

AIRLINE CUSTOMER ADVOCATE

1 January – 31 December

2020

Annual Report

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Advocate's foreword

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 Airline Customer Advocate (the Advocate) has been established to facilitate the resolution of complaints from customers of the five participating airlines in 2020 about the services provided by the airlines. These airlines were Jetstar, Qantas, Regional Express, Tigerair Australia (from 1 January to 11 September 2020) 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 2020 as total passenger numbers across all the participating airlines decreased to 19,044,271 (down 75%) from 78,247,263 in 2019.

The Advocate received 866 eligible complaints. This represents a decrease of 56% from the previous year 2019 (1,529) with COVID-19 restrictions, flight delays and cancellations, refund requests, and fees and charges representing the biggest areas for customer dissatisfaction in 2020.

Overall resolution rate decreased for the second year to approximately 29%, from 59% in 2019 and 70% in 2018. 3,342 telephone enquiries were received.

During the reporting period, the average overall complaint finalisation timeframe increased to 21 business days, from 15.5 days in 2019. The Service Level Agreement for days to finalise was just outside the 20-business day target. Despite the impact COVID-19 has had on staffing at the Airline Customer Advocate and participating airlines, 56% of customers agreed or strongly agreed their complaint was managed in a timely way.

Connie Todica
November 2021

Participating Airlines

Jetstar

Jetstar Airways 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 6,525,308 domestic and international passengers during the reporting period.

Qantas

Qantas was established in 1920 and is Australia's largest domestic and international airline. It carried 9,431,077 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 it carried 470,511 passengers during the reporting period.

Virgin Australia

Virgin Australia was established in 2000 and states it is Australia's second largest airline. It carried 9,238,182 domestic and international passengers during the reporting period.

Tigerair

Tigerair Australia commenced operating in Australia in November 2007 as a low-cost airline and was a wholly owned subsidiary of the Virgin Australia group. It carried 375,012 passengers during the reporting period. Tigerair withdrew from the scheme on 11th September 2020 as Tigerair has ceased to operate regular commercial air passenger services.

Note: Major decline in passenger numbers across all airlines for the reporting period was due to the impact of COVID-19 on the airline industry in 2020.

The complaints submitted to the Advocate, 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 2020 reporting period, visit:

[Airline On Time Performance, 2020-21 Financial Year Report | Bureau of Infrastructure and Transport Research Economics \(bitre.gov.au\)](#)

Complaint process

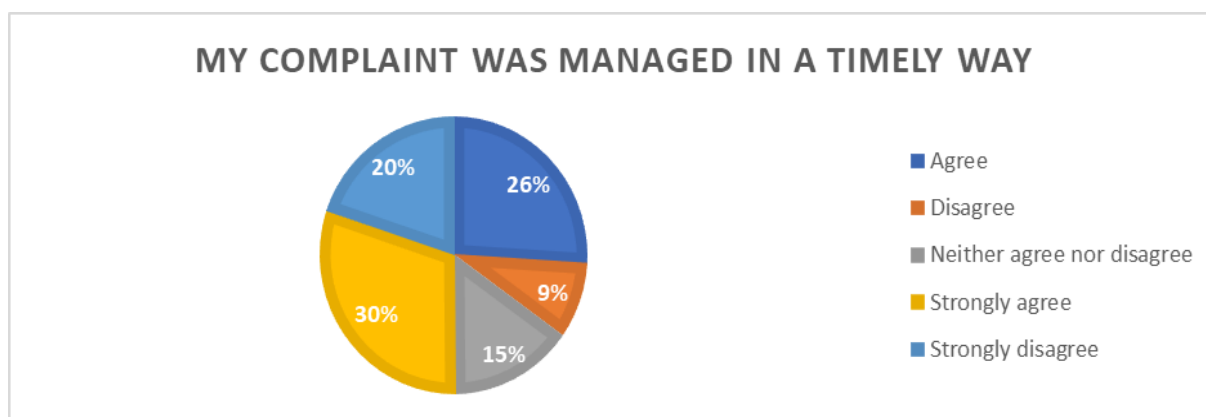
A customer needs to submit their complaint to the airline first if they wish to submit a complaint to the Advocate about a service provided. This is because the participating airlines have agreed, as set out in their Customer Charters, to first attempt to resolve a complaint with their customer. The 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 www.airlinecustomeradvocate.com.au.

