

October 2024

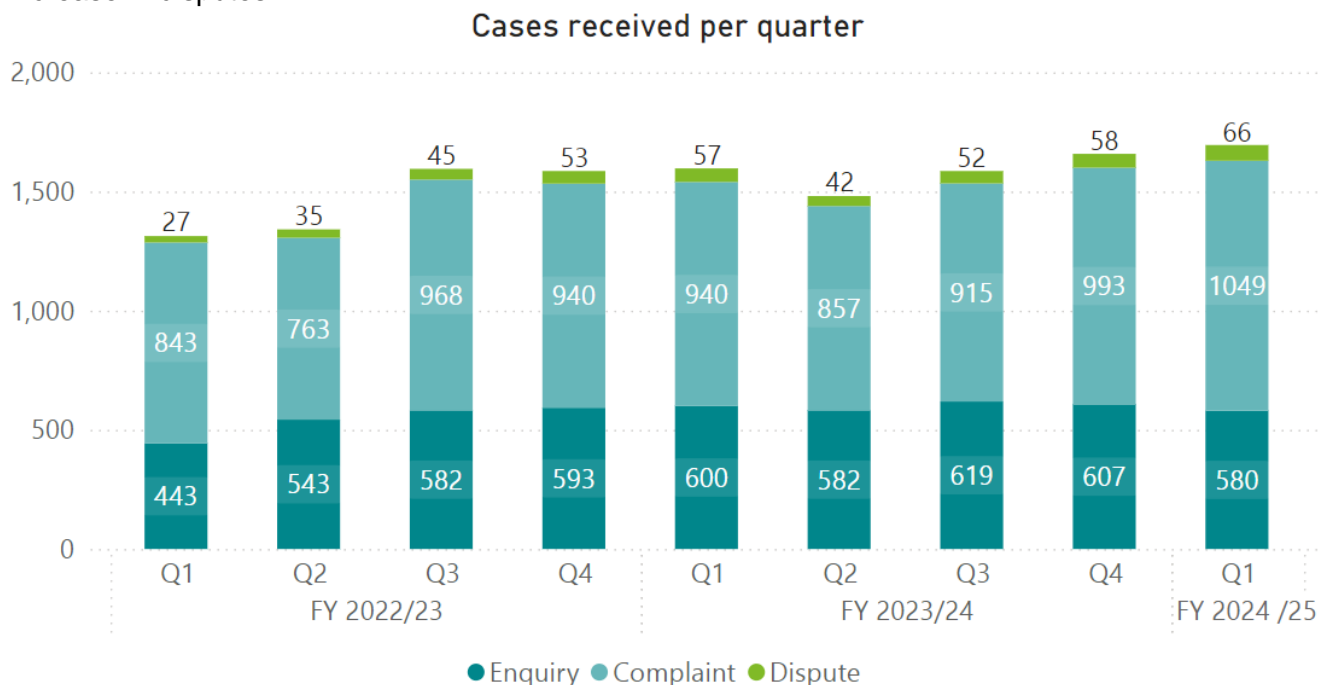
Quarterly report Bank

Overview

Between 1 July and 30 September 2024, we received 1,621 cases, up 3 per cent on the previous quarter. We are resolving 94 per cent of complaints through our early resolution service. Disputes were up 14 per cent on the previous quarter. Customer satisfaction remains high at 82 per cent.

Cases received per quarter

The graph below contains a breakdown of cases (enquiries, complaints and disputes) received per quarter. We have seen a reduction in enquiries but a 6 per cent increase in complaints and a 14 per cent increase in disputes.



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Cases received by bank

The following table contains a breakdown of enquiries, complaints and disputes by bank.

Cases received - by participant	Enquiries	Complaints	Disputes	Total cases	% of our cases
Large					
ANZ	42	255	17	297	18.3%
ASB	53	157	8	207	12.8%
BNZ	26	134	6	159	9.8%
Kiwibank	27	218	11	244	15.1%
Westpac	32	131	8	162	10.0%
Medium					
Heartland	60	40	6	100	6.2%
HSBC	2	1	-	3	0.2%
Rabobank	2	7	-	9	0.6%
SBS	6	11	-	17	1.0%
The Co-operative Bank	4	26	2	29	1.8%
TSB	26	44	7	70	4.3%
Small					
Bank of Baroda	3	2	-	5	0.3%
Bank of China	1	1	-	2	0.1%
Bank of India	-	1	-	1	0.1%
China Construction Bank	-	1	1	1	0.1%
ICBC	2	2	-	4	0.2%
Nelson Building Society	1	3	-	3	0.2%
Unity	6	16	-	22	1.4%
Bank not specified	286	-	-	286	
Total	579	1,050	66	1,621	

Enquiry

An initial contact, frequently over the phone about a banking problem.

