

Market presence and customer relations

Customer experience

Achieving the best customer experience continued to be one of the three main pillars of Telefónica O2's strategy in 2009. The needs and satisfaction of customers were continually monitored using ongoing or one-off surveys, global analyses and qualitative market research – such as focus groups, store exits, feedback left by customers concerning whether their requests had been resolved by the call centre or how they had been satisfied with the service.

The survey results were used to define key objectives for the Company. As a result, the Company focused mainly on the implementation of a new CRM system, optimisation of key processes and services, such as mobile delivery, employing a pro-active approach to the customer.

In May 2009, Telefónica O2 commissioned its new CRM system, which had been implemented with a view to giving the Company more tools to more effectively address the needs of its customers. It is a company-wide software system which interfaced and put under one umbrella the legacy systems of the fixed and mobile businesses. The Company now has a way of seeing all products and services used by a customer in one place. The transition to the new system, and its stabilisation, gives the Company a promise for the future that it will be able to respond to the needs of every customer in a targeted way – by offering products and services that the customer has an actual need for and that are of value to them, including the option of a discount if a combination of fixed and mobile products is subscribed. Telefónica O2 also wanted to let the customer manage their products and services online, by way of a self-service function.

The Company responded to the market need by dividing customer care in call centres in a way which increases availability of the call centre. The Company simultaneously focused on improving the quality of call processing through certification and specialisation of operators along product, process and system knowledge lines. Business customers now can have their requirements addressed in the evening or on weekends. The Company also launched a non-stop line (24/7) for resolving urgent mobile-related issues of corporate customers.

Products and services for people with specific needs

In 2009, Telefónica O2 introduced an improved handset model Emporia Talk Premium. It is a very simple and easy-to-use mobile handset designed with senior users or people with disabilities in mind, who would find it difficult to use a standard mobile telephone. Emporia offers easy access to individual functions via lateral buttons. All keys and buttons are large, as is the backlit display which makes it very easy to read digits and letters. The handset also has an improved sound transmission technology. Telefónica O2 marketed this handset in an economical bundle with half-price credit or the O₂ Neon S tariff at a discount. From each Emporia handset sold, Telefónica O2 donated CZK 100 in support of Helpline for Senior Citizens (Linka seniorů). For the part of the campaign which ran in November and December 2009, O2 Foundation raised CZK 16,830 for Helpline for Senior Citizens.

Deaf Call

Also in 2009, Telefónica O2 continued to operate Deaf Call (Hovor pro neslyšící), a service which lets deaf customers really communicate in the case of emergency or in various life situations – when making a medical appointment, ordering a repairman or consulting directory services. At the end of the year the Company added email to the number of ways in which people with

hearing impairment can communicate with the operators; the email address is neslysici@o2.com. A special call centre puts through calls from deaf people to the hearing, and vice versa. The service is available 24 hours a day and was used by 11,529 customers.

Discounts

In 2009, Telefónica O2 continued to provide a discount on O₂ fixed line service to people with a dependency of the 1st degree – in spite of the fact that the Czech government no longer subsidises the discount. The Company also preserved the option for people with disabilities to rent a special telephone set. In 2009, the accumulated discount given on the grounds of disability accounted for CZK 108 million; the state contribution to people with disabilities was CZK 120 million.

Also in 2009, rehabilitated persons and members of the resistance movement were eligible for discounts. The total of discounts provided to these persons in 2009 reached CZK 42.4 million.

Competition Internet Makes My Life Easy

In 2009, Telefónica O2 organised a competition titled Internet Makes My Life Easy, for best projects and activities with social themes, in collaboration with the local authorities in the towns of Pilsen and Ostrava. The goal was to promote the uptake of modern technology with a view to facilitating communication between providers of social services. The prizes included free mobile data connectivity for two years and the necessary hardware.

Responding to emergencies

In the summer of 2009 Telefónica O2 responded to an emergency caused by floods and prepared special programmes for people living in the stricken areas, which helped them deal with the immediate effects of the disaster.

Safe online

Telefónica O2 continued to focus on online safety in 2009. It offered a special anti-virus programme F-Secure Profi Antivirus with all its ADSL and mobile data subscriptions

Mobile telephones and health

In 2009, Telefónica O2 invested in research of the effects of mobile telephones on human health: through the Association of Mobile Network Operators it participated in the development of a special website dedicated to the subject, www.zdraviamobil.cz, and in the production of a brochure Answers in your pocket – Mobile telephones, base stations and health.

We help to guide children through the world of communication technology

As a provider of communications services, Telefónica O2 is committed to use all available means to help eliminate potential risks that come with modern technologies. Protecting children and creating a safe environment for them in the world of information and communication technologies has always been a key priority. Several specific actions were taken in the area of child protection. Telefónica O2 adopted a policy dealing with marketing to children, which

summarises the principles respected in all its marketing activities. In 2009, the Company also started blocking websites with child pornographic content. All websites that were made illegal in all EU countries were blocked in the O₂ network.

A mobile telephone for children

In 2009, the Company started carrying Samsung S3030 Tobí, a mobile telephone designed specially for children and their safety, on its portfolio. The telephone has special functions – such as the SOS call or text message for emergency situations. The telephone came with a pre-paid SIM card with a default blocking of premium SMS and premium calls, and with an information brochure about how to use modern technology safely and where to turn to in the case of an emergency. The number of Safety Line (Linka bezpečí) was also pre-programmed into the address book of the handset.

Promoting events for the benefit of children

In February 2009, the Company joined the celebrations of the International Safer Internet Day, together with the National Centre for Safer Internet, gave its support to the pan-European campaign directed at combating cyberbullying. Telefónica O2 was also member of an advisory committee of the Saferinternet project. The Company also donated prizes to Mobil Story, a competition on the subject of cyberbullying.

In the spring 2009 Telefónica O2 also gave its patronage to the international conference on safer internet for children, which was organised by the Ministry of interior and the European Commission under the Czech Presidency of the EU.

In November 2009 the Company's representatives participated in a discussion organised by the Security Policy Department of the Ministry of Interior in collaboration with the Office for Foreign Relations and Information, which was dedicated to the issues of illegal and inappropriate content on the internet.

Already the seventh year of Cyberspace, an international conference about the effects internet on the society, organised by the Law Faculty of Masaryk University in collaboration with the Faculty of Social Sciences of the same institution, was held at the end of 2009, and Telefónica O2 was the general partner of the event.

The Company's representatives also lectured on the benefits and dangers of modern technology for the Juniroom project. Juniroom seeks to guide children from 10 to 16 years of age in safe usage of the internet and mobile telephones.
