

MALAYSIAN AVIATION COMMISSION

Consumer Report March 2016 to February 2017



**Malaysian
Aviation Commission**
Suruhanjaya Penerbangan Malaysia

April 2017

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The Malaysian Aviation Commission (MAVCOM) is pleased to present our inaugural Consumer Report, encompassing the statistics of complaints received between March 2016 and February 2017 and our key initiatives relating to aviation consumers.

One of MAVCOM's principal objectives contained in the Malaysian Aviation Commission Act 2015 Part X under Consumer Protection is to safeguard the rights of consumers in the aviation industry.

A survey conducted by MAVCOM in 2016 revealed that 69% of respondents have a misconception of what their rights entail versus what their rights actually are. Many were also under the incorrect assumption that the terms and conditions set by aviation service providers is a representation of their 'rights'. This emphasises the importance of the Malaysian Aviation Consumer Protection Code 2016 (MACPC), the first in the history of Malaysia's aviation industry.

The MACPC provides for more transparency and clearer guidance on consumer rights and how to exercise these rights relating to flight delays, flight cancellation, mishandled baggage and other flight incidents. Air travellers in and from Malaysia now have rights that are clearly defined and protected under the national law.

We have received a total of 1,639 complaints between March 2016 and February 2017, the details of which are set out in Section 2 of this report.

It is our hope that through this report, industry players and consumers will gain a greater understanding of the state of the industry, and collectively work towards elevating industry standards.

MAVCOM places utmost importance on consumer-related matters and will continue to monitor complaints received and engage industry players with the aim to increase consumer satisfaction.

General Tan Sri Dato' Sri Abdullah Ahmad, RMAF (Retd)
Executive Chairman

Complaints Statistics – March 2016 to February 2017

Consumer complaints summary

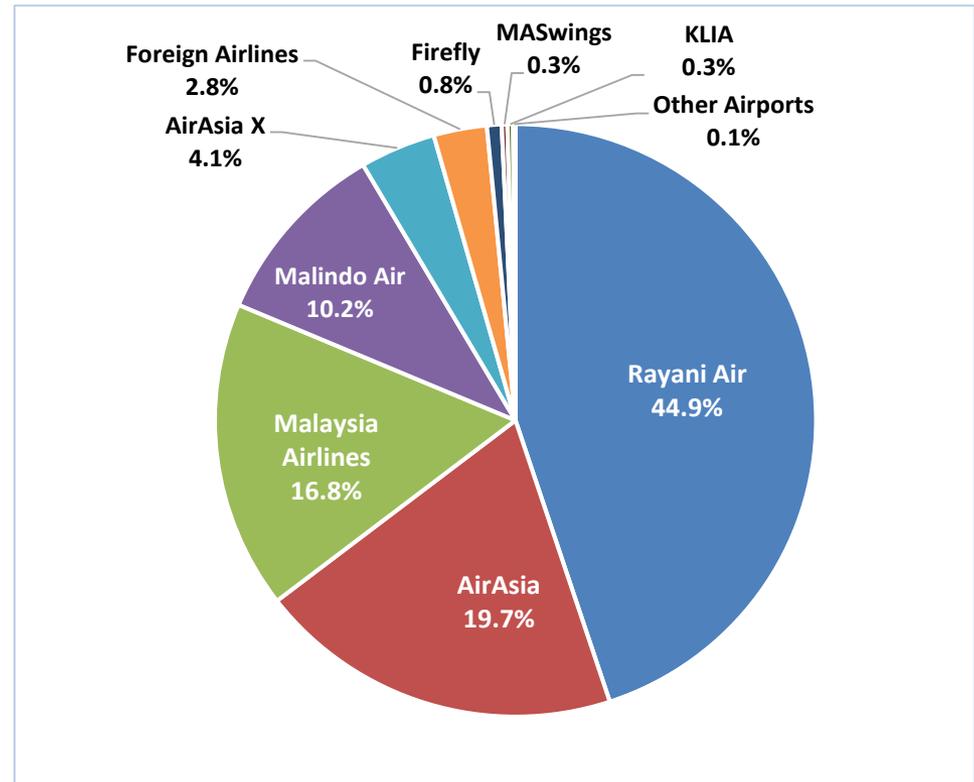
This report summarises all aviation consumers' complaints lodged with MAVCOM in writing, by telephone, e-mail or in person.

A total of 1,639 complaints were received between March 2016 and February 2017, with 1,632 complaints on airlines and 7 on airports.

Refunds, mishandled baggage and flight cancellations represented the majority of consumer dissatisfaction. 95% of these complaints have been resolved and closed by MAVCOM.

The highest number of complaints received were on Rayani Air, AirAsia and Malaysia Airlines as seen in Figure 1.

