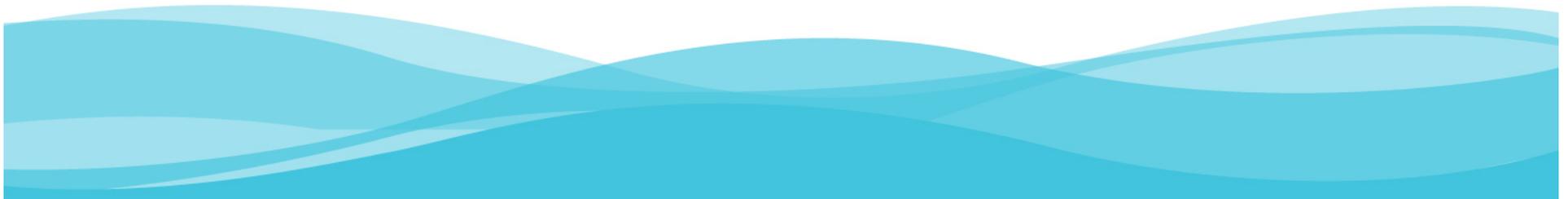


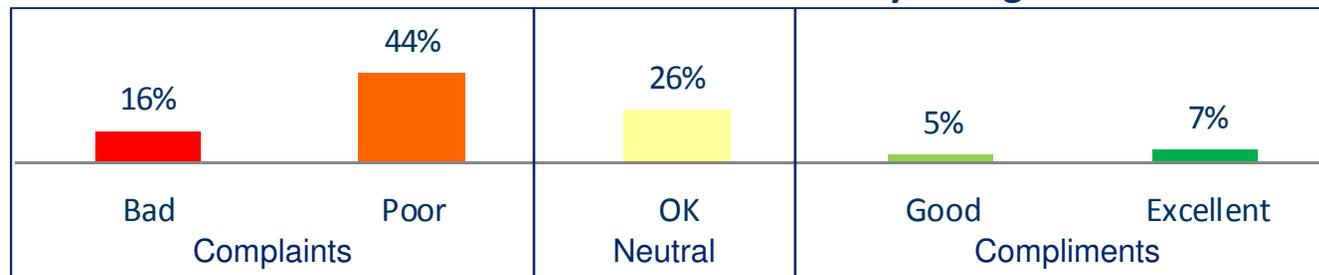
Complaints Resolution Report 2013/2014



Feedback Summary

- During the 2013/14 fiscal year 19.7 million customers travelled with BC Ferries
 - BC Ferries received 8,801 comments in 2013/14
 - The average time to respond to customers was 2.9 days in 2013/14