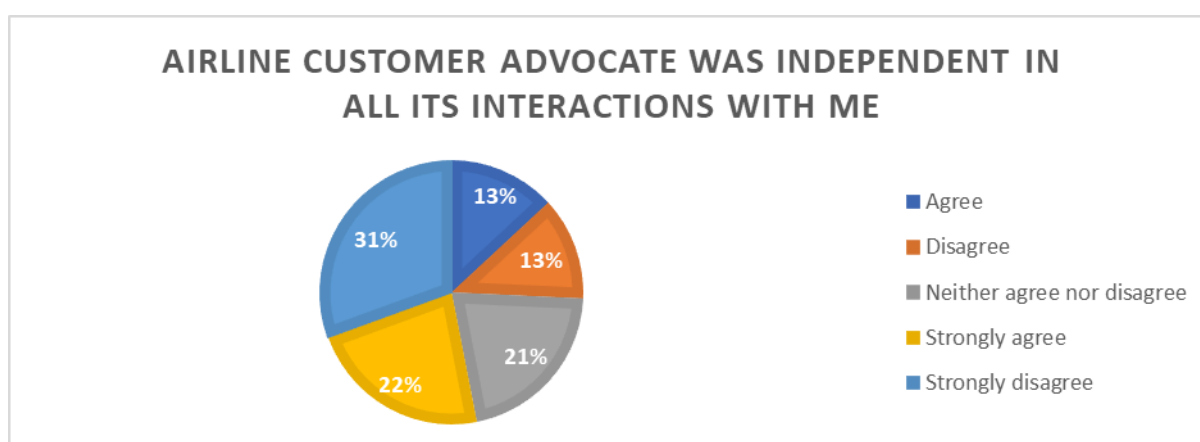
Alternatively, a customer can contact the Advocate to request a Complaint Form be emailed or posted to them, or that their complaint is captured via phone.

Customer satisfaction survey insights

More than half of respondents agreed or strongly agreed their complaint was managed in a timely way.



Less than half of respondents felt the Airline Customer Advocate could have been more independent.



Eligible complaints

A complaint to the Advocate is eligible if:

- (a) The complaint is about a participating airline's services; and
- (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 and 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 or as otherwise communicated. 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 services provided by the participating airlines, and may be in relation to:

- Flight delay or cancellation
- Contact centre or 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

See definitions at <http://www.airlinecustomeradvocate.com.au/General/Eligibility.aspx>

Also see the participating airlines' Customer Charters at:

