

# RESERVE BANK OF FIJI

## Complaints Management Bulletin

### Quarter 2, 2024



## COMPLAINTS ESCALATED TO RBF

6 new complaints received in the June quarter.

8 carried forward from the March quarter

### Top 3 Complaint Types

Mortgage

Fees

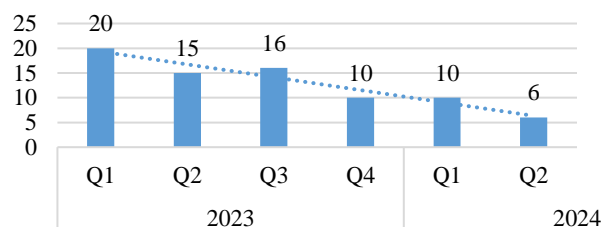
Fraud

### Location

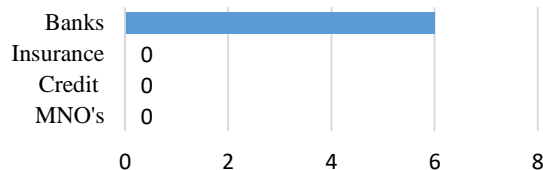
5 Central

1 Western

COMPLAINTS ESCALATED TO THE RBF



COMPLAINTS ESCALATED TO THE RBF BY INDUSTRY TYPE



A total of 14 complaints were assessed in the June quarter - 8 carried forward from the previous quarter and 6 were new. Of this:

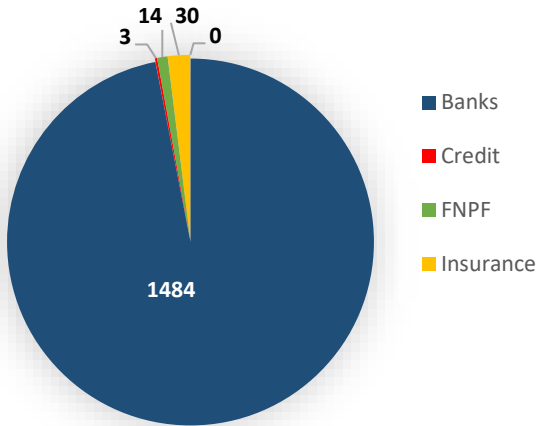
- 8 were resolved within the review period; and
- 6 have been carried forward for resolution in Q3.

Slow responses and incorrect document submission from complainants in addition to delayed assessments by LFIs contributed to delays in resolving most of the complaints. All the 6 new complaints escalated to the RBF originated from the banking sector and on issues regarding mortgage, account fees and loss of funds through online fraudulent means.

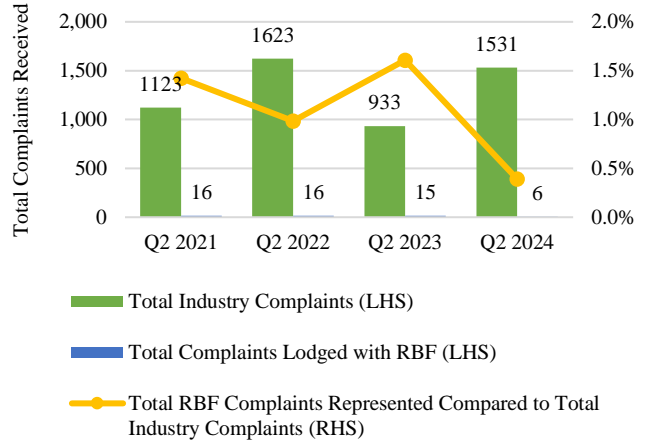
System-related and customer service complaints were prominent in the banking industry whilst fees and lending-related issues remained a concern as LFIs adjusted fees and charges including electronic banking conditions for personal, business and commercial customers. In addition, poor communication between service providers and their customers saw customer service-related complaints continue to rank in the top three complaint types across institutions.

The Reserve Bank continues to encourage LFIs to work on improving their communication with customers by simplifying responses, refraining from using industry jargons and providing timely responses to their customer's queries. The new Policy for the Protection and Fair Treatment of Financial Consumers released to LFIs on April 01, 2024, also stipulates similar requirements for FSPs.

# INDUSTRY REPORT



COMPLAINTS RECEIVED BY INDUSTRY  
Q2 2024



In summary, LFIs received 1,531 complaints during the June quarter, an increase of 76.2 percent from the last quarter and 64.1 percent increase from the same period in 2023. By sector type, banks registered the most complaints with 1,484, the Insurance sector had 30 complaints, the Fund received 14, and Credit Institutions registered 3.

