

Complaints Resolution Report

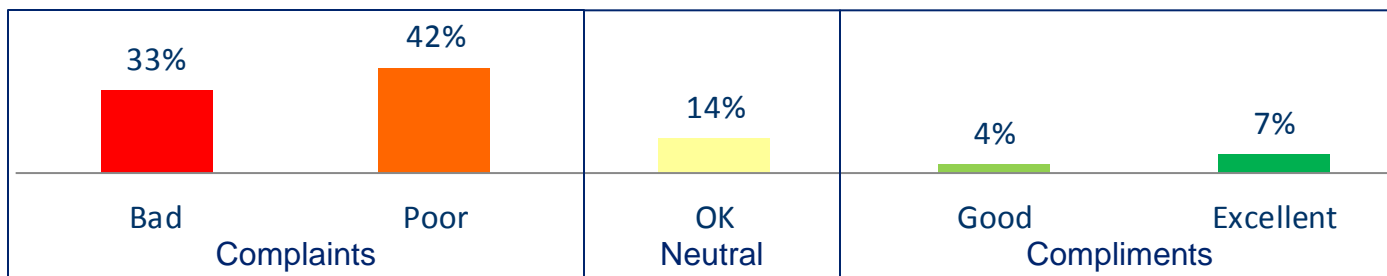
Quarter ended September 30, 2016



Feedback Summary

- During Q2 Fiscal 2017 7.4 million customers travelled with BC Ferries
 - BC Ferries received 2,680 comments in Q2 Fiscal 2017
 - The average time to respond to customers was 11.2 days in Q2 Fiscal 2017