<http://www.airlinecustomeradvocate.com.au/General/AirlinesCustomerCharter.aspx>

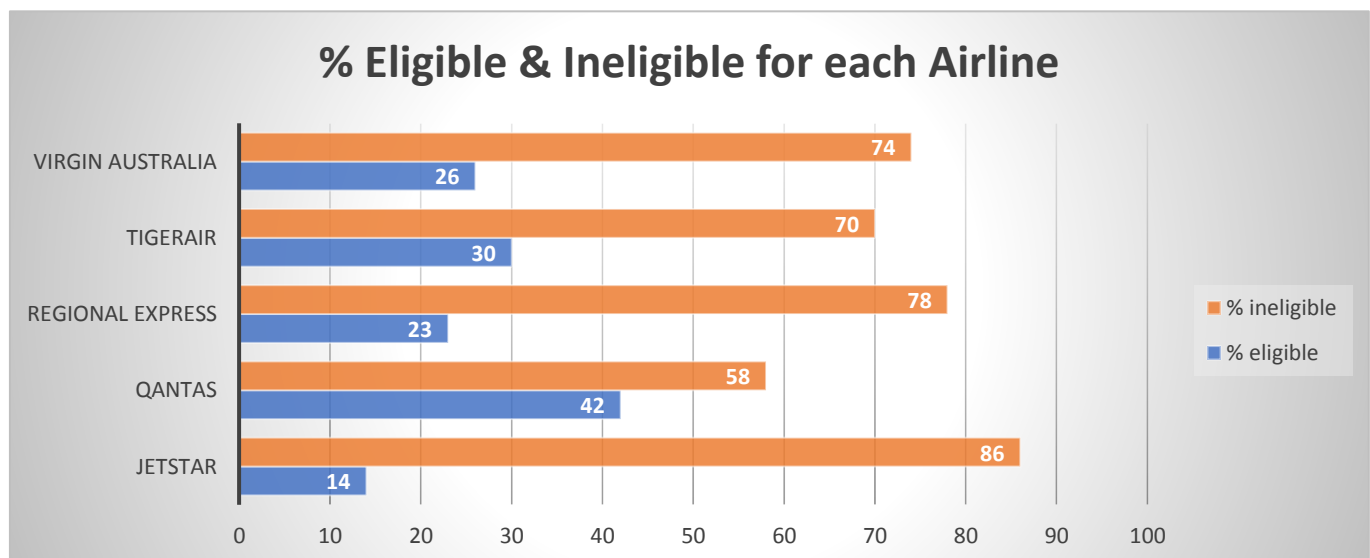
Complaint steps

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 a 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 should receive 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.



Note:

- Tigerair data represents the operating period of 1 Jan 2020 to 10 Sept 2020 only.

Top five complaints by Airline

Below are the top five complaint issues pertaining to each airline.

Top 5 themes by airline, as a rate of complaint per 100,000 passengers carried*	1	2	3	4	5
Regional Express	Flight delay or cancellation 0.85 per '00000	Refund request 0.43 per '00000	0	0	0

Qantas	Refund request 2.32 per '00000	Flight delay or cancellation 0.85 per '00000	Loyalty/Frequent flyer program 0.5 per '00000	Fees or charges 0.33 per '00000	Baggage services 0.29 per '00000
Tigerair	Refund request 10.4 per '00000	Flight delay or cancellation 8.8 per '00000	Cancellation request 0.27 per '00000	Fees or charges 0.27 per '00000	Baggage services 0.27 per '00000
Virgin Australia	Refund request 0.68 per '00000	Flight delay or cancellation 0.4 per '00000	Baggage services 0.17 per '00000	Airport customer services 0.05 per '00000	Fees or charges 0.05 per '00000
Jetstar	Refund request 1.5 per '00000	Flight delay or cancellation 0.6 per '00000	Fees or charges 0.09 per '00000	Baggage services 0.09 per '00000	Airport customer services 0.08 per '00000

Note:

- Tigerair data represents the operating period of 1 Jan 2020 to 10 Sept 2020 only.
- A zero result refers to zero complaints in that category.

Top five complaints overall

Below are the top five complaint issues overall.

Top 5 themes overall, as a rate of complaint per 100,000 passengers carried*	Refund request	Flight delay or cancellation	Loyalty/Frequent flyer program	Baggage services	Fees or charges
	49%	22%	6%	6%	5%
Regional Express	Refund request 0.43 per '00000	Flight delay or cancellation 0.85 per '00000	0	0	0
Qantas	Refund request 2.32 per '00000	Flight delay or cancellation 0.85 per '00000	Loyalty/Frequent flyer program 0.5 per '00000	Baggage services 0.29 per '00000	Fees or charges 0.33 per '00000
Tigerair	Refund request 10.4 per '00000	Flight delay or cancellation 8.8 per '00000	0	Baggage services 0.27 per '00000	Fees or charges 0.27 per '00000
Virgin Australia	Refund request 0.68 per '00000	Flight delay or cancellation 0.4 per '00000	Loyalty/Frequent flyer program 0.04 per '00000	Baggage services 0.17 per '00000	Fees or charges 0.05 per '00000
Jetstar	Refund request 1.5 per '00000	Flight delay or cancellation 0.6 per '00000	Loyalty/Frequent flyer program 0.03 per '00000	Baggage services 0.09 per '00000	Fees or charges 0.09 per '00000

Note:

- Tigerair data represents the operating period of 1 Jan 2020 to 10 Sept 2020 only.
- A zero result refers to zero complaints in that category.

