

Complaints Resolution Report

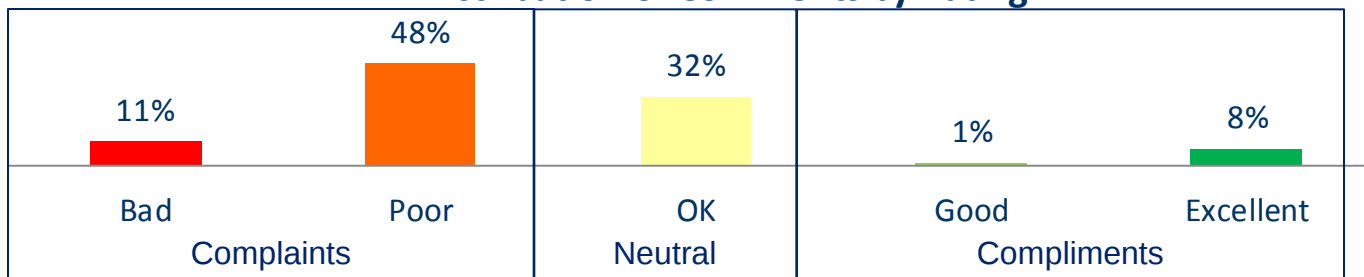
Quarter ended March 31, 2015



Feedback Summary

- During Q4 of 2014/15 fiscal year 3.7 million customers travelled with BC Ferries
 - BC Ferries received 1,352 comments in Q4 2014/15
 - The average time to respond to customers was 2.3 days in Q4 2014/15

Distribution of Comments by Rating



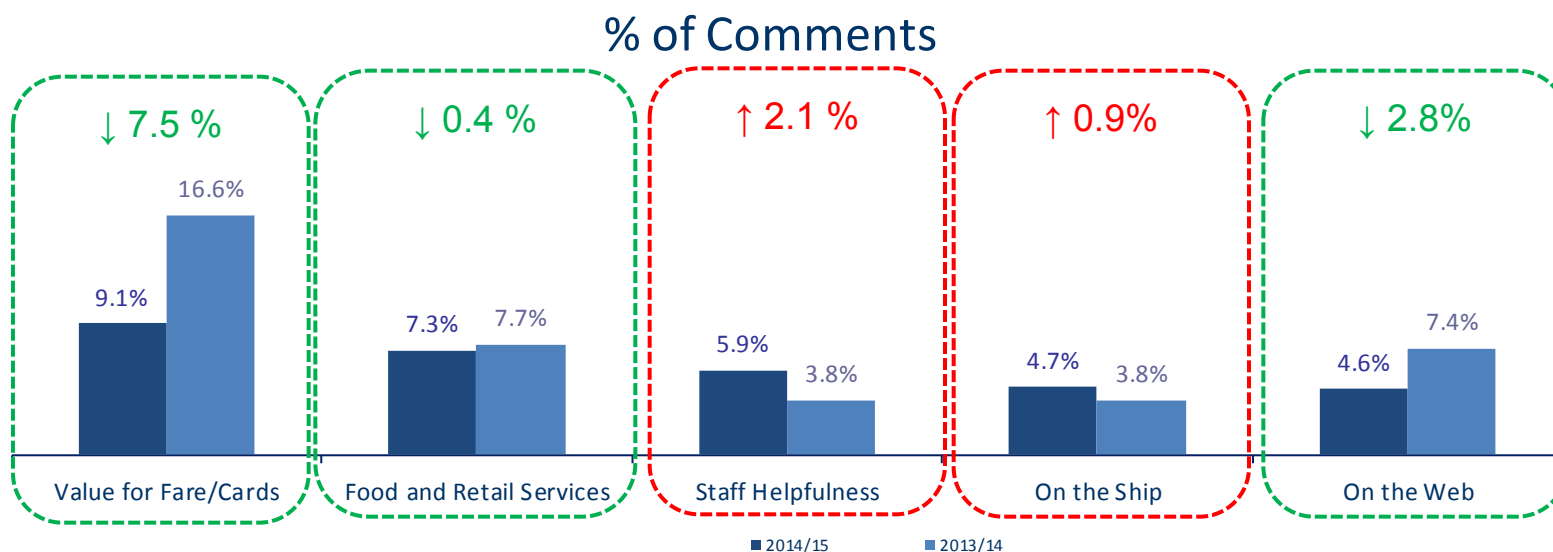
- Customer initiated feedback tends to be negative. Nine percent (9%) of all customer feedback received in Q4 2014/15 was complimentary
- “Value for Fare/Cards” was the top issue: 111 complaints* were made, representing 9% of the total comments received in Q4 2014/15
 - Top 5 complaints combined represent 54% of all complaints received in Q4 2014/15
- “General” comments are excluded from this analysis, along with comments with no rating:
 - 119 “General” comments were received which were primarily made up of Company Information (79), Community Issues (31), Environment (9) and 19 comments were provided with no rating
- Based on customer feedback, improvements were made to the online feedback form in October 2014. This resulted in some reorganization and changes to the feedback categories and areas to rate, impacting feedback volumes in the Categories Groups and Attributes.