Distribution of Comments by Rating

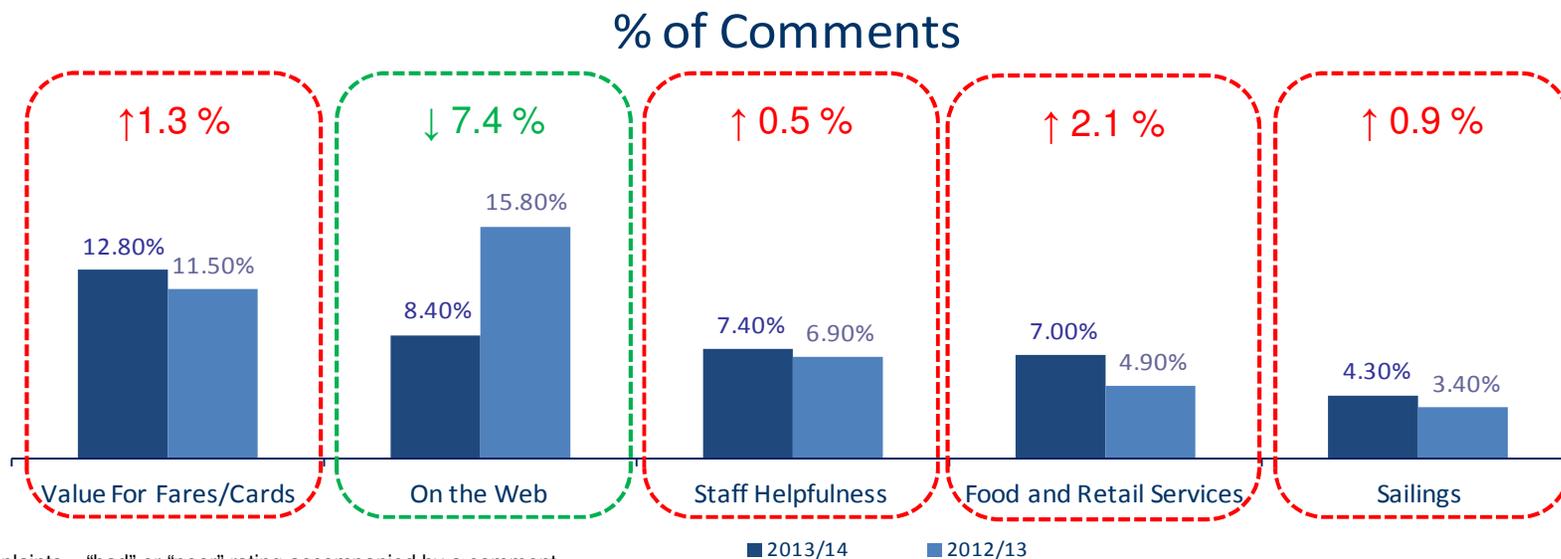


- Customer initiated feedback tends to be negative. Twelve percent (12%) of all customer feedback received in 2013/14 was complimentary
- “Value for Fare/Cards” was the top issue: 979 complaints* were made, representing 12.8% of the total comments received in 2013/14
 - Top 5 complaints combined represent 40% of all complaints received in 2013/14
- “General” comments are excluded from this analysis, along with comments with no rating:
 - 1,034 “General” comments were received which were primarily made up of company information (347), suggestions (317) and (115) comments were provided with no rating

*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: 2013/14 = April 1, 2013 to Mar 31, 2014

Top Complaints*: Corporate

#	Complaint	2013/14		2012/13	
		Complaints*	% of Comments (n=7,652)	Complaints*	% of Comments (n=7,201)
1	Value For Fares/Cards	979	12.8%	827	11.5%
2	On the Web	642	8.4%	1,141	15.8%
3	Staff Helpfulness	567	7.4%	499	6.9%
4	Food and Retail Services	532	7.0%	356	4.9%
5	Sailings	332	4.3%	244	3.4%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: 2013/14 = April 1, 2013 to March 31, 2014
 2012/13 = April 1, 2012 to March 31, 2013

Value For Fares/Cards



Sample of Customer Comments:

Complaints

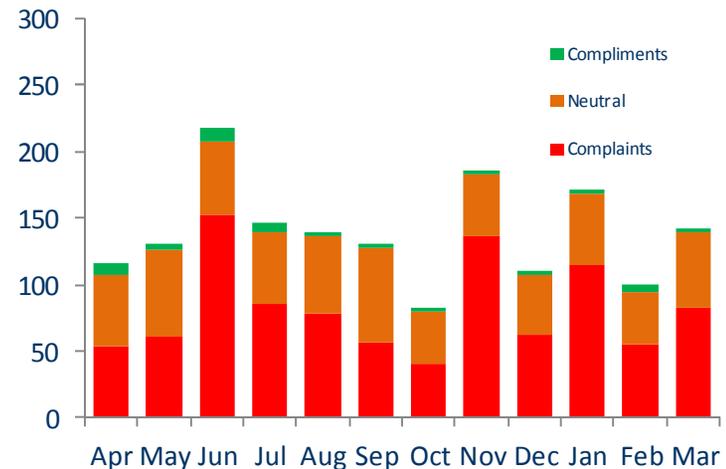
- “The price increases are ridiculous! Without exception, every person on the islands feels a hostage to BC Ferries and is resentful of the continual increases, very sad.”
- “Discounts should be available on all major routes. It’s also ridiculous to make regular users subsidize seniors Monday to Thursday when many of the seniors are sufficiently affluent to pay some fare, if not full fare.”
- “Hello, I just received an e-mail from you regarding an increase in the minimum amount of money that can be put on the card. Now \$115. Please tell me why this rate keeps increasing? What difference does it make to you?”

Compliments

- “Greetings: Just wanted to say 'thank you' to whoever decided to give the gift of a free ride on the ferries for seniors on November 11th. Although we were not able to travel that day as planned, the thought was much appreciated.”
- “I like the Experience Cards so much better than the tickets you used to have. They are really really good.”

