

24 November 2020

Marcus Clements Head of Consumer Policy Office of Rail and Road

By email:

Dear Marcus,

Eurostar Refund Approach during the COVID-19 Pandemic

I refer to your letter of 23 October.

We note that you have concerns that the information we provide to consumers *"will result in some consumers being confused about or misled as to their existing contractual right to a refund".* As mentioned in our letter of 31 July, Eurostar strives to provide the best experience to all our customers during their travel, and equally with any pre-travel and after-travel contact. We pride ourselves in acting in a way that is transparent and honest, providing customers with the options that are appropriate to them during the Covid-19 pandemic.

It is not, nor has ever been, our intention to confuse or mislead our customers during the Covid-19 pandemic, or indeed prior to the pandemic. You have our assurance that we will continue to work with you to ensure customers have full access to the options appropriate to their individual circumstances.

In writing this response we must again highlight that the Covid-19 pandemic continues to have a significant impact on the operations of Eurostar. We continue to keep our customers informed of the changing guidance and information appropriate to them. As a result of the UK Government's 14 day quarantine requirements and the current "lock downs" in our countries of operation, our services have again been reduced to one daily return London to Paris and one daily return London to Brussels/Amsterdam. As highlighted in our letter of 31 July, we operate this level of service to ensure an essential transportation link between the UK and Europe remains open. Many of these services are not commercially viable, nevertheless we continue to operate them to support the movement of customers between the UK and Europe, for personal, business and government matters.

The significant reduction in the number of daily services and negligible sales revenue for future bookings has placed a significant strain on the operations and financial position of Eurostar. Like many travel and hospitality businesses, the financial impact has been severe and unprecedented to an otherwise commercially viable and sustainable business. We do wish to ensure customers have full access to the options appropriate to their circumstances upon cancellation. However, to support our business, and protect from further financial damage, we must be able to promote options to our customers such as eVouchers or free exchange in a manner which does not mislead or confuse as to the right to a refund. In the current climate, this is a delicate balance. We will always conduct our business in a way that is sympathetic to the needs and rights of our customers.

Thank you for your comments on "Frustration of Contract". We will continue to review CMA guidance on cancellation and refund rights to ensure we are aware of any future changes that may affect our customers. We note this is an area you will not currently be pursuing further.

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With this backdrop in mind we respond to the individual points referenced in your letter.

1. Whether the cancellation email you provided in Annex 1 is currently being sent to passengers; if not, we would appreciate sight of the current email.

We updated our cancellation email on 27 October when the eVoucher process was changed from an online eVoucher request form to a bespoke function in the "*Manage Your Booking*" page on eurostar.com. (A copy of this email (English version) is provided in Annex 1.) This functionality provided passengers a quicker and simpler process to request an eVoucher (or free exchange for their ticket) reducing the details manually required from passengers. The eVoucher is generated immediately for the passenger upon completion of the digital request.

On 20 November we updated our cancellation email again to take account of the comments in your letter. This is discussed in more detail in point 3 below. The cancellation email as of 20 November (English version) is provided in Annex 2.

2. Whether Business Premier passengers receive a bespoke cancellation email which clearly sets out their rights to a full refund or the email which you provided in Annex 1; if there is a separate email, we would appreciate sight of it.

Business Premier passengers receive the same cancellation emails referenced in point 1 above. As we mentioned in our letter of 31 July, Business Premier passengers are made fully aware of the fully flexible and fully refundable nature of their ticket on our website and in pre-travel information. Accordingly, we do not consider that a different bespoke cancellation email is required for Business Premier passengers. The fully refundable nature of the Business Premier product has always been a key component of the product that passengers are aware of.

As mentioned in our letter of 31 July, a large proportion of our Business Premier tickets are booked by third parties such as Travel Management Companies and Corporate clients who are aware of the fully refundable nature of this class, and proactively remind their customers or employees about the fully flexible and fully refundable conditions of this fare. We have already increased the amount of information that we provide to Business Premier passengers to highlight these conditions of their fare.

