

# **AIRLINE CUSTOMER ANNUAL REPORT 2022**

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# DEFINITIONS

Complaint Received – a customer has lodged a written complaint via website.

Ineligible – this is a case that has been deemed ineligible according to the ACA charter eg. No response from airline, event occurred more than 12 months prior, complainant has already reported the complaint to a government complaints body.

Eligible - this is either a case that has been raised by the complainant but is not yet been deemed ineligible by the airline or has been reviewed and confirmed as being eligible.

Finalised - closed, either resolved or unresolved, if the case is not finalised it will still either be in the airline or ACA queue, once finalised the customer is sent a closure notice advising of the outcome.

Resolved - the customer has accepted the outcome offered by the airline.

Unresolved – the customer has not accepted the outcome offered by the airline and there is no further escalation available through Airline Customer Advocate.

Outstanding - A case that is not marked as Ineligible, Resolved, or Finalised will fall under outstanding.

# 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 now four participating airlines in 2022 about the services provided by the airlines. These airlines are Jetstar, Qantas, Rex, 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 in accordance 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 more flights domestically and internationally overall in 2022 as total passenger numbers across all the participating airlines increased to 61,112,643 (up 146%) from 24,705,409 in 2021.

The Advocate received 1286 eligible complaints. This represents an increase of 102% on the previous year 2021 (599) with complaints relating to COVID-19 impacts, flight delays and cancellations, refund requests, and fees and charges representing the biggest areas for customer dissatisfaction in 2022. The increase is to be expected based on the increased volume of passenger numbers with the lifting of Covid 19 restrictions in Australia and Internationally.

Overall resolution rate increased to approximately 43% in 2022 compared to 40% in 2021, 59% in 2019 and 70% in 2018.

6789 telephone enquiries were received compared to 3520 in 2021 – an increase of 92%.

During the reporting period, the average overall complaint finalisation timeframe increased to 46 business days, compared to 17 business days in 2021 and 21 days in 2020. The Service Level Agreement for days to finalise is outside the 20-business day target. With the continued impact from COVID-19 on staffing at the Airline Customer Advocate and participating airlines, only 29% of customers agreed or strongly agreed their complaint was managed in a timely way.

October 2023

# 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 13,874,304 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 22,310,461 domestic and international passengers during the reporting period.

## **Rex**

Rex was established in 2002. It states it is Australia's largest independent regional airline it carried 2,341,922 passengers during the reporting period.

## **Virgin Australia**

Virgin Australia was established in 2000 and states it is Australia's second largest airline, behind the Qantas Group which includes Jetstar. It carried 17,535,086 domestic and international passengers during the reporting period.

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 2022 reporting period, visit:

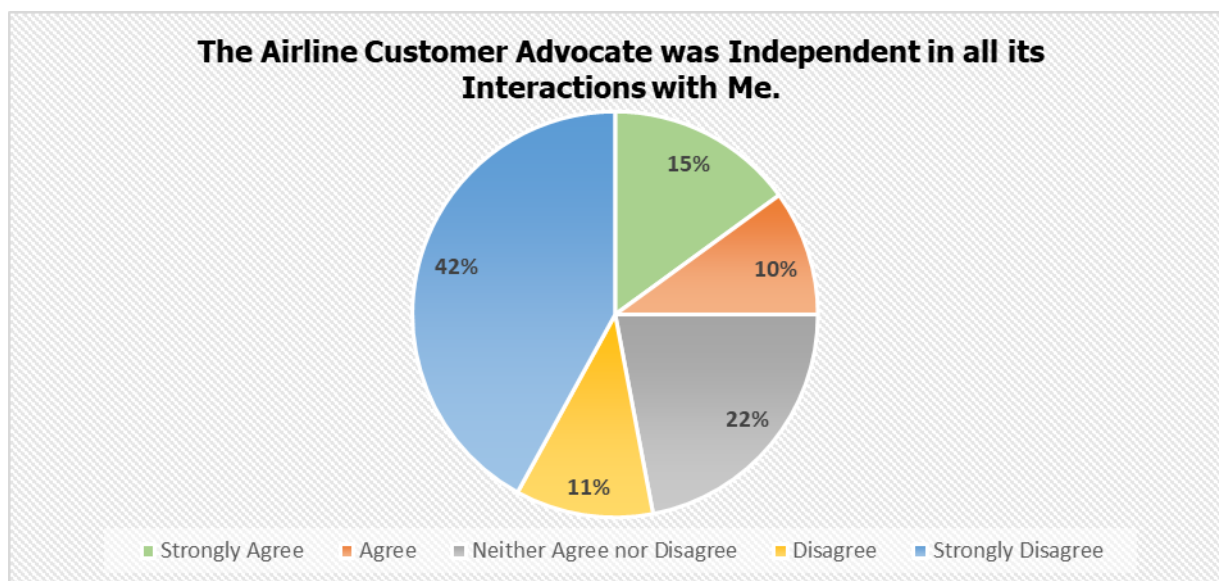
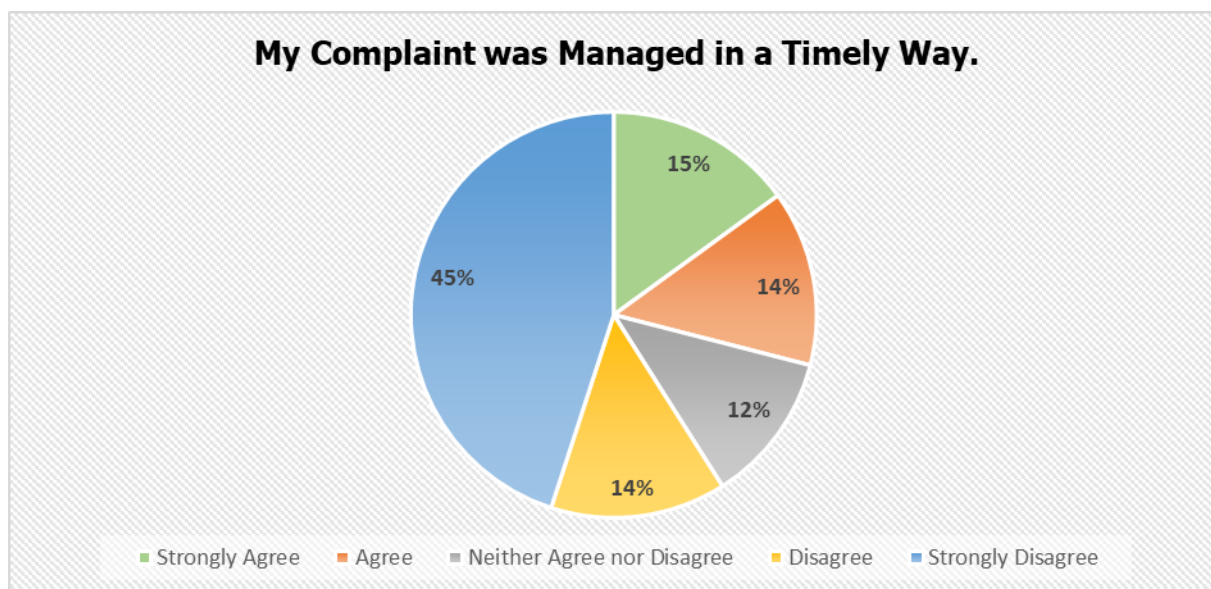
[https://www.bitre.gov.au/publications/ongoing/airline\\_on\\_time\\_monthly](https://www.bitre.gov.au/publications/ongoing/airline_on_time_monthly)

# 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](http://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 Results:



# 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>

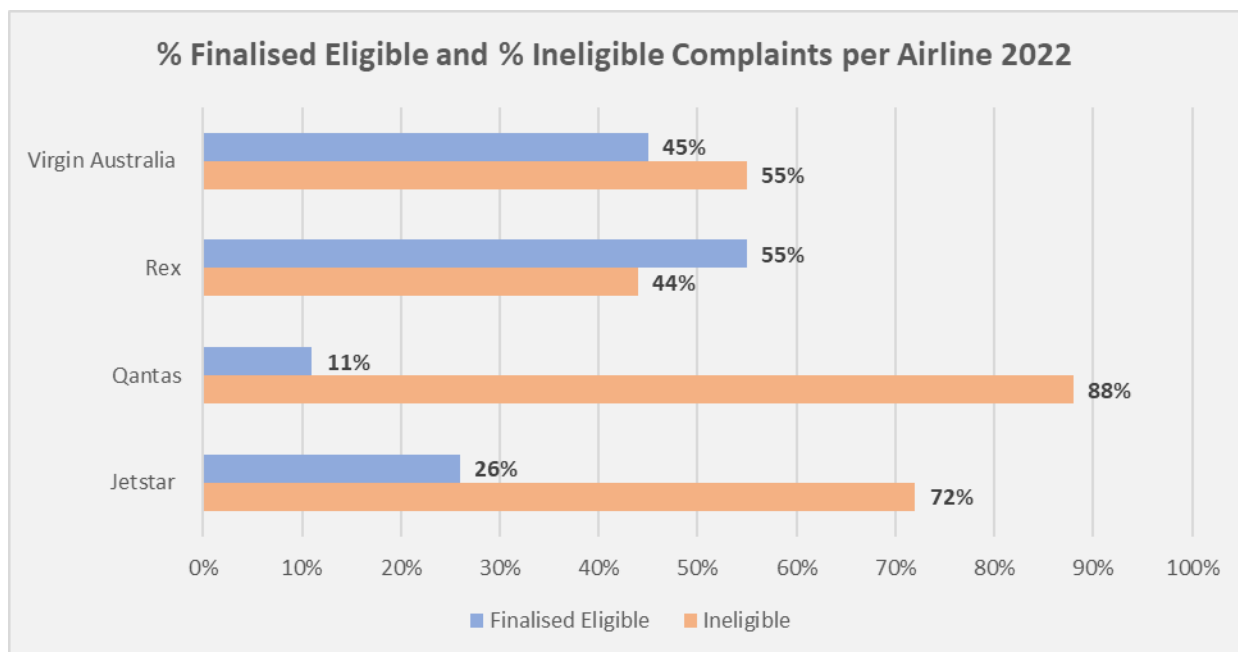
# COMPLAINT STEPS

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 business 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 business days of receipt. The Advocate can also ask the participating airline for more information within five business days.

The eligible customer should receive a response within 20 business 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.



Denotes of all complaint case received, the percentage of all eligible and ineligible outcome by each airline.



# TOP FIVE COMPLAINTS BY AIRLINE

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

Airline (Number complaints per 100,000 passengers* carried)	1	2	3	4	5
Rex (Regional Express)	Refund request 0.68 per '00000	Flight delay or cancellation 0.47 per '00000	Baggage services 0.17 per '00000	Cancellation request 0.13 per '00000	0
Qantas	Refund request 1.27 per '00000	Baggage services 0.4 per '00000	Flight delay or cancellation 0.36 per '00000	Fees or charges 0.11 per '00000	Loyalty/Frequent flyer program 0.11 per '00000
Virgin Australia	Refund request 0.92 per '00000	Flight delay or cancellation 0.72 per '00000	Baggage services 0.26 per '00000	Fees or charges 0.06 per '00000	Airport customer services 0.05 per '00000
Jetstar	Flight delay or cancellation 0.95 per '00000	Refund request 0.64 per '00000	Baggage services 0.16 per '00000	Fees or charges 0.13 per '00000	Airport customer services 0.05 per '00000

A zero result refers to zero complaints in that category.

