



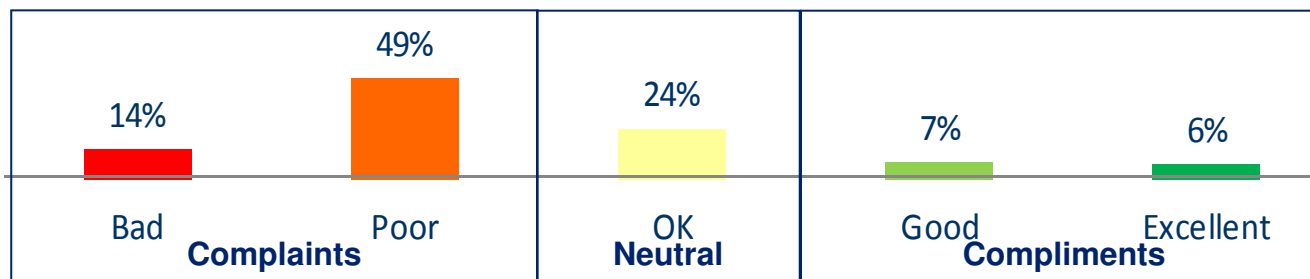
Complaints Resolution Report Quarter ended Sept 30, 2013



Feedback Summary

- During Q2 of the 2013/14 fiscal year 6.9 million customers travelled with BC Ferries.
 - BC Ferries received 2,697 comments in Q2 2013/14.
 - The average time to respond to customers was 3.4 days during Q2 2013/14 compared to 4.6 days during Q2 2012/13.