Distribution of Comments by Rating

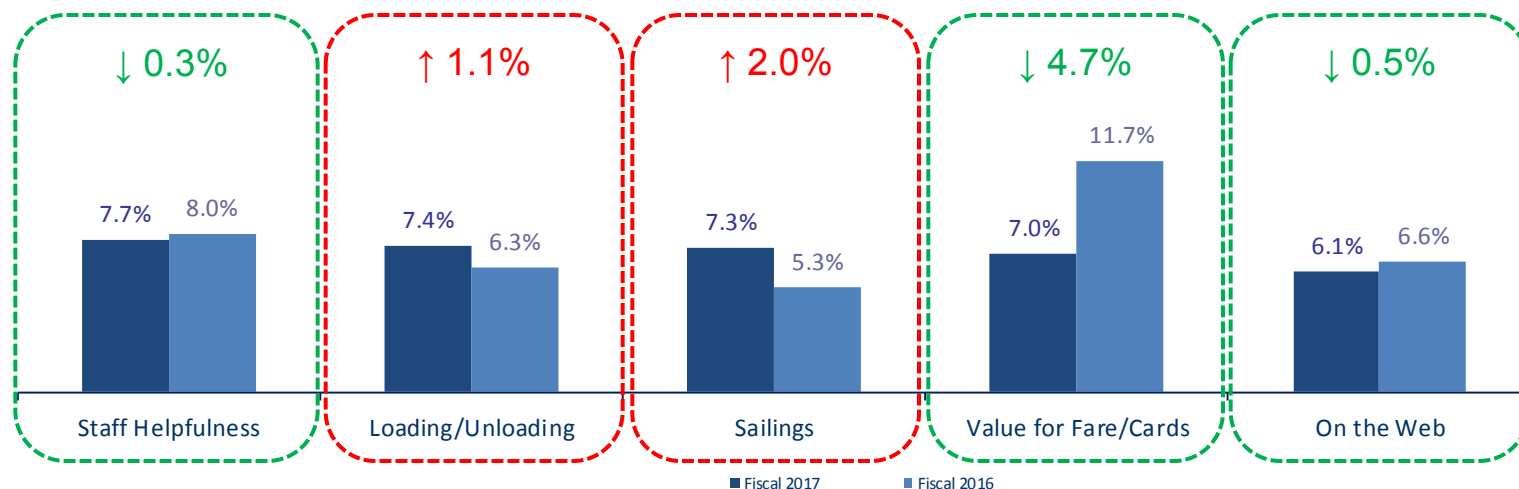


- Customer initiated feedback tends to be negative. Eleven percent (11%) of all customer feedback received in Q2 Fiscal 2017 was complimentary.
- “Staff Helpfulness” was the top issue: 204 complaints* were made, representing 7.7% of the total comments received in Q2 Fiscal 2017
- Top 5 complaints combined represent 47% of all complaints received in Q2 Fiscal 2017
- “General” comments are excluded from this analysis, along with comments with no rating:
 - 177 “General” comments were received, which were made up of Company Information (87), Community Issues (71), Environment (19) and 26 comments were provided with no rating.

Top Complaints*: Corporate

#	Complaint	Q2 Fiscal 2017		Q2 Fiscal 2016	
		Complaints*	% of Comments (n=2,654)	Complaints*	% of Comments (n=2,360)
1	Staff Helpfulness	204	7.7%	188	8.0%
2	Loading/Unloading	197	7.4%	148	6.3%
3	Sailings	193	7.3%	124	5.3%
4	Value for Fare/Cards	187	7.0%	277	11.7%
5	On the Web	163	6.1%	156	6.6%

% of Comments



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: Q2 Fiscal 2017 = July 1, 2016 to Sept. 30, 2016
 Q2 Fiscal 2016 = July 1, 2015 to Sept. 30, 2015

Sample of Customer Comments:

Complaints

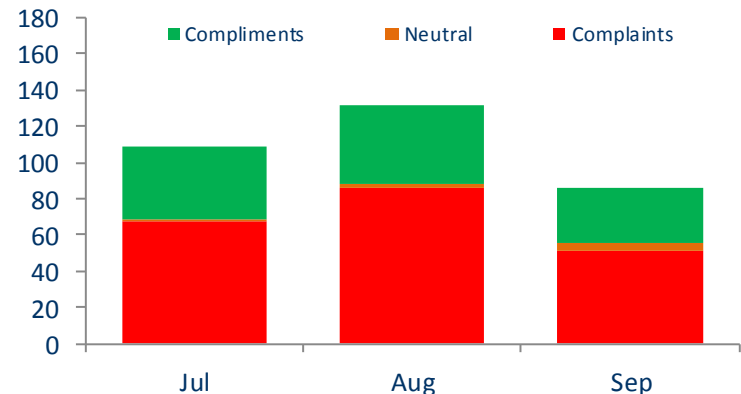
- Customer called saying he was treated poorly by a Swartz Bay ticket agent after he mistakenly went through the Salt Spring Island rather than the Vancouver booth. Customer said the ticket agent acted very sarcastically and disrespectfully towards him.
- Customer wrote: "I was in the Seawest Lounge today on the 7:00 pm sailing from Victoria. Despite several complaints from passengers, the crew member seemed unwilling to address the noise problems which persisted for the duration of the trip."
- Customer called upset that ticket agent held them back from Crofton-Vesuvius sailing 10-minutes prior to scheduled departure. He said ticket agent was rude and called his wife "abusive". A second agent came in and was "very helpful and polite."

Compliments

- Customer wrote to thank the crew at Horseshoe Bay, Langdale and Gambier Island for their wheelchair assistance, as well as the staff in the Call Centre for their assistance in booking the wheelchair reservations.
- Customer wrote: "We were on the noon sailing from Vancouver to Victoria yesterday and had an incident which involved one of our bags being stolen from the cafeteria. All was resolved in the end and I got all my belongings back. We would like to let you know how impressed we were with how the Chief Steward and the Assistant Chief Steward handled everything. They were terrific!"

