



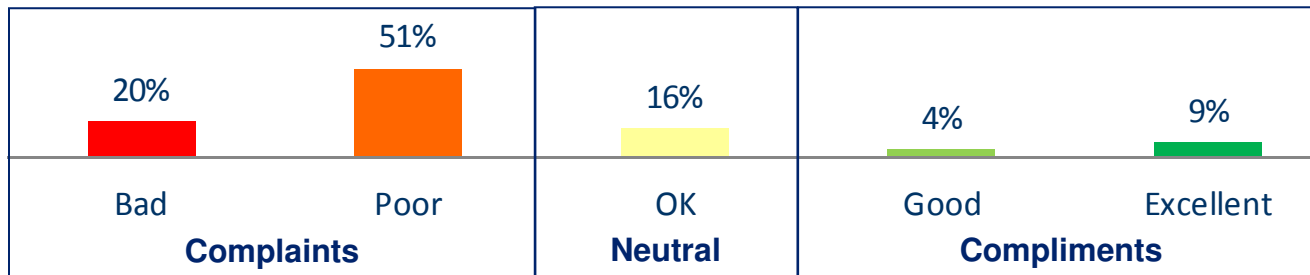
Complaints Resolution Report Quarter ended Sept 30, 2012



Feedback Summary

- During Q2 of the 2012/13 fiscal year 6.9 million customers travelled with BC Ferries.
 - BC Ferries received 2,582 comments in Q2 2012/13.

Distribution of Comments by Rating

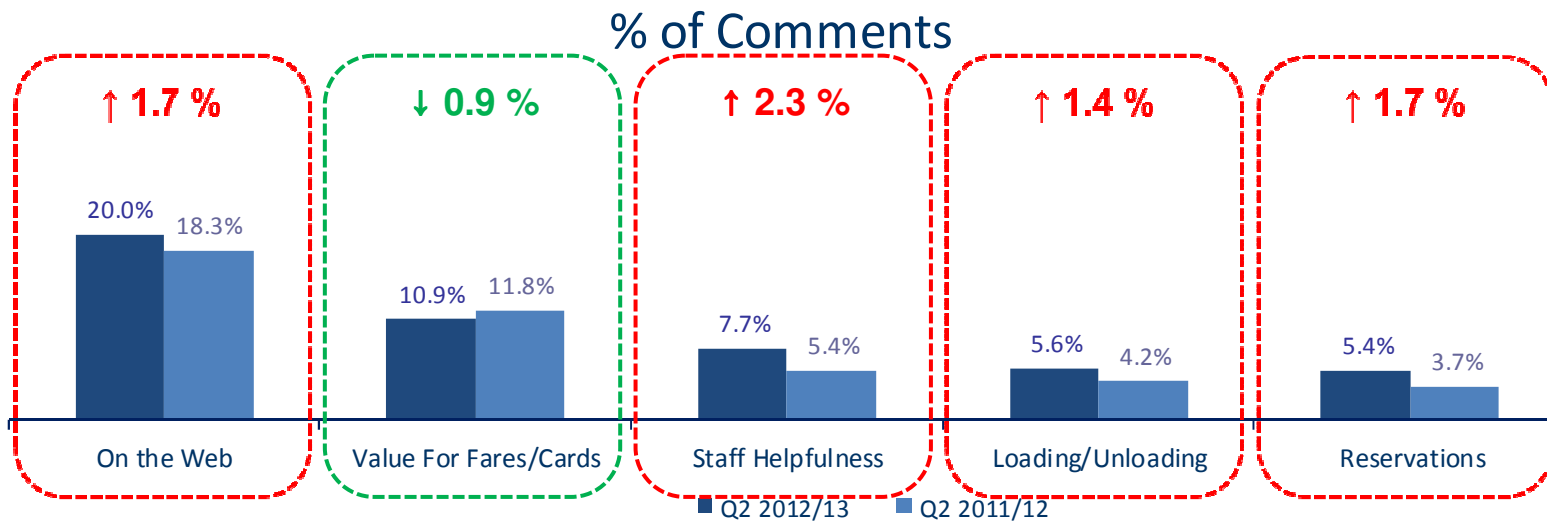


- Customer initiated feedback tends to be negative. Thirteen percent (13%) of all customer feedback received in Q2 2012/13 was complimentary.
- “On the Web” was the top issue: 459 complaints* were made, representing 20% of the total comments received in Q2 2012/13.
 - Top 5 complaints combined represent 50% of all complaints received in Q2 2012/13
- “General” comments are excluded from this analysis:
 - 292 “General” comments were received which were primarily made up of suggestions (112) and requests for company information (78)