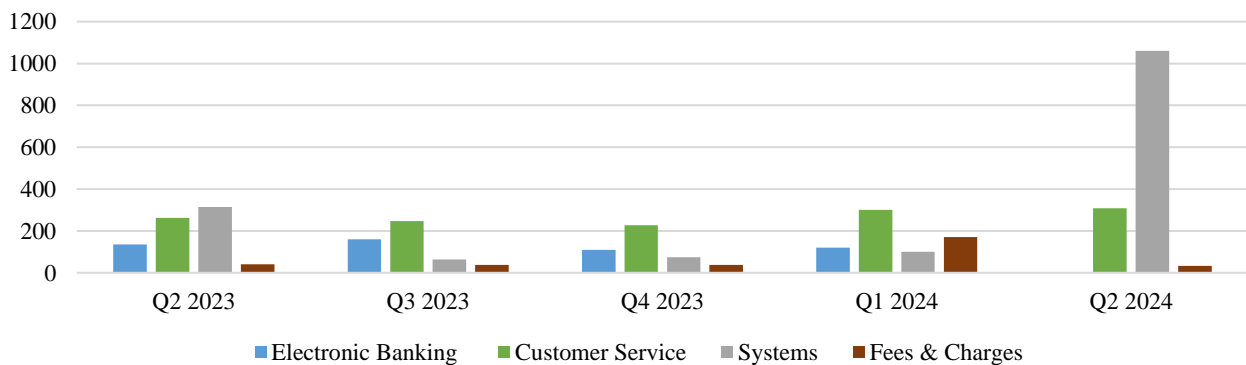
Of the total complaints, 97.1 percent (1,486) were resolved within the quarter.

## BANKS

**1,484** (96.9%) complaints made to Banks

**1,444** (97.3%) complaints resolved

### BANKS - TOP 3 COMPLAINT TYPES



Source: Commercial Banks

# TOP COMPLAINT TYPES

## 1. Systems

One LFI had recorded a significant increase (961.0 percent) in complaints in the June quarter arising from issues related to “systems”. The concerned LFI reported that the increase was due to the non-processing of some government salaries in one of the pay runs due to an internal system issue but this was rectified immediately. The same LFI also experienced an internet banking outage which further increased the number of complaints.

## 2. Customer Service

Customer services-related complaints continue to feature in the top 3 types of complaints in this industry. When compared to the same period in 2023, there was a 17.1 percent increase in complaints. Complaints received during the reporting period were related to poor customer service and behaviour, lack of follow-up, delays in responding to queries, provision of incorrect information and long queues during peak business hours.

## 3. Fees and Charges

Fees and charges-related complaints featured in top 3 types of complaints escalated to Banks in the June quarter, replacing Electronic Banking related issues from the previous quarter. Although featuring in the top 3 for this reporting period, there is a notable decline of 80.6 percent over the quarter and similarly a decline of 17.5 percent when compared to the same period in 2023

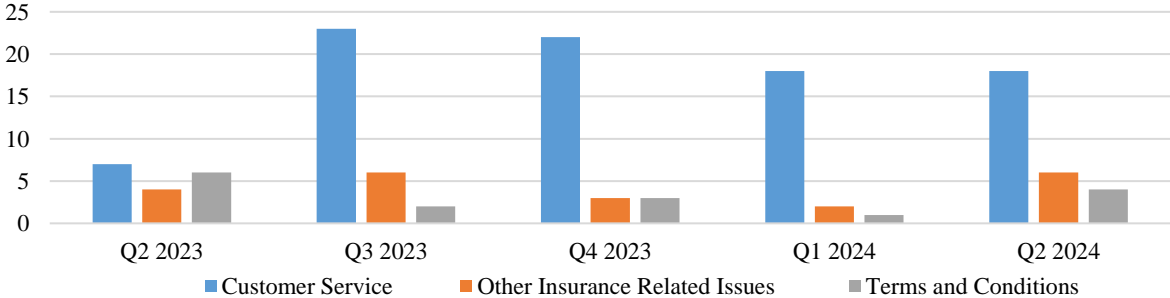
# INSURANCE

**30** (1.95 %) complaints received

**5** (16.6 %) carried forward to next Q3, 2024

**25** (83.3%) complaints resolved

INSURANCE - TOP 3 COMPLAINT TYPES



Source: Insurance Industry

Total insurance related complaints increased by 7.1 percent in the June quarter when compared to the last quarter and similarly increased by 3.4 percent when compared to the same period in 2023.

