2010 ANNUAL REPORT

PRIX CANADA POUR L'EXCELLENCE

2010

GOLD RECIPIENT
QUALITY

RÉCIPIENDAIRE OR QUALITÉ
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4. **The customer experience**

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CASELOAD OVERVIEW: INTAKE AND INVESTIGATIONS

INTAKE VOLUME REQUESTS FOR ASSISTANCE

- 2010: 4433
- 2009: 6209
29% DECREASE YOY (Year-over-Year)

58% of requests for assistance result in investigation process

2010: 2567 INVESTIGATIONS
2009: 3708 INVESTIGATIONS
31% DECREASE

1752 recommended resolutions issued to Canada Post:
- 30% supported Canada Post’s handling of the complaint (529 cases)
- 70% additional measures taken by Canada Post (1223 cases)

1. Xpresspost - 26%
2. Int’l Parcel - 26%
3. Domestic Parcel - 13%

TOP 3 SERVICE DEFECTS RESULTING IN COMPENSATION:
- CMB keys
- ID requirements – Retail (x2)
- Point of sale – access for the blind
- Point of sale – software change
- Redirection – mailbox providers
- Redirection – deceased
- Hold Mail – no safe-dropping of Lettermail
- Bulk manifests - insurance
- Relocation of equipment
- Relabeling of equipment
- Mail monitoring for quality
- On route verification
- Customer site visits
- Letters of apology
- Security & Investigations
- Employee training
- Etc
2010 TOP TEN COMPLAINTS INVESTIGATED YEAR OVER YEAR CHANGE

Top Ten Complaints = 2209 investigations = 86% of all complaints investigated

A positive outlook … significant decreases in almost all categories.

<table>
<thead>
<tr>
<th>Mode of Delivery</th>
<th>2010</th>
<th>2009</th>
<th>Defect Rate 2010/2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lettermail</td>
<td>431</td>
<td>611</td>
<td>0.3% *0.4%</td>
</tr>
<tr>
<td>Customer Service</td>
<td>311</td>
<td>569</td>
<td>0.6% *0.4%</td>
</tr>
<tr>
<td>Delivery Employee</td>
<td>264</td>
<td>318</td>
<td>NA</td>
</tr>
<tr>
<td>Xpresspost (all)</td>
<td>251</td>
<td>321</td>
<td>0.2% 0.3%</td>
</tr>
<tr>
<td>Intl/ USA Parcel (all)</td>
<td>245</td>
<td>266</td>
<td>0.3% 0.3%</td>
</tr>
<tr>
<td>Mode of Delivery</td>
<td>193</td>
<td>275</td>
<td>2.4% 4%</td>
</tr>
<tr>
<td>Domestic Parcel (all)</td>
<td>160</td>
<td>246</td>
<td>0.1% 0.2%</td>
</tr>
<tr>
<td>Redirection</td>
<td>152</td>
<td>131</td>
<td>0.2% 0.2%</td>
</tr>
<tr>
<td>Retail</td>
<td>113</td>
<td>276</td>
<td>2.2% 6%</td>
</tr>
<tr>
<td>Registered Mail</td>
<td>89</td>
<td>122</td>
<td>0.3% 0.4%</td>
</tr>
</tbody>
</table>

* Includes all requests for assistance / total Customer Service cases
2010 – TOP TEN NATIONAL
1. LETTERMAIL

Total cases investigated: 2567
Lettermail: 431 or 17% of all complaints investigated

29% decrease YOY

-44%  +16%  -38%  -37%

Q1  Q2  Q3  Q4

• Misdelivery: 51% (222) of all Lettermail complaints.
• In 2009, misdelivery represented 39% of Lettermail complaints.

SERVICE CHARTER IMPACTS:
– SECURE DELIVERY

193 misdelivery complaints investigated in relation to security of the mail:
  • 2 complaints supported CPC
  • 191 complaints required corrective action by CPC

SERVICE CHARTER IMPACTS:
– FREQUENT & RELIABLE DELIVERY

12 complaints investigated on lettermail delivery delays beyond published service standards of 2, 3 and 4 days.
  • 3 complaints supported CPC
  • 9 complaints required corrective action by CPC.
2010 – TOP TEN NATIONAL
2. CUSTOMER SERVICE

Total cases investigated: 2567
Customer Service: 311 or 12% of all complaints investigated

45% decrease YOY

-52%  -16%  -23%  -64%

Q1   Q2   Q3   Q4

• Unreasonable decision by a Customer Service agent: 61% (191) of all Customer Service complaints.
• In 2009, unreasonable decision represented 50% of Customer Service complaints

