

Complaints Resolution Report

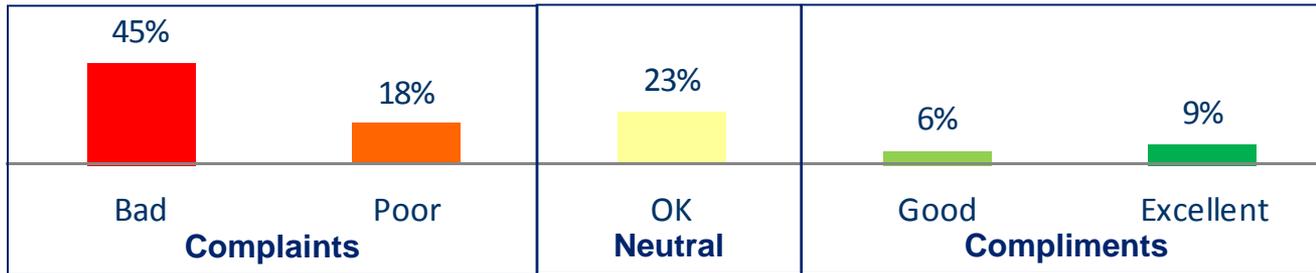
Quarter ended December 31, 2011



Feedback Summary

- During Q3 of the 2011/12 fiscal year 4.3 million customers travelled with BC Ferries.
 - BC Ferries received 1,976 comments in Q3 2011/12

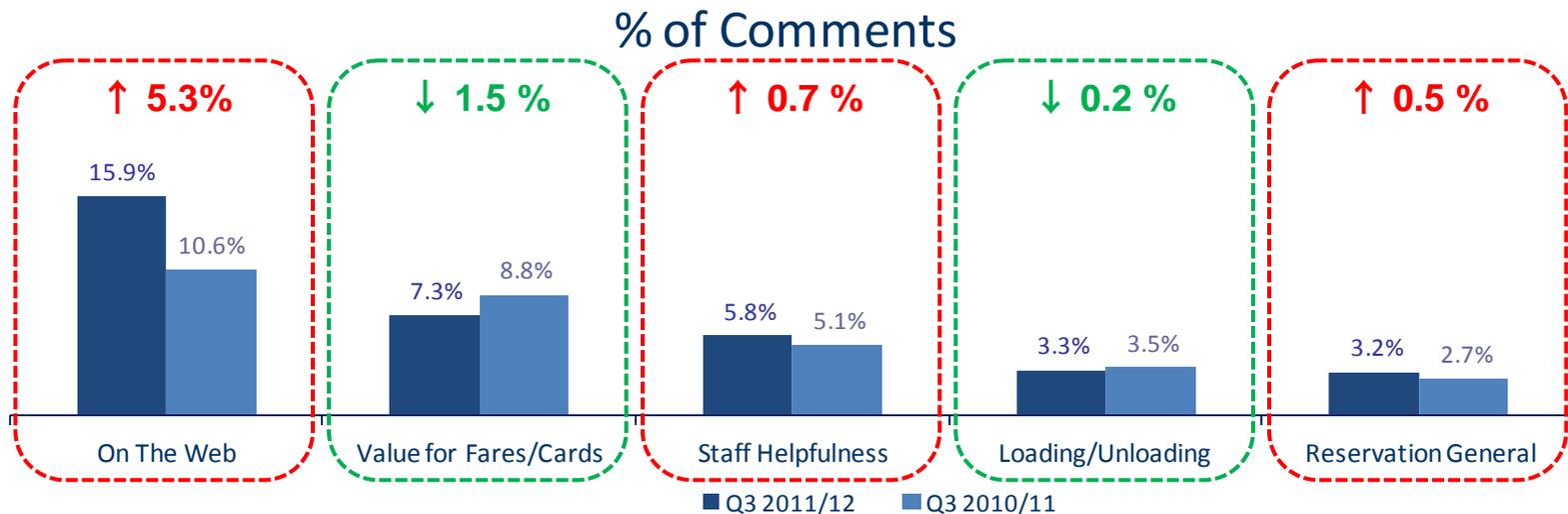
Distribution of Comments by Rating



- Customer initiated feedback tends to be negative. Fifteen percent (15%) of all customer feedback received in Q3 2011/12 was complimentary.
- “On the Web” was the top issue: 314 complaints* were made, representing 16% of the total comments received in Q3 2011/12.
 - Top 5 complaints combined represent 36% of all complaints received in Q3 2011/12
- “General” comments are excluded from this analysis:
 - 181 “General” comments were received which were primarily made up of suggestions (56) and company information (64)
 - In addition, BC Ferries received a petition signed by 1000 Denman Island residents opposing the [Cable Ferry project](#) in November 2011.

