these services therefore varies.
In February 2009, BT Mobile became the first UK mobile company to make calls to 0800 numbers free. The landmark decision won immediate support from consumer groups, which believe mobile companies should stop charging for calls to freephone 0800 numbers. Our broadband comparison site enables consumers to compare BT's prices with those of our competitors.

Small and medium business customers can control their costs by capping the price of certain calls with the BT Business Plan. During the 2009 financial year, we reduced the price and increased the range of services in our Business Broadband packages.

We are the primary UK source of access and backhaul wholesale services. Pricing for these services are agreed with the UK regulator and are published on Openreach (www.openreach.co.uk) and BT Wholesale (www.btwholesale.com) websites.

**Advertising**

We are one of the UK’s largest advertisers. We have a public duty to uphold the highest standards of advertising, and a great deal to gain from adopting such standards. By promoting such a culture, we can avoid adverse publicity and risk of prosecution, as well as attracting more customers.

Our values in this area are set out in the BT Statement of Business Practice and the BT Code of Practice for sales and marketing activity.

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

Our sales and marketing code of practice describes the standards of behaviour we will adhere to when marketing and selling our services to residential and small business customers. The code also describes some of our internal procedures for recruiting and training of BT salespeople, including agents who act on our behalf.

In the 2009 financial year, there were 39 complaints to the Advertising Standards Authority about BT and 5 of these were upheld. BT made 6 complaints to the ASA, of which 3 were upheld.

**Online services**

We want to make it easy for our customers to contact us and manage their BT accounts in ways that suit them. We are expanding online services to complement services we provide by phone and mail.

Our UK home and business customers can use the internet to:

- View and pay bills
- Place and progress orders
- Report and track faults
- Top-up and manage BT Mobile
- Access broadband
- Order new services.

Anyone in the UK with access to the internet can:
• Access the BT Phone Book
• Buy from the BT Shop

Our online retailer, DABS.com, serves customers in the UK and Eire.

We have an online customer portal for our larger customers around the world to provide services 24 hours a day, 365 days a year. It provides a range of real-time information to improve communications and increase customers’ control over network support operations.

**Key performance indicators**

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<tr>
<th>Indicator</th>
<th>Description</th>
<th>Measure</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer service</td>
<td>A measure of success across BT’s entire customer base</td>
<td>17% improvement in RFT performance from 2008</td>
<td>To improve customer service based on getting things right first time (RFT) in line with our corporate scorecard</td>
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**BT targets**

<table>
<thead>
<tr>
<th>Start Date</th>
<th>End Date</th>
<th>Description</th>
<th>Update</th>
<th>Target Status</th>
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<tbody>
<tr>
<td>April 2008</td>
<td>March 2009</td>
<td>BT will improve customer service in line with the corporate scorecard and to achieve an even greater year on year improvement in right first time (RFT) performance</td>
<td>We set ourselves a group-wide target in 2009 of improving right first time by 24%. We achieved an increase of 17%, following the 9% improvement we achieved last year.</td>
<td>Failed</td>
</tr>
<tr>
<td>April 2009</td>
<td>March 2010</td>
<td>BT will improve customer service in line with the corporate scorecard and achieve a continued year on year improvement in right first time (RFT) performance</td>
<td></td>
<td>New</td>
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**Quantitative data**

![Disconnections (UK) and Payphones graphs](image-url)
Formal Complaints to ASA by BT

Formal Complaints to ASA against BT
Thanks for reading what we have to say — now we want to listen to you. Email us at yourviews@bt.com and tell us what you think of this report and sustainability at BT.