# TOP FIVE COMPLAINTS OVERALL

Below are the top five complaint issues overall.

Airline (Number complaints per 100,000 passengers* carried)	Refund request 42%	Flight delay or cancellation 29%	Baggage services 12%	Fees or charges 4%	Loyalty/Frequent flyer program 2%
Rex (Regional Express)	Refund request 0.68 per '00000	Flight delay or cancellation 0.47 per '00000	Baggage services 0.17 per '00000	0	0
Qantas	Refund request 1.27 per '00000	Flight delay or cancellation 0.36 per '00000	Baggage services 0.4 per '00000	Fees or charges 0.11 per '00000	Loyalty/Frequent flyer program 0.11 per '00000
Virgin Australia	Refund request 0.92 per '00000	Flight delay or cancellation 0.72 per '00000	Baggage services 0.26 per '00000	Fees or charges 0.06 per '00000	Loyalty/Frequent flyer program 0.02 per '00000
Jetstar	Refund request 0.64 per '00000	Flight delay or cancellation 0.95 per '00000	Baggage services 0.16 per '00000	Fees or charges 0.13 per '00000	Loyalty/Frequent flyer program 0.03 per '00000

A zero result refers to zero complaints in that category.

# MAJOR EVENTS IN 2022

In 2022, post COVID pandemic Australian airline net losses are expected to be near to \$7 billion. This is significantly better than losses of \$42.0 billion and \$137.7 billion that were realized in 2021 and 2020 respectively.

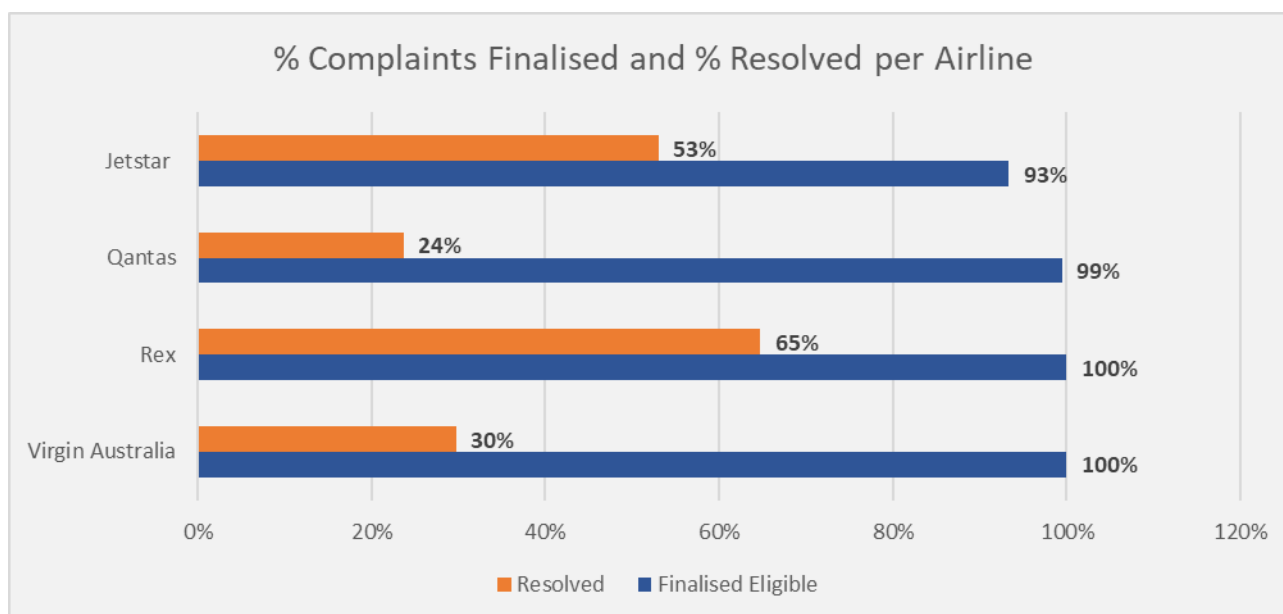
The aviation industry struggled to meet this demand due to workforce shortages, staff availability and supply chain issues throughout 2022. The airline industry reported its worst on-time performance with half of flights arriving late while 6.4% of flights were cancelled.