Complaint

A problem someone has lodged with us about a bank that we formally hand over to its internal complaints process.

Dispute

A complaint a bank cannot resolve to the customer's satisfaction.

Cases

Total cases will be less than the total of enquiries, complaints and disputes because some cases move through several or all these stages but are only counted as one unique case.

Market share comparison

The following table contains a breakdown of the proportion of complaints and disputes compared to market share for banks with more than 20 cases. Red arrows indicate over-representation in comparison to market share.

Participant	% of complaints	% of disputes	% of adjusted market share
ANZ	24.2%	25.8%	27.1%
ASB	14.9%	12.1%	17.6%
BNZ	12.8%	9.1%	18.0%
Kiwibank	▲ 20.8%	▲ 16.7%	9.0%
Westpac	12.6%	12.1%	18.6%
Heartland Bank	▲ 3.8%	▲ 9.1%	0.8%
HSBC	0.1%	0.0%	1.0%
Rabobank	0.7%	0.0%	3.0%
SBS Bank	1.0%	0.0%	0.9%
The Co-operative Bank	▲ 2.5%	▲ 3.0%	1.0%
TSB	▲ 4.2%	▲ 10.6%	1.4%

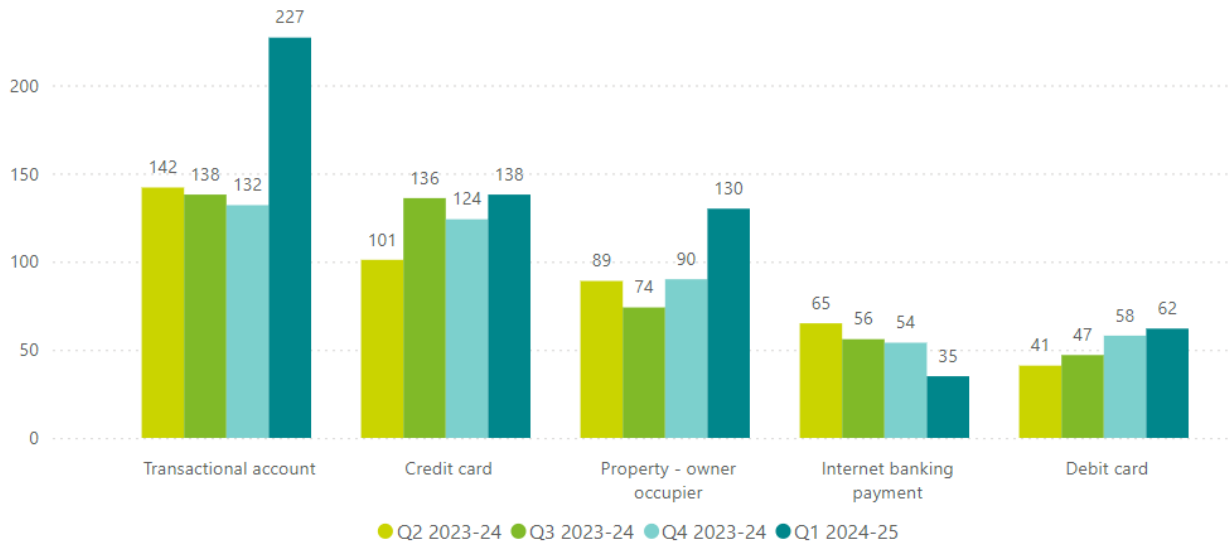


Complaint themes

This section analyses common themes in complaints.

The graphs below highlight the most frequently complained about products and issues each quarter. Transactional account complaints increased sharply, largely due to fraud and scam cases, which tripled.