## TOP COMPLAINT TYPES

### 1. Customer Service

Customer service continues to account for the highest number of complaints in this industry. The number of complaints remained the same (18) when compared to the previous quarter, however, increased substantially by 157.1 percent when compared to the same period in 2023.

Effective communication from the insurers to policyholders continues to remain a challenge in this category. This can be attributed to insufficient and unclear information rendered regarding policy terms and conditions, thereby leading to frustrated customers.

### 2. Other Insurance Related issues

Other Insurance related issues registered in the top 3 complaints in the June quarter, replacing “Motor Vehicles” related complaints. This accounted for 20 percent (6) of total complaints received by the Insurance industry in the review quarter.

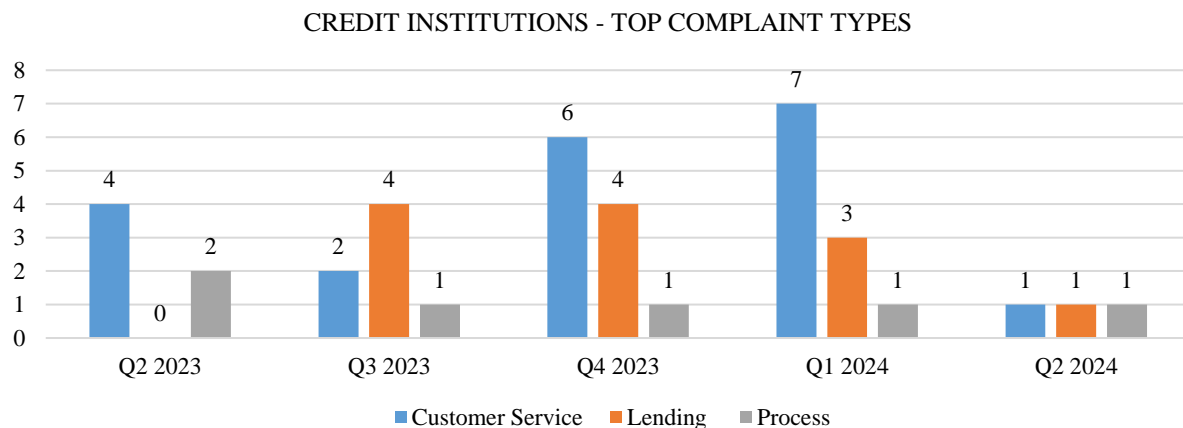
### 3. Terms and Conditions

Terms and conditions registered in the top 3 complaint types of insurance-related complaints in the June quarter replacing “Premiums” related complaints. Over the quarter, terms and conditions complaints increased by 300 percent from 1 to 4 complaints but decreased by 33.3 percent when compared to the same period in 2023. Insurance policies can often be complex and ambiguous for several customers. This can lead to misunderstanding about coverage, payment schedules and exclusions. The RBF continues to work with LFI advocates on effective communication and transparency.

## CREDIT INSTITUTIONS

**3 new (0.2 %) complaints made**

**3 (100.0%) complaints resolved**



Source: Credit Institutions

## TOP COMPLAINT TYPES

### 1. Customer Service

Customer service-related complaints continue to feature in the top 3 types of complaints in this industry, however registering a decrease of 85.7 percent over the quarter, and similarly, a decline of 50.0 percent when compared to the same period in 2023. Complaints received during the reporting period were related to poor customer service and behaviour, lack of follow-up, delays in responding to queries and provision of insufficient or incorrect information.