*Complaints = “bad” or “poor” rating accompanied by a comment

Note: Q4 2014/15 = Jan 1, 2015 to Mar 31, 2015

Top Complaints*: Corporate

#	Complaint	Q4 2014 / 15		Q4 2013 / 14	
		Complaints*	% of Comments (n=1,214)	Complaints*	% of Comments (n=1,228)
1	Value for Fare/Cards	111	9.1 %	236	16.6%
2	Food and Retail Services	89	7.3 %	95	7.7%
3	Staff Helpfulness	72	5.9 %	47	3.8%
4	On the Ship	57	4.7 %	47	3.8%
5	On the Web	56	4.6 %	91	7.4%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note:
 Q4 2014/15 = Jan 1, 2015 to Mar 31, 2015
 Q4 2013/14 = Jan 1, 2014 to Mar 31, 2014

Sample of Customer Comments:

Complaints

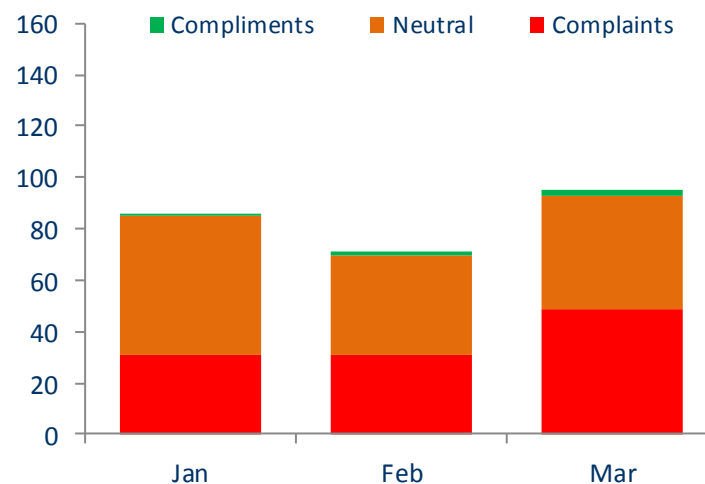
- “I think you have the reservation system kind of backward. We, who commit early to using your service, should be given a discount for reserving well ahead of time; those driving up should have a slightly higher price. This model, where you get a discount for committing/paying early, is often used in many other industries. Thank you.”
- “Our family of eight includes children 7 - 18 want to go to Mayne Island from Tsawwassen return and we can't find a cost under \$200. Is there any deals for Spring Break Vancouver to Gulf Islands?”
- “When fuel prices rose, BC Ferries imposed fuel surcharges. Now that fuel prices have significantly declined, will BC Ferries pass savings on to passengers? Thanks.”

Compliments

- “In 2014 there was a promotion for over length vehicles. This is great for people travelling with travel trailers but please announce it far enough ahead of summer so it can be used for campers with trailers who need to book camp sites in advance.”

Value for Fare / Cards includes:

Group / Attribute	Complaints	Neutral	Compliments
Fares: Value for Fares Paid	53	16	1
Fares: Experience Card	18	32	0
Fares: Discount Fares /Promotions	17	49	2
Fares: Errors	13	19	0
Fares: Assured Loading Card	5	20	1
Fares: Credit/Debit Card	5	1	0
% of all comments (1,214)	9.1 %	11.3 %	0.3 %



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q4 2014/15 = Jan 1, 2015 to Mar 31, 2015

Root Cause:

On April 1, 2014, BC Ferries adjusted its tariffs in accordance with the price cap increases set by the British Columbia Ferry Commissioner.

The option to reserve ferry travel on the major routes in advance was introduced in 1997. A reservation fee applies due to the fact that customers with reservations are guaranteed to travel on the reserved sailing and receive priority over customers without reservations.

Lessons Learned:

Fare affordability is a major concern for our customers and we continuously look for efficiencies as well as other opportunities to contain costs and increase ancillary revenue.

Through customer feedback we have identified the need for a pricing model that will reward customers who book in advance.