*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q2 2012/2013 = July 1st to Sept 30th 2012

Top Complaints*: Corporate

#	Complaint	Q2 2012/13		Q2 2011/12	
		Complaints*	% of Comments (n=2,290)	Complaints*	% of Comments (n=3,083)
1	On the Web	459	20.0%	563	18.3%
2	Value For Fares/Cards	250	10.9%	364	11.8%
3	Staff Helpfulness	176	7.7%	166	5.4%
4	Loading/Unloading	128	5.6%	128	4.2%
5	Reservations	124	5.4%	115	3.7%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: Q2 2012/2013 = July 1st to Sept 30th 2012
 Q2 2011/2012 = July 1st to Sept 30th 2011

On The Web

Sample of Customer Comments:

Complaints

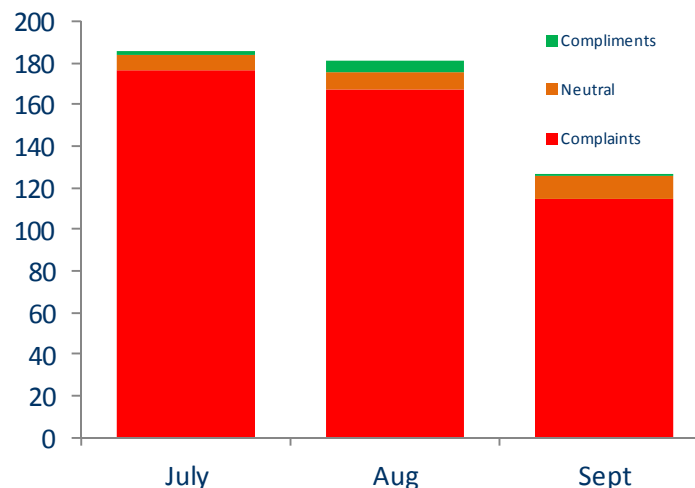
- "Creating a new BC Ferries account in order to make a reservation is an exercise in supreme frustration. Yes, I know I can call Customer Service, but isn't the purpose of online bookings to avoid having to call - and go through an endless menu, and be put on hold ... I've followed the instructions to set up the account, including possible fixes - to no avail. The cost of ferry travel and the additional cost to make a reservation is maddening. The very user-unfriendly online booking only adds insult to injury"
- "All I want to do is reserve a trip on BC Ferries and is a REAL headache. You have e-mailed me a new password 2 times so far and I enter it and it says "an invalid password" There is no security setting button to click on. Help this is really frustrating."

Compliments

- "Thank-you, what a great service. Your whole website is fantastic compared to the last visit, over a year ago! Keep up the good work!"
- "Your website is very helpful!"

On the Web includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Web: Login/Passwords	237	4	0
On the Web: Design and Usability	128	7	3
Reservations: Online Reservations	51	2	0
On the Web: Information/General	15	6	3
On the Web: Service Notices	11	2	1
On the Web: Travel Planning	8	3	1
On the Web: Current Conditions	7	1	0
On the Web: Online Giftshop	2	2	0
% of all comments (2,290)	20.0%	1.2%	0.3%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: All data is for Q2 2012/2013 (July 1st to Sept 30th 2012)

On the Web

Root Cause:

On May 12, 2011, BC Ferries launched a comprehensive redesign of its website. This included the introduction of a single online reservation channel to replace the two unique channels that had been in place since August 2008. The intention of consolidating the two reservation channels was to remove problems encountered by customers when trying to use a password for one channel to access the other.

Lessons Learned:

Implementing the single access online reservation service proved to be a highly complex undertaking, particularly in terms of aligning customer accounts associated with the ten-year-old Reserved Boarding on the Internet (RBI) service. There were also a number of performance and account validation issues that did not emerge during the testing conducted, nor with external customer focus groups and staff.

