

# RESERVE BANK OF FIJI

## Complaints Management Bulletin

### Quarter 3, 2023

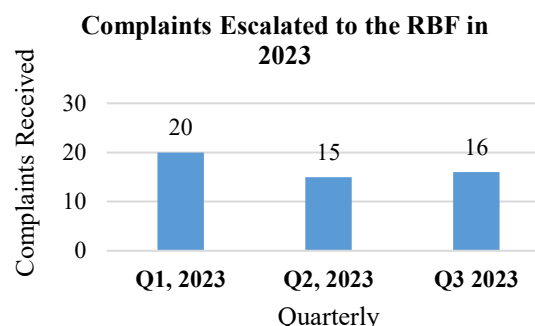


## COMPLAINTS ESCALATED TO RBF

**16** new complaints received + **4** carried forward from Q2, 2023

**17** resolved within the reporting period

**3** carried forward to Q4, 2023



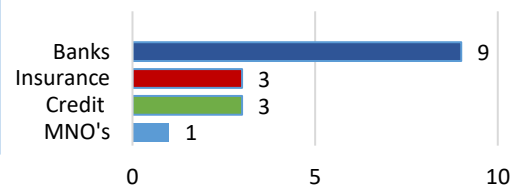
### Top 3 Complaint Types

- 1 Loan
- 2 Fees
- 3 Account Access

### Location

- 1 Overseas
- 2 Western
- 3 Central

### Complaints escalated to the RBF in Q3, 2023



In the September 2023 quarter, the RBF assessed a total of 20 complaints which included 4 carried forward from the previous quarter. Of the total:

- 17 complaints were resolved;
- 3 unresolved complaints were carried forward to the next quarter;
- More than 50 percent of the complaints were lodged by male complainants in the Central Division, accounting for 75 percent of the total complaints received.

In this quarter, the banking and credit industry faced several challenges, with customer service and electronic banking issues being the most prominent. System-related issues and processes were also a concern. The increase in electronic banking concerns can be attributed to user error and accessibility issues. Customers may face challenges in navigating banking platforms due to unfamiliarity with the technology or accidental mistakes such as entering incorrect information or transferring funds to the wrong recipient.

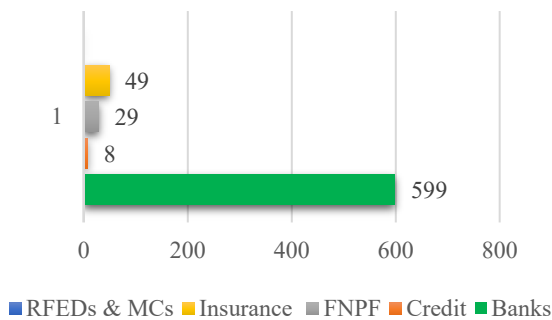
Poor communication between customers and their LFI's have led to misunderstanding, misaligned expectations and customer dissatisfaction. The Reserve Bank continues to encourage LFI's to work on improving their communications with customers by simplifying responses and refraining from using industry jargons.

In this quarter 36.4 percent of complaints escalated to the RBF from banking and credit institutions were related to accounts, such as refusal to open a business account, 25 percent were related to loans, followed by 18.2 percent relating to fees charged on internal telegraphic transfers. In contrast, only 3 complaints were escalated to the RBF from the insurance industry. These complaints were related to life insurance policies, property insurance claims and payment of premiums.

Complaints escalated to the RBF have generally declined over the last five years. The establishment of senior and experienced staff customer advocates and the direct involvement of the respective heads of institutions in the internal complaints management process, had resulted in notable efficiencies in complaints handling at institutional level. As a result, more complaints are being resolved by LFIs on time, thus reducing the number of complaints escalated to the RBF.

## Industry Report

Total Complaints Received by Industry



Source: Reserve Bank of Fiji

In this quarter, 685 complaints were lodged directly with LFIs. This number represents a 26.6 percent decrease from the previous quarter and a 38.5 percent decrease when compared to the same period in 2022.

Of these complaints, 97.5 percent (668) were resolved within the reporting period while the remaining 2.5 percent (17) were carried forward to quarter 4.

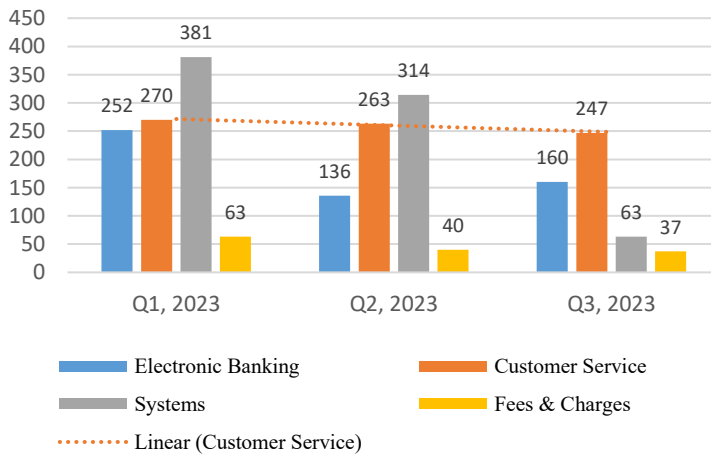
Only 2.3 percent of the total complaints received by the industry was escalated to the RBF for further action.