Distribution of Comments by Rating

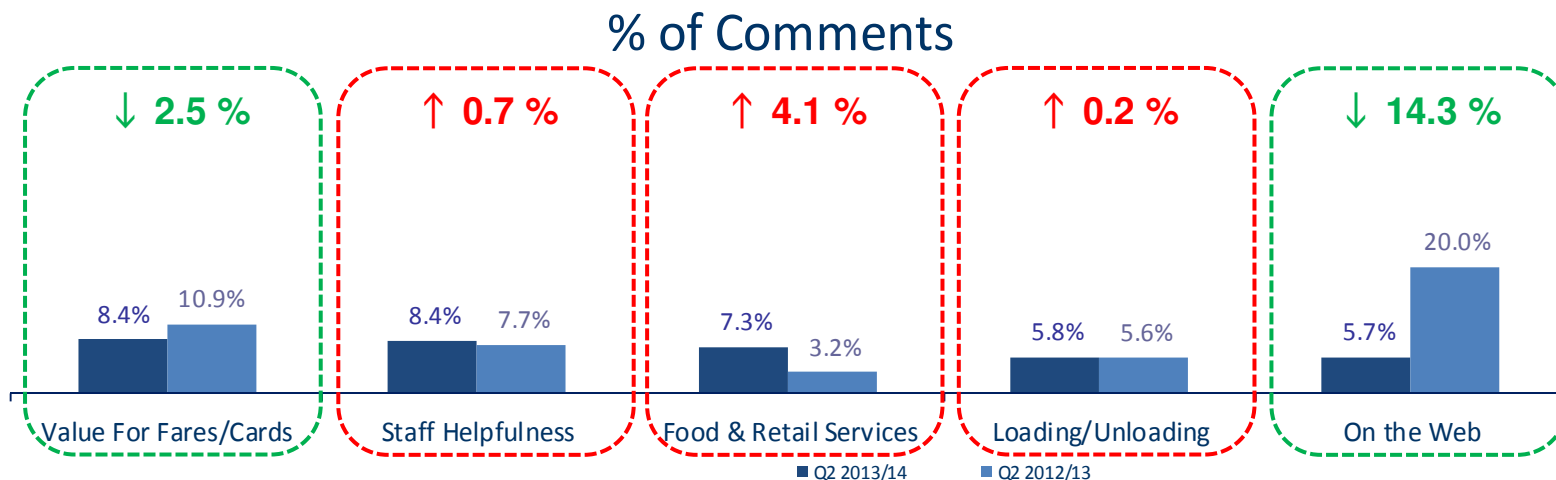


- Customer initiated feedback tends to be negative. Thirteen percent (13%) of all customer feedback received in Q2 2013/14 was complimentary.
- “Value For Fares/Cards” was the top issue: 201 complaints* were made, representing 8% of the total comments received in Q2 2013/14.
 - Top 5 complaints combined represent 36% of all complaints received in Q2 2013/14
- “General” comments are excluded from this analysis:
 - 234 “General” comments were received which were primarily made up of company information (91) and compensation (40)

*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q2 2013/2014 = July 1st to September 30th 2013

Top Complaints*: Corporate

#	Complaint	Q2 2013/14		Q2 2012/13	
		Complaints*	% of Comments (n=2,380)	Complaints*	% of Comments (n=2,290)
1	Value For Fares/Cards	201	8.4%	250	10.9%
2	Staff Helpfulness	199	8.4%	176	7.7%
3	Food and Retail Services	174	7.3%	74	3.2%
4	Loading/Unloading	138	5.8%	128	5.6%
5	On the Web	136	5.7%	459	20.0%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: Q2 2013/2014 = July 1st to September 30th 2013
 Q2 2012/2013 = July 1st to September 30th 2012

Value For Fares/Cards

Sample of Customer Comments:

Complaints

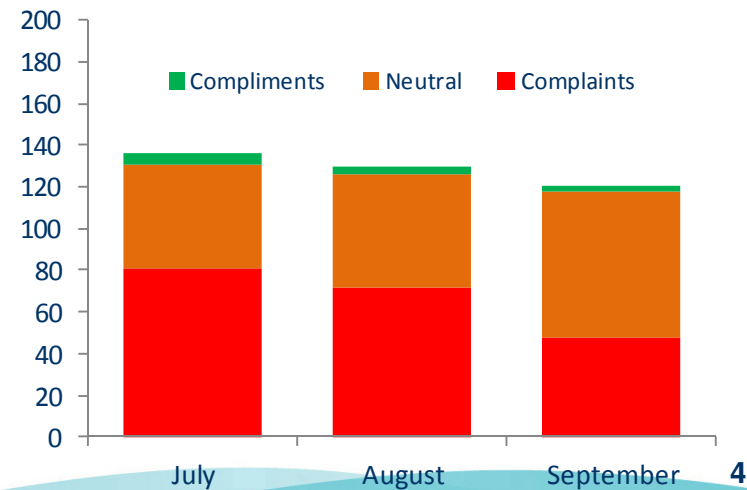
- “I am from Alberta and used to go on the island with my family, now because of high fares I and a lot of people I talk to will not vacation on Vancouver Island again. If you dropped fares to a reasonable price you would get a lot more travelers to the Island but I know you think you are right by charging what you do, but you are dead wrong as twice nothing is still nothing.”
- “Hi, I'm just wondering if there are any plans to add experience card savings to the Vancouver Victoria route? It really is quite a joke that the main run is excluded. C'mon now its about time you give the actual paying passengers a break. Thank you.”
- "I have a truck and trailer that we take to the mainland on occasion. We sometimes get told we have to pay for commercial pricing. As far as we understand it has to be less then 5500 GVW, our truck is rated at 5499 GVW and our trailer is rated at 4535 GVW.”

Compliments

- “Recently, one of our donors was called upon to make a very special and time-sensitive platelet donation for an upcoming paediatric surgery. Platelets can only be donated in our clinic on Oak Street in Vancouver, and this donor resides in Victoria. To make the donation his wife took a day off from work to stay home with their infant child, his family provided him with transportation to the ferry terminal and BC Ferries helped get him to the clinic. You came through for him and because of that, he was able to make this donation.”

