

RESERVE BANK OF FIJI



Complaints Management Bulletin

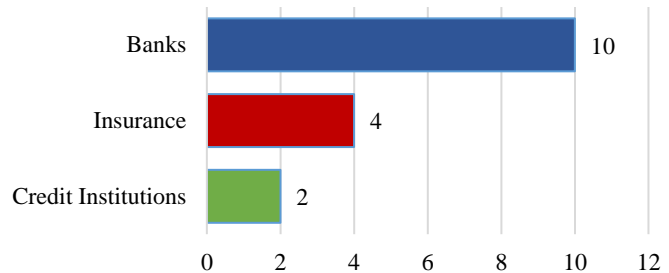
RBF REPORT

16 new complaints escalated to the RBF | **7** carried forward

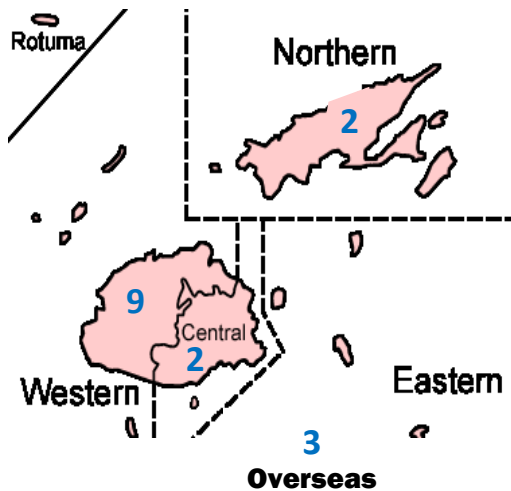
21 complaints **resolved**

2 complaints carried forward to Q3, 2022

Number of complaints escalated to the RBF in Q2, 2022



LOCATION



GENDER



81.2%



18.8%

A total of 23 complaints were assessed in the June 2022 quarter. This was made up of 16 new complaints and 7 carried forward from the previous quarter. All 7 complaints carried forward were resolved during the period along with 14 of the new complaints, bringing the total complaints resolved during the quarter to 21. Only 2 complaints were carried forward to the next quarter.

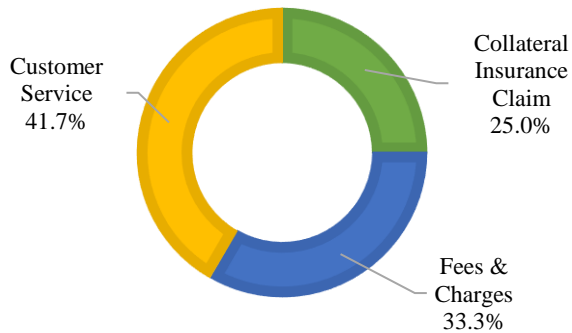
During the quarter, the majority of the complaints were received from the Western Division, which was a change from the past trend where more complaints were reported from the Central division.

Complaints about bad customer service, especially in the banking and insurance industries, continued to rank in the top three complaint types.

The lack of communication, delayed responses and incorrect information provided by bank officers, especially those serving customers, continue to be a common complaint which the RBF works on resolving directly with affected LFIs. There have also been instances where communication has been timely but too technical for the customer. In one particular case involving a complaint about how credit card fees and charges were calculated, the email correspondences showed that while the concerned bank had provided responses to all the issues raised by the complainant, technical and banking related jargon was used and were not easily understood. A meeting with the institution was called and simplified clarifications on the matters were provided to RBF and eventually the complainant, which they were satisfied with.

TYPES OF COMPLAINTS ESCALATED TO THE RBF

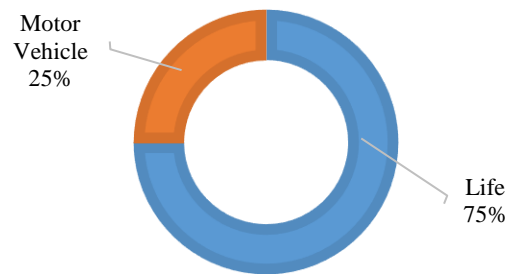
BANKING & CREDIT INDUSTRY



Of the total complaints escalated to the RBF in the quarter, 75.0 percent were from the banking sector of which the majority were customer service related, specifically the provision of incomplete and incorrect advice and information by frontline staff. According to the complaints, the customer service staff did not seem to fully understand the specifications of their own products being queried and as a result provided incomplete or incorrect information to customers. Complaints about bank fees & charges stated that frontline staff were unable to explain the increases in certain fees & charges or provide information on the new fees being applied. Customers also complained that their bank failed to respond to their queries altogether despite several attempts made to obtain information or clarification.

The RBF will continue to remind LFIs through the various forums of the importance of providing regular training, staff updates and information especially for those who serve at the frontline and look after customer services

INSURANCE INDUSTRY



The RBF received only four insurance-related complaints during the quarter. Three complaints related to life insurance policy terms and conditions and one relating to a motor insurance claim.

Complaints related to life insurance included the non-payment of a death claim, non-disclosure of pre-existing medical condition, interest charged on a policy loan premium for a money back policy for a minor and a number of discussions relating to ownership of a policy and to whom payment should be made at maturity.

The complaint relating to the motor vehicle insurance claim which had been declined by insurer related to a second hand vehicle that suffered engine problems a day after purchase. The RBF requested that the insurer engage a second assessor for a second opinion. Both assessor opinions confirmed that damages to the engine did not qualify under the policy claim. Despite the warranty sold with the car, the dealer refused to commence the warranty process and instead has filed a complaint with FCCC.