Top Complaints*: Corporate

#	Complaint	Q3 2011/12		Q3 2010/11	
		Complaints*	% of Comments (n=1,976)	Complaints*	% of Comments (n=2,189)
1	On the Web	314	15.9%	233	10.6%
2	Value For Fares/Cards	145	7.3%	193	8.8%
3	Staff Helpfulness	115	5.8%	112	5.1%
4	Loading/Unloading	66	3.3%	77	3.5%
5	Reservation General	64	3.2%	59	2.7%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: Q3 2011/12 = October 1 to December 31, 2011
 Q3 2010/11 = October 1 to December 31, 2010

On The Web

Sample of Customer Comments:

Complaints

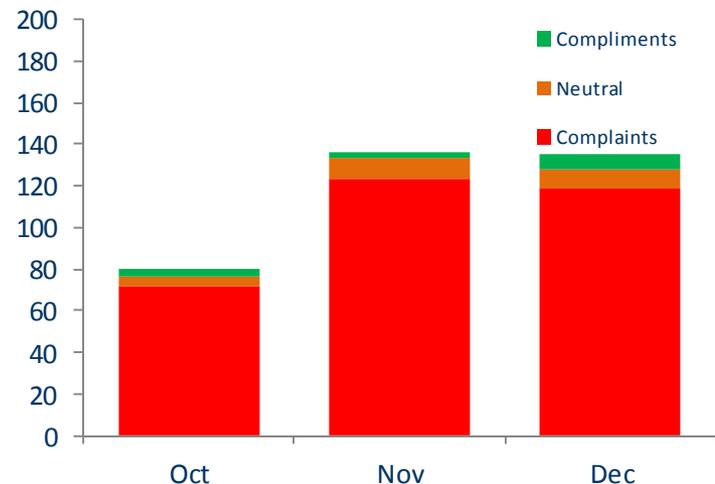
- "The website is difficult to navigate and confusing when one is in a hurry to get information. It was poorly designed and very badly thought out. The food on the ferries is also poor and expensive, very similar to the gouging at an airport. Leaves a bad taste."
- "Even though I tried to create a new account, on activation I was told that it had expired after 14 days. This is the same message I received when trying to create an account months ago. This time I responded the next day and still get this message!"
- "I am trying to reset my password and my answer to the security question keeps coming back as incorrect. Trying to make a reservation... Thanks."

Compliments

- "Hi - the colour coded schedule is great! Please do this same graphic approach for weekend/summer, maybe you can persuade a few travellers to avoid the commuter sailings!"
- "You do a great job at keeping us all in the loop. Proud to share the same marine waterways with you in Sidney & Active Pass."
- "You are the 3rd person in my feed to commend [@BCFerries](#) for their good online handling of inquiries regarding sailing cancellations."

On the Web includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Web: Login/Passwords	171	4	0
On the Web: Design And Usability	79	7	2
On the Web: Service Notices	24	4	2
Reservations: Online Reservations	22	1	0
On the Web: Information/General	7	3	7
On the Web: Travel Planning	6	2	0
On the Web: Current Conditions	5	2	2
On the Web: Online Giftshop	0	0	1
% of all comments (1,976)	15.9%	1.2%	0.7%



On the Web

Root Cause:

1. Login/Passwords
2. Design and Usability

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:

1. Login/Passwords
2. Design and Usability

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:

1. Login/Passwords
2. Design and Usability

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

Another release, originally slated for December 2011, was postponed for further testing and is now planned for early 2012. Once completed it will make it easier for customers to validate their myBCFerries accounts and unsubscribe from e-mail notification. It will also remove an access problem associated with the Internet Explorer 9 browser.

In addition, an “Express Reservations” option is being developed for people who want to reserve online without having to create myBCFerries accounts. As part of our development, we are conducting usability tests with customers to ensure the planned changes are effective. The option is planned for release in 2012.