Value For Fares/Cards includes:

Group/Attribute	Complaints	Neutral	Compliments
Fares: Value for Fares Paid	388	46	4
Fares: Experience Card	207	152	15
Fares: Other Fares	72	109	5
Fares: Discount Fares	80	82	13
Fares: Refunds	55	105	9
Fares: Coast Card	48	75	2
Fares: Errors	78	41	1
Fares: Credit/Debit Card	8	19	3
Fares: Promotions	24	3	1
Fares: Frequent Travel	17	8	0
% of all comments (7,652)	12.8%	8.4%	0.7%



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 Note: 2013/14 = April 1, 2013 to March 31, 2014

Value For Fares/Cards

Root Cause:

Fares: On April 1, 2013, BC Ferries adjusted its tariffs in accordance with the price cap increases set by the British Columbia Ferry Commissioner.

Discounted Fares & Social Programs: 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. The minimum buy-in level generally increases with the annual price cap adjustment, and is established at a minimum to cover two round trips for car and driver on any route which has an Experience™ Card discount. The logic for this is simply that the card is intended for frequent users, and two round trips is the most basic level of 'frequent'.

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 Provincial Government to operate these routes.

The Provincial Government provides fare subsidies for BC seniors, students and passengers with a permanent disability. The levels of discounts for these programs are set by the Provincial Government. 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 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.

As service levels are a public policy decision of government, BC Ferries has had limited opportunity to shape service to meet demand and to realize the associated operational savings that could help keep fares affordable.

Action Taken:

Amendments to the Coastal Ferry Services Contract (CFSC), which took effect April 1, 2012 included target net savings of \$30 million from service level adjustments over Performance Term 3. 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.

Through the BC Coastal Ferries Community Engagement initiative, the Provincial Government engaged coastal communities and ferry users from across the province on strategies to ensure the long-term sustainability of the coastal ferry service. In addition to seeking feedback on Government's proposed adjustments to service levels, opportunities to reduce the pressure on fares through such things as reducing the level of seniors' discount , introducing time of day pricing as well as loyalty programs, pursuing a gaming pilot project and other initiatives were canvassed.

On February 5, 2014 the Province confirmed \$14.9 million in service reductions will be implemented over the remaining two years of the current performance term commencing in the spring of 2014, to better align service levels to demand. Government also announced it will proceed with a reduction in the seniors' discount and pursue a gaming pilot project. BC Ferries was tasked with creating revised schedules, to announce the schedules to the public at the end of March and to bring them into effect on April 28, 2014.

On February 12, 2014 BC Ferries invited the public to provide their input on proposed revised schedules via on-line survey and phone interviews for a 10 day period. BC Ferries consequently held 10 meetings with community leaders and Ferry Advisory Committee members on the 16 affected routes to discuss public feedback and options on sailing schedule refinements in order to ensure optimal schedules were developed under the service level adjustments and still achieve the net savings set out by the provincial government.

Sample of Customer Comments:

Complaints

- "Hello: The new email notice confirming a reservation does not appear to contain the reservation confirmation number. It would help make things easier if you could include it – so paper copies are not required."
- "Regardless of which web browser I use on my iPad, I am constantly given a text based interface. I don't need a stripped down mobile or "wireless" interface thanks. What do I have to do to use the standard PC interface?"
- "I have been trying to make a reservation on your website all morning. It is stuck at the vehicle details page. It won't proceed. It is so frustrating, what is going on?"
- "I am sure many other computer users like myself use Google's Chrome as a browser. It is annoying that I am unable to see the ferry schedules in Chrome. Works perfectly with Internet Explorer, but a nuisance to call up just for this purpose."

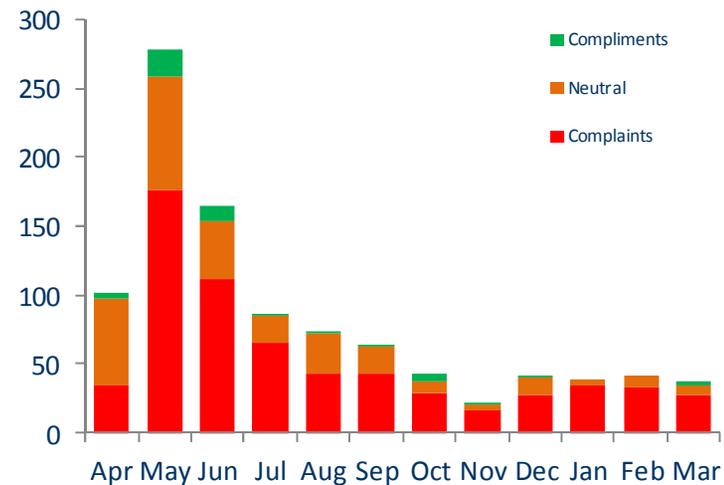
Compliments

- "So glad you updated your online reservation system! It is well laid out and easy to follow and finally accessible with no errors on my Mac computer! I appreciate all the effort and commend you on the change! Thank you!"

