

And now it's Comcast vs. the wait for the cable guy

July 27 2016, by Tali Arbel



In this Sept. 17, 2015, file photo, Comcast trucks are parked in a lot in the company's Westford, Mass. operations center. Cable companies have poured millions into new tools and hires to try to de-agonize the process of getting cable TV, internet or phone service. It's part of a years-long effort to try to assuage customers as the specter of "cord-cutting"—dumping cable for Netflix and the like—haunts the industry. (AP Photo/Tali Arbel, File)

Did you hear the one about the cable company that's actually improving customer service? The punchline: Comcast and its rivals say it's no joke.

These companies have poured hundreds of millions into new tools and



staff to de-agonize the process of getting <u>cable</u> TV, Internet or phone service. It's part of a yearslong effort to assuage customers as the specter of "cord-cutting"—dumping cable for Netflix and the like—haunts the industry. More than 2 million customers have fled from cable and satellite over the past three years, according to research firm SNL Kagan, and the pace has been accelerating.

Comcast, for instance, is trying to demystify the wait for the cable guy via a new map-based app customers can use to track its techs in real time. Just ask Johann Bilsborough, a 43-year-old in suburban Boston, who tapped it open while waiting for his installation appointment. Nearby construction was holding up the truck, forcing its driver to circle his neighborhood several times as he tried to find a way into the development.

That was helpful, but Bilsborough also found it reassuring to identify the tech via his online picture as he waited at home with his wife and two young children. "If they look a little bit like a serial killer, you can cancel," he says.

TRAPPED CUSTOMERS

It's difficult, however, to tell if the tracking app—along with other improvements such as shorter waits, more responsive reps, and do-ityourself installations—can shake the widespread sense that cable companies charge too much while inflicting lousy service on hapless customers.

After all, while internet-based TV options—Netflix, PlayStation Vue, Hulu—and satellite alternatives like Dish have mushroomed, most Americans have no choice but their local cable company for home broadband. And cable bills typically only go one direction—up—as the companies look to cover their own rising costs for TV programming.



All of which can become infuriating when things just don't work well. Romey Louangvilay, a 30-year-old digital marker in New York, said his internet service was spotty for years even though Time Warner Cable techs visited several times. After the last visit in December, it works better but it's still "not perfect," he says.

While customer service was "friendly and nice and really attentive," Louangvilay still isn't happy with the company, which was bought by Charter Communications in May. The company slashed his bill in half for a year, but it goes back up next January.

And it's not like he has anywhere else to go; Verizon doesn't offer its high-speed Fios service in his neighborhood. "Everyone I know is stuck with Time Warner and they have the same problems I have," he says.

CABLE'S LISTENING TOUR

The industry is eager to confess its sins. "We got this thing wrong historically," says John Keib, formerly Time Warner Cable's executive vice president for residential services. "I think some of that image was definitely earned."

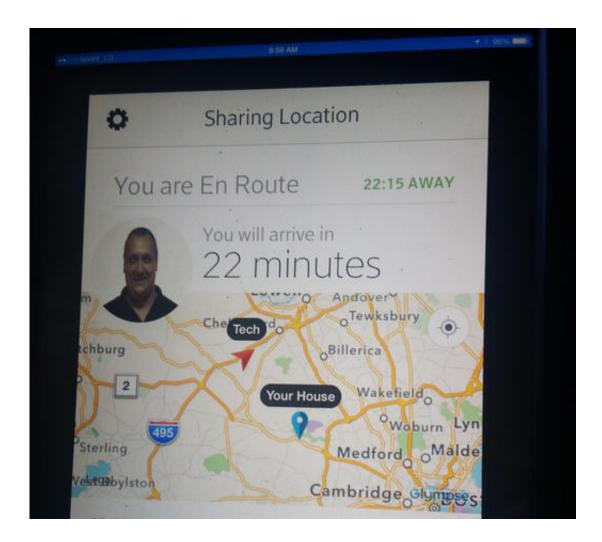
The economics of cord-cutting are certainly one big motivation. Another one: Bad customer experiences can easily devolve into public-relations nightmares, thanks to social media. A round-up of these embarrassments makes for fun reading, including one customer's herculean effort to quit Comcast and others who got cursedatin their bills.

