AIRLINE CUSTOMER ADVOCATE

1 January – 31 December

2019

**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.

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### Advocate's Foreword

The Airline Customer Advocate (the Advocate) was established on 1 July 2012 to facilitate the resolution of complaints from the customers of the five participating airlines about the services provided by the airline. These airlines are Jetstar, Qantas, Regional Express, Tigerair Australia and Virgin Australia.

The Advocate is an aviation industry funded dispute resolution scheme. This funding model is typical of the many diverse and long-established industry specific resolution schemes across Australia that partner with consumers.

The Advocate provides an informal process to resolve complaints that accords with an airline's customer charter, as well as its conditions of carriage and any applicable laws including international conventions that define an airline's liability in prescribed circumstances such as lost baggage. The Australian Consumer Law also protects airline customers.

Australian airline customers took less flights domestically and internationally overall in 2019 as total passenger numbers across all the participating airlines decreased to 78,247,263 (down 3%) from 80,669,316 in 2018.

The Advocate received 1,529 eligible complaints. This represents an increase of 8% from the previous year (1,410) with flight delays and cancellations, refund requests, and fees and charges still representing the biggest areas for customer dissatisfaction.

Resolution rates decreased to just over 59% from 70% in 2018 and 3,212 telephone enquiries were received.

During the reporting period, the average complaint finalisation timeframe decreased from 17 to 15.5 calendar days, still well within the 20-business day target. 86% of customers agreed or strongly agreed their complaint was managed in a timely way.

90.46% of customers agree or strongly agree that the Advocate was independent during all of its interactions.

Catherine Addison-Walsh
Airline Customer Advocate
02 November 2020

#### **Highlights**

- 1,529 complaints received
- 1,517 complaints finalised
- 897 complaints resolved
- Average complaint finalised in 15.5 calendar days
- 3,212 telephone enquiries

### Participating Airlines

#### **Jetstar**

Jetstar Airways Pty Limited is a wholly owned subsidiary of the Qantas Group and commenced operations in May 2004. It states it is a low-cost airline and carried 20,258,253 domestic and international passengers (JQ flight numbers only) during the reporting period.

#### **Qantas**

Qantas was established in 1920 and states it is Australia's largest domestic and international airline. It carried 31,051,433 domestic and international passengers during the reporting period.

#### **Regional Express**

Regional Express (also known as Rex) was established in 2002. It states it is Australia's largest independent regional airline and during the reporting period it carried 1,265,469 passengers.

#### Virgin Australia

Virgin Australia was established in 2000 and states it is Australia's second largest airline. It carried 21,406,550 domestic and international passengers during the reporting period.

#### **Tigerair**

Tigerair Australia commenced operating in Australia in November 2007 and is a wholly owned subsidiary of the Virgin Australia group. It states it is a low-cost airline and carried 4,265,558 passengers during the reporting period.

Note: passenger number statistics were provided by the individual airlines.

The complaints submitted to the Airline Customer Advocate, which are contained within this Annual Report, do not necessarily reflect the overall performance of each individual airline. For information regarding on-time performance and cancellation rates for the 2019 reporting period, please use this <u>link</u>.

### Complaint process

A customer needs to submit their complaint 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. The 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 <a href="https://www.airlinecustomeradvocate.com.au">www.airlinecustomeradvocate.com.au</a>. Alternatively, a customer can contact the Advocate to request a Complaint Form be posted.

## Eligible complaints

A complaint to the Advocate is eligible if:

- (a) The complaint is about a participating airline's airline services;
- (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 12 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 (whether pending or finalised) or a complaint has been lodged with a government authority in relation to the same matter.

### Airline services

Customers can submit a complaint concerning the following services provided by the participating airlines.

(See definitions at <a href="http://www.airlinecustomeradvocate.com.au/General/Eligibility.aspx">http://www.airlinecustomeradvocate.com.au/General/Eligibility.aspx</a> and also the participating airlines' customer charters at <a href="http://www.airlinecustomeradvocate.com.au/General/AirlinesCustomerCharter.aspx">http://www.airlinecustomeradvocate.com.au/General/AirlinesCustomerCharter.aspx</a>)

- Flight delay or cancellation
- Telephone reservation services
- Refund request
- Fees or charges
- Specific needs
- Website
- In-flight customer services
- Airport customer services
- Baggage services
- Safety
- Security
- Discrimination
- Loyalty/Frequent Flyer Program
- Airport lounge
- Conditions of carriage

### Complaint steps

The Advocate receives the complaint and can ask the 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 customer to clarify any points about the complaint or attempt resolution again directly with the customer.