*Complaints = "bad" or "poor" rating accompanied by a comment
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On the Web includes:

Group/Attribute	Complaints	Neutral	Compliments
Reservations: Online Reservations	280	103	27
On the Web: Design and Usability	184	35	11
On the Web: Login/Passwords	53	91	1
On the Web: Information/General	43	44	5
On the Web: Travel Planning	33	7	4
On the Web: Service Notices	25	16	2
On the Web: Current Conditions	22	2	0
On the Web: Online Giftshop	2	4	0
% of all comments (7,652)	8.4%	3.9%	0.7%



Root Cause:

The volume of complaints associated with BC Ferries' customer-facing website has declined 7.4 percent (from 15.8 percent to 8.4 percent) when compared to last year. This is due primarily to the successful launch of an improved online reservation system on April 30, 2013.

As the year progressed, themes emerging from incoming customer feedback have touched on user interface design; site accessibility with certain browsers, operating systems and devices; and timing of e-mail notifications about service interruptions.

Lessons Learned:

The reduction in customer complaints reflects the success of the online reservation initiative.

Ongoing customer input has helped us prioritize issues to be addressed going forward. Account accessibility, browser and mobile device compatibility, user interface refinements and timeliness of service notice e-mail notifications are at the top of the list.

Action Taken:

A release was completed on February 25, 2014 to further improve myBCFerries account and online reservation interfaces, including compatibility issues related to the IE11 browser.

Active monitoring of new devices, new browsers and new version of established browsers has been implemented to help us identify potential compatibility gaps before they become widespread.

Staff Helpfulness

Sample of Customer Comments:

Complaints

- “Why did the cashier not tell me there was a one sailing wait? Now I am stuck in the terminal for two hours. Please in future tell your cashiers to smile and inform the customer of their boarding status. Not impressed by the lack of service I have received.”
- “Today when we were being loaded onto the Coastal Renaissance we encountered a very unprofessional employee who was extremely disrespectful when I rolled my window down to confirm which lane I had been directed to. Shaking his head and telling me to ‘relax’ was truly over the top and unnecessary.”
- “I got there 10 minutes before it left, I could still see people leaving the lobby to go up the ramp. She had an air of somebody I inconvenienced and told me I couldn't board, with no empathy. I felt I was being made an example of for being 5 minutes past time.”

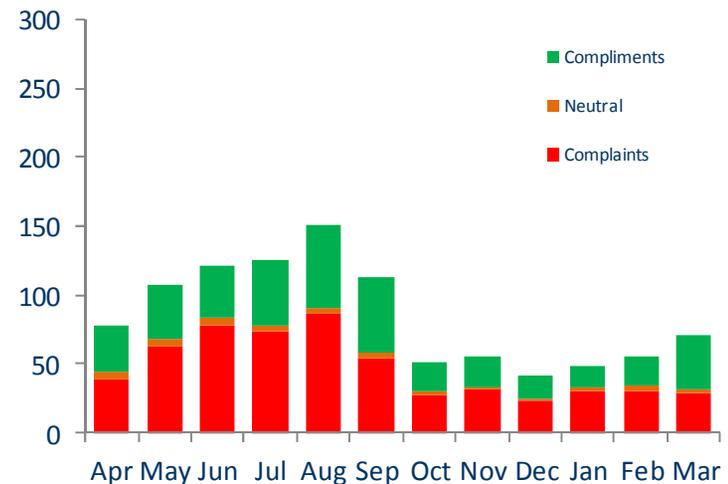
Compliments

- “Crisis 1: Car wouldn't start when we were getting off the ferry. Temporarily blocked all the traffic. Thanks for the jump @BCFerries! @BCFerries Thanks, we're on our way to a wedding so you guys saved the day :)”
- “Thanks for taking care of me when I lost my wallet last night. Incredible service!”
- “Thank you to @BCFerries for accommodating my sister and her wheelchair. Your staff is very friendly and helpful! #thankyou #bcferries.”