Major events in 2020

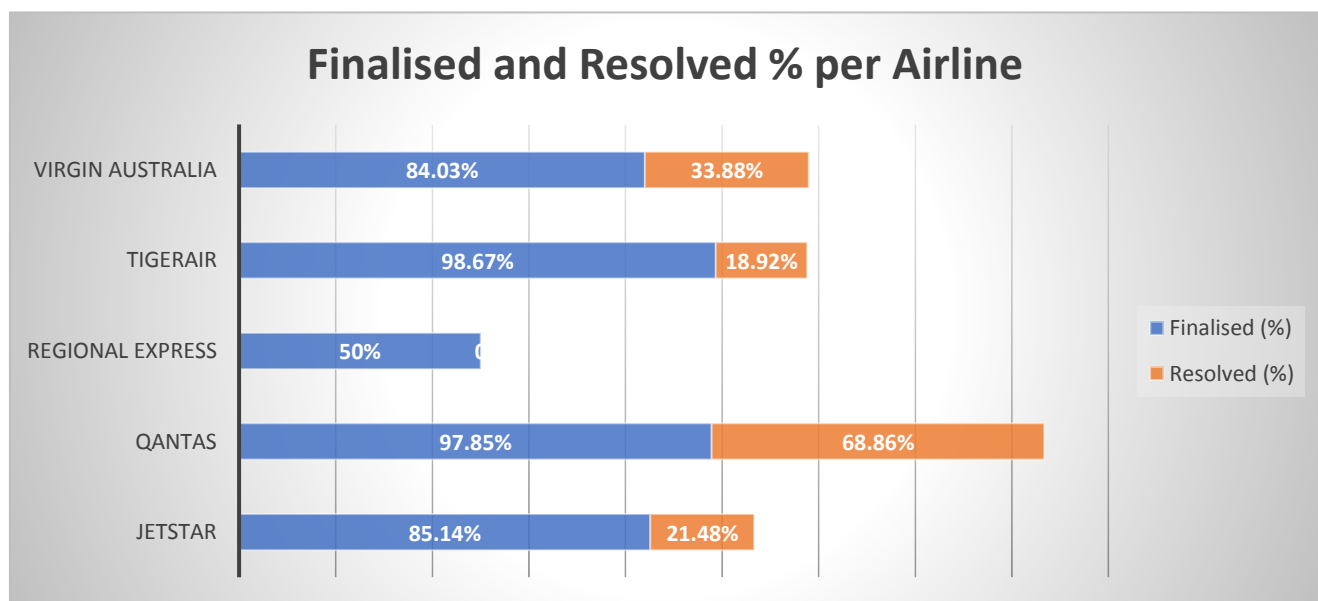
- January 2020 – Fires ravaged significant parts of Australia in early 2020. For the aviation industry, these fires presented challenges; with the biggest being visibility. Airlines were forced to cancel services due to adverse weather caused by the blazes. This caused involuntary flow-on impacts to customers' trips and bookings.
- February 2020 - COVID-19 pandemic. The World Health Organization announced COVID-19 as a pandemic. The Prime Minister activated the Australian Health Sector Emergency Response Plan.

This event had an unprecedented impact on airline industry globally. The financial forecast by the International Air Transport Association (IATA) revealed that airlines were projected to lose \$84.3 billion worldwide in 2020. This caused involuntary flow-on impacts to customers' trips and bookings.

- March - December 2020 - Tens of thousands of Australians remained stranded overseas due to ongoing border closures and quarantine restrictions.
- September 2020 - Australia officially declared as in a recession, for the first time in almost 30 years.

Finalised Complaints

During the reporting period, 803 complaints were finalised (83%).