Value For Fares/Cards

Sample of Customer Comments:

Complaints

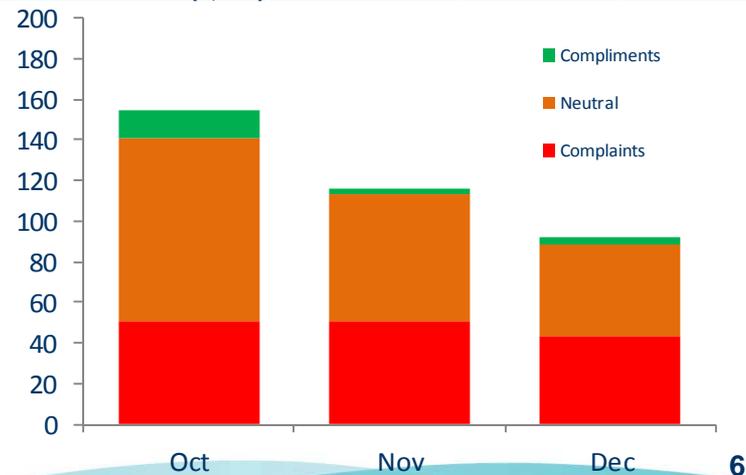
- "I recently travelled with my sister and brother-in-law from Montreal. I was appalled that they could not receive the seniors discount on the passenger fare. My fare was free but what happened to "taking care of Canadian Seniors"?"
- "I have been travelling on the BC Ferries since 1973. For the first time ever, we have decided not to take a trip to Saltspring Island to visit friends because of the cost. A weekend visit is now \$178 return on the ferry for 3 people. When you include the cost of cost of gas it will cost over \$200. It's too much and we are not going. "
- "I am curious and not just a little furious to learn that the BC Experience Card is only available for certain routes and does not apply to the Tsawwassen to Vancouver Island run. In an era where your new ED publicly stated that his goal is to address the serious issue of the excessive cost of fares in BC Ferries it seems prejudice to offer this discount card on some routes and not on others..."

Compliments

- "I dealt with an amazing customer relations person at your office regarding my ALT refund request. He was excellent. Not only did he listen well but also explained the situation very clearly, was patient and polite and followed up promptly. Please hire more people like him. He keeps customers happy and was super pleasant and polite."

Value For Fares/Cards includes:

Group/Attribute	Complaints	Neutral	Compliments
Fares: Value For Fares Paid	48	13	0
Fares: Discount Fares	23	26	0
Fares: Experience Card	20	15	4
Fares: Refunds	14	59	10
Fares: Coast Card	13	47	4
Fares: Errors	11	5	0
Fares: Other Fares	5	22	2
Fares: Sailpass/Circlepac	4	4	0
Fares: Promotions	4	3	1
Fares: Frequent Travel	2	2	0
Fares: Credit/Debit Card	1	1	0
% of all comments (1,976)	7.3%	10.0%	1.1%



Value For Fares Paid

Root Cause:

General Fares:

The Annual fare increase went into effect April 1, 2011 in accordance with the price provisions set by the BC Ferry Commissioner in September 2007 for Performance Term Two. Price caps were set that took into account the significant capital investment in ships, terminals and Information Technology BC Ferries had to make.

The price cap increases also reflected the decision made by the Provincial Government to keep service fees at status quo levels without applying any inflationary factor. It also reflected the terms of the Coastal Ferry Services Contract with the Provincial Government, which have not allowed BC Ferries to make any significant adjustments to service levels to achieve operational efficiencies that could lead to reductions in costs and fares.

Since 2003 there has been an approximate 260% increase in fuel costs, as well as significant operating cost increases, such as insurance premiums, property taxes, utilities, benefits program rates, contractual labor costs, and regulated labor requirements.

Experience Cards & Discounted Fares:

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 of 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.

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:

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 may be other causal factors affecting ridership.

Action Taken:

On September 27, 2011 the company announced a major cost containment initiative in an effort to address the significant drop in revenues in the first half of the fiscal year as a result of declining traffic. Cost saving actions include: a hiring freeze of all non-essential positions; two-year wage and salary freeze; eighteen-month delay in select capital expenditures; elimination of many charitable and community donations; and select early retirements. In addition, BC Ferries applied to the Province to reduce up to 400 round trips on the major routes in response to traffic declines and anticipated revenue reductions.

