

AIRLINE CUSTOMER ADVOCATE

1 July-31 December

2012

Annual
Report

This Annual Report contains details about the total number of Eligible Complaints received and finalised by the Airline Customer Advocate, the number of Eligible Complaints outstanding and the top five issues for each Participating Airline and corresponding percentages.

The Participating Airlines	2
Jetstar	2
Qantas	2
Regional Express.....	2
Tiger Airways.....	2
Virgin Australia	2
The Airline Customer Advocate Complaint Process	3
Complaints received.....	3
Eligible complaints	3
Airline services mean any of the following issues	4
Complaint steps	4
Top five complaint issues received by the Airline Customer Advocate	5
Top five complaint issues for each Participating Airline	5
Finalised complaints.....	6
Complaints outstanding	6
Time taken to finalise complaints	6
Resolving complaints.....	6
Telephone Inquiries	6
Website.....	7
Customer Satisfaction	8
Appendix 1	9
Appendix 2	10

The Airline Customer Advocate (the Advocate) was established on 1 July 2012. Its role is to facilitate the efficient resolution of complaints about airline services that have not been resolved by direct communication between a Customer and a Participating Airline as provided in the Participating Airline's Customer Charter. The Participating Airlines are Jetstar, Qantas, Regional Express, Tiger Airways and Virgin Australia.

The Participating Airlines

Jetstar

Jetstar Airways Pty Limited started to fly within Australia in May 2004 and international flights in November 2006. Its stated mission is to offer all day, every day low fares to enable more people to fly more places, more often. It carried 8,753,162 passengers during the reporting period.

Qantas

Qantas was established in 1920 and operates regional, domestic and international flights. It states it is Australia's largest and leading premium airline. It carried 14,326,000 domestic and international passengers during the reporting period.

Regional Express

Regional Express (also known as Rex) commenced operations in 2002. It states it is Australia's largest independent regional airline, flying between 29 metropolitan and regional centres across New South Wales, Victoria, Tasmania and South Australia. During the reporting period it carried 577,867 passengers.

Tiger Airways

Tiger Airways (Australia Pty Limited) commenced operating domestic flights in Australia in 2007. It states it is a low cost carrier and flies between the capital cities and major regional centres. It carried 1,338,000 passengers over the reporting period.

Virgin Australia

Virgin Australia launched in May 2011, having commenced operations as Virgin Blue in 2000. Its stated aim is to provide service and value for business and leisure passengers. It operates domestic and international flights and its total passengers were 9,986,246 during the reporting period.

The Airline Customer Advocate Complaint Process

A Customer needs to complain first to the airline if they wish to complain to the Advocate about a service provided. This is because the Participating Airlines have agreed, as set out in their Customer Charters, to first attempt to resolve a complaint with their customer. A Customer should also ask a Participating Airline to review the decision if a response is received and it is considered inadequate. The Participating Airlines therefore have two opportunities to try and resolve a Customer's concerns before a customer can complain to the Advocate.

A Customer lodges a complaint to the Advocate electronically via the website at www.airlinecustomeradvocate.com.au. Alternatively, a Customer can contact the Advocate to request a Complaint Form be posted.

Complaints received

During the reporting period, the Advocate received 442 Eligible complaints.

Eligible complaints

A complaint to the Advocate is eligible if:

- (a) The complaint is about a Participating Airline's airline services (defined below)
- (b) The customer has already tried to resolve the complaint directly with the Participating Airline by following the complaints process set out in the airline's Customer Charter, has sought a review of the response received from the Participating Airline, and allowed for the timeframes specified in the Participating Airline's Customer Charter. Alternatively the customer has not received a response within those timeframes and
- (c) The complaint relates to an event or circumstances that occurred less than twelve months ago.

A person may lodge a complaint on behalf of another person who is unable to make the complaint on their own behalf, provided they have that person's authority.

A person cannot use the services of the Advocate in relation to a complaint if a claim has already been filed in a court or tribunal or a complaint has been lodged with a government authority in relation to the same matter.

