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**Customer service...** Customers are at the heart of everything we do. We want to turn our customers into fans by delivering the best customer experience we can. In a world of intense competition, we know we have to deliver our promises consistently, or our customers will vote with their feet.

I'm a fan of O2,  
it values my loyalty...

...I want real  
value from O2

# No 1

In 2006, we were rated at the top of our industry for customer satisfaction in the UK and Germany

# 38.4m

mobile, fixed-line and internet customers<sup>1</sup>

# 35.2m

mobile customers<sup>1</sup>

# 3.13m

net new mobile customers<sup>1</sup>

## We aim to turn our customers into fans

**Our market is crowded with competitors and we think this serves our customers well. We always aim to deliver the best customer experience possible, across all of our markets.**

Our 'Customer Promise' charter is at the heart of our strategy, challenging us to keep delivering the best customer experience so that our customers are happier and more loyal.

We know that our 'Customer Promise' needs to be about more than just words, so we have backed it up with several bold initiatives to reward customer loyalty. These include:

- Adding to our 'Treats' and 'Rewards' campaigns with 'Fair Deal', where existing O2 UK customers are given the same handset and tariff deals as new customers.
- Offering better 'Homezone' tariffs and ADSL broadband services in Germany.
- Launching the O2 brand experience in the Czech Republic.
- Providing new post-pay price plans in the Isle of Man.
- Launching 'My Europe' international tariffs across Europe.
- Training our employees to further improve customer service levels.



For more information go online: [www.o2.com/cr2006/satisfaction](http://www.o2.com/cr2006/satisfaction)

<sup>1</sup> As at 31 December 2006

## Responsibilities and concerns

The mobile industry must do more to improve customer satisfaction, according to a new international survey of more than 400 call centres in 42 countries. Call centres operated by phone companies and internet providers were bottom overall for customer satisfaction in the survey, conducted by technology firm Dimension Data.

## What more can we do?

**Customers want great products and services, reliable coverage, useful and entertaining content, and simple and clear pricing. But they also want excellent customer service from well-trained people they can actually talk to.**

“Turning customers into enthusiasts of O2 begins by learning how to listen to them and know what they really want. With this knowledge in mind, we have to work to improve their experience, setting firm targets and measuring our progress towards meeting them.

This translates into increased customer loyalty and fewer customers switching from our services to others. Customer satisfaction levels are directly related to our financial results.”

**Peter Erskine**  
Chairman and Chief Executive Officer,  
Telefónica O2 Europe plc

## What you can do:

- Tell us what you need. Whether you are a frequent business traveller or a student on a limited budget, we aim to have a plan to suit you.
- Let us know what we are doing right, or wrong, and we will make sure we listen and learn.
- Make sure your loyalty to O2 is rewarded. Go to: [www.blueroom.o2.co.uk](http://www.blueroom.o2.co.uk)

### Call Customer Care:

202 for pay-monthly customers  
(08702 410 202 from a landline)

4445 for pay and go customers  
(08705 678 678 from a landline)



For more information go online: [www.o2.com/cr2006/yourmobile](http://www.o2.com/cr2006/yourmobile)  
[www.o2.com/cr2006/pricing](http://www.o2.com/cr2006/pricing)  
[www.o2.com/cr2006/satisfaction](http://www.o2.com/cr2006/satisfaction)

# Turning our customers into fans

Our strategy is to turn our customers into fans by giving them an experience that cannot be matched elsewhere. In 2006, we set our UK employees this challenge – to attract a net gain of one million new happier and more loyal customers by the end of the year...

## 'Best Network'

Readers of Mobile Choice Magazine

## 'Top of the shops'

Fone magazine, the UK's mobile phone industry weekly



1



2

1 The then First Minister Jack McConnell MSP opens O2's new customer service centre in Glasgow

2 O2's flagship store on Oxford Street, London

...We achieved this through a series of initiatives, including improved packages, tariff deals and rewards, and we made our decisions with more input from employees who have direct contact with customers. We tied our efforts to 'Thanks a Million', a scheme which rewarded employees with up to an extra £1,000.

## We are here to listen

We are not only training people to do a better job for our customers, we are increasing the number of people that our customers see and hear. We opened our fourth customer service centre in Glasgow in 2006, adding 1,500 extra workers in the UK. We acquired nearly 300 additional stores from The Link, extending O2 stores to over 90 new locations. During the year we asked our employees to conduct a survey of around 1,000 customers to ask what more they would like us to do.

## Fair deals

In 2006, we launched 'O2 Long Weekends', which offered pay-monthly customers free calls every Saturday, Sunday and Monday for life. In early 2007, we added 'Fair Deal' to the portfolio, giving existing customers exactly the same rewards and price plans as our new ones. We also launched a range of new international roaming tariffs that, on average, reduced the cost of receiving and making calls in over 30 European countries.

## Satisfaction scores

We have done well in a series of customer satisfaction indices in 2006, but we are not complacent. As well as topping the JD Power & Associates survey in 2006, we also took first place in the UK's Customer Satisfaction Index for the second year running, but only just. In 2007 we have identified customer satisfaction as our key priority. This year we are linking performance-related pay and the 'Thanks a Million' scheme to try to make sure we further improve in customer satisfaction rankings at the end of the year.

“We've got an opportunity to truly turn our customers into fans. The key to achieving that is to continue to put customers at the centre of everything we do. That means designing products, policies and processes around the customer from the beginning.”



Cheryl Black  
Customer Service  
Director, O2 UK