Staff Helpfulness includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Staff Helpfulness	112	5	36
On the Ship: Staff Helpfulness	38	1	49
Outside the Terminal: Staff Helpfulness	23		11
On the Phone: Information Accuracy	20	1	
On the Phone: Agent Helpfulness	11		19
% of all comments (2,654)	7.7%	0.3%	4.3%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: Q2 Fiscal 2017 = July 1, 2016 – September 30, 2016

Staff Helpfulness

Root Cause:

Communication issues, ticketing errors, misunderstandings and inappropriate behavior by employees can lead to customer dissatisfaction.

Lessons Learned:

Customer feedback represents opportunities to identify areas of improvement in customer service in general and with individual employees. Consistency when it comes to ticket sale cut-off times is important to our customers.

Action Taken:

Complaints regarding employees are investigated on a case by case basis. The customer is sent a response with an apology and if appropriate with an explanation of policies to prevent future disappointment. 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.

Compliments for employees are shared with the individual via the management team.

Social media channels are monitored and responded to on a timely basis to keep current on new and emerging issues and work to 'humanize' the BC Ferries brand.

In the spring of 2014, BC Ferries launched a new customer service enhancement program and training on BC Ferries' expectation of employee's customer service delivery. BC Ferries will be rolling out customer service related training videos as the next phase of the program as a reference/reminder as to how BC Ferries' employees can work to enhance the customers' travel experience.

Note: Improvements in customer service are reflected in a higher number of staff compliments received during Q2 Fiscal 2017, most notably for the category of 'On the Ship: Staff Helpfulness' and 'On the Phone: Agent Helpfulness' where compliments exceed complaints for both areas.

Loading/Unloading

Sample of Customer Comments:

Complaints

- Customer wrote: "Making connections from the Sunshine Coast to Vancouver Island is not convenient. I would like a process in place where passengers with continuing travel could be loaded/off loaded first and better signage and direction for making U-turns into the terminal. Or perhaps a schedule change that would guarantee connections if travelling via Powell River."
- Customer wrote: "My friend and I were travelling from Langdale back to Horseshoe Bay. We arrived at the terminal at 3:10 pm for the 3:25 pm ferry and the boat was loading when we arrived. The two of us, both on motorcycles, were denied loading as per a new policy where motorcycles are not permitted to be loaded if they do not arrive prior to the start of boarding, as per your ground staff."

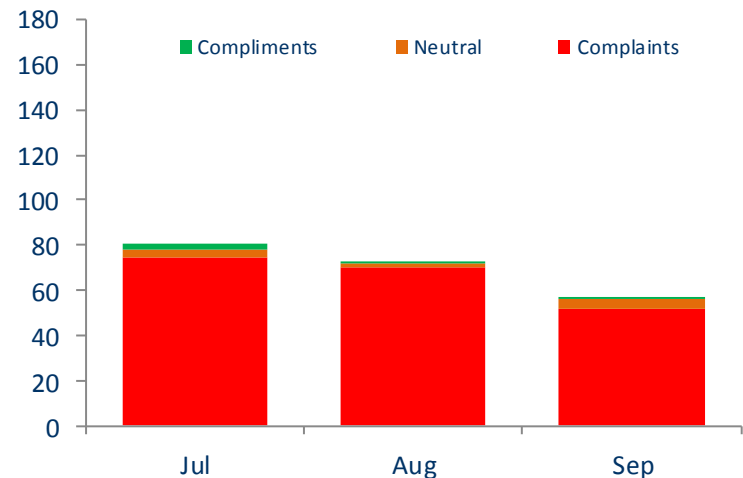
Compliments

- Customer wrote: "I have been travelling to Chemainus Marina for several years now and have had many spills of food and wine on our carpet because of the ferry wake. I am happy to say that for two days now the docking has been wonderful. Whoever the Captain is should be commended. "
- Customer was "blown away" by the level of care and compassion shown by two outstanding staff members. She wanted to convey a sincere thank-you for helping her to get back onto the correct route after she mistakenly boarded a ferry bound for Swartz Bay.

