

MALAYSIAN AVIATION COMMISSION

Consumer Report July to December 2017

3rd Issue



**Malaysian
Aviation Commission**
Suruhanjaya Penerbangan Malaysia

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Complaints Statistics – July to December 2017

Consumer complaints summary



This Consumer Report – 3rd Issue summarises aviation consumers' complaints lodged with MAVCOM in writing, by telephone, e-mail or in person received between the period of July and December 2017.

A total of **735 complaints were received between July and December 2017**, with 721 complaints on airlines and 14 on airports. This is an increase of 23.1% as compared to July to December 2016, when MAVCOM received 586 complaints. **99.7% of the complaints received during the July to December 2017 period have been resolved** and closed by MAVCOM. Mishandled baggage, processing of refunds and flight delays represent 63.3% of the nature of complaints received by MAVCOM during this period.

Between July and December 2017, Malaysia Airlines was the highest contributor of complaints received by MAVCOM. This is followed by AirAsia and Malindo Air.

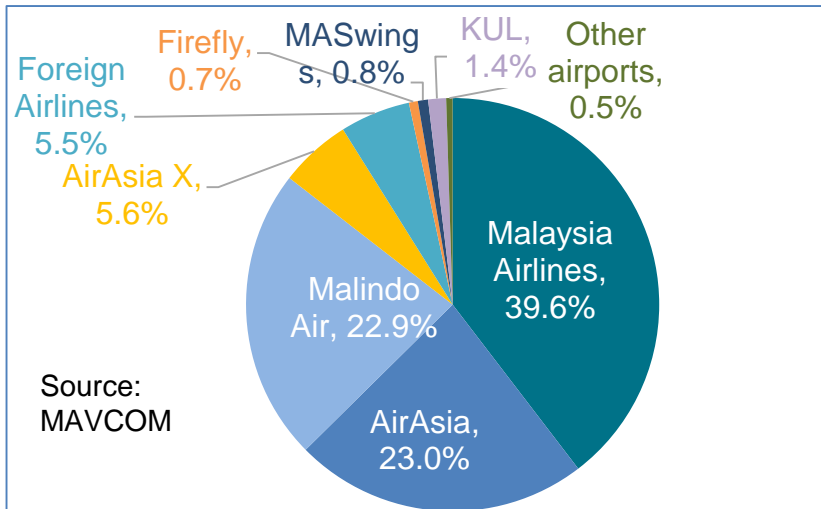


Figure 1: Breakdown of total complaints received between July and December 2017

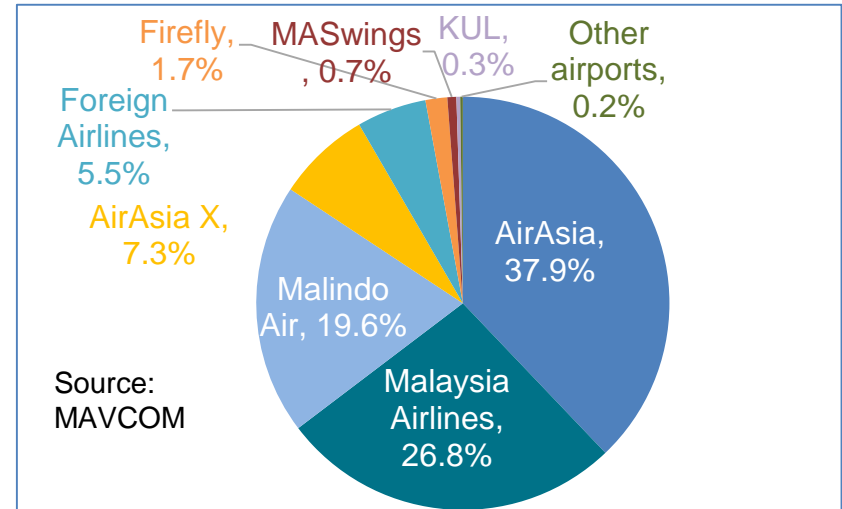


Figure 2: Breakdown of total complaints received between July and December 2016

Note: Complaints on Rayani Air have been excluded from this report as they no longer hold an Air Service Licence.