Action Taken:

Since the May 2011 launch, there have been eight subsequent releases plus a number of “spot fixes” aimed at correcting problems with the website.

Another release aimed at improving accessibility and functionality was attempted but proved unsuccessful due to technical issues stemming from aging infrastructure.

Following extensive technical review and heuristic evaluation, BC Ferries has decided to change the look and feel of the online reservation system. This will eliminate a number of issues identified during customer usability tests and result in an efficient, intuitive website experience.

The improvements are planned for release in early 2013.

Value For Fares/Cards

Sample of Customer Comments:

Complaints

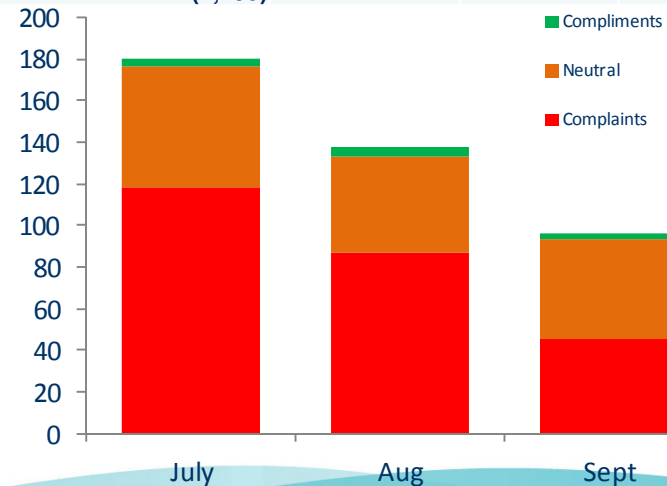
- "I travel (from the mainland) to Nanaimo almost once a month to visit my family, now I have a travel trailer which makes me 35 feet long. I understand that ever vehicle is allowed up to 20 feet in length. With the way you do your fares, it will cost more for our 35 feet (truck plus trailer) then 2 vehicles having a combined length of 40 feet. This is completely unreasonable. I have been travelling to and from the island for over 20 years, several times per year. This pricing system is disgusting. Something needs to be changed."
- "Hello, I am a senior (61 so no deals for me yet) and we are in the process of moving to Vancouver Island. Because my wife still works on the mainland we travel every weekend on the ferry. We really would suggest a discount card for frequent users, for Vancouver Island residents. Say a 1x or 20 x use card. Please take this in consideration. Thank you. "
- "I was just wondering why there isn't a program that allows post-secondary students to travel at a discounted price? Considering the high cost of schooling, a lot of students just avoid the ferries all together due to the very high cost of traveling via the ferry. Thank you in advance."

Compliments

- "Compared to the Black Ball ferry, these are fabulous, modern crafts with many amenities on board. The price for a car and two passengers was also less than the Black Ball ferry so I believe that they are a very good value in comparison. "

Value For Fares/Cards includes:

Group/Attribute	Complaints	Neutral	Compliments
Fares: Value for Fares Paid	82	10	2
Fares: Discount Fares	37	20	0
Fares: Experience Card	36	24	2
Fares: Coast Card	29	41	2
Fares: Other Fares	25	20	3
Fares: Errors	15	4	
Fares: Refunds	14	20	1
Fares: Promotions	6	5	1
Fares: Credit/Debit Card	3	3	0
Fares: Frequent Travel	2	6	0
Fares: SailPass/CirclePac-disabled	1	0	0
% of all comments (2,290)	10.9%	6.7%	0.5%



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 Note: All data is for Q2 2012/2013 (July 1st to Sept 30th 2012)

Value For Fares/Cards

Root Cause:

Extra per foot charge: BC Ferries responded to a long standing concern customers expressed over being charged for vehicles over 7" (2.13 m) in length by eliminating the over height fare on most routes on April 1, 2010. At the same time, the per foot charge for additional length (over 20 feet or 6.1 m) was aligned with the commercial per foot rate. This resolution was made after extensive consultation with the Ferry Advisory Committees.