SERVICE CHARTER IMPACTS:
– RESPONDING TO COMPLAINTS

95 complaints due to limited customer access to 1-800 Contact Centre agents further to new CRM implementation.
• All complaints were escalated to Canada Post for resolution through Customer Service channels.
2010 – TOP TEN NATIONAL
3. DELIVERY EMPLOYEE

Total cases investigated: 2567
Delivery employee: 264 or 10% of all complaints investigated

17% decrease YOY

-61%  +25%  -36%  +44%

Q1  Q2  Q3  Q4

-61%  +25%  -36%  +44%

Q1  Q2  Q3  Q4

• No Delivery: 51% (136) of all complaints in this category. This includes No Delivery Attempt (37) & Delivery Suspension cases (35) due to safety hazards.

  Outcome of Delivery Suspension cases due to safety hazards:
  - 2 complaints supported CPC
  - 33 complaints required corrective action by CPC

• In 2009, No Delivery accounted for 34% of complaints in this category.

SERVICE CHARTER IMPACTS:
– FREQUENT & RELIABLE DELIVERY

9 complaints from Brampton ON on lack of delivery 5 days / week. All cases involved RSMC routes where CPC faced staffing challenges and was unable to provide regular daily delivery.

  • All 9 complaints were founded and corrective measures initiated by CPC.
**2010 – TOP TEN NATIONAL**

4. XPRESSPOST

Total cases investigated: 2567
Xpresspost: 251 or 10% of all complaints investigated

![Graph showing 22% decrease YOY](image)

- **Loss** of item: 52% (131) of all Xpresspost complaints.
- In 2009, loss of item represented 43% of all Xpresspost complaints.

**SERVICE CHARTER IMPACTS:**

- **SECURE DELIVERY**

  10 investigation cases of lost Xpresspost items involving passport / visa documentation (personal information at risk)
  - All 10 complaints required corrective action by CPC.
Total cases investigated: 2567
Int’l Parcel: 245 or 10% of all complaints investigated

8% decrease YOY

Outbound product: 40% of cases investigated

- Loss of item: 42% (102) of all international / USA parcel complaints.
- In 2009, loss of item represented 45% of all international / USA parcel complaints.
6. MODE OF DELIVERY

Total cases investigated: 2567
Mode Delivery: 193 or 8% of all complaints investigated

30% decrease YOY

- Location / access to the delivery receptacle: 47% (90%) of all complaints in this category.
- In 2009, location / access represented 23% of all complaints in this category.

SERVICE CHARTER IMPACTS:
– COMMUNITY OUTREACH & CONSULTATION ON MODE OF DELIVERY CHANGES

22 complaints investigated on rural mail delivery changes resulting from traffic safety review (16% of all complaints on mode of delivery).
  • 13 complaints supported CPC
  • 9 cases required corrective action by CPC

Business context: 137,523 rural mailboxes reviewed by Canada Post in 2010.
Total cases investigated: 2567
Domestic Parcel: 160 or 6% of all complaints investigated

35% decrease YOY

- Loss of item: 52% (83) of all domestic parcel complaints (expedited / regular).
- In 2009, loss of item represented 46% of all domestic parcel complaints.
2010 – TOP TEN NATIONAL
8. REDIRECTION

Total cases investigated: 2567
Redirection: 152 or 6% of all complaints investigated

16% increase YOY

- Poor service: 84% (128) of all redirection complaints.
  - In 2009, poor service represented 87% of all complaints in this category.
  - No systemic causes identified in service failures.
  - Human error (data entry, sortation) is the main cause of these defects.
**2010 – TOP TEN NATIONAL**

**9. RETAIL**

Total cases investigated: 2567
Retail: 113 or 4% of all complaints investigated

- **59% decrease YOY**

  - Q1: -81%
  - Q2: -13%
  - Q3: -71%
  - Q4: -25%

**SERVICE CHARTER IMPACTS:**

**– CONVENIENT ACCESS TO POSTAL SERVICES**

- 7 complaints on location of postal outlet assigned to customers for pick up of call for items.
  - All 7 complaints supported CPC.