Top five products

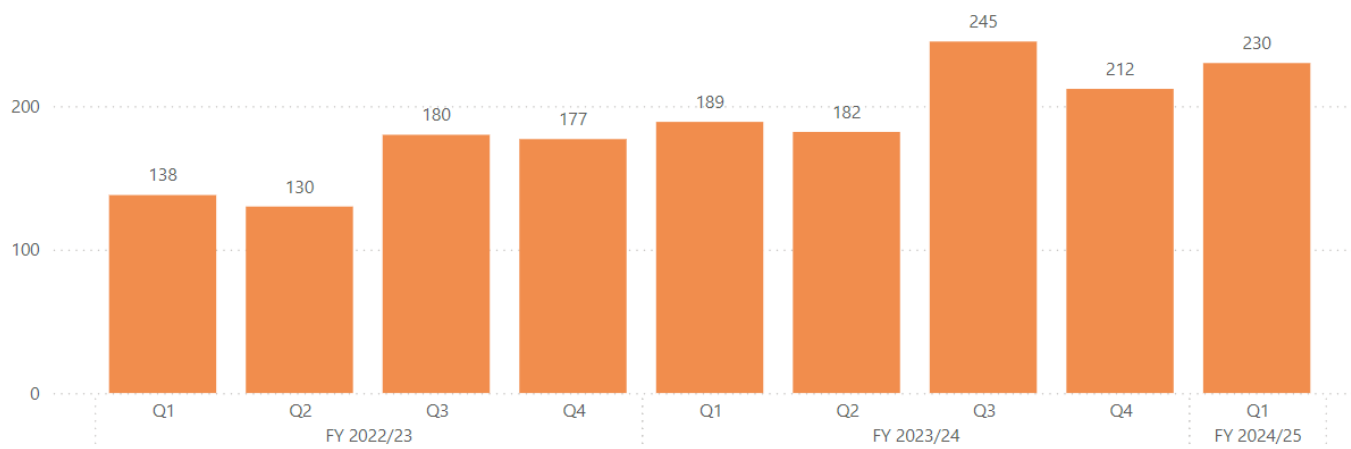


Top five problems



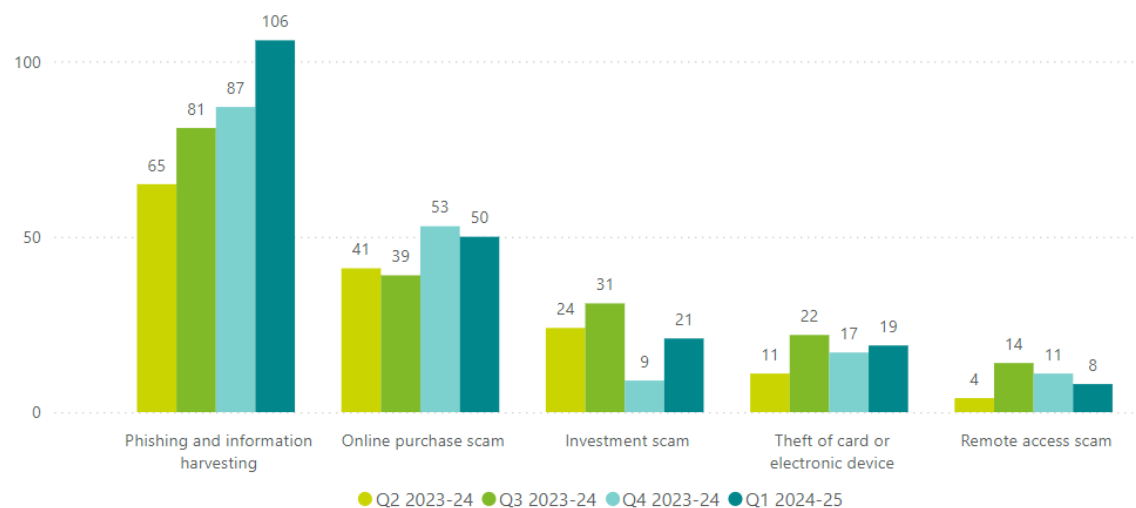
Fraud and scams

Fraud and scam complaints rose 8 per cent this quarter to 230, though this is lower than the peak of 245 between January and March 2024.



Phishing and information-harvesting remain the most common complaints and continue to rise. Investment scams have doubled this quarter, returning to peak levels seen at the beginning of 2023 after a sharp decline last quarter.