Value For Fares/Cards includes:

Group/Attribute	Complaints	Neutral	Compliments
Fares: Value for Fares Paid	55	6	0
Fares: Experience Card	38	58	4
Fares: Errors	31	10	1
Fares: Other Fares	21	28	2
Fares: Discount Fares	14	16	3
Fares: Refunds	12	20	0
Fares: Coast Card	11	27	0
Fares: Credit/Debit Card	8	2	0
Fares: Frequent Travel	7	2	0
Fares: Promotions	3	5	1
% of all comments (2,380)	8.4%	7.3%	0.5%



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 Note: All data is for Q2 2013/2014 (July 1st to September 30th 2013)

Value For Fares/Cards

Root Cause:

Discounted Fares: 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.

Commercial fare definition: the commercial fare applies to any vehicle with a registered gross vehicle weight of over 5,500 kg (or 12,100 lbs).

Lessons Learned:

There is anecdotal evidence that the increase in fares has caused customers to limit discretionary travel. A report provided by InterVISTAS Consulting Inc., acknowledges some minor price elasticity, but notes that there are other causal factors affecting ridership.

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.

The importance of the consistent and correct application of the commercial fare has been identified and ticket agents are advised to verify the registered gross vehicle weight noted on the vehicle's insurance papers.

Value For Fares/Cards

Action Taken:

Amendments to the CFSC, which took effect April 1, 2012 included target net savings of \$30 million from service level adjustments over PT3. Savings of \$4 million will be realized through service level adjustments on three of the major routes. Adjustments in service levels to realize the remaining \$26 million in savings were to be identified by June 30, 2013. Through a subsequent amendment to the CFSC the deadline for identifying the additional service level adjustments was extended to March 31, 2014. Funding of \$7.1 million was received from the Province to compensate BC Ferries for this deferral. Ferry service levels are a public policy decision of the Province and the Company will await direction from the government regarding future adjustments to service levels to achieve the remaining \$18.9 million in net savings, and the resulting impact on fares.

The provincial government has engaged coastal communities and ferry users from across the province on strategies to ensure the long-term sustainability of the coastal ferry network. The Province is undertaking a further round of community engagement in November 2013, which is a follow up to the province-wide consultation in 2012.

Staff Helpfulness

Sample of Customer Comments:

Complaints

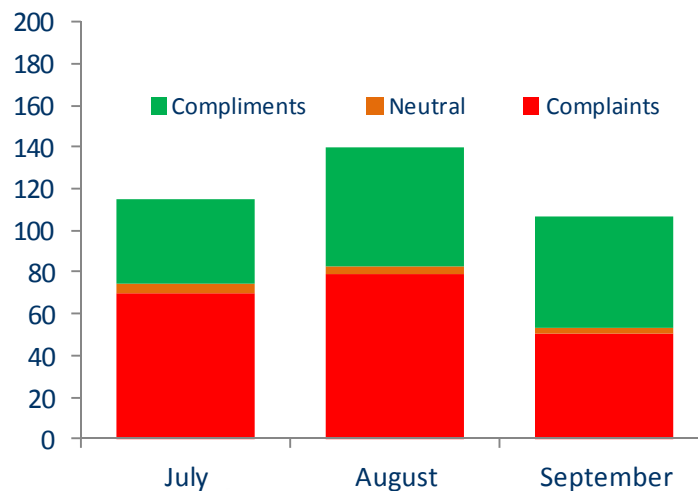
- “At the terminal they just said “sorry you were given wrong information, there is no way for you to bring the toddler bike on the ferry.”
- “Extremely rude staff at the check in counter at Departure Bay terminal.”
- “We travel from Swartz Bay – Village Bay 3 times a week delivering groceries and sometimes we are told we need to shut off our refrigeration unit. This can result in spoiling our meat and dairy and can’t be done in this heat. We are only met with conflict by one employee in particular.”

Compliments

- “Thank you BC Ferries staff. 8 couples and classic cars from the Prince George Cruising Classics car club thank you all for your kind and extra special treatment and placement of our cars on the ferry crossings we took this past week. Our trip has been made extra special thanks to you.”
- “She went above and beyond to build me a ferry and hotel package I could do with my time and budget here in BC. All while being friendly. Great Rep.”
- “I am so very grateful for you and all the other staff for finding and returning my purse to me - what excellent service you all provide.”

