

## Frequently Asked Questions

### What do the tables show?

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The Comparative Tables present dispute statistics about financial services providers (FSPs) that are members of FOS. They give three types of information about each FSP listed:

1. 'Chance of Dispute' coming to FOS
2. FOS Dispute Process Stage Reached (Avg)
3. Outcomes of the Resolution Process.

The glossary entries on these three terms explain in detail what they mean and how we calculated them.

If an FSP listed in a Comparative Table did not send us data on the size of their business in that product group, we could not calculate the 'Chance of Dispute' for this FSP. We have instead stated the actual 'Number of Disputes' consumers brought to FOS about this FSP in this product group between 1 July 2016 and 30 June 2017.

If there are fewer than five FSPs in a table, we do not show the 'Chance of Dispute' coming to FOS for any of the FSPs. We take this approach to maintain fair comparisons as a market of fewer than five FSPs for a product group is small.

Please note that:

- the 'Chance of Dispute' figures should not be compared across tables. They should only be used within a table as they cannot meaningfully be used to rank FSPs appearing in different tables.
- the 'FOS Dispute Process Stage Reached (Avg)' is not a measure of time but of progression through the four stages of the process.

### What approach has FOS taken to publishing this data?

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We consulted our members and other stakeholders as we developed our approach to the publication of this data. We believe the approach we have arrived at is fair, transparent and useful to both consumers and FSPs. Two key aspects of our approach are worth emphasising.

## 1. We are displaying the data in product groups

We divide all the products and services our members provide into 22 product groups. There is a Comparative Table for 19 of these product groups.

In three of the product groups, being table (14) Medical Indemnity, (18) Sickness and Accident Insurance and (21) Timeshare and Strata Title Schemes, less than five FSPs met the threshold of having five or more disputes in 2016-17, with result that only the outcomes data are published for this product group.

In three of the product groups, being tables (7) Extended Warranties, (13) Margin Loans and (17) Professional Indemnity Insurance, no FSPs met the threshold of having five or more disputes in 2016-17, with result that there are no tables published for these product groups.

We believe that displaying the data in product groups is a fair and meaningful way of presenting it. Some FSPs operate across many product groups, and their disputes performance may be excellent in some product groups and below par in others. These FSPs and their customers will learn a lot more from seeing the data for specific product groups than from seeing global totals that might hide variations across product groups.

## 2. We have related dispute numbers to business size

One of the key indicators of FSP performance outlined in the tables is the 'Chance of Dispute' coming to FOS. With this indicator we are illustrating the number of disputes for each FSP in a product group *relative to the size of the FSP's business in that product group*. This ensures that meaningful comparisons can be made between FSPs of different sizes. The size of an FSP's business has been measured in terms of the number of accounts or policies the FSP held for all products in a product group at 30 June 2016. Where the FSP did not provide a figure for this date, we may use a figure from a previous financial year.

## How can the tables help me?

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**Consumers** can find out how likely other consumers were to bring a dispute to FOS about a particular product from a particular FSP, and what was the outcome of disputes that were taken to FOS. The data might assist a consumer when they are deciding which financial services provider (FSP) to acquire a product from.

**FSPs** can compare their disputes performance to that of other FOS members, which will help them to set targets for their businesses and direct their resources into the right areas. This should help them to build their complaints handling systems and broader customer service programs, ultimately strengthening their relationships with their customers.

## What period is covered?

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The Comparative Tables present dispute statistics covering the period 1 July 2016 to 30 June 2017. The 'Chance of Dispute' figures relate to disputes received in this period. The 'FOS Dispute Process Stage Reached (Avg)' and 'Outcomes of the Resolution Process' figures relate to disputes closed in this period.

## How can I find what I'm looking for?

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There are two ways to view the tables:

1. **View by product group** (this is the default option). This view allows you to see and compare the disputes data for all the FSPs that had five or more disputes in a product group. You can sort the list of FSPs according to each statistic, to help you make comparisons.
2. **Compare two FSPs**. This view will show you the disputes data for the two FSPs you choose in any tables they both appear in.

## Do all members of FOS appear in the tables?

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No. The vast majority of our members do not appear in any of this year's Comparative Tables. So that the data we publish is meaningful, we have set a threshold that restricts the number of FSPs that appear in each table. Each table lists the FSPs that had five or more disputes brought to FOS from 1 July 2016 and 30 June 2017 in that product group.

You can find out whether an FSP is a member of FOS using the member search available on our website [here](#).

## Where did the business size data come from?

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The 'Chance of Dispute' figures in the tables rely on business size information provided by the members of FOS that appear in the tables. That information has not been independently verified by FOS. While we have every confidence in the responses provided by our members, we also note that there is some margin for inconsistency in the ways in which our requests have been interpreted, primarily because of differences in the structure of FSPs' business operations.

## How do I compare two FSPs?

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Click on the 'Compare two FSPs' tab on the top right of the screen, then select the two FSPs that you wish to compare. This view will show you the disputes data for the two FSPs in any tables they both appear in.

## Why are the 'Chance of Dispute' figures per 100,000 accounts or policies?

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The 'Chance of Dispute' figures represent the number of disputes brought to FOS about an FSP in a product group from 1 July 2016 to 30 June 2017 **per** 100,000 accounts or policies.