The participating airline provides a written response to the Advocate within ten working days of receipt. The Advocate can also ask the participating airline for more information within five 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 alternative avenues for dispute resolution should they be dissatisfied with the outcome of the Airline Customer Advocate process.

# Top five complaint issues

Below are the top five complaint issues received by customers overall, and their corresponding percentages of all eligible complaints. See Appendix 1 for more information.

1	Flight delay or cancellation	29%
2	Refund request	26%
3	Baggage services	13%
4	Loyalty/Frequent Flyer programs	11%
5	Fees or charges	6%

# Top five complaint issues for each participating airline

Appendix 2 shows the top five complaint issues for each participating airline as received by customers and their corresponding rates per 100,000 flyers.

# Major events in 2019

#### These are the events reported by the airlines that may have affected complaint levels:

Event	Location/Ports	Dates	
2019–20 Australian bushfire season	Many domestic and regional ports impacted by significant flight delays and cancellations	Summer 2019	
High winds	SYD and MEL	December 2019	
Floods in northern QLD.	North Queensland ports (e.g. CNS)	Jan/Feb 2019	
Super Typhoon Hagibis in Japan	International flights departing Australian domestic ports (E.g. OOL)	September/Oct 2019	
Industrial Action (Pilots and ground handling employees)	All domestic ports for Jetstar	December 2019	

## Finalised Complaints

During the reporting period, 1,517 complaints were finalised (98%), keeping up with the number of complaints received.

### Complaints outstanding

Twelve complaints were outstanding at the end of the reporting period.

### Time taken to finalise complaints

The average number of days taken to finalise a complaint was 15.5 calendar days. This is within the published 20 working days timeframe that the participating airlines have committed to.

### Resolving complaints

A complaint is resolved if the customer considers the complaint resolved, if the outcome requested by the customer in the complaint is offered by the airline and accepted by the customer, or if an offer made by an airline is accepted by the customer.

Across the participating airlines, more than 55% of complaints were resolved. Of the 1,517 complaints finalised, 897 (59%) were resolved. This is a decrease on previous year.

### Telephone inquiries

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 to facilitate the resolution of complaints.

During the reporting period, the Advocate received 3,212 telephone inquiries.

Customers are provided information 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 regulatory 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 is at www.airlinecustomeradvocate.com.au

There were 104,256 visits during the reporting period. This represents a 13% increase on 2018 (92,142).

The website 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.

The website contains the online form for lodging a complaint electronically. If a 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 or fax.

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

#### **Customer Satisfaction**

Eligible customers are surveyed after a complaint is closed. The survey assists the Advocate to know what it is doing well and where it needs to improve its service. During the reporting period, 498 customers responded to the survey (33% of finalised complainants). Of these customers, 242 (48%) had their complaint resolved and the remaining 256 (52%) were customers whose complaint was unresolved.

Overall, 85% of customers strongly agreed or agreed they were treated fairly and with respect and honesty, and 90% strongly agreed or agreed that the Advocate was independent in all of its interactions. Overall, 88% of customers agreed or strongly agreed their complaint was managed in a timely way, and 91% agreed or strongly agreed it was easy to use the Airline Customer Advocate service.

### **Customer Feedback**

Dear Catherine,

Thank you for your email with the positive outcome from TigerAir to my request for reinstating our flight credits.

Your help in achieving this outcome is gratefully noted and I am happy to close the file in this matter.

While I thank TigerAir for agreeing to re-instate the flight credits, they could have saved your time and effort by being more reasonable in making this decision when I approached them.

Your support is well appreciated,

Thanks again and Kind regards,

Hi Catherine

Just letting you know that the Qantas points have been credited to my frequent flyer account which is wonderful!

We're \$24.00 out of pocket on taxes etc but I'm certainly not going to quibble over that!!!! Many thanks again - we are delighted with the outcome from your investigation.

Kind regards

Beverley

Hi Catherine.

Just want to say a BIG THANK YOU for helping. This is amazing.

Enjoy a lovely day & keep up this great work.

Grtz.

Linda

Hi there,

I just want to send a big thank you for your help and to Catherine for helping me out. Thank you so much for stepping in and helping me with my refund. I really appreciate your help and assistance!

Kind regards,

Daniel

Dear Catherine.

I have to say many many thanks to you for your help.

It is unbelievable! I have spent much time on this but you did it in few days!

It is amazing!

I wish you all the best and success in everything you do!

God bless good people!

Best Regards,

Xue

#### Hi Catherine

I was very pleased to receive a letter, this week, from my bank letting me know that I had a bank transfer from Australia. Tigerair has now paid me for the night my daughter and I spent in a hotel due to the cancelled flight.