Consumer complaints by airline



Table 1: Consumer complaints by airline – July to December 2017 against July - December 2016

| | AirAsia | | AirAsia X | | Firefly | | Malaysia Airlines | | MASwings | | Malindo Air | | Foreign airlines | | Total | |
|---|---------|------|-----------|------|---------|------|-------------------|------|----------|------|-------------|------|------------------|------|---------|------|
| | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Total complaints received by MAVCOM | 169 | 222 | 41 | 43 | 5 | 10 | 291 | 157 | 6 | 4 | 168 | 115 | 41 | 32 | 721 | 583 |
| Complaints received by MAVCOM per million passengers carried | 8 | 12 | 15 | 18 | 5 | 8 | 31 | 15 | 5 | 3 | 40 | 30 | N/A | N/A | 17 | 15 |

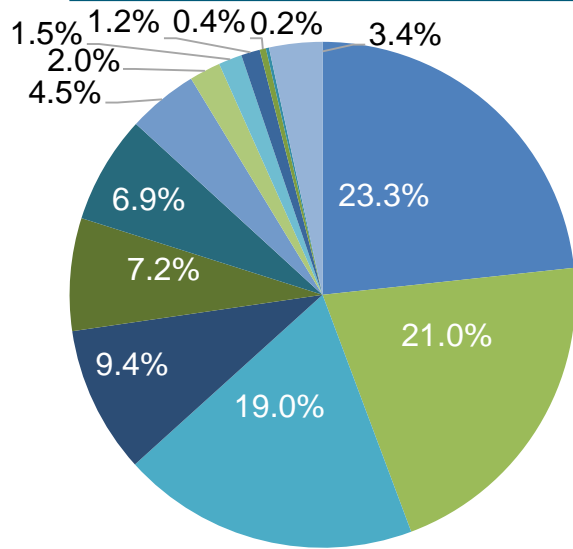
Source: MAVCOM, MAHB

The **highest number of complaints received by MAVCOM was on Malaysia Airlines, with 291 complaints**. This represents a 85.4% increase in the number of complaints received by MAVCOM on Malaysia Airlines from the July to December 2016 period, when 157 complaints were received.

The second and third highest were complaints on AirAsia and Malindo Air, with 169 and 168 complaints respectively. Nevertheless, complaints on AirAsia had reduced by 23.9% compared to the previous period (July to December 2016). However, complaints received on Malindo Air between July and December 2017 increased by 46.1% compared to the previous period.

For every million passengers carried, Malindo Air received the highest number of complaints with 40 complaints for every million passengers carried. This is followed by Malaysia Airlines and AirAsia X, which received 31 complaints and 15 complaints respectively per million passengers carried between July and December 2017.

Consumer complaints by category



- Mishandled baggage
- Refunds
- Flight delays
- Online booking
- Denied boarding
- Flight cancellation
- Customer service
- Facilities/inflight services
- Complaints handling
- Frequent Flyer program
- Upgrading/downgrading
- Safety and security
- Others

Source:
MAVCOM

Figure 3: Consumer complaints by category – July to December 2017

In comparison to the same period in 2016, almost **all categories of complaints increased during the July to December 2017 period.**

The **top three** complaints received by MAVCOM from July to December 2017 were related to **mishandled baggage, processing of refunds and flight delays**, which collectively contributed to 63.3% of total complaints received. Mishandled baggage which was the second highest category of complaints received by MAVCOM during the July to December 2016 period replaced refunds as the highest category of complaint. Flight delays remained as the third highest category of complaints.

Complaints related to mishandled baggage from July - December 2017 increased year-on-year from 113 to 171, being an increase of 51.3%, attributed primarily to Malaysia Airlines and Malindo Air.

The number of complaints for refunds for July - December 2017 recorded a minor increase year-on-year from 151 to 154, with Malindo Air and AirAsia contributing 64.9% of complaints received.

Complaints related to flight delays for July - December 2017 also increased to 140 from 83 during the same period in 2016, representing an increase of 68.7%, with Malaysia Airlines and Malindo Air contributing 60.7% of the complaints received in this category for the current period.

Refer to next page for complaints by category and by airline.