Airline services mean any of the following issues

- Flight delay or cancellation
- Telephone reservation services
- Cancellation/refund request
- Fees or charges
- Specific needs
- Website
- In-flight customer services
- Airport customer services
- Baggage services
- Safety / Security
- Discrimination / Specific Assistance
- Loyalty/Frequent Flyer Program
- Airport lounge
- Terms and Conditions

Complaint steps

The Advocate receives the complaint and can ask the Eligible Customer for additional information to clarify the complaint or outcome sought.

The Advocate then assigns the complaint to the case manager at the applicable Participating Airline within five working days after receipt. At this step, the Airline Case Manager may contact the Eligible Customer to clarify any points about the complaint, or attempt resolution again directly with the Eligible Customer.

The Participating Airline provides a written response to the Advocate within 10 working days of receipt. The Advocate can also ask the Participating Airline for more information within 5 working days.

The Eligible Customer receives a response within 20 working days from the date they lodged the complaint with the Advocate. Eligible Customers are informed of the existence of alternative avenues for dispute resolution should they be dissatisfied with the outcome of the Airline Customer Advocate process.

Top five complaint issues received by the Airline Customer Advocate

The table at Appendix 1 shows the top complaint issues received by the Advocate and corresponding percentages of Eligible complaints received.

1	Cancellation/refund request	31%
2	Flight delay or cancellation	18%
3	Fees or charges	16%
4	Website	9%
5	Terms and conditions	5%

Top five complaint issues for each Participating Airline

The table at Appendix 2 shows the top five issues for each Participating Airline and corresponding percentages of Eligible complaints received.

Major events that may have affected complaint levels

There have been no major events reported that have affected complaint levels.

Finalised complaints

During the reporting period, 429 Eligible complaints were finalised (97.06%), keeping up with the number of eligible complaints received during the period.

Complaints outstanding

13 complaints were outstanding at the end of the reporting period. These complaints were received in December.

Time taken to finalise complaints

The average days taken to finalise a complaint was 14.30 days. This is well within the published 20 working days timeframe that the Participating Airlines have committed to.

Resolving complaints

Currently, a complaint is considered resolved if the Eligible Customer advises the Advocate that the complaint is resolved.

Across the airlines, almost two thirds of complaints were resolved. Of the 429 complaints finalised, 283 were resolved (65.97%). The Advocate is consulting with the Participating Airlines about this performance measure with a view to formalising the criterion used to record a complaint outcome of resolved.

Telephone Inquiries

Airline customers who are thinking about making a complaint, can call the Advocate's toll free inquiry number 1800 813 129. Information is offered about accessing the Advocate's service and its role in resolving unresolved complaints.

During the reporting period, the Advocate received 486 telephone inquiries.

Customers are provided advice about how to resolve their complaint with an airline directly, or assisted with lodging an eligible complaint with the Advocate. Customers can also request a Complaint Form if that is a customer's preferred method of lodging their complaint. Other Consumers can be referred to an Australian Consumer Law body if their concern is about a non participating airline, or another appropriate complaint handling body if the complaint is not about an airline service.

Website

The Airline Customer Advocate website www.airlinecustomeradvocate.com.au was also launched on 1 July 2012. It contains the Customer Charters of the Participating Airlines and also links to each of their online Complaint Forms. There is also information about the Advocate, including its Mission Statement and Customer Service Charter and Privacy Statement. It also includes information for consumers regarding complaints about other airlines who do not participate in the scheme.

The website contains the online form for lodging a complaint electronically. If an Eligible Customer cannot lodge a complaint online, they can call or write to the Advocate to request a Complaint Form which can be returned and lodged by post.

A complaint number is automatically generated and emailed to the email address included on the form. An Eligible Customer can track the progress of their complaint at any time and if required, also lodge additional documentation.

Customer Satisfaction

All Eligible Customers are surveyed after a complaint is closed. The surveys assist the Advocate to know about what it is doing well and where it needs to improve its service. During the reporting period, 97 (22.61%) Customers responded to the survey. Of these Customers, 78 (80.41%) had their complaint resolved and the remaining 19 (19.59%) were Customers whose complaint was unresolved.

