GBAS
GOLF BUSINESS ADVISORY SERVICES

Back of the Cup
A NEWSLETTER CONCERNING THE BUSINESS OF GOLF

Optimising Member Survey Outcomes – Design, Benchmarks and the future of Satisfaction…

As many of you would know, we like a good survey. We don't just do them for fun though; our goal is to provide insight into degrees of member satisfaction that are driven by data rather than opinion. Looking through our survey tool we now have over 100 surveys that we have administered over the past eight years, with these surveys giving us some wonderful insight into a number of industry topics.

Over this time we've learnt a number of things, with such learnings helping us get the most for our clients when we are engaged to help them gain some insight from members.

One of the benefits of such experience is that we have learned to focus on what comes from the survey. This doesn't just relate to the responses provided, for us what is most important is how the survey is undertaken. Whilst we will always preach the value and benefits flowing from an independent research process, we appreciate that from time to time, despite these benefits, some clubs will choose to undertake research themselves.

In reviewing the documents that do get produced from an 'in-house' survey analysis, we often see the same type of errors being made. We have observed that what appears to get lost is the need to extract and then communicate the insightful outcomes from the survey. In an era when understanding the customer has never been more important, when seeing internally managed survey outputs, we have often concluded that far greater insight could have been gained.

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Whilst we'd like to think that we'd get the chance to have a discussion with any club that is considering undertaking some member research, we appreciate that won't always happen. Given our goal is to provide advice and insight that can underpin strategic and operational decisions, we thought we'd share what we've learned over our research journey to date. Below we outline 12 learnings that have become apparent during our research journey thus far.

1. **Start with the end in mind** – In crafting questions for our surveys, our goal is to enable results from our questions to underpin subsequent decisions. Ask yourself what do you want from the answer to each question you ask.
2. **Question content** – You want direction from the answers - Are the answer options that are provided sufficiently different? Is the question or the options provided leading in nature? It is essential to phrase questions and options in such a way to as to be objective and not introduce any bias.
3. **What's this survey about?** – we encourage our clients to add a specific message about the survey purpose, often identifying its role in a wider planning process. We've found if the surveys are properly promoted and put in context, both a high level of engagement eventuates and a more complete dataset is returned.

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4. **What do you already know?** – We are advocates of not wasting the respondent's time by asking questions about information you already have, including playing frequency, spending patterns, travel distance, length of membership, member category, and handicap. We now make far greater use of the full member database and pull across all of this key information to give a detailed demographic profile.
5. **Insight comes from sub-segment accuracy** – Another benefit flowing from #4 is greater accuracy and balance of sub-segment categories. Instead of offering a pre-set ranged option to the member (eg. how many times have you played this year? 1 to 6, 7 to 12 etc.) or asking them to remember an exact number, we utilise exact numbers flowing from the database in our analysis, allowing us to group data after it has been provided. In utilising the database we also get to geocode addresses, allowing us to measure both travel distance and travel time. We then map this data which can show informative patterns between segments.
6. **Required answers** – We are proponents of required answers, primarily to create a quality data set. Having required answers though requires sufficient response options to be provided. A "don't know" answer is more valuable in analysis than an answer simply provided just to get past a question. Be up front in the introduction stating that answers are required to all questions to ensure that there are no surprises.

"…There will often be stories that matter within the survey data when assessed by sub-segment. If you are not looking at this level then you aren't learning what you should from your survey…."

7. **Survey Length** – if you haven't surveyed your members for a while, a lot of potential questions can come to mind. Ensure that the survey is not being padded with questions that are not essential and contributing to the overall goal of the survey process. If it does becomes lengthy, use a progress bar at the bottom.
8. **Don't be afraid of open ended questions** – but be prepared to read them all. No matter how thorough we thought some of our past surveys have been, there have always been a few 'nuggets of gold' found in the open ended questions. To help give some initial departmental categorisation to these responses, ask one per section.