Action Taken:

On December 2, 2014, BC Ferries submitted an application for the *Fare Flexibility and Digital Experience Initiative*, which proposes e-commerce and information technology upgrades that will drive significant change in how the company does business and serves its customers over the next decade. The BC Ferry Commission conditionally approved this application on February 2, 2015. The Initiative is currently in the planning stages and is expected to be implemented in phases starting in 2017.

BC Ferries Vacations offers over 70 unique travel packages to 40 destinations complete with ferry reservations to provide all-in-one convenience, quality and value.

Effective December 17, 2014 BC Ferries removed the 3.4 per cent fuel surcharge.

On March 25, 2015 BC Ferries announced that a tariff increase approved by the BC Ferries Commissioner, as well as a fuel rebate will come into effect on April 1, 2015.

Food and Retail Services

Sample of Customer Comments:

Complaints

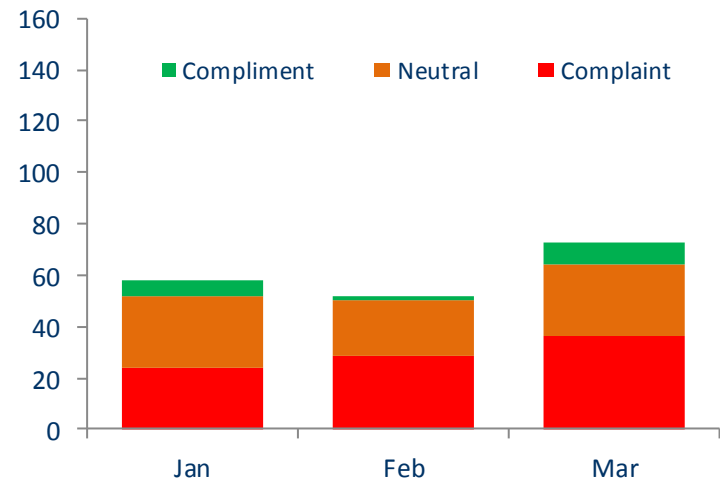
- “I would like to make a complaint regarding the onboard wireless network. I am currently sailing from Tsawwassen to Victoria and I have been having awful trouble connecting to the wireless network with my phone and laptop. I would like to see this problem resolved on all ferries. Thank you.”
- “I am @ Horseshoe Bay and every time I try to look @ things on the web it keeps blocking the stream and say I can't view the page or video cuz of filters I can't even watch Netflix while waiting for my ferry ride what's the point of having wi-fi if I can't view things?”
- “I am a frequent traveller between Tsawwassen and Swartz Bay for the last 40 years. I am very disappointed that the Renaissance does not have a buffet. It is the best food and the best value the ferries have to offer. Yet on the boat with this reduction of service, I am paying the same price to take it. Any other business would offer a reduced rate to compensate for the lack of service.”

Compliments

- “Just a compliment! Who ever is doing the buying for your on board shops is doing a great job! I always enjoy browsing & buying great items in the shops that I never see any where else! Have a good day & bon voyage!”
- “I am impressed with BC Ferries food. Always happy with its buffet quality and offerings.”

Food and Retail Services includes:

Group / Attribute	Complaints	Neutral	Compliments
On the Ship: Amenities	52	19	3
Food and Retail Services: Food Selection/Quality	20	9	6
Food and Retail Services: Staff Helpfulness	8	2	5
Food and Retail Services: Retail Value	4	0	0
Food and Retail Services: Retail Selection	3	43	2
Food and Retail Services: Lounge/Buffer/Coffee Bar	2	2	1
Food and Retail Services: Food Value	0	2	0
% of all comments (1,214)	7.3 %	6.3 %	1.4 %



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q4 2014/15 = Jan 1, 2015 to Mar 31, 2015

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.

Action is underway to expand the Wi-Fi bandwidth.

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. It would be cost prohibitive to retrofit a vessel with a buffet and seating area for a vessel that 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. The Current Conditions Arrivals and Departures webpages identify the individual vessel's departure times.

Sample of Customer Comments:

Complaints

- “Took the 7:00 pm ferry from Swartz Bay to Tsawwassen tonight. People took up chairs with their bags so we had to stand for an hour! No help from anyone.”
- “Traveling to Victoria this morning on the 9:00 am ferry, I walked into the men's washroom and it smelled strongly of cigarette smoke. Someone clearly had just been smoking. Upon exiting my stall a BC Ferries employee pretty much accused me of smoking in the stall. No question, no nothing. Just an accusation. As an adult who doesn't smoke, being accused by a punk BC Ferries employee is supremely irritating.”
- “One of your employees this morning working at 6:05 am at the ticket booth at the Horseshoe Bay terminal showed absolutely no customer service. I did not know, throughout my trips back and forth that the ticket booth does not accept debit. Your employee showed an absolute lack of care, just directed me to the self serve kiosk quite bluntly, did not even look at me directly in the face, just brushed me off callously leaving a poor taste in my mouth.”