Top five fraud/scams

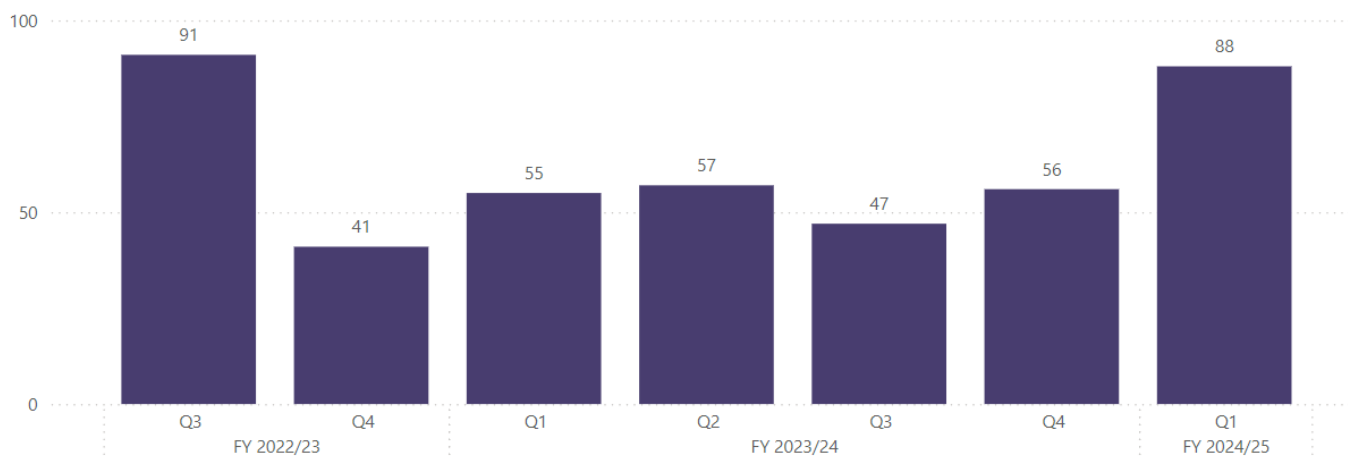


Bank impersonation scams accounted for 23 per cent of the fraud and scam complaints we received this quarter, with 26 per cent of these involving spoofing. Online marketplace scams made up 12 per cent of complaints, and nearly half of these involved the impersonation of postal or delivery services.

Financial hardship and debt collection

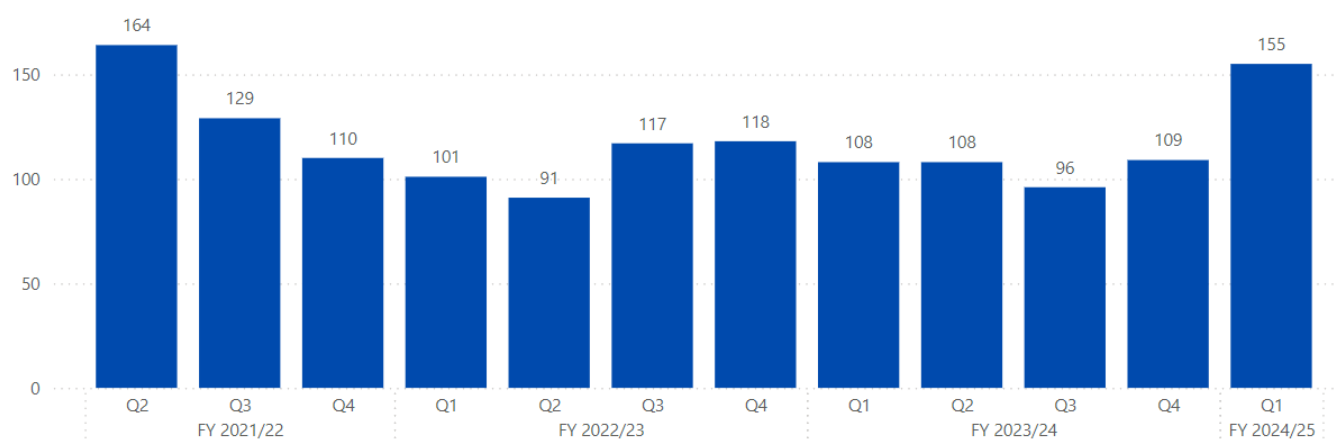
As predicted in our last report, hardship-related complaints rose 57 per cent, approaching the record high during the period January to March 2023. Unlike the previous spike, which was caused by an isolated incident (a payment processing glitch by one bank), this quarter's increase was driven by an increase in general hardship complaints.