*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: 2013/14 = April 1, 2013 to March 31, 2014

Staff Helpfulness includes:

Group/Attribute	Complaints	Neutral	Compliments
Check-In: Staff Helpfulness	215	12	33
Inside the Terminal: Staff Helpfulness	168	3	96
On the Ship: Staff Helpfulness	127	22	223
Outside the Terminal: Staff Helpfulness	20	0	11
On the Phone: Agent Helpfulness	16	3	40
On the Phone: Information Accuracy	14	2	3
On the Phone: Resolution of Issues	7	1	4
% of all comments (7,652)	7.4%	0.6%	5.4%



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.

In the spring of 2014, BC Ferries launched a new customer service enhancement program to manifest BC Ferries' expectation of employee's customer service delivery.

Food and Retail Services

Sample of Customer Comments:

Complaints

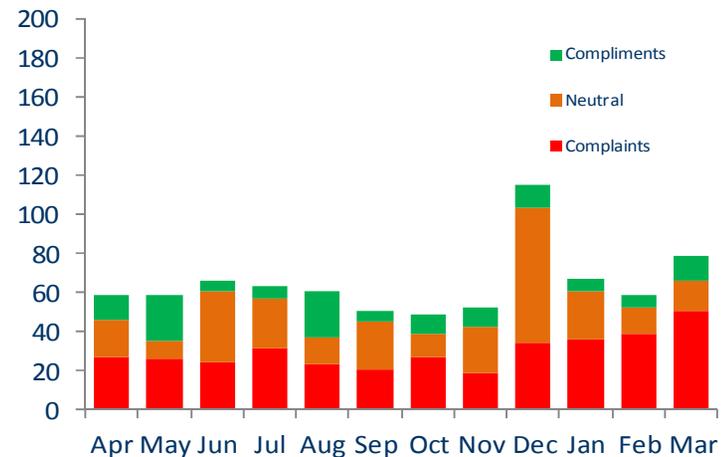
- “The BC Ferries Wi-Fi is without a doubt the worst Wi-Fi I’ve ever encountered. You could say ‘don’t use it then’, I am sending this from my phone because I can’t even e-mail the webmaster of the network I’m supposedly connected to? Ridiculous! Maybe just give up? Clearly someone at BC Ferries is already running with that idea.”
- “I used to look forward to early morning travel to the mainland when I knew that I could enjoy the wonderful buffet breakfast. Now, that is not available on the Coastal Renaissance. This is a real loss.”
- “As a customer who does business while travelling on BC Ferries, I do not understand why some fundamental web services are blocked. It's bad enough that the internet speed is dysfunctionally slow. What is the explanation for both these inadequate services?”

Compliments

- “I am a visitor from the UK and have been very impressed with your ferry service having now regularly travelled from Vesuvius to Crofton and vice versa.”
- “Everything and everyone was great. Truly appreciated the Seawest quiet lounge. That will be our choice from now on.”

Food and Retail Services includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Ship: Amenities	314	209	17
Food and Retail Services: Food Selection/Quality	124	33	12
Food and Retail Services: Lounge/Buffer/Coffee Bar	29	9	3
Food and Retail Services: Staff Helpfulness	28	2	16
Food and Retail Services: Food Value	24	2	1
Food and Retail Services: Retail Value	7	13	0
Food and Retail Services: Retail Selection	6	191	83
Food and Retail Services: Online Giftshop	0	6	1
% of all comments (7,652)	7.0%	6.1%	1.7%



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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.

Root Cause:

Vessels operating on the Swartz Bay – Tsawwassen route without buffet service:

The effort to more efficiently match vessels with traffic demand during periods with historically low traffic resulted in some vessels operating on the Swartz Bay – Tsawwassen route for approximately 4 months per year without the amenity of a Pacific Buffet. All vessels originally designated for the Swartz Bay – Tsawwassen route were planned and built with a buffet but it is cost prohibitive to retrofit a vessel with a buffet and seating area if the vessel is only going to be on the Swartz Bay – Tsawwassen route for a few months each year.

Lessons Learned:

The Pacific Buffet is a very popular amenity with frequent travelers on the Swartz Bay – Tsawwassen route. Customers needed to be made aware of the possibility of sailings without buffet service.

Action Taken:

As an alternative to the Pacific Buffet, the existing Sitka Coffee Place onboard the *Coastal Renaissance* was adapted to be able to offer a Breakfast and Salad Bar.