In any event, as explained below in point 3, we consider our revised email provides sufficient information about a passenger's options on cancellation regardless of the class of travel.

3. That you will amend your cancellation notice to include a clear reference to the contractual entitlement to a refund (and your timescales for doing so).

As mentioned in point 1 above, we have amended our cancellation email to all customers on 20 November. The amended email informs our customers of two of their options – eVoucher and exchange – without misleading passengers to understand these are the only options available. The "*Find out about all your options here*" section has a link directly to our "*Help during disruption*" page which references and provides a link to "refunds" in the following section: "*Click here if your service is cancelled and you need further info including how to request a refund*". A screenshot of this "Help during disruption" page is attached in Annex 3.

We are confident that this amendment should remove any concern that the cancellation email is confusing or misleading; the options upon cancellation are now more easily accessible. Further, in the current revised form we consider it unlikely that a customer would assume eVoucher and exchange are the only options available upon cancellation as the "*Find out about all your options here*" section is prominent within the text.

As previously advised, all customers on a cancelled service receive at least seven days' notice of a cancellation, with the above information and relevant links provided by email and also text message. With effect from 2 November, this notice period for cancellation has increased to 15 days.

- 4. Your policy in respect of passengers who have accepted an eVoucher and whose service was not cancelled, but who then find that they will not make use of their eVoucher within the permitted timescale, including:
 - a. whether you have any plans to extend the eVoucher validity period; and
 - b. whether a replacement ticket booked using an eVoucher can be further postponed or replaced by a passenger.

Passengers who are issued an eVoucher for a service which is not cancelled (and indeed all passengers issued an eVoucher) are given a generous period within which to book future travel.

eVouchers issued for non-cancelled trains with travel dates from 13 March up to 7 September have a 12month validity period. Our bookings are open approximately six months ahead of travel dates. This means that these passengers can use eVouchers for travel as late as September 2021 through February 2022.

eVouchers issued for non-cancelled trains with travel dates from 8 September up to 16 December are valid until 1 June 2021. As bookings open six months ahead of travel dates, these eVouchers can be used for travel up to December 2021.

If passengers redeem eVouchers for travel between 1 July 2020 and up to 30 April 2021, they will benefit from our flexible ticket conditions (applicable for Standard and Standard Premier) which will allow them to change their travel date as many times as they would like up to 14 days before departure with no change fee (but any difference in fare is payable). All bookings for travel up to 30 April 2021 have this "no change fee" flexibility to allow all passengers greater peace of mind during the pandemic.

For travel from 1 May 2021, the tickets remain flexible but our usual change fee (and any difference in fare) will be payable.

Business Premier fares continue to be fully flexible both before and after the date of travel.

- 5. Clarify when and how passengers who have accepted an eVoucher are informed of their eligibility for a refund, including:
 - a. whether passengers are proactively contacted once their original service has been cancelled to ask them if they wish to exchange their eVoucher for a refund; and
 - b. whether passengers are provided with clear information, at the time of being offered an eVoucher, about their refund entitlement should their original booked service be cancelled.

The proactive offer of eVouchers equal to the full booking value (or fee-free exchanges) has been a successful approach to provide complete flexibility and peace of mind to all passengers who wish to postpone their travel. This email has typically been sent to passengers four weeks before their scheduled departure date.

The online "Coronavirus (COVID - 19) eVoucher Request" form clearly states that: "Once this form is submitted your booking will be cancelled and an eVoucher will be sent to the email supplied for all passengers on the booking." This statement appears directly above the "Submit" button before a passenger proceeds with an eVoucher request. Attached as Annex 4 is a copy of the page in use prior to the change in process on 27 October described below.