Staff Helpfulness includes:

Group/Attribute	Complaints	Neutral	Compliments
Check-In: Staff Helpfulness	71	6	9
Inside the Terminal: Staff Helpfulness	63	0	44
On the Ship: Staff Helpfulness	42	4	66
Outside the Terminal: Staff Helpfulness	10	0	4
On the Phone: Information Accuracy	7	0	3
On the Phone: Agent Helpfulness	5	0	24
On the Phone: Resolution of Issues	1	1	2
% of all comments (2,380)	8.4%	0.5%	6.4%



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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.

Food and Retail Services

Sample of Customer Comments:

Complaints

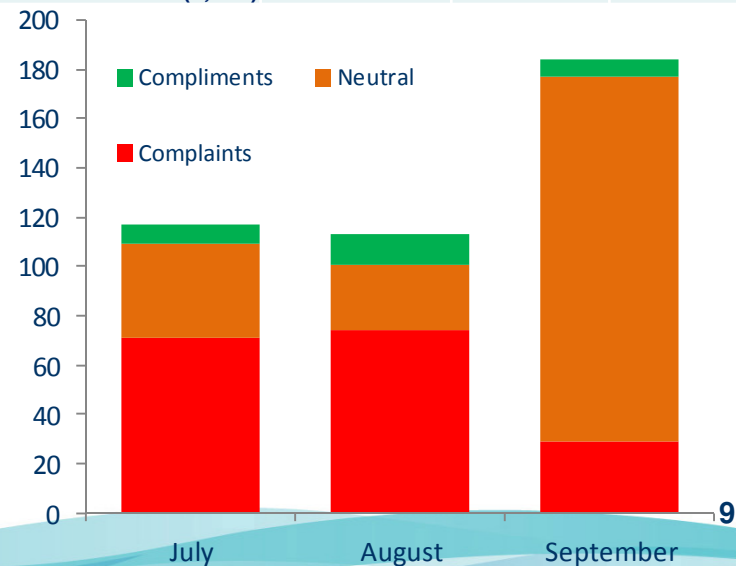
- "YouTube is blocked, Facebook is blocked, I can't connect with my phone, I can't use the built in web link help files on my software – this is by far the worst Wi-Fi I have ever had on a ferry!"
- "I am staunch supporter of BC Ferries. However, I find the Wi-Fi extremely sporadic and frustrating. Please increase your Wi-Fi grid or end its usage. "
- "One of your best meal options was the noodle box, which has now been eliminated from the menu. This lead to us eating only clam chowder (very overpriced for the size of the bowl!). A big disappointment that will probably result in us bringing our own food next time."
- "The breakfast offerings are in fact - pathetic. At least a greasy spoon diner only dares to charge half (at most) what you pillage your captive market for! Not impressed!"

Compliments

- "Everything and everyone was great. Truly appreciated the seawest lounge. That will be our choice from now on."
- "The Pacific Buffet @BCFerries is quite delicious, has fast service, and is comfy!"
- "I am really impressed with the ladies clothing that you carry onboard. I particularly like a couple of lines, the Maloka and Angela Mara. I don't travel on the ferries more than once a year and would love to see you offer the collections online!"

Reservations includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Ship: Amenities	117	127	8
Food and Retail Services: Food Selection/Quality	28	9	3
Food and Retail Services: Staff Helpfulness	14	0	7
Food and Retail Services: Lounge/Buffer/Coffee Bar	7	3	1
Food and Retail Services: Retail Value	4	5	0
Food and Retail Services: Food Value	4	1	0
Food and Retail Services: Retail Selection	0	65	8
Food and Retail Services: Online Giftshop	0	3	0
% of all comments (2,380)	7.3%	8.9%	1.1%



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Food and Retail Services

Root Cause:

Amenities / Wi-Fi:

On July 5, 2010 BC Ferries started the pilot project for a complimentary Wi-Fi service to allow customers to browse the web or check e-mail while travelling with BC Ferries. This service is now available at the Swartz Bay, Tsawwassen, Departure Bay, Horseshoe Bay and Langdale terminals as well as onboard select vessels that travel to and from these terminals.