Through a prominent link on the homepage of the BC Ferries website, detailed information is provided regarding the onboard amenities available on the various vessels. And, on the Current Conditions Arrivals and Departures webpages customers can see what vessel is sailing at what time.

Sample of Customer Comments:

Complaints

- “It seems your service is late a lot but if we are 5 minutes late for a reservation you refuse the customer even though your ferry is late. This is unfriendly service.”
- “Too many cancellations due to mechanical problems....if you are going to charge top dollar, you need to improve your ships mechanical conditions or use the new ferries.”
- “I’ve actually been keeping track of your delays over the last year, weekends seem to be the time for out of service issues, mechanical problems, traffic etc. can you not do better at service scheduling and staff scheduling?”
- “You are killing us, I am on crutches and this preventable accident is costing me money, time, labour and grief. Mismanaged out of service ships in dry-dock should have been pulled into service immediately to replace the Queen of Nanaimo after the accident.”

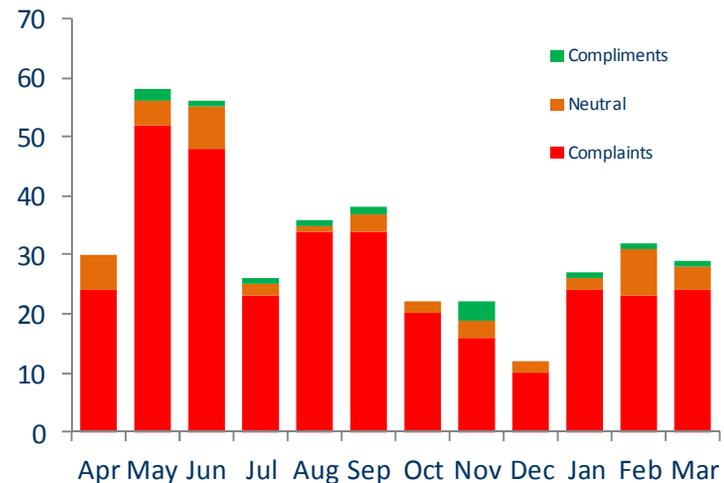
Compliments

- “I would like to thank the crew of Queen of Alberni for delaying the departure of the 12:45 sailing today. We were one of the last vehicles boarded after being delayed by that serious accident on Hwy 1.”
- “While the fact that the Queen of Nanaimo is going to be out of service this weekend and our travel plans are becoming a bit more tricky and time-involved, I wanted to let you know that I appreciate the effort you are putting in to make this as easy as possible for Gulf Island travellers.”

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Sailings includes:

Group/Attribute	Complaints	Neutral	Compliments
Sailings: Delays	203	11	7
Sailings: Cancellations	129	33	5
% of all comments (7,652)	4.3%	0.6%	0.2%



Root Cause:

Operational delays are often caused by situations that occur during the loading or unloading of the vessels (stalled vehicles, lost key, driver not in vehicle, etc.). Other impacts on service include mechanical issues, medical emergencies, marine emergencies and delays caused by weather.

Lessons Learned:

Sailing delays have an adverse affect on the daily life of our many commuting customers. If sailings have to be cancelled or the vessel has to be taken out of service, every effort must be made to restore service as soon as it is safe to do so.

Action Taken:

BC Ferries has a Service Interruption Plan that helps guide employees in managing delays and cancellations of service. However, each incident is reviewed and managed on a case-by-case basis to ensure the needs of the specific communities and customers are taken into consideration. The primary focus is always the restoration of full service as soon as possible.

In a specific example, the *Queen of Nanaimo* had to be taken out of service on November 2, 2013 further to an incident at Village Bay. The vessel required dry-docking and remained out of service until November 15, 2013. In the absence of an available replacement vessel, the following measures were put in place to assist customers with their travels to and from the Gulf Islands via the Swartz Bay terminal:

- Free reservations on the Tsawwassen – Swartz Bay route in conjunction with through-fare travel
- Improved through-fare procedures to facilitate connecting service
- Additional sailings on the Swartz Bay – Tsawwassen route
- Additional sailings on the Swartz Bay – Fulford Harbor route
- Additional stops at Pender Island and Galiano Island on the Swartz Bay – Southern Gulf Island route
- Inter-Gulf Island travel via Swartz Bay at the discounted Experience Card rate
- Frequent updates via service notices and news releases