Staff Helpfulness

Sample of Customer Comments:

Complaints

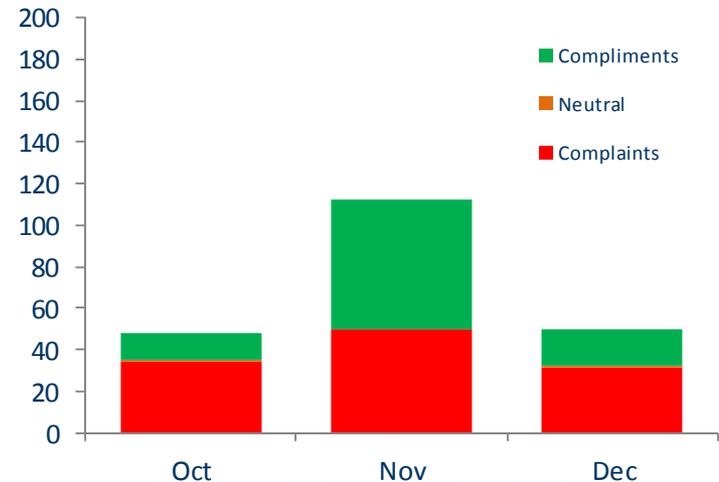
- “Hello I just visited the Departure Bay Customer Service to inquire about weather forecasts for tomorrow and the woman there was extremely rude, unhelpful, very unfriendly, negative bad attitude, made every effort to make me feel like I was wasting her time and not at all like a customer...”
- “The lady pretty much told me to go online and figure out the rates myself. Seemed like I had bothered her and she didn't have time to answer my question.”
- “I called yesterday and asked about the sailing from Prince Rupert to Skidegate. I was told that it was revised and sailing at 8am the 24th. Now I find out it went last night at 10pm. I have a family here that isn't going to make it home for Christmas. I feel lied to.”

Compliments

- “A big thank you to the wonderful BC Ferries gentleman at Swartz Bay yesterday who helped me when I locked my keys in the car.”
- “BCFerries well done tonight! :-) you guys did a killer job despite this crappy weather especially with the twitter updates.”
- “#3 employee of the day – he made me laugh so early on a Saturday morning. TxS! Yes indeed – txs to booth #3 in Langdale – please pass along my txs.”

Staff Helpfulness includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Staff Helpfulness	42	1	17
Check In: Staff Helpfulness	35	1	8
Fares: Staff Helpfulness	18	0	23
Outside the Terminal: Staff Helpfulness	7	0	1
On the Phone: Information Accuracy	6	0	0
On the Phone: Agent Helpfulness	5	0	44
On the Phone: Resolution Of Issues	2	0	0
% of all comments (1,976)	5.8%	0.1%	4.7%



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 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

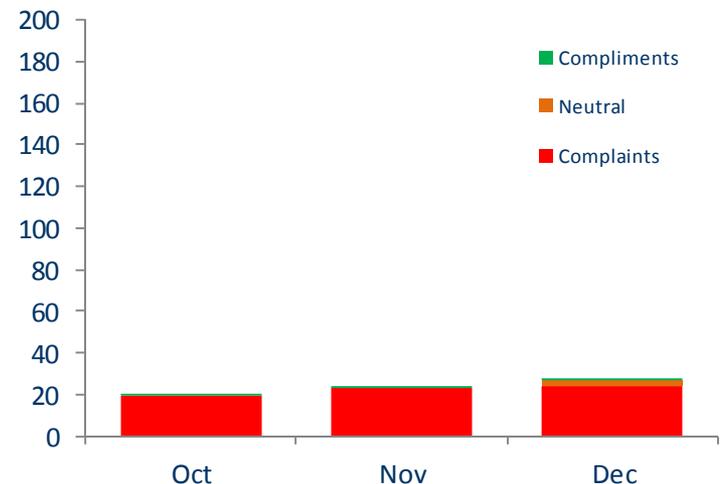
- "What is the point of arriving early if you are not going to use the first come first serve method. We were in the second row of non-reserved cars when we arrived but were the second to last to board. Why should we?"
- "I drive a Smart car. Very, very, very often I'm shoved off to the side of the vessel because the size of my car is convenient for your staff to shove off in a small tiny space. Doesn't matter that I have been waiting in line ahead of larger size cars... Workers see my car and frantically wave their arms shoving me to the side..."