A standard global filtering service is restricting access to websites tagged as displaying inappropriate content. Furthermore, streaming websites are restricted in order to allow all customers shared access to the limited wireless bandwidth available on our networks for basic web browsing and e-mail usage. To allow streaming media would impact other customer's ability to use the free resource efficiently.

The high demand for Wi-Fi during busy sailings can lead to access issues.

Lessons Learned:

Customers need to be kept informed of the restrictions that do apply to the free Wi-Fi service to avoid disappointment.

Action Taken:

The BC Ferries website provides information about the complimentary Wi-Fi service as well as a list of Frequently Asked Questions to assist customers who encounter difficulties with the service.

The possibility of expanding the Wi-Fi bandwidth is currently under review.

Food and Retail Services

Root Cause:

Food Selection/Cost:

BC Ferries offers a variety of food services comparable in cost to venues on land such as coffee shops, fast food restaurants and buffet services.

Consumer behavior demonstrated loyalty towards favorite menu items and in the past BC Ferries was hesitant to remove such items in favor of new and unproven menu options.

Lessons Learned:

Through customer feedback BC Ferries has recognized that frequent customers are expecting more frequent changes to the menu options.

Action Taken:

In order to determine customers' interest, BC Ferries offered additional White Spot menu items onboard vessels servicing the Departure Bay – Horseshoe Bay route on a trial basis and conducted a survey after completion of the trial. Customer feedback was positive and BC Ferries gradually expanded the popular White Spot menu options onboard vessels servicing the Swartz Bay – Tsawwassen, Departure Bay – Horseshoe Bay and the Duke Point – Tsawwassen routes starting April 17, 2013.

The renewed partnership with White Spot enables BC Ferries to offer greater flexibility to make periodic changes to the menu options in future.

Loading/Unloading

Sample of Customer Comments:

Complaints

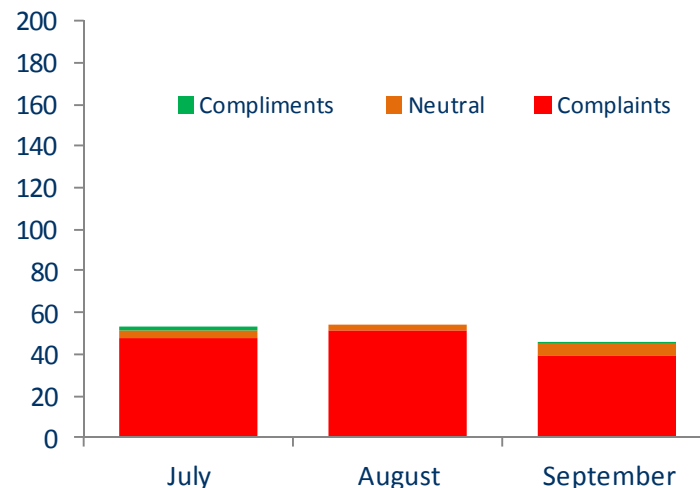
- "Just a note to let you know how unhappy we are with your service, as we wait in line for the next sailing after watching 40 plus cars that arrived after us get on the boat. One would think after rewarding your employees recently that they could do a better job."
- "I have been riding the ferry from Horseshoe Bay – Langdale for 15 years. They used to load cars so that the first cars at the terminal were the first cars off the ferry, but now it seems like whenever I show up early they stick me in the lane that unloads off the ferry last. The last incident I had to wait at Horseshoe Bay for the next ferry and I was the fifth car in line. I was directed down the side lane on the ferry and knew that I would now be behind 200 other vehicles. This is really starting to be a problem for me and I would like to see the ferry loaded on a first come first served basis. Please correct this problem."
- "We very much look forward to the replacement of the Queen of Nanaimo with a new modern vessel that allows on and off direct loading and the doing away with the extremely inefficient one way loading and unloading at the bow of the current vessel and the hair pin turn at the stern. Is this true? Thank you."