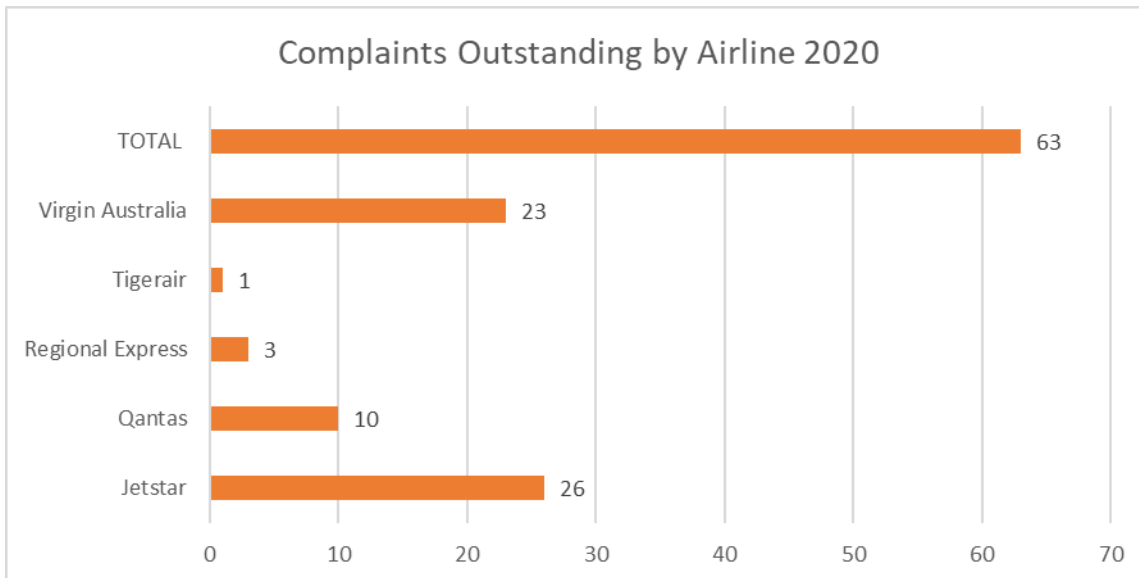


Note:

- Tigerair data represents the operating period of 1 Jan 2020 to 10 Sept 2020 only.
- 'Finalised' denotes that the case was actioned and closed. 'Resolved' denotes that a complaint is resolved to the satisfaction of the customer.

Complaints outstanding

Sixty-three 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 21 calendar days in 2020. This is just over the published 20 working day timeframe specified by the participating airlines. This is an increase of 5.5 days from 2019. This can be attributed to impacts on staffing at the Airline Customer Advocate and participating airlines during the COVID-19 pandemic.

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.

For the 803 complaints finalised in 2020, 401 (50%) were resolved to the customer's satisfaction. This is a slight decrease on the previous year when 1,517 complaints were finalised and 897 (56%) were resolved in 2019.

Telephone enquiries

Customers who are thinking about making a complaint can call the Advocate's toll-free enquiry 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 a total of 3,342 calls.

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 the customer's preferred method of lodging their complaint. Some consumers may be referred to another

complaint handling service or regulatory body if their concern is about a non-participating airline or a non-airline service.

Website

The Airline Customer Advocate website is at www.airlinecustomeradvocate.com.au

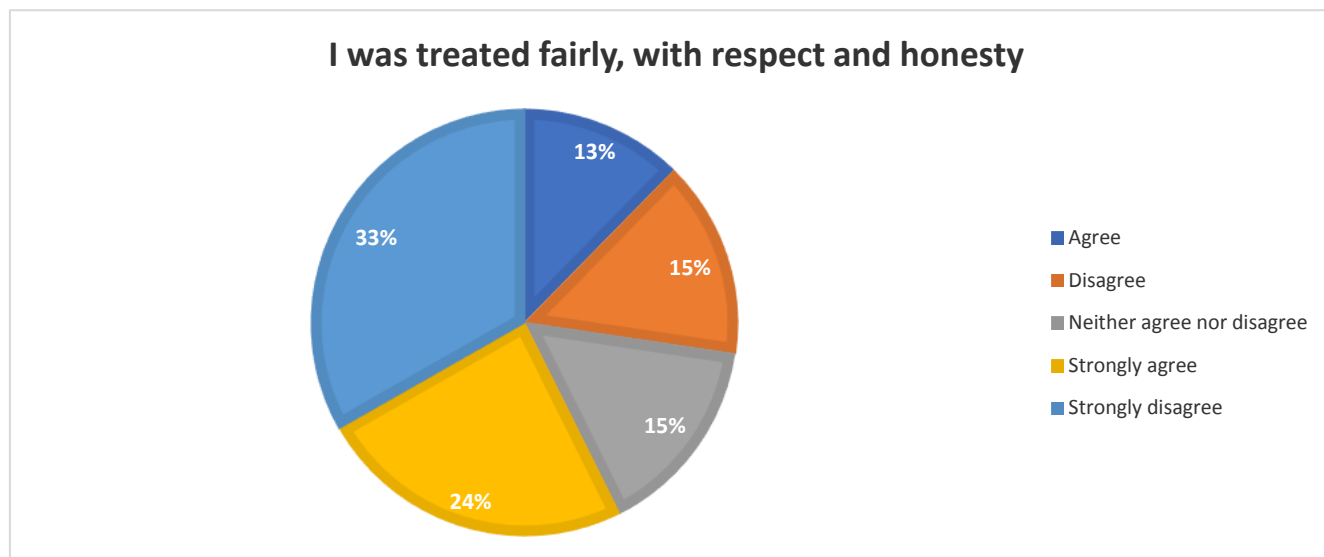
The website contains links to the Customer Charters of the participating airlines and each of their online complaint forms. There is also information about the Advocate including its Mission Statement, Customer Service Charter and Privacy Statement.