Note: 'Others' comprise of complaints on fees, counter check-in reservation issues, lounge issues, food and beverage issues, facilities at the airport and any other complaints. For further details on these categories, please refer to **Appendix 1.**

Consumer complaints by airline and category



Table 2: Complaint categories by airline for July - December 2017 against July - December 2016

| Category / Airlines | AirAsia | | AirAsia X | | Firefly | | Malaysia Airlines | | MAS wings | | Malindo Air | | Foreign airlines | | Total | |
|---|------------|------------|-----------|-----------|----------|-----------|-------------------|------------|-----------|----------|-------------|------------|------------------|-----------|------------|------------|
| | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Complaints handling | 4 | 4 | - | 1 | - | - | 6 | 7 | - | - | - | 6 | - | - | 10 | 18 |
| Customer service | 7 | 7 | 1 | 4 | - | 1 | 11 | 12 | - | - | 8 | 4 | 2 | 1 | 29 | 29 |
| Denied boarding | 12 | 9 | 6 | - | - | 1 | 27 | 19 | - | - | 2 | 5 | 6 | 6 | 53 | 40 |
| Facilities/inflight services | 1 | 2 | - | - | 1 | - | 7 | 2 | 1 | - | 5 | 2 | - | - | 15 | 6 |
| Flight cancellation | 5 | 20 | 4 | 5 | - | 3 | 22 | 11 | 1 | 2 | 17 | 6 | 2 | 4 | 51 | 51 |
| Flight delays | 37 | 22 | 6 | 3 | 2 | 1 | 45 | 16 | 2 | 1 | 40 | 37 | 8 | 3 | 140 | 83 |
| Food and beverage | 2 | 1 | - | - | - | - | 1 | 1 | - | - | 1 | 1 | - | 1 | 4 | 4 |
| Frequent flyer program | - | - | 1 | - | - | - | 7 | 1 | - | - | 1 | 1 | - | - | 9 | 2 |
| Mishandled baggage | 27 | 38 | 12 | 8 | - | - | 91 | 38 | 1 | - | 28 | 18 | 12 | 11 | 171 | 113 |
| Online booking | 23 | 30 | 4 | 4 | - | 3 | 32 | 15 | - | - | 9 | 13 | 1 | 1 | 69 | 66 |
| Refunds | 44 | 82 | 7 | 17 | 2 | 1 | 35 | 30 | 1 | - | 56 | 16 | 9 | 5 | 154 | 151 |
| Safety and security | 1 | 1 | - | - | - | - | - | 3 | - | - | - | - | - | - | 1 | 4 |
| Special assistance (Persons with Disability) | - | - | - | 1 | - | - | - | - | - | - | - | 1 | - | - | 0 | 2 |
| Upgrading/downgrading | 1 | - | - | - | - | - | 1 | 1 | - | - | - | - | 1 | - | 3 | 1 |
| Others | 5 | 6 | - | - | - | - | 6 | 1 | - | 1 | 1 | 5 | - | - | 12 | 13 |
| Grand Total | 169 | 222 | 41 | 43 | 5 | 10 | 291 | 157 | 6 | 4 | 168 | 115 | 41 | 32 | 721 | 583 |

Source: MAVCOM

Note: Complaints on Rayani Air have been excluded from this report as they no longer hold an Air Service Licence.

Consumer complaints by airport and category



MAVCOM received **14 complaints on airports** involving Kuala Lumpur International Airport (KLIA), Kuala Lumpur International Airport 2 (klia2), Kota Kinabalu International Airport, Labuan Airport, Miri Airport and Sibu Airport for the July to December 2017 period. **The complaints were related to facilities, customer service and other complaints.**

Consumers may submit their complaints to the respective airports in the event they are dissatisfied with 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.

Table 3: Complaint categories by airport for July - December 2017 against July - December 2016

| Category / Airport | KLIA | | Klia2 | | Kota Kinabalu | | Labuan | | Miri | | Sibu | | Kota Bharu | | Total | |
|--------------------|----------|----------|----------|----------|---------------|----------|----------|----------|----------|----------|----------|----------|------------|----------|-----------|----------|
| | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | | Jul-Dec | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Facilities | 3 | 1 | 2 | - | - | - | - | - | 1 | - | 1 | - | - | - | 7 | 1 |
| Customer service | 1 | - | 2 | - | 1 | - | - | - | - | - | - | - | - | - | 4 | - |
| Others | 2 | - | - | 1 | - | - | 1 | - | - | - | - | - | - | 1 | 3 | 2 |
| Grand Total | 6 | 1 | 4 | 1 | 1 | - | 1 | - | 1 | - | 1 | - | - | 1 | 14 | 3 |

Source: MAVCOM

Note: 'Others' comprise of complaints on kerbside traffic congestion and missing baggage in the airport. For further details on these categories, please refer to **Appendix 1**.