### BANKS & CREDIT INSTITUTIONS

**607 (88.6 %)** complaints made to Banks & Credit Institutions

**601 (99.0%)** complaints resolved in quarter 3, 2023

Banks & CIs - Top Complaint Types



Source: Banks & Credit Institutions

## TOP COMPLAINT TYPES

### 1. Customer Service

Customer services related complaints continue to feature in the top 3 types of complaints in this industry despite the 6.1 percent decrease in the quarter in customer service related complaints. Similarly, when compared to the same period in 2022, there was a 16 percent decrease. Complaints received during the reporting period were related to bad service and behaviour, lack of follow up, delays in responding to queries, provision of incorrect information and long queues during peak business hours

### 2. Electronic Banking

Electronic banking complaints increased by 17.6 percent over the quarter and also increased by 68.6 percent when compared to the same period in 2022. The complaints were attributed to poor network connectivity in certain areas, rendering incomplete transactions over the mobile banking applications and transaction errors related to incorrect punching in of figures and account details.

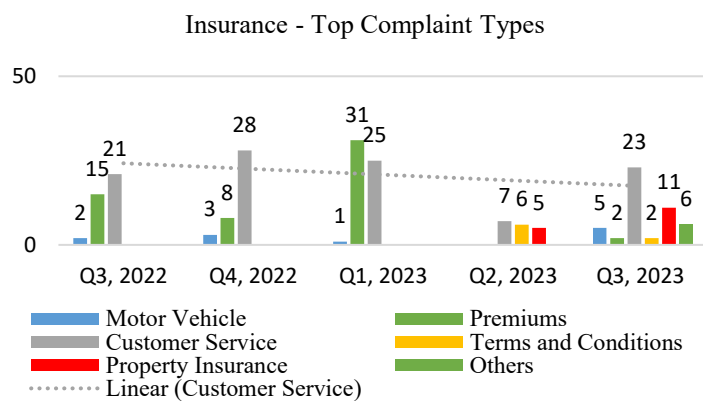
### 3. System

System related complaints stem from a variety of issues such as downtime and maintenance, account access problems or technical glitches. For this reporting period, there were 63 system related complaints which is a decrease of 79.7 percent over the quarter, and a decrease of 35.1 percent when compared to the same period in 2022.

## INSURANCE

**49** (7.2 %) complaints received by the Industry

**42** (85.7%) complaints resolved



Source: Insurance Companies

Total insurance related complaints increased by 69.0 percent when compared to the last quarter and by 28.9 percent on an annual basis.

## **TOP COMPLAINT TYPES**

### **1. Customer Service**

Customer services continues to register the most number of complaints in the industry. Complaints relating to customer service accounted for 46.9 percent (23) of complaints reported by insurers, and showed an increase of 228.8 percent over the September quarter.

Lack of effective communication from the insurers to policyholders is a major contributory factor to the overall increase in insurance related complaints when compared to the last quarter. Communication gaps, insufficient and unclear information about policy terms and coverage, or changes in a product, consequently offers dissatisfied customers and reflects poor customer service on the LFI.

### **2. Property Insurance**

Property Insurance related complaints accounted for 22.4 percent (11) of the industry complaints in this period. This was an increase of 120.0 percent over the quarter attributed mainly to increased claims, denials and delays on the part of the insurer. Certain customers, despite timely payment of premiums and compliance with terms of the policy contract, face denial of property insurance claims. The RBF is currently handling a complaint of this nature that will be carried forward to the next reporting period.

### **3. Motor Vehicle**

Over the quarter motor vehicle related complaints increased to 66.7 percent, a 150.0 percent increase when compared to the same period in 2022. The rise in complaints is attributed to the complexity of insurance policies and legalistic language, which make it challenging for policyholders to understand their coverage and the claims process.

## **Fiji National Provident Fund**

The Fund reported an increase of 52.6 percent in the number of complaints received from 19 to 29 complaints in this reporting period. The majority of these complaints were related to slow service rendered by the staff. When compared to the same period in 2022, the fund also reported an increase of 31.8 % from 22 to 29 complaints in this reporting period.

## **RFEDs and MCs**

This industry reports on a six monthly basis and the next report will be provided as at end of December quarter.