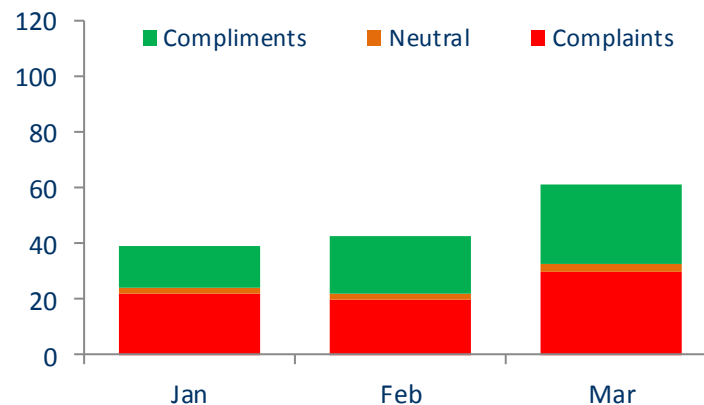
Compliments

- “About to start our weekend. Nice ticketing lady at the @BCFerries here at Horseshoe Bay! It was lane 2 and we were taking the 9:20 am ferry to Langdale! Such a pleasant lady. Didn't get her name though.”
- “I really appreciate the wheelchair & assistance service it's so helpful to me and the staff are kind!”

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Staff Helpfulness includes:

Group / Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Staff Helpfulness	41	3	25
On the Ship: Staff Helpfulness	20	3	31
Outside the Terminal: Staff Helpfulness	7	0	2
On the Phone: Agent Helpfulness	3	0	6
On the Phone: Information Accuracy	1	1	0
% of all comments (1,214)	5.9 %	0.6 %	5.3 %



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 and delivered training to all operations employees on BC Ferries' expectation on 3 key Customer Service attributes:

- Friendliness
- Communication Skills
- Professionalism

Sample of Customer Comments:

Complaints

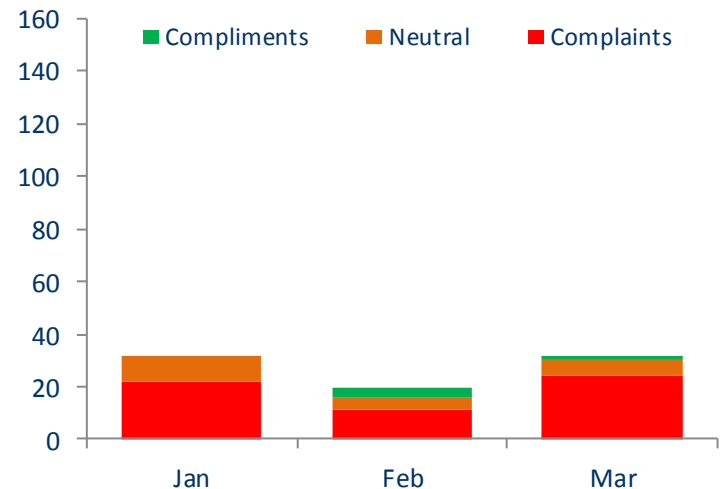
- “Forced to stay on the car deck with my dog. Brought my own sandwich. Got to the pet room after wandering about for several minutes - as there is no signage on the boat! Opened the door to overwhelming smell. Sent you a picture. Found the old area on the bottom deck. Sat there, on the metal bench, in the cold. Fortunately a wooden slat floor for my dog to sit on versus cold metal. Not impressed! You need to do better.”
- “Just more of the same disappointment. Not only can you not maintain a schedule fit for G8 country. You cannot even speak into the microphone with enough clarity for people to hear your announcements. Bring on the bridge.”
- “Could someone tell the person on the Saltspring / Crofton boat there is no need to blow the horn that much!!!”

Compliments

- “I want to thank BC Ferries for sending someone out to vacuum the common areas on this sailing. Ferry was quite dirty and it was nice to see the floors being addressed! Thank you and I hope this feedback is passed on to the powers that be and the man doing the clean up....great work!”