9. **You don't need everyone's opinion to know the members opinion** – A 30% response rate is ok, a 40% response rate is very good, 50% is spectacular. Across all surveys that we have conducted, we are averaging a response rate of 38% however even 30% still represents a reliable sample set with a relatively small margins for error (typically within +5%/-5%).

10. **Be consistent with your questions** – if you plan on undertaking regular surveys, be consistent with question format. The trend between the two surveys can provide valuable feedback on specific operational changes that may have been implemented between surveys. This trend however can't be established if the question wasn't written in the same way.

11. **Find the story, or know there isn't one** – there are many sub-markets to your membership – age, gender, category, length of membership, frequency of play, and playing skill to name a few. There will often be stories within the survey data when looked at on this basis. If you are not looking at this level then you aren't learning what you should from your survey. Accuracy around point 4 above is key for this part of the analysis.

12. **What you do with the results is as important as the results themselves** – There is no better way to dampen enthusiasm for the next survey by not communicating the good and the bad from the last survey and what you are going to do about it. We encourage our clients to communicate this early, even if at a high level to start, to be backed up with more detail once actions have been confirmed/agreed by the Board and Management.

Member Satisfaction Benchmarks

So you've written the questions, sent out the survey, collected the responses and started to analyse the data. You've worked out some scores or where the majority opinion sits. But what does it mean? Is your 7.3 member satisfaction level good, bad or average? We have always said that data in isolation has absolutely no value - it needs a reference point - and satisfaction measures are no different.

"…Male members have generally lower levels of satisfaction than female members and younger members exhibit slightly lower levels of overall club satisfaction than older members…"

Over time as we have aggregated all of the scores returned in our surveys, some valuable benchmarks have been created that now help us to communicate the member satisfaction story. Outlined below some of the headline satisfaction benchmarks emanating from our aggregated data.

- The average overall satisfaction score across all surveyed clubs is 7.7 out of 10, with a significant range of scores being evident. The 25th percentile of the average club scores is 7.4 and the 75th percentile is 8.1.
- Male members have generally lower levels of satisfaction than female members for certain individual measures in particular, most predominately pace of play and the condition of bunkers.
- Younger members exhibit slightly lower levels of overall club satisfaction than older members, driven by a difference in expectations in certain areas.

- Across each of the main club areas, the highest scoring area in terms is satisfaction are the golf related areas of the golf course, operations and golf shop, returning an average satisfaction score of 7.9 out of 10. Conversely the lowest scoring area in terms is satisfaction is food & catering, which returns an average satisfaction score of 6.9 out of 10.

We illustrate below the range of scores recorded for each key operating area.

We trust that in sharing this data with you it helps to put any research you may have done into perspective, giving you a reference point for the outcomes achieved.

The Future of Satisfaction

So you've written the questions, sent out the survey, collected the responses and analysed the data and are able to reference some satisfaction benchmarks.

Where to from here? Improvement?..... Possibly not.

Some recent research coming out of the USA suggests that improving customer satisfaction is becoming an increasing difficult outcome to achieve. This outcome is not because of service levels declining, but rather due to our increasing expectations as a consumer.

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As we contemplated this we thought about our own expectations of service.

- It is preferred to have a phone call back service rather than waiting on hold.
- I should be able to very easily track a parcel instead of wondering when it will turn up.
- I should get a notice to my phone if my flight is delayed before I get to the airport.
- I should be able to order a tailored meal that suits my dietary needs instead of simply hoping that there is something suitable on the menu.

- I should get a data usage prompt from Telstra, instead of the old “bill shock” that occasionally happened.

What we believe is happening is that certain customer service industry leaders are continuously pushing the frontier of customer service excellence. Our new minimum expectations align with those out front, so for the others, there is a real challenge to just to keep up let alone exceed expectations.

“…bracket creep reality is another example of where simply keeping up with increasing expectations will be a good outcome, but in doing so won’t automatically enhance satisfaction….”