**SERVICE CHARTER IMPACTS:**

**– COMMUNITY OUTREACH & CONSULTATION**

- No complaints on postal outlet closures / relocations.
  - (89 complaints investigated in 2009 on retail office closures)

• **Poor service** provided by counter staff: 75% (85) of all complaints in this category.
• In 2009, poor service represented 57% of all complaints in this category.
Total cases investigated: 2567
Registered mail: 89 or 3% of all complaints investigated

Outbound product: 24% of cases investigated

- Loss of item: 47% (42) of all registered mail complaints.
- In 2009, loss of item represented 53% of all registered mail complaints.
## CANADIAN POSTAL SERVICE CHARTER: SUMMARY OF IMPACTS INVESTIGATED

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Reliability</th>
<th>Total</th>
<th>Support CPC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Frequent &amp; Reliable Delivery</strong></td>
<td>9 complaints investigated</td>
<td>12 complaints investigated</td>
<td>21</td>
<td>3 14%</td>
</tr>
<tr>
<td></td>
<td>- 9 with corrective action</td>
<td>- 3 complaints supported CPC</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Convenient Access to Postal Services</strong></td>
<td>9 complaints investigated</td>
<td>7 complaints investigated</td>
<td>16</td>
<td>14 87%</td>
</tr>
<tr>
<td></td>
<td>- 7 complaints supported CPC</td>
<td>- 7 complaints supported CPC</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Secure Delivery</strong></td>
<td>193 complaints investigated on lettermail misdelivery</td>
<td>10 complaints investigated on lost Xpressspost – passport/visa</td>
<td>203</td>
<td>2 1%</td>
</tr>
<tr>
<td></td>
<td>- 2 complaints supported CPC</td>
<td>- 10 complaints with corrective action</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Community Outreach and Consultation</strong></td>
<td>22 complaints investigated on rural mail delivery changes</td>
<td></td>
<td>22</td>
<td>13 59%</td>
</tr>
<tr>
<td></td>
<td>- 13 complaints supported CPC</td>
<td>- 9 complaints with corrective action</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Responding to Complaints</strong></td>
<td>95 complaints – customer access to Contact Centres</td>
<td></td>
<td>95</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- All complaints were escalated to Canada Post Customer Service for resolution</td>
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</table>

14% of all investigations are related to the Service Charter expectations

Total investigations: 357, Support CPC: 32 / 9%
THE CUSTOMER EXPERIENCE:
OUR SERVICE PROMISE TO CUSTOMERS - TIMELINESS

TIMELINESS PERFORMANCE

TRIAGE PROCESS effective April 2010

P1 cases - 10 days: 100%
2 cases closed within 10 days

P2 cases - 8 days: 99%

P3 cases - 20 days: 96%
34 cases closed within 25 days

THE CUSTOMER EXPERIENCE:
OUR SERVICE PROMISE TO CUSTOMERS - TIMELINESS

Timeliness Performance

<table>
<thead>
<tr>
<th>Month</th>
<th>P1 Cases</th>
<th>P2 Cases</th>
<th>P3 Cases</th>
<th>Total Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>APR</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
<tr>
<td>MAY</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
<tr>
<td>JUN</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
<tr>
<td>JUL</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
<tr>
<td>AUG</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
<tr>
<td>SEP</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
<tr>
<td>OCT</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
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<td>NOV</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
<tr>
<td>DEC</td>
<td>100%</td>
<td>99%</td>
<td>96%</td>
<td>34</td>
</tr>
</tbody>
</table>

Avg office caseload: 135 active files/month

Avg office caseload: 264 active files/month
THE CUSTOMER EXPERIENCE:
HOW CUSTOMERS RATE THEIR EXPERIENCE IN DEALING WITH US

**Likelihood to recommend**

**Case Manager**

**Overall experience**

**OVERALL EXPERIENCE**

We met our 3% improvement target!

**Likelihood to recommend**

**We met our 3% improvement target!**

**Case Manager**

**Overall experience**

**OVERALL EXPERIENCE**

7.8/10

8.7/10

7.7/10
"Thank you so much for all you have done on our behalf. We now get our mail and our bills are up to date. We are very satisfied with your prompt attention and speedy results”.

“It’s individual efforts from people like you that really make a difference in our lives. Thank you so much”.

“I am writing about your case manager’s extraordinary service. He personally ensured that my mail would be redirected to my new address. When I was told that this was mission impossible, he refused to give up and continued to fight on my behalf. I am ever so grateful to him for his efforts that went above and beyond the call of duty to ensure my customer satisfaction – while I was frustrated for over two months when my mail was being held hostage at my old address.”

“It was very nice of you to take the time to solve this small value issue. Your service is really ACE – Above Customer Expectations. I am a loyal customer of Canada Post and ship around 150 packages annually. I will certainly stay with Canada Post in the future”.

“Nous avons reçu le remboursement de Postes Canada et nous sommes plus que satisfaits du service que vous nous avez offert. Continuez le merveilleux travail.”