Complaints Statistics – 2017 Overview

Consumer complaints summary – 2017

A total of 1,356 complaints were received in 2017, with 1,338 complaints on airlines and 18 on airports. This marked an increase of 89.4% compared to 2016 where MAVCOM received 716 complaints, though there is only 10-months data for 2016, considering that the Commission was set up in March 2016. Whilst in 2016 the Commission received the most complaints on AirAsia, in 2017 Malaysia Airlines was the highest contributor of complaints received, followed by AirAsia and Malindo Air.

99.6% of the complaints received in 2017 have been resolved and closed by MAVCOM. Based on the Commission’s review, 52% of the complaints were found to have merit, resulting in the airlines reversing its initial decision for amicable resolution with the consumers.

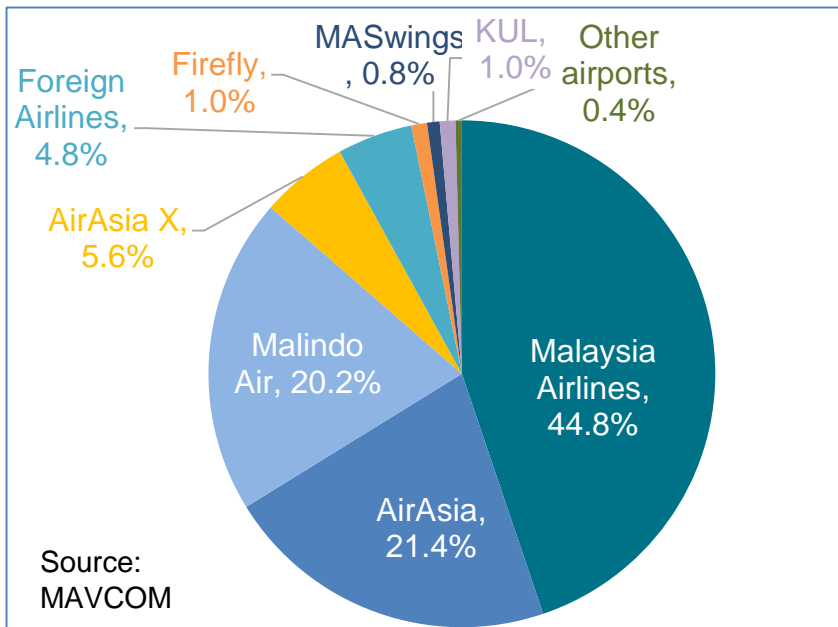


Figure 4: Breakdown of total complaints received between January and December 2017

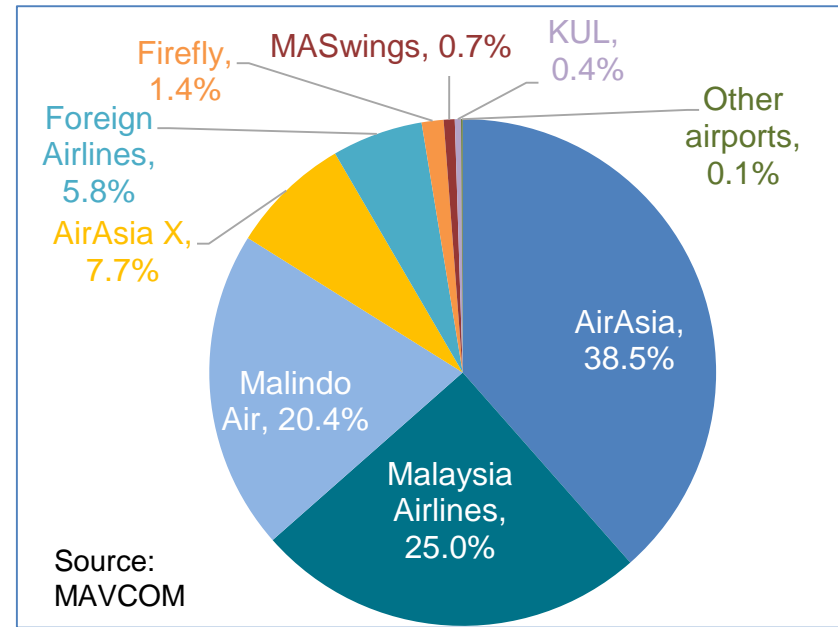


Figure 5: Breakdown of total complaints received between March and December 2016 (10-months data)

Note: Complaints on Rayani Air have been excluded from this report as they no longer hold an Air Service Licence.