Those who have heard us speak lately will have heard the analogy about the café - for every new one that opens, the average golf clubhouse experience looks a further year older and out of date. Possibly unfair but is it where we are getting our clues from as consumers? Why can’t our club be like that?

Further, whilst adding, say, the ability to look up your house account online might be a big step for a club, given what is happening elsewhere with technology and payment systems, such an action is probably not even keeping up with our expectations, let alone making me more satisfied with my club and what it is doing.

Another piece of research undertaken by consumer research behemoth JD Power picks up on this theme and suggests that flattening satisfaction in the hotel industry is due to what they are calling “bracket creep”. What used to be an addition such as big flatscreen TV’s, free wifi, and hot breakfasts are now a standard, minimum expectation. This bracket creep reality is another example of where simply keeping up with increasing expectations will be a good outcome, but in doing so won’t automatically enhance satisfaction.

So in managing satisfaction, you need to go further than simply keeping abreast of what your peers are doing. To truly move satisfaction you’ll need to look outside for inspiration. If certain industries are shaping consumer expectations, then look at what we can learn and adopt from them for our own use.

- When I call a club and I am possibly put on hold – what am I listening to – piped music or upcoming events tailored to me? Why can’t I simply say “book me” in when I hear something I like – and be sent an email with more information?
- When I pay my comp fee why don’t I get a receipt – with an offer on it (for me or someone else) based on my past spending patterns or recent frequency of play. It could be golf, retail or F&B related? I could simply scan a QR code to redeem it.

So where are we looking for this inspiration and what are we seeing?

This same research piece from the USA found the best performing industries in terms of customer service to be supermarkets, banks, & retailers. Interestingly these are all industries where there is wide consumer choice and a reliance on turnover and repeat visitations to drive profit. As a result there are constant customer engagement initiatives being undertaken, all with the goal of growing/deepening customer profile data.

This is the holy grail of modern marketing and the mechanism by which to grow satisfaction and retain the customer. In the golf space, combine the member database with the tee sheet with the Golf POS, with the retail POS with the F&B POS, and the member communications outcomes and there is all the information you will ever need to have and know.

So put simply, you can't maintain satisfaction if you continue to just do what you've always done. As expectations continue to rise you will need to work on all parts of what you do. With technology advancing as quickly as it is, this will need to done faster and faster in order to keep up.

Your Opportunity

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We feel that our unrivalled past experience and learnings in the member research space can add material value to your research initiatives. This value comes from not only the management of the overall survey process, but to the quality of questions asked, the robustness of data analysis, the contextualisation of results through the use of our industry satisfaction benchmarks, and visualisation of club outcomes on our Satisfaction / Importance Matrix. Overall club learnings are enhanced via use of our new interactive presentation tool, which helps us to identify and communicate the story with the data.

With it being our want for the market to have solid information to base its operating and strategic decisions upon, we have developed a number of survey project options for our clients to choose from. With there being an option available to fit nearly all price points, we'd therefore welcome a discussion with you if you are contemplating undertaking a member survey in the coming months.

About Golf Business Advisory Services (GBAS)

Jeff Blunden
Managing Director of GBAS

Golf Business Advisory Services (GBAS) is a specialist independent advisory company providing dedicated, professional advice around the business of golf within the Asia Pacific region. Offering unrivalled experience and industry insight, our approach is grounded in research with a belief that data analysis always reveals the insights required to drive your business.

With unrivalled depth and breadth of experience, GBAS has serviced an enviable and broad client base over the past 15 years, with completed engagements spanning the full spectrum of the industry.

Specialist services offered by GBAS include:

- Strategic planning
- Operational reviews
- Member surveys
- Board presentations
- Consumer and market research
- Feasibility studies
- Asset oversight
- Due diligence
- Asset valuation
- Expert witness services

If you have a need in the golf industry GBAS is able to provide you with all of the necessary knowledge and experience required to help ensure you achieve your goals.

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