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 Note: Q2 Fiscal 2017 = July 1, 2016 – September 30, 2016

Loading/Unloading includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Loading/Directions	103	5	2
On the Ship: Loading/Unloading	76	3	3
Sailings: Loading Error	18	1	
% of all comments (2,654)	7.4%	0.3%	0.2%



Root Cause:

Customers expect to be loaded and discharged in the order their vehicle arrived at the terminal. High traffic volumes and an article in the media (with incorrect motorcycle policy information) led to customers misunderstanding the motorcycle loading policy.

Lessons Learned:

Customers frequently express expectations for loading such as, first on – first off, oversized space prioritized for oversized vehicles and motorcycles loading first, and perceive a lack of customer service if they are not provided. While operationally we are unable to fulfill such expectations, we could both improve our communication to assist customer understanding and be consistent with loading across all terminals.

When the issue of first on – first off and the vehicle placement is raised, staff offers 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;
- optimal use of deck space in order to accommodate as many vehicles as possible; and
- the time a vehicle arrives at the terminal and if it has reserved status will determine if it will be loaded on a sailing but not necessarily where on the car deck it will be parked. This applies to all types of vehicles regardless of size.

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; and
- increased sailing waits for customers left behind.

Action Taken:

Customer feedback suggesting a loading error may have caused them to miss their sailing are reviewed by the terminal operations staff. Learnings are shared with terminal and vessel staff to prevent the possibility of a recurrence of any error that may have occurred.

A thorough explanation of the motorcycle loading policy is provided to customers as needed via email, letters, Social Media and phone conversations in an effort to correct misinformation and make customers aware of the policy.

Sample of Customer Comments:

Complaints

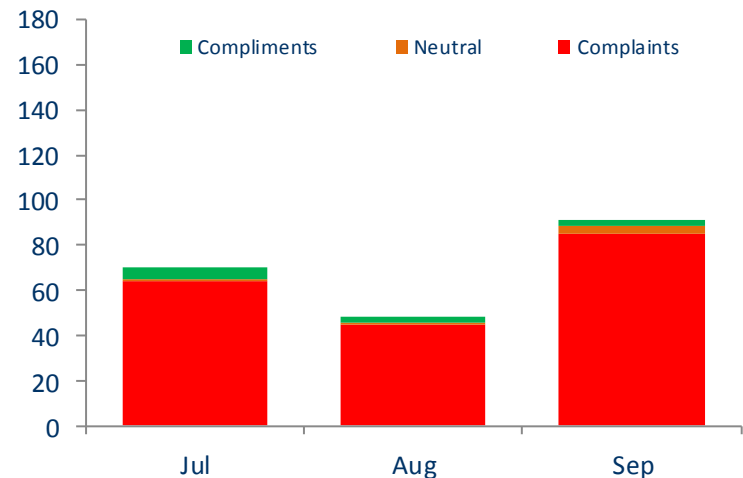
- Customer wrote regarding Horseshoe Bay-Langdale delay: "I waited 5 hours before I loaded on a ferry today. That means I don't get home until 9:30 pm. You failed everyone today, you failed your employees who knew they could have been working, you failed the families of the Sunshine Coast who didn't get to eat dinner together, you failed the tourists who will cancel any future plans that includes a ferry. Why can't you add even 1 more sailing? Your planning model is weak or just wrong."
- Customer wrote: "So once again the Earls Cove to Saltery Bay ferry is broken down and no word on how long. We have travelers on the island with vehicles trying to get off and people coming home. With this happening on a regular basis I would think there would be a contingency plan. Time to HELP US!"

Compliments

- "I arrived at Horseshoe Bay June 30 at 2:45 pm with no reservation and huge lineups outside the terminal. Waited until 3:30 pm to get through the Kiosk, but after that, smooth sailing. We got the 4:30 pm home and were DELIGHTED! Thank goodness for the extra sailings, thank you."
- "I showed up for the 10:15 am sailing to Duke Point this morning I thought with a livestock reservation but it apparently wasn't completed. I wanted to thank the BC Ferries crew, I was panicking and they got me on the ferry!"