Discounted Fares & Social Programs: As part of the Coastal Ferry Services Contract with the Province of British Columbia, discounted fares are available to customers travelling on the minor routes. Fare discounts have been in place since 1961 for all Gulf Islands and since 1972 for the Sunshine Coast, previously in the form of paper books or pre-paid tickets. In the spring of 2008, the BC Ferries Experience™ Card was introduced as a replacement to the paper books of pre-paid tickets.

There currently is no discount available for customers to travel on the major routes and no service fee is provided to BC Ferries by the Government to operate these routes. Coast Saver Sailings are offered on and off throughout the year, to encourage travel at particular times of the year.

The Provincial Government also provides fare subsidies for BC seniors, students and passengers with a permanent disability through the BC Residence Assistance Program outlined in the Coastal Ferry Services Contract. BC Ferries administers these discounted fares on behalf of the Provincial Government and acts within the guidelines and policies set by the Government.

Lessons Learned:

Through customer feedback the need for the recognition of frequent travel on the major routes has been identified. System upgrades are required in order to be able to offer more dynamic pricing models for frequent travel in the future.

Action Taken:

The Automated Customer Experience (ACE) Program is currently under development with the goal to raise the level of customer satisfaction by improving and enhancing customers' overall travel experience. Software and Hardware upgrades part of this program will also enable BC Ferries to offer more dynamic pricing models in future as we work towards the recognition of frequent major routes customers. Completion of the ACE Program is currently anticipated for the year 2015.

Staff Helpfulness

Sample of Customer Comments:

Complaints

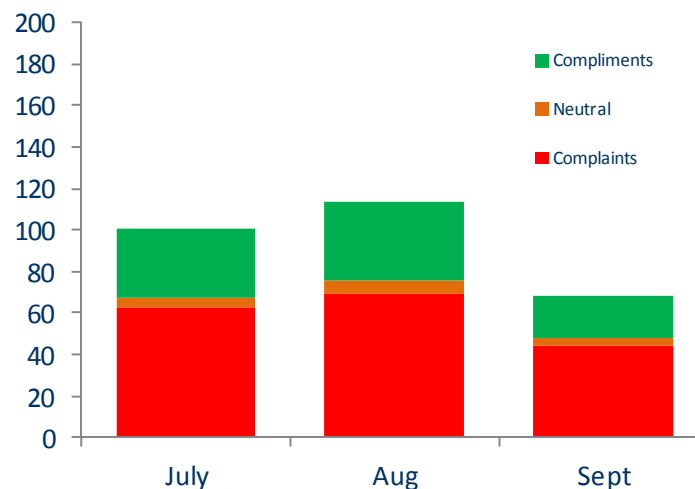
- "We had a wonderful time! We had a major glitch as our reservations for the ferry were all messed up. There were some tense moments for us I thought we may not be let on the ferry! After 20 to 25 minutes of jockeying around we were finally let on. The clerks were not very professional and seemed to joke back and forth as if we were not there. It was off putting!"
- "I requested a wheelchair for my 93 year old mother to travel from HSB-LNG. At HSB she was assisted wonderfully by the nice young man and was seated. Upon arrival into LNG, no one came back to help her off the ferry in the wheelchair and as a result she had to walk off the ferry by herself with the help of another passenger."
- "I have just purchased a ticket for the Langdale ferry. I purchased my ticket from a female employee who was extremely rude. if you want to improve your image with passengers, this is not a great way to go about it."

Compliments

- "I wanted to thank you for the great assistance that the BC Ferries staff provided my father on the July 12, 3:10 ferry from Horseshoe Bay to Departure Bay. He said that he was treated 'royally' and he was very relaxed when I picked him up at my end. I really appreciate it!"

Staff Helpfulness includes:

Group/Attribute	Complaints	Neutral	Compliments
Check-In: Staff Helpfulness	75	4	16
Inside the Terminal: Staff Helpfulness	55	5	27
On the Ship: Staff Helpfulness	31	3	43
On the Phone: Agent Helpfulness	2	2	6
Outside the Terminal: Staff Helpfulness	7	0	0
On the Phone: Information Accuracy	5	1	0
On the Phone: Resolution of Issues	1	0	0
% of all comments (2,290)	7.7%	0.7%	4.0%



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 Note: All data is for Q2 2012/2013 (July 1st to Sept 30th 2012)

Staff Helpfulness

Root Cause:

Communication issues, ticketing errors, misunderstandings, inappropriate behavior by employee leading to customer dissatisfaction.

