MALAYSIAN AVIATION COMMISSION

Consumer Report

January to June 2018



TABLE OF CONTENTS



	Page
Complaints Statistics – 1 January to 30 June 2018	
Consumer complaints summary	4
Consumer complaints by airline	5
Consumer complaints by category	6
Consumer complaints by airline and category	7
Consumer complaints by airport and category	8
Other Initiatives	
The launch of FlySmart	10
Implementation of the Quality of Service framework at KLIA and klia2	11

Complaints Statistics – 1 January to 30 June 2018

Consumer complaints summary



This Consumer Report summarises aviation consumers' complaints lodged with MAVCOM in writing, by telephone, email or in person received for the period 1 January to 30 June 2018.

A total of 858 complaints were received for the period 1 January to 30 June 2018, with 846 complaints on airlines and 12 on airports. This is an increase of 38.1% as compared to the period 1 January to 30 June 2017, when MAVCOM received 621 complaints. 99.4% of the complaints received for the period 1 January to 30 June 2018 have been resolved and closed by MAVCOM. Mishandled baggage, processing of refunds and flight delays represent 57.4% of the nature of complaints received by MAVCOM during this period. Through the Commission's review of the complaints for the period 1 January to 30 June 2018, 53.0% of the complaints resulted in the airlines reversing its initial decision to achieve amicable resolution with the consumers. This is a decrease of 1.0% as compared to the period 1 January to 30 June 2017.

For the period 1 January to 30 June 2018, Malaysia Airlines was the highest contributor of complaints received by MAVCOM. This is followed by AirAsia and Malindo Air.

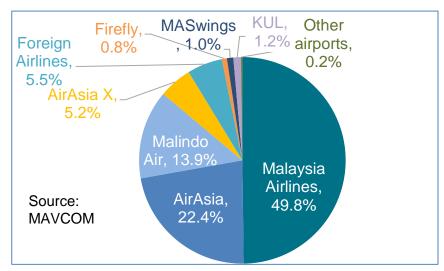


Figure 1: Breakdown of total complaints received for the period 1 January to 30 June 2018

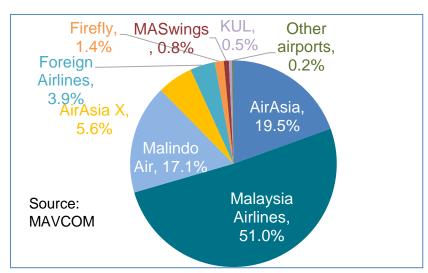


Figure 2: Breakdown of total complaints received for the period 1 January to 30 June 2017

Consumer complaints by airline



Table 1: Consumer complaints by airline for the period 1 January to 30 June 2018 against 1 January to 30 June 2017

	Air	Asia	AirA	sia X	Fire	efly		ysia nes	MAS	wings	Malin	do Air		eign nes	То	tal
	Jan-	June	Jan-	June	Jan-	June	Jan-	June	Jan-	June	Jan-	June	Jan-	June	Jan-	June
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Total complaints received by MAVCOM	192	121	45	35	7	9	427	317	9	5	119	106	47	24	846	617
Complaints received by MAVCOM per million passengers carried	9	7	18	13	6	9	47	32	8	4	32	22	N/A	N/A	20	15

Source: MAVCOM, MAHB

The highest number of complaints received by MAVCOM was on Malaysia Airlines, with 427 complaints. This represents a 34.7% increase in the number of complaints received by MAVCOM on Malaysia Airlines compared to the period 1 January to 30 June 2017, when 317 complaints were received.

The second and third highest were complaints on AirAsia and Malindo Air, with 192 and 119 complaints respectively. Complaints received on AirAsia for the period 1 January to 30 June 2018 increased by 58.7% compared to the previous period, whilst complaints on Malindo Air increased by 12.3% compared to the previous period.

For every million passengers carried, Malaysia Airlines received the highest number of complaints with 47 complaints for every million passengers carried. This is followed by Malindo Air and AirAsia X, which received 32 complaints and 18 complaints respectively per million passengers carried for the period 1 January to 30 June 2018.