Cancellations/Delays includes:

Group/Attribute	Complaints	Neutral	Compliments
Sailings: Frequency of Sailings	101	3	3
Sailings: Loaded on Sailing of Choice	58	1	2
Sailings: Making Connections	34	2	4
% of all comments (2,654)	7.3%	0.2%	0.3%



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 Note: Q2 Fiscal 2017 = July 1, 2016 – September 30, 2016

Root Cause:

The overall increase in traffic levels may affect the ability of customers to travel on the sailing of their choice.

A consistent increase in traffic levels on Departure Bay/Horseshoe Bay and Horseshoe Bay/Langdale routes has resulted in on time performance issues and overloads due to schedule and crewing limitations.

While the Queen of Burnaby was out of service in July 2016 due to mechanical breakdown, Horseshoe Bay/Langdale, Earls Cove/Salter Bay, Powell River/Comox and Powell River/Texada Island routes experienced significant overloads and on time performance issues because of vessel substitution while repairs took place.

Lessons Learned:

Sailing delays may have an adverse affect on our customer's travel plans. If sailings are delayed, cancelled or a vessel has to be taken out of service, every effort must be made to keep customers informed and 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.

The new Salish Class vessels will provide improvements in the overload issues and sailing cancellations/delays due to unpredictable breakdowns and unplanned repairs of aged vessels.

Value for Fare/Cards

Sample of Customer Comments:

Complaints

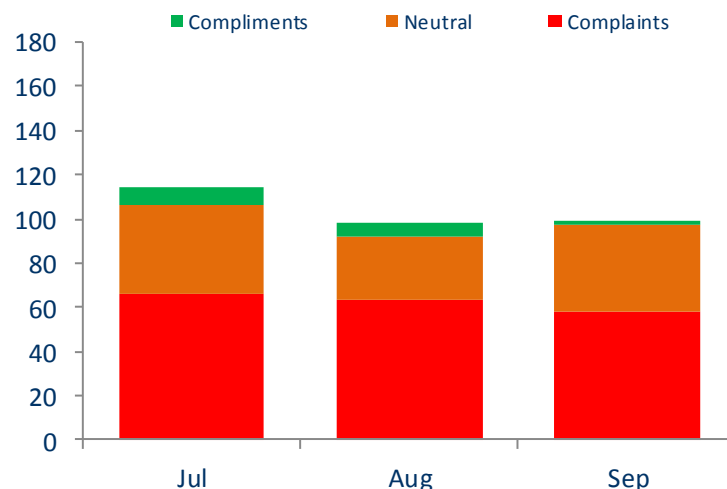
- Customer called to express how upset he was with vehicle pricing. He was travelling for the first time with a trailer, 38ft bumper to bumper. He was frustrated that his total price was more than his one vehicle travelling twice as he was under 40ft.
- Customer wrote: "I strongly believe that lower fares should be changed for shorter vehicles. At the very least, SMART cars, which take up almost no space, should be given a big reduction or rebate."
- Customer walked onto the ferry and paid regular adult fare not realizing that there was a senior's discount. He went back to the ticket booth but was refused a refund as he was not a resident of BC. He felt this was unfair.

Compliments

- Customer noticed that a reimbursement was processed for their ferry costs from Prince Rupert to Port Hardy due to an oversight on seniors rates. "MANY THANKS. Hope to do that journey again, it was great!"
- Customer wrote: "We want to thank BC Ferries for offering the size up the savings sale for vacation trailers over the summer. We enjoyed our 3 weeks on the island and normally we would not have gone. We hope you might consider the sale again next year. Again thank you!"
- Customer wrote, "I very much appreciate the size up the savings promotion – thank you! I wish the promo was permanent or that you'd go back to the old structure as the over length charges are punishing the locals who use the ferries all the time."