References: <https://www.casa.gov.au/>

<https://www.bitre.gov.au/>

## FINALISED AND RESOLVED COMPLAINTS

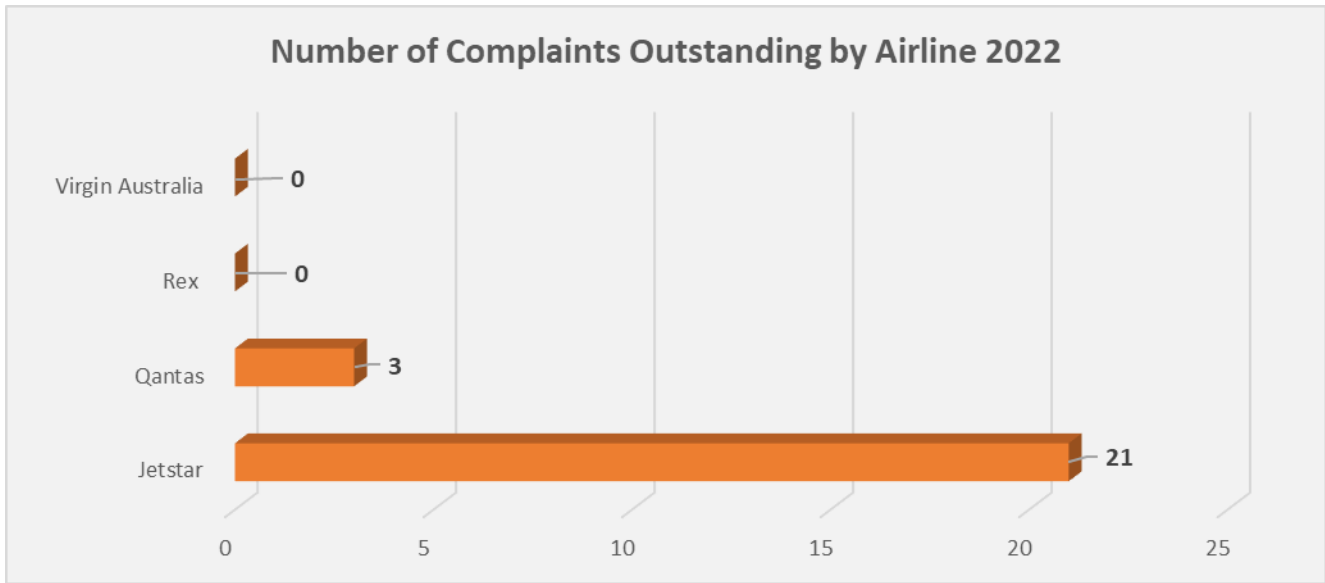
During the reporting period 1,286 complaints were finalised (98%).



Note: 'Finalised' denotes that the case was actioned and closed. 'Resolved' denotes that a complaint is resolved to the satisfaction of the customer.