Figure 1: Breakdown of total complaints received between March 2016 and February 2017



Data Source: MAVCOM

Consumer complaints by airline



Table 1: Consumer Complaints by Airline – March 2016 to February 2017

	AirAsia	AirAsia X	Malaysia Airlines	Firefly	Malindo Air	MAS Wings	Rayani Air	Foreign airlines	Total/Average
Total complaints received by MAVCOM	323	67	274	13	166	5	737	47	1632
Total complaints received by MAVCOM per 1 million passengers carried by airline	9	14	14	5	20	2	N/A	N/A	11

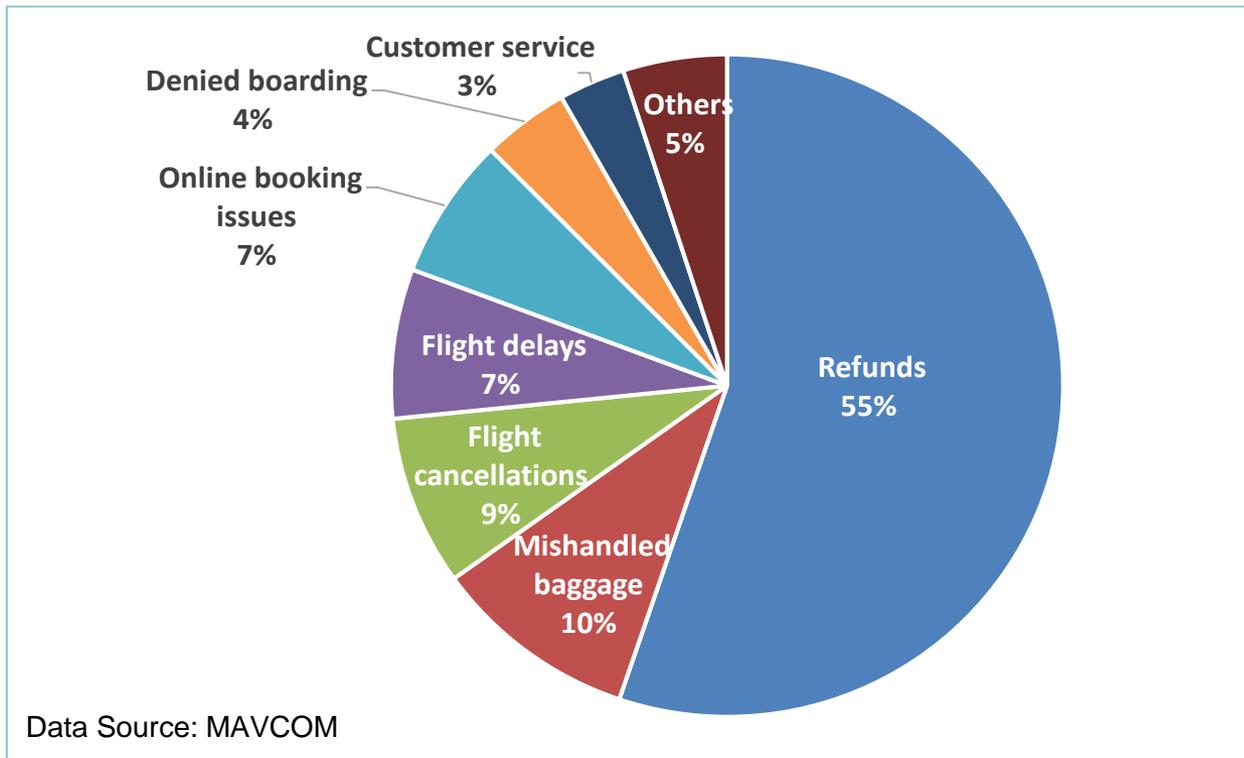
Data Source: MAHB, MAVCOM

- Due to the suspension and subsequent revocation of Rayani Air’s Air Service Licence in 2016, the highest number of the complaints received by MAVCOM (737 complaints) were on Rayani Air.
- The second highest is AirAsia (323 complaints), followed by Malaysia Airlines (274 complaints) and Malindo Air (166 complaints). Malindo Air received 20 complaints for every 1 million passenger carried. This is followed by Malaysia Airlines and AirAsia X which both received 14 complaints for every 1 million passenger carried respectively.

Consumer complaints by category

The highest percentage of complaints that were lodged with us were on refunds, making up 55% of the total complaints received. This was followed by mishandled baggage at 10% and flight cancellations at 9%.

Figure 2: Consumer Complaints by Category – March 2016 to February 2017



Note:

The 'Others' category comprise of complaints on complaints handling, facilities/ inflight services, frequent flyer program, food and beverages, upgrading/ downgrading, special assistance for person with disability, facilities and any other complaints

For explanation of the categories, please refer to **Appendix 1**.