We have used the number of disputes per 100,000 accounts or policies, rather than simply the number of disputes divided by the number of accounts or policies, to ensure that we get numbers that are easy to read and compare. Multiplying by 100,000 gives us numbers like 4.7 and 6.2, which are easier to make sense of than numbers like 0.000047 and 0.000062. This multiplication doesn't change the order the FSPs will appear in when they are ranked from highest to lowest or lowest to highest.

## What are the product groups?

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FOS divided all the products and services our members provide into the following 22 product groups:

1. Business Finance
2. Consumer Loans
3. Credit Cards
4. Credit Insurance
5. Deposit Taking/Payment Systems
6. Derivatives/Hedging and Securities
7. Extended Warranties
8. Home Building Insurance
9. Home Contents Insurance
10. Housing Finance
11. Life Insurance
12. Managed Investments
13. Margin Loans

14. Medical Indemnity Insurance
15. Motor Vehicle Insurance
16. Personal and Domestic Property Insurance
17. Professional Indemnity Insurance
18. Sickness and Accident Insurance
19. Small Business/Farm Insurance
20. Superannuation
21. Timeshare and Strata Title Schemes
22. Travel Insurance

## What types of products fall under each product group?

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Below is a list of product groups and the types of products that fall within each product group. In brackets next to each product group is the business measure that has been used to quantify the size of an FSP's business in that product group. There is no information for product groups where we were not able to obtain a common business measure (see the Explanatory Notes for further information about those product groups).

### 1. Business Finance

Business credit cards  
 Business loans  
 Commercial bills  
 Hire purchase/lease  
 Letters of credit  
 Lines of credit/overdrafts  
 Non FSP debts  
 Bank guarantees  
 Business guarantees

### 2. Consumer Loans (no. of loan accounts)

Hire purchase/lease  
 Interest free finance  
 Lines of credit/overdrafts  
 Non FSP debts  
 Personal loans  
 Short term finance  
 Consumer guarantees

### 3. Credit Cards (no. of credit card accounts)

Credit cards

#### **4. Credit Insurance (no. of policies)**

Consumer credit

#### **5. Deposit Taking / Payment Systems (no. of retail customer accounts)**

Business transaction accounts

Foreign currency accounts

Mortgage offset accounts

Passbook accounts

Personal transaction accounts

Bank bills

Cash management accounts

First home buyer accounts

Online accounts

Term deposits

Merchant facilities

Stored value cards

*Which offer the following types of facilities/transactions:*

ATM

Counter transactions

Bank drafts

Cheques

Direct debits

EFTPOS

Electronic banking

Foreign currency transfers

Telegraphic transfers

Loyalty programs

Non-cash systems

Travellers' cheques

#### **6. Derivatives/Hedging & Securities (no. of investor accounts)**

Contracts for difference

Foreign exchange

Forwards

Futures

Options

Swaps

Bills of exchange

Bonds

Debentures

Exchange traded funds (ETFs)

Promissory notes

Shares

Warrants

## **7. Extended Warranties (no. of policies)**

## **8. Home Building Insurance (no. of policies)**

Home building  
Residential strata title

## **9. Home Contents Insurance (no. of policies)**

## **10. Housing Finance (no. of home loan accounts)**

Construction loans  
Equity release  
Home loans  
Investment property loans

## **11. Life Insurance (no. of policies)**

Annuities  
Endowments  
Funeral plans  
Income protection  
Scholarship funds  
Term life  
Total & permanent disability  
Trauma  
Whole of life

## **12. Managed Investments**

Australian equity funds  
Cash management accounts  
Charitable/educational schemes  
Film schemes  
Horse schemes  
International equity funds  
Investor direct portfolio services  
Managed discretionary accounts  
Mixed asset fund/s  
Mortgage schemes  
Primary production schemes  
Property funds  
Trustee common funds

### **13. Margin Loans (no. of investor accounts)**

### **14. Medical Indemnity (no. of policies)**

### **15. Motor Vehicle Insurance (no. of policies)**

Motor vehicle – comprehensive  
Motor vehicle – third party fire and theft  
Motor vehicle – third party theft

### **16. Personal and Domestic Property Insurance (no. of policies)**

Caravan  
Horse  
Mobile phone  
Moveables  
Pets  
Pleasure craft  
Trailer  
Valuables

### **17. Professional Indemnity Insurance (no. of policies)**

### **18. Sickness and Accident Insurance (no. of policies)**

### **19. Small Business/Farm Insurance**

Commercial vehicles  
Computer & electronic breakdown  
Contractors all risk  
Fire or accidental damage  
Glass  
Industrial special risk  
Land transit  
Livestock  
Loss of profits/business interruption  
Machinery breakdowns  
Money  
Public liability  
Theft



## **20. Superannuation**

Account based pensions  
Approved deposit funds  
Corporate funds  
Industry funds  
Pooled trusts  
Retail funds  
Retirement savings accounts  
Self-managed funds

## **21. Timeshare and Strata Title Schemes (no. of consumer contracts)**

Managed strata title schemes  
Timeshare schemes

## **22. Travel Insurance (no. of policies)**