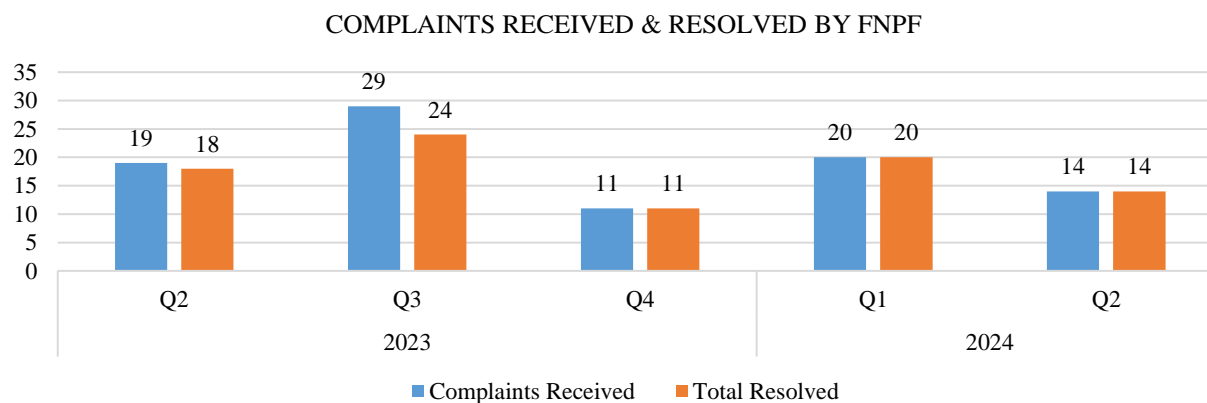
### 2. Lending

One complaint related to lending was received in the review quarter, a decrease of 66.7 percent when compared to the previous quarter, and a decrease of 75.0 percent from the same period in 2023. The decline in lending-related issues may be attributed to an increase on financial education initiatives by the Consumer Council and the RBF, as well as credit institutions themselves, which have helped customers make more informed decisions regarding borrowing and managing credit.

### 3. Process

In the June quarter, 1 complaint received by the credit institutions was related to issues on processes. Similarly, 1 complaint was received in the same period in 2023.

## FIJI NATIONAL PROVIDENT FUND



Source: Fiji National Provident Fund

During the June quarter, the Fund registered a total of 14 new complaints, a decrease of 30.0 percent from the previous quarter and similarly a decrease of 26.3 percent when compared to the same period in 2023. The nature of grievances lodged with FNPF in the review quarter was predominantly relating to customer service issues whose number decreased by 44.4 percent over the quarter. Similarly, issues relating to FNPF Policies and Processes recorded a 63.6 percent decline over the quarter as well. Despite the complaints received by the Fund during the review quarter, it managed to successfully address all complaints within the review timeframe.

## **RFEDs and MCs**

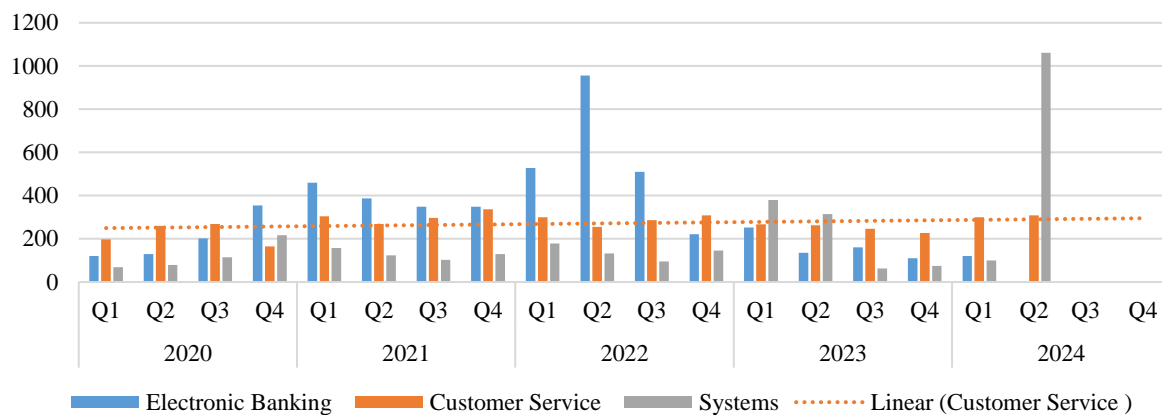
There were no complaints received by this industry in this reporting period.

## **ADDRESSING CUSTOMER SERVICE**

Across all the industries and in particular the banking sector, issues related to “customer service” have consistently ranked among top three categories over the past ten years.

In the past 5 years, complaints range from inaccurate advice given to customers, rudeness, unhelpful and unfriendly behaviour by frontline staff, lack of empathy, delayed or lack of responses to customer complaints and queries and discriminatory and differential attitude and service towards customers who are not well dressed, cannot speak English well etc.

### **TOP 3 TYPE OF COMPLAINTS IN THE PAST 5 YEARS**



An analysis of the root causes for these complaints found that the absence of a customer-focused approach is a fundamental reason for the prevalence of service-related grievances among customers.