Thank you so much for your help as I am absolutely sure they would not have paid out if it hadn't been for your intervention. They had already turned me down twice.

Thank you once again for your much appreciated help.

Sandra

#### Thank you Catherine

I have completed the survey and would like to thank you and ACA for your assistance in resolving this complaint. I am happy with the outcome. I always believed the right outcome would be reached and am pleased that Jetstar has acted in good faith in dealing with my complaint.

Sorry for the delay in responding but we were overseas last week – flying Jetstar which is probably somewhat ironic but pleasingly everything went smoothly.

Anyway, thanks again for your help

Best wishes

Russell

Thank you Catherine, very much appreciated.

Hugely grateful again for your time and input into this, it's an ideal outcome.

Kind regards,

Jeremy

#### Dear Catherine.

Thank you so much for all your help in helping me sort out my claim against Qantas.

I received AUD700 from them as agreed by bank transfer today.

You really do provide an invaluable service.

Very best regards

Sandra

Hi Catherine

I just wanted to say a big thank you for helping us with our claim! It's with your help that we got what we should of in the first place! It's been a long frustrating messy and painful experience. I'm sure we would be still fighting it if it wasn't for your help! Thank you again Catherine

Sincerely Karen and Emily

#### Hi Catherine,

Thank you immensely for your very rapid assistance and response on this one.

I am happy with the result offered and look forward to flying with Tiger Air again in the very near future.

If your organisation has a social media presence, feel free to advise so I can leave some positive feedback.

Thanks again and have a joyous and splendid (and restful) Easter.

Kindest,

Alec

# Appendix 1

#### **Top Five Complaint Issues**

Airline (Number complaints per 100,000 passengers* carried)	Flight delay or cancellation 29%	Refund request 26%	Baggage services 13%	Loyalty/Frequent flyer program 11%	Fees or charges 6%
Regional Express	Flight delay or cancellation 0.32 per '00000	Refund request 0.4 per '00000	Baggage services 0.08 per '00000	Loyalty/Frequent flyer program 0.08 per '00000	Fees or charges 0.08 per '00000
Qantas	Flight delay or cancellation 0.36 per '00000	Refund request 0.52 per '00000	Baggage services 0.22 per '00000	Loyalty/Frequent flyer program 0.43 per '00000	Fees or charges 0.14 per '00000
Tigerair	Flight delay or cancellation 2.51 per '00000	Refund request 1.55 per '00000	Baggage services 0.19 per '00000	Loyalty/Frequent flyer program 0.02 per '00000	Fees or charges 0.16 per '00000
Virgin Australia	Flight delay or cancellation 0.25 per '00000	Refund request 0.23 per '00000	Baggage services 0.37 per '00000	Loyalty/Frequent flyer program 0.11 per '00000	Fees or charges 0.03 per '00000
Jetstar	Flight delay or cancellation 0.79 per '00000	Refund request 0.53 per '00000	Baggage services 0.21 per '00000	Loyalty/Frequent flyer program 0 per '00000	Fees or charges 0.14 per '00000

<sup>\*</sup>Passenger numbers as provided by individual Airline (0 means no complaints)

# Appendix 2

#### **Individual Airlines Top Five Complaint Issues**

Airline (Number complaints per 100,000 passengers* carried)	1	2	3	4	5
Regional Express	Refund request 0.4 per '00000	Flight delay or cancellation 0.32 per '00000	Cancellation request 0.16 per '00000	Safety 0.16 per '00000	Loyalty/Frequent flyer program 0.08 per '00000
Qantas	Refund request 0.52 per '00000	Loyalty/Frequent flyer program 0.43 per '00000	Flight delay or cancellation 0.36 per '00000	Baggage services 0.22 per '00000	Fees or charges 0.14 per '00000
Tigerair	Flight delay or cancellation 2.51 per '00000	Refund request 1.55 per '00000	Baggage services 0.19 per '00000	Airport customer services 0.16 per '00000	Fees or charges 0.16 per '00000
Virgin Australia	Baggage services 0.37 per '00000	Flight delay or cancellation 0.25 per '00000	Refund request 0.23 per '00000	Loyalty/Frequent flyer program 0.11 per '00000	Airport customer services 0.05 per '00000
Jetstar	Flight delay or cancellation 0.79 per '00000	Refund request 0.53 per '00000	Baggage services 0.21 per '00000	Fees or charges 0.14 per '00000	Discrimination 0.07 per '00000

<sup>\*</sup>Passenger numbers as provided by individual Airline (0 means no complaints)