Consumer complaints by airline and category



Table 2 below provides the complaint categories by airlines between March 2016 and February 2017

Category/Airlines	AirAsia	AirAsia X	Firefly	Malaysia Airlines	Malindo Air	MAS Wings	Rayani Air	Foreign Airlines	Total
Complaints handling	7	1	-	7	6	-	-	-	21
Customer service	9	5	1	24	10	-	-	2	51
Denied boarding	12	-	2	34	12	-	-	9	69
Facilities/ inflight services	4	-	-	2	5	-	-	-	11
Flight cancellations	31	6	4	22	8	2	58	4	135
Flight delays	31	5	1	33	43	1	2	4	120
Food and beverage	1	-	-	1	1	-	-	1	4
Frequent flyer program	1	-	-	3	1	-	-	-	5
Mishandled baggage	46	9	-	69	24	-	-	14	162
Online booking	54	9	4	22	23	-	-	2	114
Others	8	-	-	7	7	2	4	1	29
Refunds	119	30	1	48	25	-	673	10	906
Special assistance (Persons with Disability)	-	1	-	-	1	-	-	-	2
Upgrading/ downgrading	-	1	-	2	-	-	-	-	3
Grand Total	323	67	13	274	166	5	737	47	1,632

Data Source: MAVCOM

Consumer complaints by airport and category



In total, MAVCOM received 7 complaints on airports involving KLIA, KLIA2, Alor Setar and Kota Bahru airports during the period from March 2016 to February 2017. The complaints were related to complaints handling, customer service issues and facilities at the airport.

Table 3: Consumer Complaints by Airport and Category – March 2016 to February 2017

Category / Airport	KLIA	KLIA2	Alor Setar	Kota Bahru	Total
Customer service	-	1	-	-	1
Complaints handling	1	-	1	-	2
Facilities	2	-	-	-	2
Others*	-	1	-	1	2
Grand Total	3	2	1	1	7

* security staff attitude and airport ambience

Data Source: MAVCOM

Note: The above complaints only encompass those registered with MAVCOM. We would like to encourage consumers to submit their complaints to the respective airports in the event they are dissatisfied with the airport service levels. Should a consumer not receive a satisfactory response from the airport, they may lodge a complaint with MAVCOM to investigate the matter.

Selected Consumer Initiatives of MAVCOM

Introduction of the Malaysian Aviation Consumer Protection Code 2016



The Malaysian Aviation Consumer Protection Code 2016 (MACPC) came into effect on 1 July 2016. The MACPC was designed with consumers in mind and adapted from international treaties such as the Montreal Convention 1999 as well as the International Civil Aviation Organisation's Core Principles on Consumer Protection.

As prescribed in Sections 69 to 78 of the Malaysian Aviation Commission Act [Act 771], the MACPC included requirements on minimum policies and practices for airlines and airports to reasonably meet and fulfil the aviation consumers' requirement.

One of the key features of the MACPC is that airlines and airports are now given 30 days to resolve consumer complaints. Additionally, the MACPC provides for increased protection to consumers including compensation or care for flight delays of two hours or more, flight cancellations and lost or damaged luggage. The MACPC also provides for more transparency and clearer guidance on consumer rights and how to exercise these rights when it relates to flight changes, pricing, baggage and various other matters.

It is MAVCOM's intention for the airlines and airports to become more efficient and accountable in the management of its complaints. We take cognisance that the MACPC is relatively new to the industry. Therefore, we have been and will continue to engage with the airlines and airports to educate and provide guidance in meeting the requirements of the MACPC.

Establishment of the Complaints Management System



On 5 May 2016, MAVCOM rolled out an online Complaints Management System to handle consumer complaints. With the system in place, consumers have an avenue to lodge their complaints through an e-Form on MAVCOM's website.

Alternatively, complaints may also be submitted through emails, telephone calls or walk-in to our office and the complaints will be recorded and managed through the system.

We encourage consumers to first lodge the complaint with the respective airline or airport, giving them the opportunity to provide a resolution to the complaint. If consumers do not receive any reply from the airline or airport within 30 days or consumers are dissatisfied with the resolution, consumers may then escalate the complaint to MAVCOM.

Complaint e-Form on the website

Consumer / Complaints / Make a complaint

Make a complaint

Have you already lodged a report to the airline, airport or aviation service provider to give them an opportunity to resolve your complaint? For the initial stages, they would be in the best position to resolve the issue you are facing. To contact the customer service department of the airline or airport, you may find their contact details on [this page](#).

If the airline, airport or aviation service provider has not resolved your complaint after 30 days from your initial complaint, you may submit a complaint to MAVCOM. Once you have made your submission, you will receive an initial response from us within 7 days. We may request that you submit extra documents and information to assist us in handling your case.