Other Initiatives

The Commission conducted its **second consumer survey in September 2017** to ascertain the level of consumer awareness of passenger rights and consumers' general level of satisfaction with the aviation services provided in Malaysia.

The survey was based on a sample size of approximately 2,000 responses, with a 50-50 split between self-completion online surveys and on ground surveys conducted at six (6) airports across Malaysia: KUL (T1 and T2), SZB, PEN, LGK, BKI and KCH. The Commission will continue to conduct surveys at key airports from 2018 onwards.

Key findings from the survey:

- **55 per cent of respondents are aware of their air travel rights**, with lower awareness percentages observed in Penang, Kuching and Kota Kinabalu
- **85% of respondents are interested to learn more about their air travel rights** with the top three (3) preferred to be communicated **through social media, email and the airlines' websites**
- **2 out of 10 respondents encountered flight related issues** in the past year, however, **only 48 per cent chose to file a complaint** to the airline or airport. 80 per cent of respondents who actually filed a complaint were satisfied with the resolution provided.

Consultation paper on amendments to the Malaysian Aviation Consumer Protection Code (MACPC)



The Malaysian Aviation Consumer Protection Code 2016 (MACPC) came into effect on 1 July 2016, providing **transparency on aviation service providers' obligations towards consumers** and clearer guidance for consumers on their **rights** and interests as **air travellers**. It also provides consumers a platform to **raise their aviation-related complaints to the Commission**.

As part of the Commission's continuous efforts, the Commission has observed several areas within the MACPC which require further improvements and refinement in ensuring that the rights and interests of consumers are safeguarded. In this regard, **the Commission is proposing amendments to the MACPC and a consultation paper has been prepared pursuant to section 69(2) of the Malaysian Aviation Commission Act 2015 [Act 771]** which requires the Commission to consult the stakeholders for any amendments to the MACPC.

This consultation paper has been published on the Commission's website since 23 February and comments received up till 22 March, may be considered in the amendments of the MACPC, which is intended to take effect in Quarter 3, 2018.

Quality of service framework for Malaysian airports



MAVCOM has been progressing in its development of the regulatory framework to improve service levels at airports in Malaysia, as announced in October 2016. The objective of this Airports Quality of Service (Airports QoS) framework is to enhance passenger comfort at the airport and ensure airport operators prioritise consumer service levels.

The Airports QoS framework which has been developed taking into consideration an industry consultation process, shall set out service quality measures for airports which covers various airport user experiences, including washroom cleanliness, wayfinding, availability and quality of infrastructure, queue times and timeliness of baggage handling. In the event these airports service standards are not maintained or achieved, the airport operator could be imposed a financial penalty of up to 5.0 per cent of the airport's aeronautical revenues.

The framework will be rolled out in phases commencing at KLIA and klia2 in Quarter 3, 2018. Details of the implementation timeline is in Table 4 below. Implementation at all other airports in Malaysia shall be completed by 2020.

| Quality of Service Category | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 | Q3 2019 |
|---|----------------------------|---------|----------------------------|---------|----------------------------|---------|
| Selected user experiences (passenger and staff washrooms, staff wi-fi, aerobridge condition) | 2.4 – 2.6% revenue at risk | | | | | |
| Equipment availability (aerobridges, people moving equipment, baggage equipment) | | | | | | |
| Additional user experiences (satisfaction overall, washrooms, terminal condition, FIDS, wi-fi, wayfinding) | | | 1.5 – 1.7% revenue at risk | | | |
| Queue monitoring (kerbside, check-in, security, immigration in/out, customs in/out) | | | | | 0.8 – 1.0% revenue at risk | |
| Baggage Measures (short-shipped bags, first and last bag delivery) | | | | | | |

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 |
| Frequent flyer program | Complaints related to airline loyalty programs (accrual and redemption of points/ miles) |

Consumer complaints by category (cont'd)



| Categories | Explanation |
|---|---|
| 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 |