Compliments

- "I am so very impressed how you can load and unload 700+ cars in 18 minutes! And then feed all the people inside them so efficiently!"

Loading/Unloading includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Ship: Loading/Unloading	66	6	1
Inside the Terminal: Loading/Directions	64	5	2
Sailings: Loading Error	8	1	0
% of all comments (2,380)	5.8%	0.5%	0.1%



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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
- Fewer vehicles on the car deck
- Increased sailing waits for customers left behind

On The Web

Sample of Customer Comments:

Complaints

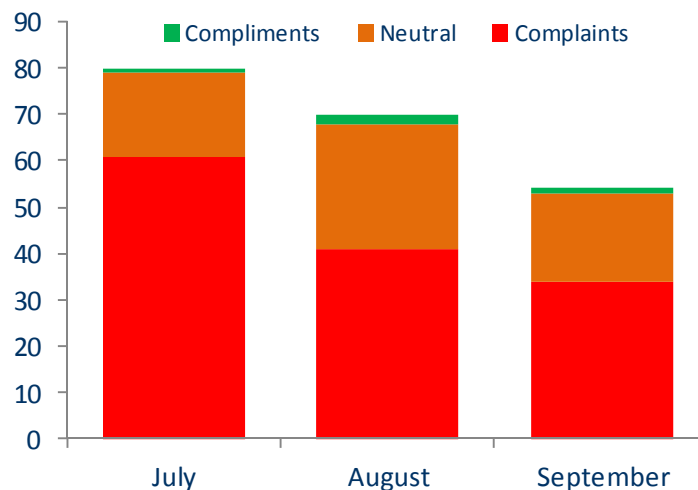
- "I am unable to log onto your site for reservations and to load my experience card. When I inquired I was told it is because I am using IE 10. Have you resolved this situation and if not, why not. This is ridiculous!! I rely on the ferries regularly and am most frustrated by this situation. Please advise what you are doing about this?"
- "OK, I have given up trying to activate my BCFerries account. I tried to use "Firefox" no luck so I switched to "Google Chrome" still no luck. I had two passwords sent to me and both did not work. It shouldn't be this hard. Do I now want an account with your company? No I do not. When you get your site less complicated then maybe I'll consider it."
- "Hi, Just thought you should know that your new reservation system takes much longer than the old one. It is also very frustrating as if you make a mistake you can't go back."

Compliments

- "BC Ferries has one of the best websites in the world."

On the Web includes:

Group/Attribute	Complaints	Neutral	Compliments
Reservations: Online Reservations	49	6	0
On the Web: Design and Usability	35	13	2
On the Web: Login/Passwords	14	24	0
On the Web: Information/General	11	13	1
On the Web: Travel Planning	11	3	1
On the Web: Current Conditions	8	0	0
On the Web: Service Notices	8	4	0
On the Web: Online Giftshop	0	1	0
% of all comments (2,380)	5.7%	2.7%	0.2%



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 Note: All data is for Q2 2013/2014 (July 1st to September 30th 2013)

On the Web

Root Cause:

The volume of complaints associated with BC Ferries' customer-facing website has declined over 14 percent (from 20.0 percent to 5.7 percent) when compared to the same period last year. This is due primarily to the successful launch of an improved online reservation system on April 30, 2013.

Major changes were made to correct technical and user interface issues that made the customer experience fall short of expectations.

Lessons Learned:

The dramatic reduction in customer complaints, as well as an increase in the number of positive comments received, reflects the success of the initiative.

Ongoing customer input regarding website performance, while no longer focused on problems with online reservations, has helped us prioritize issues to be addressed going forward. Account accessibility, browser compatibility, user interface refinements and timeliness of service notice e-mail notifications are at the top of the list.

Action Taken:

Another release to further improve the customer's online experience is expected to roll out before the end of the calendar year.