"We really heard from our customers," said Tracy Pitcher, a Comcast executive in the Boston region where the company tested its tech-tracker app. "We've got to make this easier, simpler and better."

Unhappy customers also cost more. "They call more, take more time on



the phone, say really nasty things," says Scott Broetzmann, a customerservice consultant. "They seek revenge."



This Sept. 17, 2015, photo shows the display of an app in the truck of Comcast technician John Buote telling him how to get to a customer's house in Lincoln, Mass. A customer can use a mobile app to also see where the technician is, his picture and how far away he is. Cable companies have poured millions into new tools and hires to try to de-agonize the process of getting cable TV, internet or phone service. It's part of a years-long effort to try to assuage customers as the specter of "cord-cutting"—dumping cable for Netflix and the like—haunts the industry. (AP Photo/Tali Arbel)



One such was Amanda Vogel in Memphis, who tweeted her frustration after waiting five days for a new appointment after her Comcast technician didn't show up. The 33-year-old environmental consultant said she made "like 30 calls overall" to address various issues with rescheduling, the installation itself and billing.

"It was just so baffling," she says. "The whole thing is like, really?" Comcast says it was human error and it's working on training employees on new policies.

PUTTING THE CABLE GUY OUT TO PASTURE (SOMETIMES)

Efforts to improve service reach back several years. Comcast, for instance, is in the process of hiring an additional 5,500 customer-service reps over three years. Charter also plans to hire 20,000 in-house employees to replace contractors who worked in customer service and elsewhere.

The companies say they're making it easier to get in touch. You can leave a number for a call back instead of waiting on hold. They've shrunk appointment windows from four hours to one hour at Time Warner Cable—one to two hours at Comcast—and Time Warner had said it was making more night and weekend appointments available as well. Comcast has rolled out the app feature that tracks techs, though it hasn't advertised it yet.

But companies are also trying to put their own cable guys out of business by offering self-installation kits and streaming services that don't require a cable box. (Comcast says about 10 percent of people who choose selfinstallation eventually require a tech anyway.) The company also lets you return equipment to UPS stores so you don't have to trek to one of its own outlets.



Comcast is also trying to woo subscribers with cheaper, smaller TV packages and prepaid service that doesn't require a credit check.

AND THE CONSUMER SAYS ...

Are customers happier? The number of complaints filed with the Better Business Bureau didn't change significantly in 2014 or 2015, but those represent just a tiny fraction of all cable customers. A well-known customer-service index shows that bottom-of-the-barrel scores at Time Warner Cable and Comcast have gotten modestly better this year.

The companies also point to what they say are improving internal metrics, such as technician on-time arrivals (both Time Warner Cable and Comcast claim 99 percent) and a decline in tech visits or repeat tech visits and in service calls. The big cable companies are having their best video quarters in roughly a decade , taking share from competitors like Dish and AT&T's U-verse.

Fewer customers are disconnecting, too, at least at the big cable firms. Comcast lost just 4,000 TV customers on a net basis in the April-June period, its smallest second-quarter loss since at least 2006. It gained 220,000 internet customers, the most in eight years. The company credits customer-service improvements and its X1 cable service, which boasts an improved user interface and integrates streaming video. Of its cable customers, 40 percent now have X1. Comcast hopes half will by the end of the year and sees as many as 85 percent getting it eventually.

Overall, the company's net income fell 5.1 percent to \$2.03 billion, or 83 cents per share, because of fewer hits at the multiplex from the company's NBCUniversal TV and movies arm.

But not everyone thinks the industry is on the right track. Steve Beck of consultancy cg42, which did a "brand vulnerability" study on cable, says



rising prices, fees and limited competition among providers are bigger issues for consumers than late technicians and inconvenient appointment windows.

"It's not surprising to me that these companies would focus not on the big frustrations, but on the little frustrations that don't necessarily do anything to affect how they make their profits," Beck said.

Comcast spokeswoman Jenn Khoury says the company's "massive effort" to improve <u>customer service</u> is based on feedback from customers and its changes are "showing real improvement."

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