Overall, 87.63% of Customers strongly agreed or agreed they were treated fairly, with respect and honesty, and 87.60% strongly agreed or agreed the Advocate was independent in all its interactions. Overall 87.63% of customers agreed or strongly agreed their complaint was managed in a timely way and 95.88% agreed or strongly agreed it was easy to use the Airline Customer Advocate Service.

Written feedback to the Advocate over the reporting period included:

"The full refund amount has now appeared in my bank statement after four months of emails and phone calls... I'm sure I would not have received anything without the Airline Customer Advocate."

"Thank you so much... I know it is a comparatively small amount to quibble over. Your appointment to this position does empower the public to obtain a response when one has the feeling of being deliberately ignored".

"Thank you very much for your assistance... I am feeling much more positive about flying and about suggesting my family fly with (airline) in future."

"The issue has been resolved. Their response was very satisfactory, more than expected. I think Australian consumers are very fortunate to have the ACA! Many thanks for your help."

"Your intervention and negotiations with (airline) resulted in an outcome I did not believe would happen... it is nothing short of a miracle that you were able to get them to agree to put us on the ... flight. I was also much happier after talking to the last (airline) representative as he was polite and respectful... I believe that it was your efforts that changed their attitude and lead to a successful resolution of my complaint."

Appendix 1

Top 5 complaint categories

Reporting Period : 1 July - 31 December 2012

Airline (Number complaints per 100,000 passengers* carried)	Cancellation /refund request	Flight delay or cancellation	Fees or charges	Website	Terms and Conditions
	31%	18%	16%	9%	5%
Jetstar	Cancellation /refund request 1.44 per '00000	Flight delay or cancellation 0.59 per '00000	Fees or charges 0.62 per '00000	Website 0.4 per '00000	Terms and Conditions 0.17 per '00000
Tiger Airways	Cancellation /refund request 2.17 per '00000	Flight delay or cancellation 1.57 per '00000	Fees or charges 1.35 per '00000	Website 0.97 per '00000	Terms and Conditions 0.45 per '00000
Qantas	Cancellation /refund request 0.16 per '00000	Flight delay or cancellation 0.11 per '00000	Fees or charges 0.13 per '00000	Website 0.03 per '00000	Terms and Conditions 0.06 per '00000
Virgin Australia	Cancellation /refund request 0.14 per '00000	Flight delay or cancellation 0.23 per '00000	Fees or charges 0.08 per '00000	Website 0.02 per '00000	Terms and Conditions 0.04 per '00000
Regional Express	0	0	Fees or charges 0.35 per '00000	0	0

*Passenger numbers as provided by individual Airline (0 means no complaints)

Appendix 2

Individual Airlines Top 5 complaint categories

Reporting Period : 1 July-31 December 2012

Airline (Number complaints per 100,000 passengers* carried)	1	2	3	4	5
Regional Express	Fees or charges 0.35 per '00000	0	0	0	0
Qantas	Cancellation/refund request 0.16 per '00000	Fees or charges 0.12 per '00000	Flight delay or cancellation 0.11 per '00000	Inflight customer services 0.09 per '00000	Loyalty/Frequent flyer program 0.08 per '00000
Tiger Airways	Cancellation/refund request 2.09 per '00000	Flight delay or cancellation 1.57 per '00000	Fees or charges 1.27 per '00000	Airport customer services 1.05 per '00000	Website 0.97 per '00000
Virgin Australia	Flight delay or cancellation 0.23 per '00000	Cancellation/refund request 0.14 per '00000	Loyalty/Frequent flyer program 0.09 per '00000	Fees or charges 0.08 per '00000	Terms and Conditions 0.04 per '00000
Jetstar	Cancellation/refund request 1.43 per '00000	Flight delay or cancellation 0.59 per '00000	Fees or charges 0.56 per '00000	Website 0.39 per '00000	Telephone reservation services 0.19 per '00000

*Passenger numbers as provided by individual Airline (0 means no complaints)