Consumer complaints by category



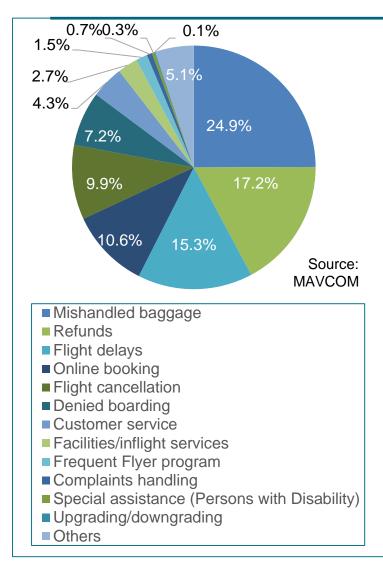


Figure 3: Consumer complaints by category – 1 January to 30 June 2018

In comparison to the same period in 2017, almost all categories of complaints increased for the period 1 January to 30 June 2018.

The **top three** complaints received by MAVCOM for the period 1 January to 30 June 2018 were related to **mishandled baggage**, **processing of refunds and flight delays**, which collectively contributed to 57.4% of total complaints received. The top three complaint categories were the same as the previous period.

Complaints related to mishandled baggage for the period 1 January to 30 June 2018 increased year-on-year from 141 to 214, an increase of 51.8%, attributed primarily to Malaysia Airlines and AirAsia.

The number of complaints on the processing of refunds for the period 1 January to 30 June 2018 recorded a minor increase year-on-year from 136 to 148, with Malaysia Airlines and AirAsia contributing 70.9% of complaints received.

Complaints related to flight delays for the period 1 January to 30 June 2018 also increased to 131 from 97 during the same period in 2017, an increase of 35.1%, with Malaysia Airlines contributing 59.5% 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



7

Table 2: Complaint categories by airline for the period 1 January-30 June 2018 against 1 January-30 June 2017

	Air	Asia	AirAsia X		Firefly		Malaysia Airlines		MAS wings		Malindo Air		Foreign airlines		Total	
Category / Airlines	Jan-June		Jan-June		Jan-June		Jan-June		Jan-June		Jan-June		Jan-June		Jan-June	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Complaints handling	1	2	-	-	-	-	5	4	-	-	-	1	-	-	6	7
Customer service	6	6	4	1	-	1	19	17	1	-	3	3	1	-	34	28
Denied boarding	13	5	5	3	3	1	27	43	-	1	5	3	9	4	62	60
Facilities/inflight services	5	2	3	-	-	-	11	6	-	-	4	7	-	-	23	15
Flight cancellation	16	3	1	3	-	3	53	29	2	1	10	14	3	-	85	53
Flight delays	17	14	5	5	-	-	78	56	4	1	24	20	3	1	131	97
Food and beverage	-	-	-	-	-	-	6	-	-	-	-	-	-	-	6	0
Frequent flyer program	6	1	-	-	-	-	6	6	-	-	1	-	-	-	13	7
Mishandled baggage	41	28	11	3	2	-	107	82	1	-	33	18	19	10	214	141
Online booking	33	20	3	7	-	4	40	14	-	-	10	7	5	1	91	53
Refunds	44	36	12	13	2	-	61	47	-	2	24	31	5	7	148	136
Safety and security	-	1	-	-	-	-	1	3	-	-	-	-	-	-	1	4
Special assistance (Persons with Disability)	2	-	-	-	-	-	-	-	-	-	1	-	-	-	3	0
Upgrading/downgrading	-	-	-	-	-	-	1	3	-	-	-	-	-	-	1	3
Others	8	3	1	-	-	-	12	7	1	-	4	2	2	1	28	13
Grand Total	192	121	45	35	7	9	427	317	9	5	119	106	47	24	846	617

Source: MAVCOM Note: Mishandled baggage, processing of refunds and flight delays represent 57.4% of the nature of complaints received by MAVCOM

Consumer complaints by airport and category



MAVCOM received **12 complaints on airports** involving KL International Airport ("KLIA"), KL International Airport 2 ("klia2"), Alor Setar Airport and Langkawi International Airport for the period 1 January to 30 June 2018. **The complaints were mainly related to airport facilities and customer service.**