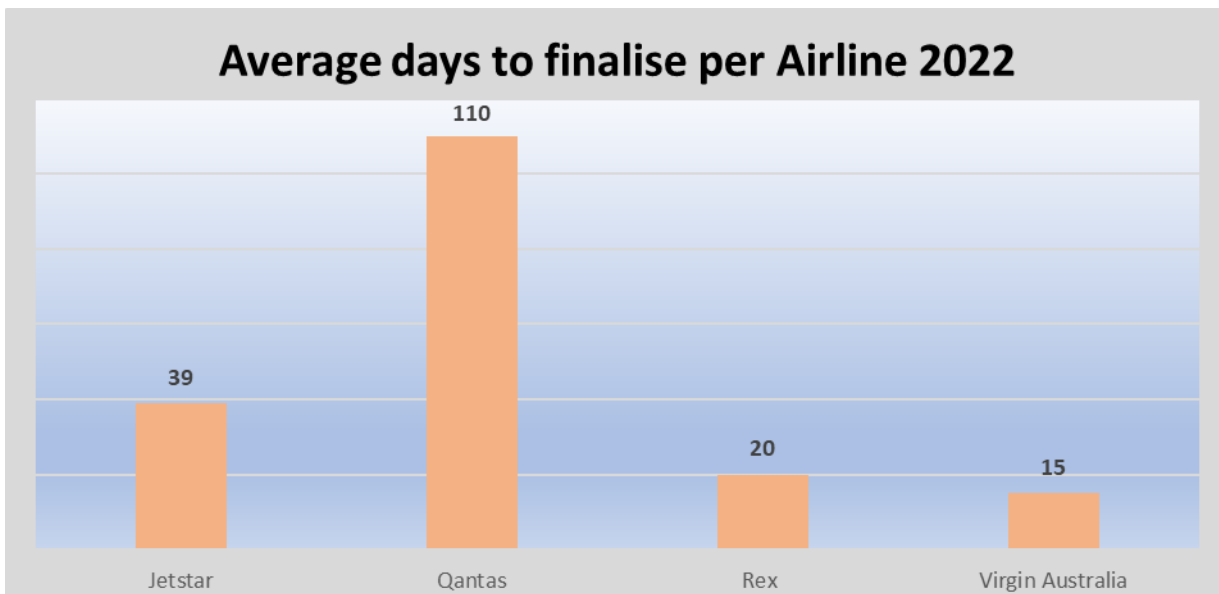
# COMPLAINTS OUTSTANDING

24 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 46 business days in 2022. This is well over the published 20 business day timeframe specified by the participating airlines. This is an increase of 29 days from 2021. 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 1,286 complaints finalised in 2022, 422 (43%) were resolved to the customer's satisfaction. This is a decrease on the previous year when 593 complaints were finalised and 307 (40%) were resolved in 2021.

# 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 6,789 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](http://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.

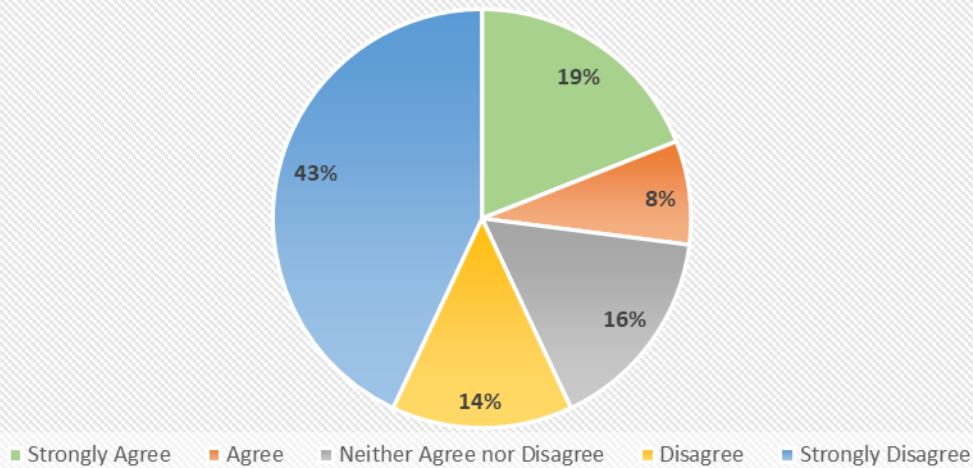
The website contains the online form for lodging a complaint electronically. If a customer cannot lodge a complaint online, they can call or write to the Advocate to request a Complaint Form which can be returned and lodged by post or fax.

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.