Value for Fare/Cards includes:

Group/Attribute	Complaints	Neutral	Compliments
Fares: Discount Fares/Promotions	49	46	9
Fares: Errors	48	11	3
Fares: Experience Card	34	24	2
Fares: Value for Fares Paid	30	5	2
Fares: Assured Loading Card	18	19	
Fares: Credit/Debit Card	8	3	
% of all comments (2,654)	7.0%	4.1%	0.6%



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 Note: Q2 Fiscal 2017 = July 1, 2016 – September 30, 2016

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: The Provincial Government provides fare subsidies for BC seniors, students and passengers with a permanent disability. 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:

Fare affordability continues to be a major concern for our customers and we continuously look for efficiencies as well as other opportunities to contain costs and increase ancillary revenue to reduce the upward pressure on fares.

The need to consider options to recognize and award frequent travelers is recognized as important and customer research is ongoing to ensure the right strategy is developed.

Action Taken:

Previously offered fare promotions were well received by customers and further promotions will be offered. The information BC Ferries gathers from these promotions about how customers respond to variable pricing options will help us as we prepare strategies for the launch of the Fare Flexibility and Digital Experience Initiative.

Sample of Customer Comments:

Complaints

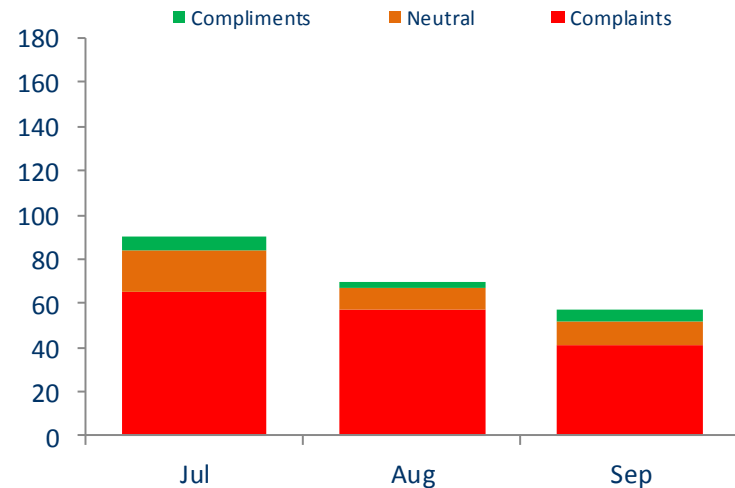
- Customer wrote, "The method of receiving fares via PDF is very poor. It would be nice to have an automated/modern way to figure out fares, select departure and destination and have the site automatically figure your fares. The PDF is confusing for certain routes."
- Customer called, upset with information displayed on Current Conditions online. Stated the information takes into account reservations and purchased tickets but not traffic outside the terminal.

Compliments

- Customer tweeted about the October 14 storm/delay/cancellations saying that the BC Ferries Twitter team did a great job keeping the public up-to-date throughout the day.
- Customer thanked BC Ferries for providing great on-line tools such as the 'busy sailings calendar' and Current Conditions. "We were able to plan our trip to Vancouver for the busy Thanksgiving long weekend in a way that allowed us to completely avoid the crowds and without having to wait on either end. I know you make this look easy to a point where people think it is easy, but I understand the challenges associated with transporting as many people as you do - thank you and well done!"
- Customer wrote: "Hi, I love the notifications and the excellent job of the website, well done!"

Reservations includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Web: Information/General	43	16	6
On the Web: Design and Usability	41	2	3
On the Web: Current Conditions	26	2	
Reservations: Online Reservations	22	13	3
On the Web: Login/Passwords	15	2	1
On the Web: Travel Planning	11	5	1
On the Web: Service Notices	5		
% of all comments (2,654)	6.1%	1.5%	0.5%



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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 technological limitations. The current website is built on an aged 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, travel planning tools, usability refinements and timeliness of e-mail notifications are at the top of the list.

Action Taken:

Issues identified through customer feedback channels have been earmarked for resolution as part of the Fare Flexibility and Digital Experience Initiative.