Table 3: Complaint categories by airport for the period 1 January-30 June 2018 against 1 January-30 June 2017

	KLIA		kli	a2	Alor	Setar	Lang	kawi	Total		
Category / Airport	Jan-June		Jan-	June	Jan-	June	Jan-	June	Jan-June		
	2018	2017	2018	2017	2018	2017	2018 2017		2018	2017	
Facilities	7	-	1	-	-	-	1	-	9	-	
Customer service	2	2	-	1	1	1	-	-	3	4	
Grand Total	9	2	1	1	1	1	1	-	12	4	

Source: MAVCOM

Note: For further details on these categories, please refer to **Appendix 1**.

Other Initiatives

The launch of FlySmart



On 28 June 2018, MAVCOM launched FlySmart, an initiative aimed to continuously educate consumers of their rights as air travellers and to make more empowered decisions via a more engaging and interactive medium.



Website

www.flysmart.my

The FlySmart website which is available in both English and Bahasa Malaysia, offers quick and easy access to essential information on travel rights and features handy tips and informative videos for travellers. It also acts as a platform for fellow travellers to help one another as it features the stories of travellers who have been helped by MAVCOM in the past and how they exercised their rights as consumers. There is also an FAQ section to make finding answers easy for consumers. Travellers are also able to submit their complaints via the website.

Facebook page

www.facebook.com/flysmartMY

FlySmart's official social page on Facebook allows consumers to learn more about their travel rights in an interactive manner. It was identified through MAVCOM's 2017 consumer survey that most consumers prefer to learn about their travel rights through social media platforms. The Facebook page will be a platform used to share travel tips and article, related video content as well as sharing of travel experiences.

Other initiatives in the pipeline

A dedicated FlySmart mobile application is currently in the works and will be launched in Quarter 3, 2018. The mobile application will enable consumers to receive push notifications on travel rights and most current travel alerts and will empower them to be able to provide feedback or lodge complaints on the go.

Implementation of the Quality of Service ("QoS") framework at KLIA and klia2



The development of the airports Quality of Service (QoS) framework was first announced in October 2016. Since then, MAVCOM has been progressing in its implementation, with the objective of improving service levels at airports in Malaysia.

The QoS framework was developed taking into consideration an industry consultation process, including via a consultation paper issued in Q12017. In summary, the QoS framework sets out service quality measures for airports encompassing various airport user experiences, including washroom cleanliness, wayfinding, availability and quality of infrastructure, queue times and timeliness of baggage handling. In the event minimum 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 Commission progressed in the development of the QoS framework during the first half of 2018, and effective 1 September 2018, the QoS framework commenced its roll out at KLIA and klia2, with targets being set for selected service areas - in particular the cleanliness of passenger and staff washrooms - and targets for other service areas shall be gradually introduced at these two airport terminals until mid-2019. The QoS framework shall commence implementation in other selected airports in Malaysia over the next two years.

Summary details of the implementation timeline for KLIA and klia2 are provided in the next page. Additional implementation details on the QoS framework shall also soon be made available.

Implementation of the Quality of Service ("QoS") framework at KLIA and klia2



Table 4: Details of the implementation QoS timeline for KLIA and klia2

Quality of Service Category	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Selected user experiences (passenger and staff washrooms, ramp wi-fi)	0.6% revenue at risk				
Equipment availability (aerobridges, people moving equipment)	1.3% revenue at risk				
Additional user experiences (satisfaction overall, washrooms, terminal condition, FIDS, passenger wifi, wayfinding)		*1.8%			
Additional equipment availability measure (Baggage Handling System)		evenue at risk			
Queue monitoring (kerbside, check-in, security, transfer desk, immigration in/out, customs in/out)			r	*1.3% evenue at	
Baggage Measures (short-shipped bags, first and last bag delivery)			,	risk	

^{*}Provisional targets

THANK YOU



Level 19, Menara 1 Sentrum 201, Jalan Tun Sambanthan 50470 Kuala Lumpur Malaysia

T: +603 2772 0600 F: +603 2772 0601 W: www.mavcom.my

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