Forty per cent of hardship complaints relate to property lending. Many were about the challenges of providing the information required for hardship applications, poor service and application denials.



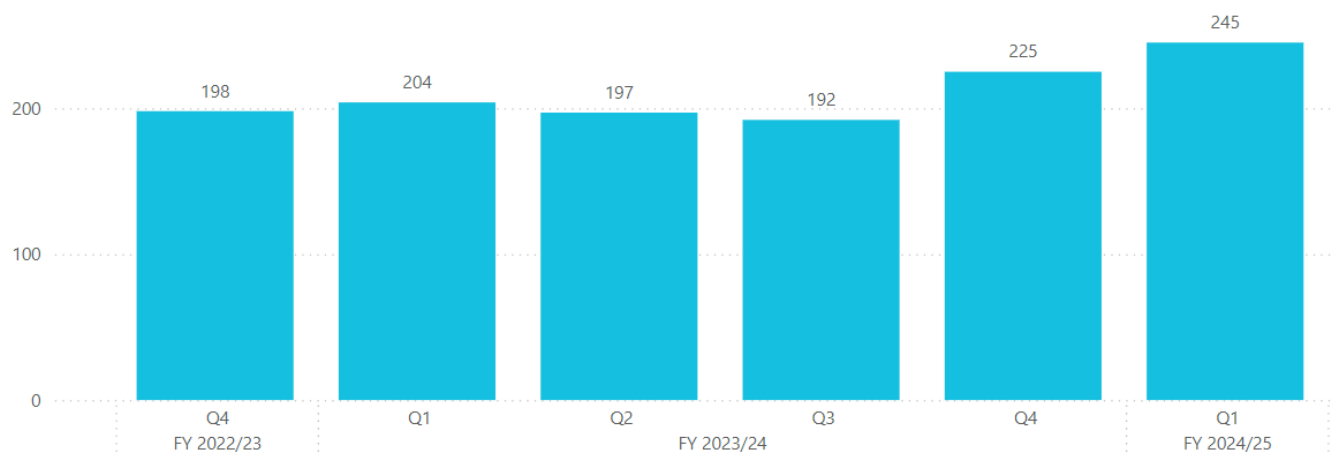
Property lending complaints

Property lending complaints rose 42 per cent this quarter, the highest since record volumes during the period October to December 2021. Complaints about fees, charges and rates more than doubled, from 25 to 63. This increase was driven by customers moving from low to high interest rates who complained about the resulting financial stress. This has also contributed to an increase in financial hardship complaints, a trend we expect to continue. As interest rates start to decrease, we anticipate more complaints about break fees and charges as customers move to lower rates. With interest rates expected to decline further, we are likely to see this complaint trend continue.



Delays

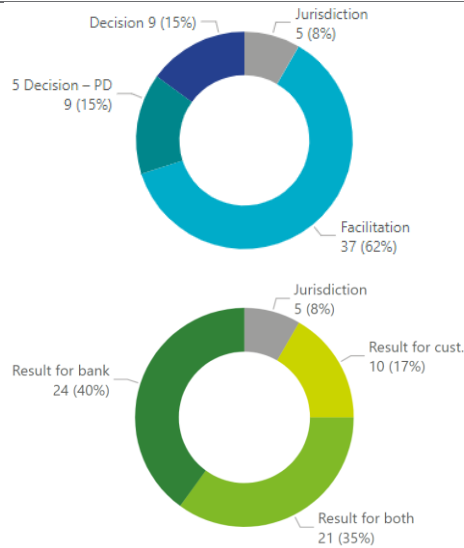
Complaints involving delays have gradually increased over the last nine months, driven predominantly by a rise in complaints relating to two banks. Volumes for all other banks remain stable or decreasing. We are working with the two banks to reduce complaints about delays.



Disputes

Disputes rose 14 per cent from the previous quarter. Almost half related to fraud and scams, often caused by phishing and information harvesting. More than a quarter of disputes involved property and vehicle loans. The main customer concerns were about hardship, complaint handling and delays.

Sector-wide



Dispute resolution method



Dispute outcome

\$591,703

+\$12,768 this quarter

59

57 at the end of last quarter

87%

89% at the end of last quarter

5.8%

5.6% at the end of last quarter



Total compensation paid



Average dispute working day count



Dispute met timeframes



Complaints escalated to dispute