With effect from 27 October the email sent to passengers directs them to the "*Manage your booking*" page which is a simpler process for claiming an eVoucher. The information on this page makes it clear that upon a request for an eVoucher the booking has been cancelled. Attached as Annex 5 is a copy of this page and the pages that follow to complete an eVoucher claim. Steps "1" and "3" of Annex 5 expressly reference the cancellation point. Please note that the "more help" link on step "1" of Annex 5 links to the "Help Centre" page (attached as Annex 6) which contains a "claim a refund" link.

The issue of an eVoucher results in the cancellation of a passenger's booking details/booking reference in our ticketing systems. The passenger has made an informed decision to exchange their future travel for an eVoucher prior to any decision being taken by us to cancel the service. For this reason, these passengers

are not contacted should their original service be cancelled. In addition, future contact based on the cancelled service is not possible as the booking reference and passenger details for the cancelled service will have been deleted from our ticketing systems.

The proactive offer of eVouchers email does not inform customers that a refund will be available if their original service is cancelled. If the customer choses to take an eVoucher, the rights that would have applied to a service which is cancelled in the future no longer apply as we have explained above

In our letter of 31 July, we informed you that customers who received eVouchers and whose service was subsequently cancelled, were currently eligible for a full refund. This was not a proactive offer, but if customers having taken an eVoucher, subsequently requested a refund, we were prepared to provide this to support customers during the initial stages of the pandemic and as a gesture of goodwill. I am pleased to confirm that we are currently continuing this approach for all services cancelled up to and including 7 September.

It's worth noting that the free exchange option offered to passengers whose service is cancelled will allow a more expensive journey in the same class of travel (often at a more desirable day and time) to be secured at no extra cost to the passengers; no fare difference is payable. This has been a great benefit and convenience to many of our passengers.

6. How many refund requests you have received which you have categorised as ineligible, and what criteria you have used to decide this.

Every request for a refund from a passenger for a cancelled service, who has not already opted for an eVoucher or free exchange, has been processed and refunded. Third party bookings where the refund request is valid, must be made through the original point of sale.

It is impossible to report on the number of passengers who have opted for an eVoucher or free exchange (for a service that was not cancelled), and subsequently sought a refund. This information is not readily available within our information systems without reviewing every individual passenger contact record. As we have said previously, a refund is not available for a service that has not been cancelled.

Future Actions

As mentioned earlier, Eurostar does wish to ensure our customers have full access to the options appropriate to their circumstances upon cancellation. However, we must be able to promote options to our customers such as eVouchers or free exchanges provided this does not mislead or confuse as to the right to a refund. We consider that the actions outlined above successfully achieve this balance in a way that is sympathetic to the needs and rights of our customers, while protecting the financial stability of our business.

When you have had the opportunity to consider our response, and the changes we have made to our communications and website, we'd welcome the opportunity to meet with you by phone or video call to discuss any further comments you may have.

I look forward to hearing from you.

Yours sincerely,

Scott Marshall General Counsel Eurostar International Limited

Eurostar International Limited Response to Office of Rail and Road Annexures to 24 November 2020 Letter

Annex 1 – Cancellation email updated on 27 October 2020

Important information about booking JHZVTZ – your Eurostar train has been cancelled



If you'd rather not request an eVoucher, you can exchange your ticket for a later departure date, subject to availability. Exchanges are free of charge and must be requested within 60 days of your initial booked travel date.

Find out more about your options.

We're receiving thousands of calls and emails right now, and it's taking longer than usual for us to reply to everybody. We'd strongly encourage you not to call our contact centre, but to check <u>eurostar.com</u> for all the latest info instead.

Apologies for the inconvenience caused. We hope to see you back on board soon.

The Eurostar team

Annex 2 – Cancellation email updated 20 November 2020

Important information about booking TEMWSL - your Eurostar train has been cancelled



Dear custome

We're sorry to let you know that your train 9163 on 21/11/2020 from BRUSSELS to LONDON ST-PANCRAS (reference TEMWSL) has been cancelled. This is a result of changes we've made to our services due to travel restrictions and the impact of coronavirus.