Lessons Learned:

Customer feedback has given us an opportunity to identify areas of improvement in customer service and ongoing customer service training and coaching is required.

Action Taken:

Complaints regarding employees are investigated on a case by case basis. The customer is sent a response with an apology.

Where communication is the issue, information is provided to the customer to assist in preventing further confusion. In the case of inaccurate information or inappropriate behavior by an employee, corrective action is taken with the employee and the customer is contacted to correct the misunderstanding.

Positive feedback is also shared with the employees.

Loading/Unloading

Sample of Customer Comments:

Complaints

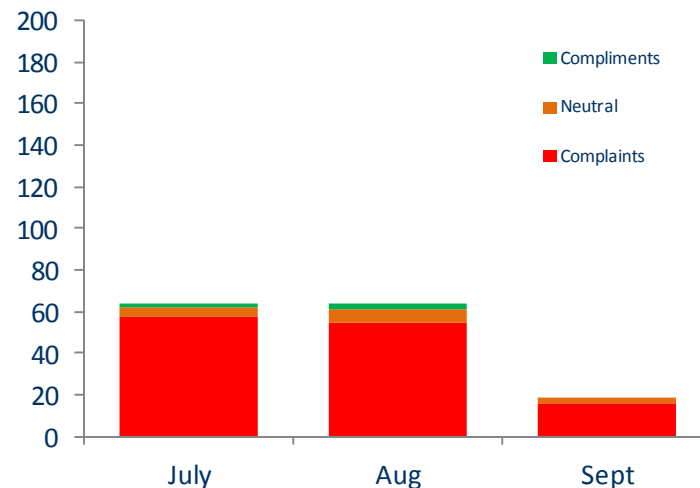
- "While loading onto the ferry today, I encountered a rude BCF employee who yelled at me and glared at me. The direction was not very clear, I'm sorry that I didn't understand, but I don't appreciate being yelled at."
- "I would like to make an official complaint regarding your loading procedure on Horseshoe Bay/Langdale route. I take the ferry weekly, and it's clear that loading is on a random basis. There is currently no correlation between how long you have been waiting and when you will unload. I have heard all of your arguments that you cannot deal with this issue. Unfortunately for you, I think it would be very simple for you to come up with a loading protocol that everyone follows. For instance, today I was in the first line of cars to board but will be amongst the last cars off the ferry..."

Compliments

- "Took a car ferry from Victoria Island to Vancouver (Tsawwassen Port) and had a great trip. Plenty of room and the views along the way were incredible. Easy on and off and well worth it. "
- "@BCFerries the folks that worked on the Queen of Alberni today (July 6th) trying to squeeze us all on did a great job! Thanks! I didn't miss my ferry!"

Loading/Unloading includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Loading/Directions	70	5	1
On the Ship: Loading/Unloading	56	9	4
Sailings: Loading Error	2	0	0
% of all comments (2,290)	5.6%	0.6%	0.2%



Loading/Unloading

Root Cause:

Customers expect to be loaded and discharged in the order their vehicle arrived at the terminal.

Lessons Learned:

The expectation of first on – first off is frequently expressed by customers and perceived as a lack of customer service if not provided. BC Ferries recognizes there are advantages to being loaded first and unloaded first. While operationally we are unable to guarantee first on - first off loading, we could improve our communication to help customers understand why this is a challenge to deliver consistently.

Action Taken:

When the issue of first on – first off and the vehicle placement is raised, staff offer a thorough explanation of the factors impacting placement:

- Stability of the vessel in the water and positioning of the ramp during loading
- Even distribution of traffic to maintain vessel stability during crossing
- Optimize use of car deck space in order to accommodate as many customers as possible

The time a vehicle arrives at the terminal will determine if it will be loaded on a sailing but not necessarily where on the car deck it will be parked. The consequences of moving to a declared first on – first off guarantee would be:

- Late sailings due to single lane loading
- Less vehicles on the car deck
- Increased sailing waits for customers left behind

Reservations

Sample of Customer Comments:

Complaints

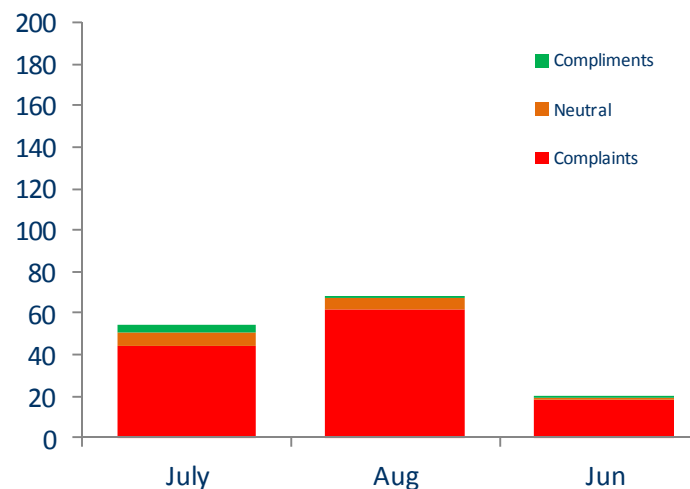
- "I don't understand why it costs money to make reservations, it should be free! If people make reservations that's great. You have some business and profit guaranteed. If the reserved customers don't show up, that's not a problem you can just save more gas that way...."
- "Hello, I drove with my 3 children all the way from Calgary, made a reservation for August 19 12:45 ferry. I arrived at the terminal at 12:17, the lady said I missed the reservation, I said traffic was crazy and I'm only 2 min late my boys are meeting their summer camp leaders in Nanaimo and she said sorry you missed it (I understand if I pull up 5 min prior to departure but this lady was just being very unkind) ... I have to say I am extremely disappointed in the customer service I received, she intentionally put me in a line up she knew would not make it on the boat."
- "Absolutely no flexibility when it comes to cancel a reservation. Congratulations to going back in time BC Ferries."

Compliments

- "A big bow and clap and a job well done for booking all our commercial reservations as far as December."
- "Amazing customer service at the @BCFerries call center today! Thx for making our day! #bcferries"

Reservations includes:

Group/Attribute	Complaints	Neutral	Compliments
Reservations: Policies	46	5	0
Check-In: Reservations	29	2	1
Reservations: General	15	3	1
Reservations: Flexibility/Changes	10	1	0
Reservations: Cost	10	0	0
Reservations: Availability	8	2	0
Reservations: Booking with an Agent	4	0	3
Reservations: Automated Phone Reservations (IVR)	2	0	0
% of all comments (2,290)	5.4%	0.6%	0.2%



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Reservation General

Root Cause:

To allow sufficient time for safe loading of vessels, BC Ferries implemented a 30 minute cut-off for reservation redemption at the ticket booth. This reservation cut-off is historic and has been in place for many years.

Infrequent travellers, booking a reservation, will often overlook the importance of the 30 minute cut-off. Customers who miss the reservation cut-off are often surprised their reservation won't be honored and they must travel on standby. Customers requiring a change to an existing reservation sometimes express disappointment with the additional cost.

Lessons Learned:

It is imperative that customers are made fully aware of reservation policies at the time of booking to avoid disappointment at the time of travel.

Action Taken:

Clear communication is in place via the following channels: reservation terms and conditions, reservation confirmation e-mail, FAQ (Frequently Asked Questions) on the website, through our IVR system, and during the booking process with our Customer Service Agents. Communication through these channels is reviewed annually to ensure the messaging is effective and delivered consistently to customers at the time of booking.

Each complaint made will be investigated to determine if an error on behalf of BC Ferries led to the customer's dissatisfaction. This includes the possibility of employee not following procedures or customer service agents being unclear about policies at time of booking:

- If an error is identified the reservation fee will be refunded to the customer and corrective training action will be taken with the employee.
- If it is determined that the issue is related to unclear written communication, the collateral material will be reviewed and improved. In this case, the customer will also receive a refund of the reservation fee.
- If the policy was clearly communicated at the time of booking and no error has been made, a thorough explanation of the reason for the policy will be provided to create an increased awareness of the complexity of loading a vessel and maintaining on time departures.

With improvements being made to the online reservations system, to be released in early 2013, BC Ferries has usability tested the communication of its reservations policies. Based on customer feedback, improvements have been made on how policy information is displayed online.