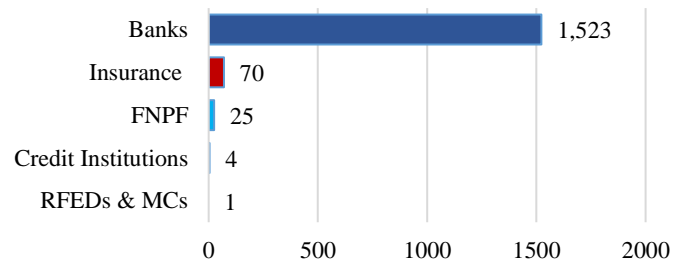
One motor vehicle claim complaint was reviewed as a result of discussions during a courtesy visit - to the new claims manager.

INDUSTRY REPORT

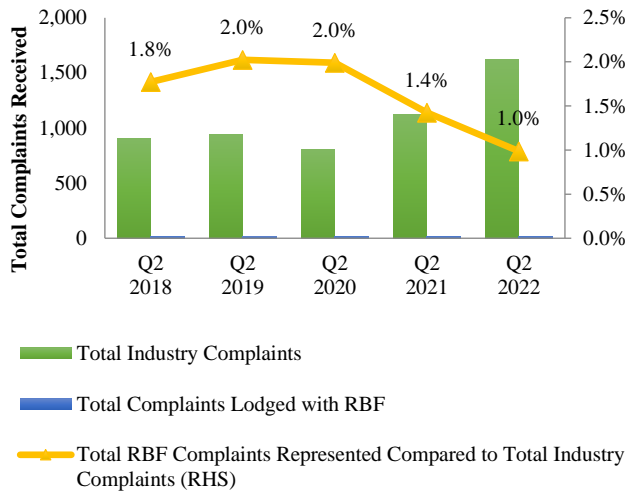
1,623 complaints (+17.6%)
received by LFIs

98.4% complaints resolved at
institution level

Number of complaints received by the LFIs in Q2, 2022



Complaints Received by Industry & RBF



■ Total Industry Complaints
■ Total Complaints Lodged with RBF
—▲— Total RBF Complaints Represented Compared to Total Industry Complaints (RHS)

A total of 1,623 complaints were made directly to LFI's by customers during the reporting quarter. This was an increase of 17.6 percent from the previous quarter and a 44.5 percent increase when compared to the same period in 2021. A total of 98.4 percent of complaints were resolved within the reporting period and the remaining 1.6 percent were carried forward to quarter 3.

Only 1.0 percent of the total complaints received by the industry was escalated to the RBF for further action.

TOP 3 COMPLAINT TYPES

BANKS & CREDIT INSTITUTIONS

Type	Complaint	% of complaints	QoQ % Change
Electronic Banking		62.6%	↑ 81.1%
Customer Service		17.0%	↓ 16.1%
System related		8.8%	↓ 26.8%

INSURANCE

Complaint Type	% of complaints	QoQ % Change
Customer Service	31.4%	↓ 45.0%
Premiums	22.9%	↓ 57.9%
Motor Vehicle	12.9%	↓ 18.2%

FNNP

Complaint Type	% of complaints	QoQ % Change
Delays in Processing	40.0%	↑ 150.0% (10)
Incorrect Information	16.0%	↓ 66.7% (4)
Incorrect Payment	16.0%	No Change (4)

BANKS & CREDIT INSTITUTIONS

Total complaints registered by the banks and credit institutions (4) increased by 24.7 percent over the quarter and by 72.9 percent on an annual basis to 1,527 complaints. Whilst increases on an annual basis following COVID-19, especially for electronic banking, was expected, the upward trend signals an increased awareness and usage of digital banking channels by customers.

Similar to the previous quarters, the majority of the complaints (62.6%) were electronic banking related; a notable increase of 81.1 percent over the quarter and an increase of 147.0 percent on an annual basis. This increase was a result of an incorrect inclusion of merchant complaints by one of the banks. This will be corrected from the next reporting period.

Customer service related complaints decreased by 16.1 percent from the last quarter, however still remained amongst the top three complaint types. It is expected that the number of complaints in this category will moderate going forward now that institutions have returned to normal operations and staff returning to work are able to resolve issues promptly on site.

RFEDs & MC INDUSTRY

The Restricted Foreign Exchange Dealers & Money Changers provided their six monthly report as at June 2022.

Only one complaint was received by the RFEDs during this reporting period relating to customer service issues.

INSURANCE

Total insurance related complaints declined by 40.7 percent when compared to the last quarter and by 51.0 percent on an annual basis. The main reason for this decline was due to incorrect reporting accumulated data instead of just the quarterly data by one insurer.

Customer service related complaints recorded a decrease of 45.0 percent when compared to the previous quarter but increased by 22.2 percent annually. Customer related complaints were primarily due to a lack of understanding of insurance products mechanics when purchasing a policy. Other reasons included lack of disclosures, particularly for medical insurance and policy holders not reading and understanding the terms and conditions of their policy.

Policy premium related complaints reported a decrease of 57.9 percent when compared to the previous quarter and 27.3 percent on an annual basis and complaints relating to motor vehicles decreased by 18.2 percent over the quarter and 83.9 percent on an annual basis.

FNPF

The number of complaints received for the last reporting quarter has significantly decreased compared to the previous quarters as the COVID relief payout phases have ceased and the Fund has reverted to the normal operations of unemployment assistance.

FNPF related complaints decreased by 32.4 percent over the quarter to 25 complaints and similarly declined by 74.2 percent on an annual basis. Majority of complaints related to delays in processing payments within agreed timeframes which increased by 150.0 percent over the quarter from 4 to 10 complaints.

Similarly, complaints relating to incorrect information provided to members or inaction declined by 66.7 percent from 12 to 4 complaints.