You can request an eVoucher for the full value of your booking.

You'll have 12 months from the date the voucher is issued to rebook a trip to any of our destinations at <u>eurostar.com</u> (subject to availability). You don't have to travel within those 12 months - you can book up to six months in advance on most of our routes. That means you'll be able to travel up until late 2021/early 2022. No fees are applied but if the value of your new booking is greater than the value of your eVoucher, we'll ask you to pay the difference.

IMPORTANT: Requests must be submitted within 60 days of your initial booked travel date. Beyond this date you won't be eligible to claim an eVoucher.

If you would still like to travel, you can exchange your ticket for another date or time, subject to availability. Exchanges are free of charge and must be requested within 60 days of your initial booked travel date.

Find out about all your options.

We're receiving thousands of calls and emails right now, and it's taking longer than usual for us to reply to everybody. We'd strongly encourage you not to call our contact centre, but to check <u>eurostar.com</u> for all the latest info instead.

Apologies for the inconvenience caused. We hope to see you back on board soon

The Eurostar team

Annex 3 – "Help during disruption" page screenshot

https://www.eurostar.com/uk-en/disruption_hub

EUROSTAR "				Logi	n/Register 옷 United	Kingdom 💥
TRAINS TRAIN + HOTEL	HOTELS	Destinations	Travel Info	Manage Booking	Eurostar For Business	Club Eurostar
Help dur	ing disrupt	tion				

Claim an eVoucher	÷	-

Request eVoucher or change journey

Booking reference	Last name (of any passenger)	
eg. QNUSFH	Last name only	CONTINUE
	Need more help?	
	<u>Click here</u> if your service is cancelled and you need further info inclu request a refund.	ding how to
	For any other information, please visit our <u>Help Centre</u> .	

Annex 4 – eVoucher request form

Please note that customers are no longer directed to this "eVoucher request form" but to "Manage your booking"

Last Name*	Traveller's sumame
Booking Reference (The 6 letter reference on your ticket)	Six-letter booking reference
Departure date (enter date of outbound journey if you have a return booking)	Date
I need eVoucher	For both outbound and inbound journeys For outbound journey only For inbound journey only
Email *	Traveller's Email
Confirm email *	Traveller's Email
Are you a robot ?*	I'm not a robot

Contact us for eVoucher requests for only some passengers on the booking, France 01 70 70 60 88 / UK 03432 186 186 / Belgium 02 400 67 31 / Netherlands 0207 16 83 25 / USA 1 646 934 6454 / Rest of the World 03432 186 186

Annex 5 – "Manage your booking" screenshots

- Screen shots of the eVoucher request process shown step by step on next slides
- Steps 1 and 3 indicate that the customer is cancelling their booking in selecting the eVoucher option



EUROSTAR

Confirm which journey/s you're claiming an eVoucher for

Disrupted trains are already included in your eVoucher request.

You'll see the full eVoucher total on the next screen.

~

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CONTINUE



Coming back (Wednesday, 20 January)



Review your eVoucher request

Please confirm you wish to cancel the travel shown below and receive an eVoucher instead.



Tickets for MR TESTFAMILY



Your eVoucher is on its way

An eVoucher for £94.00 has been emailed to dsaf@testing.eurostar.com You can use this to make a new booking to any Eurostar destination before the expiry date indicated on the eVoucher. We look forward to welcoming you onboard soon.

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The Eurostar app

Plans changed? No problem. Change your journey dates, seats or travel arrangements on the go with the Eurostar app.



VIEW BOOKING

BOOK AGAIN

@

Stay up to speed

Be the first to hear about our latest offers and deals du jour, as well as competitions and tips for our top destinations

SIGN UP

Annex 6 – Manage Your Booking "more help" links to this "help centre" page which references "claim a refund".

