Quick Recap Of This Week's Biggest Customer Services News That Rocked UK

Lissa Coffey, University of South Florida

Available at: https://works.bepress.com/lissacoffey/11/
Quick Recap Of This Week’s Biggest Customer Services News That Rocked UK

TalkTalk offers free upgrade to customers after cyber attack

TalkTalk boss Dido Harding said the upgrade is in recognition of uncertainty faced by customers. ALL TalkTalk customers are to be offered a free service
upgrade after the company was nearly brought to its knees by hackers who stole hundreds of thousands of personal account details.

Three teenage boys and a 20-year-old man have been arrested by the police in connection with the alleged **data theft from TalkTalk**. Chief executive Dido Harding, today said:

"TalkTalk takes the security of customers' data extremely seriously and we are taking significant further steps to ensure our systems are protected, as well as writing to all our customers outlining what we are doing to keep their data safe.

"In recognition of the unavoidable uncertainty, and because we know that doing what is right for our customers will ensure the best possible outcome for the company over the longer term, we are today announcing the offer of a choice of free upgraded services to all our customers."

It comes as the group managed a 4.7 per cent rise in underlying earnings to £912 million for the six months to September 30.

On a bottom line basis, it posted a pre-tax loss of £8 million against profits of £20 million a year earlier.

**HMRC Charts Progress In Call-Handling Service**

The taxman claims to be improving customer service levels after a scathing report by MPs suggested HMRC had become a tax threat.

The chief executive of HMRC has told MPs it has made progress in improving its **customer service**, a week after it was described as a "genuine threat to taxation".
Giving evidence to the Treasury Select Committee, Lin Homer said new measures meant that three-quarters of calls made by members of the public were answered between July and September - up from 50% over the previous three months.

She said more people were now available to take calls at its contact centres outside office hours, while 2,000 other staff from across the organisation were being trained to handle calls during periods of high demand.

---

**Customer Data Posted Online In British Gas Leak**

The company insists that no payment data has been affected and blamed the leak on "someone external".

British Gas has contacted customers after around 2,200 account passwords and email addresses briefly appeared online.

In an email to customers the company insisted their systems were secure and that no payment information would have been at risk.

Details of the leak will now be sent to the Information Commissioner's Office. In reply to a customer's query about the incident British Gas Help posted on Twitter: "A small number of customer details briefly appeared online but our systems are secure."

An email, from British Gas Customer Services, told customers: "I can assure you there has been no breach of our secure data storage systems, so none of your payment data, such as bank account or credit card details, have been at risk."

---
Poor Customer Service 'Threatens Tax Collection'

MPs say taxes may not be collected because HMRC customer service is so poor, with only 39% of calls answered within five minutes.

MPs have found that the level of customer service at HM Revenue & Customs (HMRC) is so unacceptably poor it could be considered a "genuine threat to tax collection".

The committee also hit out at HMRC's record on tackling offshore tax evaders - with just 11 prosecutions over five years.

It said that while it recognised achievements in general tax collection, HMRC was lagging behind its expectations in a number of areas - especially customer service.

The PAC called for HMRC to determine the extent to which tax revenues were being damaged by poor service and demanded a comprehensive plan, with a timetable, to significantly improve its call handling."Last year, we secured £26bn of additional yield across all our compliance work, ensuring everyone pays what they owe."

Virgin Media’s TV customer base is dwindling

Figures published last week showed that Virgin Media’s TV customer base is starting to dwindle in the face of strong, low cost competition from BT, TalkTalk, Netflix and Sky's Now TV.
The cable firm lost 10,700 customers in the quarter ending September, a 15,000 fall on the previous quarter. By comparison Sky added 43,000 new TV customers across its two UK brands and BT gained 106,000 subscribers to its TV platform in the same period.

TalkTalk today announced 25,000 for the same quarter, lower than in previous periods but the firm has been rowing back from the high pressure sales tactics which have, anecdotally, left some customers unable to get off the phone until they agree to take a box.

**So why is Virgin Media falling behind when everyone else growing?**

Theoretically the firm has space for growth – of the 12.7m homes able to receive Virgin Media’s services only 3.7m take a TV package. That’s almost a million fewer homes than buy broadband from it.

The firm is very proud of its ultra-fast broadband network which offers speeds of up to 200Mbps – more than twice that achievable by ISPs using BT’s network – and in order to help achieve a high spend per customer it’s made that top speed the default on sky TV packages which offer the most popular entertainment channels including Sky 1 and Sky Living.

---

§ **Sky Broadband “best customer service” Ad Banned**

The Advertising Standards Authority (ASA) has banned an advert from Sky Broadband that claimed the provider offered the “best customer service” on the market, after Virgin Media complained it was misleading to customers.
The advert appeared in the regional press and online, with Virgin's first complaint filed in May 2015, after Sky claimed its Broadband and Talk services were the “Best for combined overall customer service” compared to BT, Virgin Media and TalkTalk.


The report had given Sky a rating of 79% for customer satisfaction in its landline services and 75% for broadband. In contrast, Virgin scored 72% and 76% respectively.

In its investigation into the adverts, the ASA noted Sky had arrived at its disputed claim by adding its two scores together, which meant its figure of 154% was higher than Virgin's 148%.

It added in its report: "We understood from the Ofcom report that, where customers had contacted their provider about an issue relating to both landline and broadband, this had been included in both the separate landline and broadband metrics.

"As such, if the metrics were combined, rather than a new figure produced from the raw data, some responses would have been duplicated and the figures distorted.

"Because we understood the methodology used to combine the metrics, in both ads, was insufficiently robust and because we did not consider that the claims made sufficiently clear the basis of the comparison, especially in ad (a), we concluded that the ads were misleading.”

The ASA ruled the adverts "must not appear again in their current form" and that future adverts should not contain any claim of Sky having the best
combined customer service unless the methodology used was "sufficiently robust".

Sky admonished for making misleading claims about its customer service.

It's been a quiet year for ISPs being placed on the naughty step by the UK's advertising watchdog. But today, Sky has been admonished for making misleading and unsubstantiated claims about its customer service.

Rival Virgin Media successfully challenged the methodology used by Sky, in which it had boasted that it offered "superior customer service" over its competitors.

Sky's claims came in a press ad from May this year, which stated: "Best customer service Sky Broadband and Talk Best for combined overall customer service, compared with BT, Virgin and TalkTalk Ofcom Report, Dec 2014".

The ISP also claimed on its website that it had the "best overall customer service", citing the same Ofcom figures.