Compliments

- "I am a disabled woman, driving an accessible van that deploys a 4 foot ramp of the side. When I drove on the 5pm Ferry in Vancouver (heading for Victoria) on Dec 1st a female deckhand stopped me asking what accommodations I needed. I told her about the ramp/ need for elevator etc. She held me back as she loaded more cars and then directed me to take my position. When I got to my spot my ramp deployed PERFECTLY right in front of the elevator. Travelling by ferry fairly often I recognize this is the ideal conclusion but I have never had such success. That deckhand took the time to hear me and to understand what I needed - for a disabled person (anxious about getting trapped in the car for the trip) I found this deckhand's ability in her job a fantastic relief! I hope this message can somehow be passed along to her so she knows her skill (and ability to listen) made my experience remarkable...it is the little things that make all the difference. Thank you"

Loading/Unloading includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Loading/Directions	35	3	0
On the Ship: Loading/Unloading	28	0	2
Sailings: Loading Error	3	0	1
% of all comments (1,976)	3.3%	0.2%	0.2%



On the Ship: 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

Reservation General

Sample of Customer Comments:

Complaints

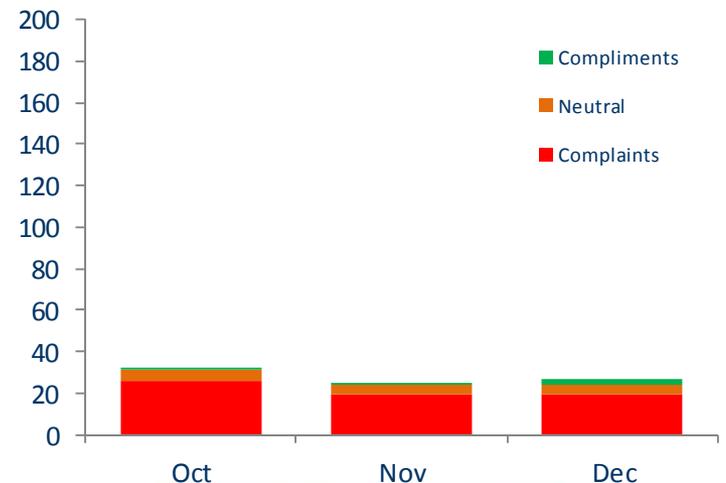
- “I missed my reservation by 10 minutes. Do I really deserve a 2 hour wait as punishment? If you pay for a reservation, I believe your place should be held until boarding.”
- “I wonder if you have any idea how intractable, inflexible, dogmatic and unfriendly your reservation policy is.”
- “I don’t buy reservations. I use the ferry frequently and the costs make it difficult to justify. Also passenger traffic should be first come first serve, no reservations, no priorities if you pay more. 2-tiered system penalizes frequent travellers.”
- “I have reservations for a team of 21 soccer players. We arrived three minutes after the suggested pre-boarding time to be placed with the reservations. The lady at the booth made the decision not to place us in the lane when there was clearly lots of room in the lane... We missed our ferry. Holding back a full team is different than a single vehicle. Some lenience and grace should be afforded by your staff at the ticket window...”

Compliments

- “A sincere note of thanks to BC Ferries reservations agent ***** for her help and guidance with my holiday ferry reservations. She was a great help! May she be recognized for her wonderful phone manner and customer service skills. Merry Christmas!”

Reservation General includes:

Group/Attribute	Complaints	Neutral	Compliments
Reservations: Policies	27	5	0
Check In: Reservations	10	2	0
Reservations: Availability	9	0	2
Reservations: Flexibility/Changes	6	1	1
Reservations: General	5	5	0
Reservations: Cost	5	1	0
Reservations: Automated Phone Reservations (IVR)	2	0	0
Reservations: Booking With An Agent	0	1	2
% of all comments (1,976)	3.2%	0.8%	0.3%



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 honoured and they must travel on standby.

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 reservation not being redeemed as per policy. 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.