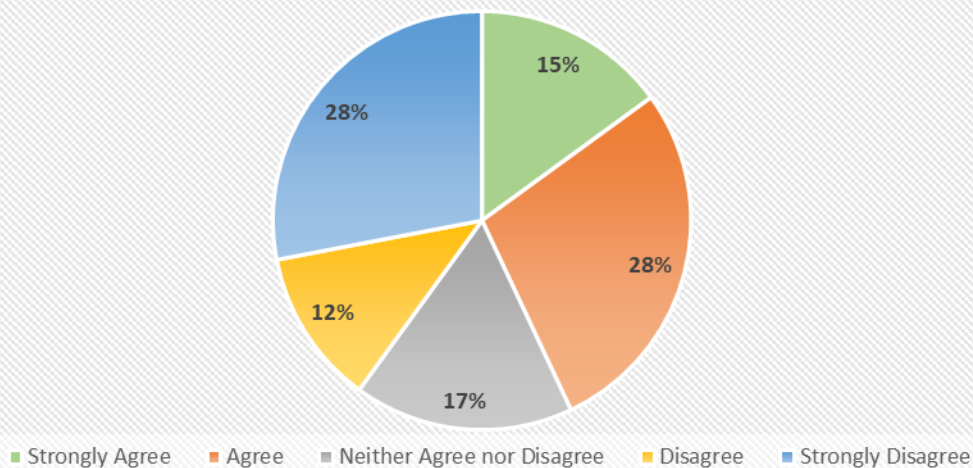
# CUSTOMER SATISFACTION WITH THE ADVOCATE

Eligible customers (1286) 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, 325 customers responded to the survey (26% of finalised complainants). Of these customers, 65 (20%) had their complaint resolved and the remaining 260 (80%) were customers whose complaint was unresolved.

## I was Treated Fairly, with Respect and Honesty



## The Correspondence I Received was Easy to Understand



# CUSTOMER FEEDBACK ABOUT THE ADVOCATE

Customer Feedback is gathered verbatim from emails sent to the Airline Customer Advocate during the completion of their cases.

- ✚ *"Good Afternoon Catherine, I would like to thank you very much for your help with this, we are very pleased with the outcome".*
- ✚ *Regrettably, it contains nothing specific and almost sounds like I am back to the original starting point to my refund process. I mentioned in my email to you dated October that this refund process has been confusing and irritating. Even airline seems confused; and using two different Reference Numbers is not helping. In short, it is a very stressful experience, so anything you can do to assist would be very much appreciated.*
- ✚ *"Hi Catherine, Thank you I really appreciate your help, it has been a long ride and I am so glad it is finally finished and I can move on. I'm forever grateful for your assistance."*
- ✚ *I cannot deal with this as airline are incompetent company and hard to deal with.*
- ✚ *I look forward to hearing from you with a positive response. Many thanks.*
- ✚ *"Dear Catherine, this is exactly the outcome I was after, I cannot thank you enough for your assistance."*
- ✚ *"Hi Catherine, Thank you for getting the airline to finally pay my refund, I didn't think we would ever get here."*
- ✚ *"Good Morning Catherine, my refund came in. Thank you so much for your help."*
- ✚ *"I'm not sure we would have received our refund if it wasn't for your intervention."*
- ✚ *"Our complaint had been outstanding for almost a year! Thank you so much."*
- ✚ *I wanted to ask were there any moves or pressure from various overseeing institutions like ACCC or Department of fair trading or similar to start looking at changing this framework that would reestablish the balance that is currently sitting way too much on airline side and doesn't give enough rights to consumers?*
- ✚ *I feel the company is not motivated by penalties or let's say smaller financial compensation costs or similar to start behaving more responsibly.*
- ✚ *"My flight was rebooked and I am stoked that we got it all worked out."*
- ✚ *I expect the matter to be resolved by the end of the week. You have had more than enough time by any standards. It really shouldn't be that difficult to resolve*
- ✚ *"After spending Christmas stressing about our flights home, you've helped us in making sure we could get home safely, THANK YOU!!!!!!."*