If you have submitted your complaint to MAVCOM, kindly refer [here](#) to check the status of your case.

Your Contact Details

* Salutation:

* First Name:

* Last Name:

* Email:

Mobile Number:

Address:

* Country of Residence:

Acknowledging the disconnect between consumer awareness and true understanding of passenger rights, MAVCOM channelled a great deal of efforts in 2016 and early 2017 to raise awareness of the existence of the MACPC which explains the consumer travel rights in Malaysia.

Consumer Section on the Website

MAVCOM's website which was launched on 5 May 2016 includes a detailed section titled 'Consumer'. This section provides a summary of consumers' travel rights, contact details of airlines and airports, FAQs and guidance on how to file a complaint.

Notices and pamphlets

MAVCOM embarked on its first phase of consumer education and awareness programme on 1 July 2016 with the placement of notices and distribution of pamphlets at key airports in the country. By the end of August 2016, notices were placed at all check-in counters at the international and domestic airports in Malaysia. MAVCOM also participated at the Kuala Lumpur and Penang MATTA Fairs in July and September 2016, where we distributed consumer rights pamphlets.

Consumer education (cont'd)



Consumer rights video

A video on consumer rights was developed and uploaded onto MAVCOM's website in October 2016. The video, available in both English and Bahasa Malaysia covers consumer rights encapsulated in the MACPC, which amongst others include rights in the event of flight delay and cancellation, denied boarding and mishandled baggage. The video is also screened on the KLIA Express rail link since December 2016.

Engagements with consumer associations

We have also engaged with various consumer associations in Malaysia to understand the issues raised to the associations involving aviation players. These engagements will continue to take place in 2017.

Publicity efforts

Other completed activities on the consumer awareness front include editorial content in the airlines and airports magazines, and various media. A focused interview on consumer protection with MAVCOM's Director of Consumer Affairs was also featured on Bernama TV in September 2016.

Assistance to Rayani Air passengers



Rayani Air suspended its own operations on 8 April 2016 and their Air Operator Certificate and Air Service Licence were subsequently revoked by the Department of Civil Aviation and MAVCOM respectively on 13 June 2016. This resulted in many passengers being unable to proceed with their travel plans.

MAVCOM received a total of 737 complaints related to Rayani Air of which 98% of the complaints were related to requests for refund of flight tickets due to non-operation of Rayani Air flights.

In collaboration with Bank Negara Malaysia, passengers who booked their travels with credit cards were able to receive their refunds. As at 28 February 2017, approximately 50% of Rayani passengers on MAVCOM's record have received their refunds. MAVCOM is unable to confirm the refund status of passengers who are not registered with MAVCOM, as they may have approached their respective banks directly to apply for their refunds

Prohibition on automatically adding on services



Paragraph 5 of the MACPC prohibits airlines from automatically adding on optional services to a consumer's purchase of ticket. It is also a requirement that any optional services that are offered are to be communicated in a clear, transparent and unambiguous way at the start of any ticket reservation process. Acceptance to any of the optional services shall be made by the customer on an **opt-in** basis.

MAVCOM is pleased to advise that all local carriers have since August 2016 complied with the opt-in requirement. Consumers can now decide to purchase any optional services that is offered by airlines as opposed to airlines pre-selecting the services for consumers, previously.

THANK YOU



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Appendix 1

Consumer complaints by category



Categories	Explanation
Refunds	Request for reimbursement of money due to the passenger
Mishandled baggage	Complaints on baggage that is delayed, damaged, pilfered, lost or stolen
Flight cancellations	Complaints on flights that were cancelled by the airline
Flight delays	Complaints in relation to flights that depart more than 2 hours later than the scheduled time of departure reflected in the e-ticket
Online booking issues	Complaints related to problems faced at the point of online booking such as payment confirmation or e-ticket not received by the passenger
Denied boarding	Person(s) not allowed to board the flight due to overbooking by the airline
Customer service	Complaints on attitude or service level of airline/airport staff
Complaints handling	Complaints on the manner in which consumer feedback/complaint was handled
Others	Complaints on other issues such as long queues at immigration, lack of information counters and attitude of security personnel
Facilities and inflight services	Complaints on facilities and services onboard the aircraft such as toilet cleanliness, food quality and inflight entertainment system

Consumer complaints by category (cont'd)



Categories	Explanation
Frequent flyer program	Complaints related to airline loyalty programs (accrual and redemption of points/ miles)
Food and beverage	Complaints related to food and beverage served by the airlines
Downgrading	Complaints related to the downgrading of the ticket class
Special assistance (Persons with Disability)	Complaints related to special assistance (wheelchairs etc.) for Persons with Disability
Airport facilities	Complaints related to the facilities at the airport