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.

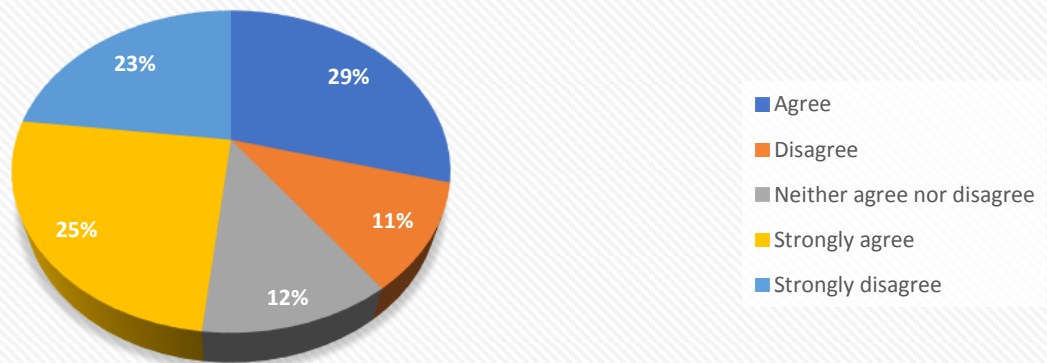
A complaint number is automatically generated and emailed to the email address included on the form. A customer can track the progress of their complaint at any time and if required, also lodge additional documentation.

Customer Satisfaction with The Advocate

Eligible customers (866) 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, 373 customers responded to the survey (33% of finalised complainants). Of these customers, 108 (28%) had their complaint resolved and the remaining 46 (12%) were customers whose complaint was unresolved.



The correspondence I received was easy to understand



Customer Feedback about The Advocate

- *What a surprising outcome to this whole situation. I have checked and I can confirm that the refund has been processed into my account. That was very unexpected... I appreciate your assistance with this matter, and it has been a good outcome so thank you.*
- *Thank you for your response - I received 2 emails telling me what was happening and that my flight credit has now been extended to 2022 and that I will be able to use it so that's a big plus. It's great that it has been extended as well. Many thanks again for your response, much appreciated.*
- *Funds have been located, so the issue can be closed off now. Thanks again for all your help :)*
- *Thank you for following this up for me. I appreciate it. The airline has been in touch, and I am now making some progress.*
- *Thank you. All was eventually resolved to an acceptable outcome.*
- *Thanks so much for following this up for me. It's great that the airline has extended the status. I would however love for my credits to be rolled over as per their original promotion.*
- *Thanks for your help on this, especially as both airlines initially refused to cover it. I thought the bag was a write off.*
- *Thank you for your email. That's an excellent outcome.*
- *Once again, thanks for ACA's effort to assist me to resolve my complaint.*
- *Thank you so much for your help and speedy response.*
- *If I literally have no other choice and that's all that is on offer, I guess I have no choice but to accept the compensation. I'm still not satisfied but I recognise the industry is going through unprecedented circumstances.*