On the Ship includes:

Group / Attribute	Complaints	Neutral	Compliments
On the Ship: Pet Areas	11	4	1
On the Ship: Washrooms	11	0	0
On the Ship: Vessel Safety/Security	10	9	1
On the Ship: Accessibility On Board	9	3	0
On the Ship: Cleanliness	8	4	2
On the Ship: Announcements	5	0	2
On the Ship: Lost and Found	2	0	0
On the Ship: Outer Decks/Smoking Area	1	1	0
% of all comments (1,214)	4.7 %	1.7 %	0.5 %



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Root Cause:

Onboard pet areas:

Designated pet areas are available on the car deck of BC Ferries' vessels for foot passengers travelling with pets.

Pets are not allowed in passenger areas due to the close proximity to food service areas, the risk of allergic reactions and the possibility of altercations between pets in close proximity to customers. The only exception to this are certified assistance / service dogs who are allowed in passenger areas with their owners.

BC Ferries' older vessels were not built with a designated pet area but facilities were added over the years when the need became apparent.

Lessons Learned:

Upgrades are necessary to improve the pet area facilities for an increasing number of customers travelling as foot passengers with their pets.

Action Taken:

All BC Ferries' new vessels are designed and built with a designated pet area.

The *Queen of Coquitlam* and the *Queen of Cowichan* received a \$15K upgrade of the pet area in 2009 and 2010 respectively. During the *Queen of Oak Bay* refit in 2010, \$65K was invested to build a new pet area on the upper car deck.

The onboard pet areas are currently under review and an initiative is underway to further upgrade and improve the existing pet areas on older vessels.

Announcements:

Terminal announcements are currently under review and a pilot project will begin in late spring at the Swartz Bay terminal.

Sample of Customer Comments:

Complaints

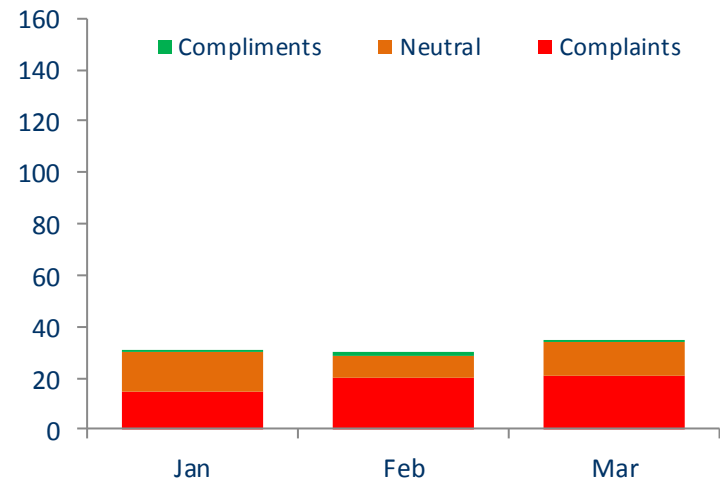
- “Bug in your reservations program: Booked 1 way Tsawwassen to Saturna, then tried to add a 2nd 1 way from Swartz to Tsawwassen for the return. Could not do it. Had to pay for the first one, then go back to book the second, and pay for it separately.”
- “I have spent a total of 1hr and 40 minutes, over two days, on your website trying to find RV/Trailer rates. Where oh where is it buried? And why is it buried? Thank you.”
- “I hope your website is not reflecting the quality of maintenance performed on your ferries! It can't be, they still float to the best of my knowledge. Sorry but still haven't found the fares from Horseshoe Bay to Nanaimo! How should a tourist from abroad find or book a ferry? Please fix it.”

Compliments

- “You did good today with keeping us informed about the cancellation. :) Thanks for being on top of it and doing the best you could w/ the bad news! We'll be back in the AM!”

On the Web includes:

Group / Attribute	Complaints	Neutral	Compliments
On the Web: Design and Usability	22	9	0
On the Web: Information/General	19	16	1
Reservations: Online Reservations	5	2	1
On the Web: Service Notices	3	1	1
On the Web: Travel Planning	3	1	0
On the Web: Current Conditions	3	0	0
On the Web: Login/Passwords	1	8	0
% of all comments (1,214)	4.6 %	3.0 %	0.2 %



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Root Cause:

Themes emerging from incoming customer feedback have touched on user interface design; the need for better trip planning and fare calculating tools; site accessibility with certain browsers, operating systems and devices; and timing of e-mail notifications about service interruptions.

Many of these issues stem from technology limitations. The current website is built on an aging platform that predates the diversity of browsers, devices and social media channels that define user experience expectations today.

Lessons Learned:

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 October 15, 2014 to improve performance of service notice email notifications and refine how service notices are presented on our website.

Resolution of many issues identified by customers, particularly those related to trip planning tools, user interface design and compatibility with mobile devices, are expected to come when new web technologies are introduced as part of the Fare Flexibility and Digital Experience Initiative, which is now in the planning stages.