



## August 2010 Newsletter

This is the first newsletter since a redesign of the website and the newsletter format, so hope this improves the readability of the site while also providing a range of topics for the newsletter rather than one as previously. Your feedback is appreciated.

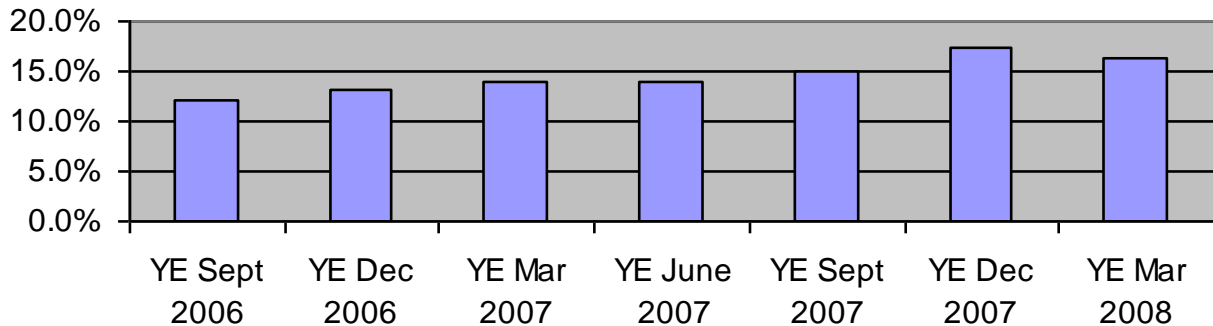
### Valuing the customer experience

Much has been written about the need to provide exceptional customer experiences if businesses are to retain and grow their customer base while also improving revenue and profitability. The New Zealand Tourism Strategy 2015 has as one of its main goals “To provide a world class visitor experience by 2015”. Currently we have two main sources for obtaining feedback on a national basis from visitors –Tourism New Zealand's Visitor Experience Monitor and the Regional Visitor Monitor undertaken by the Ministry of Tourism for six major tourism destinations. Both of these focus on visitor satisfaction and achieve very high scores, but do they tell us the real story?

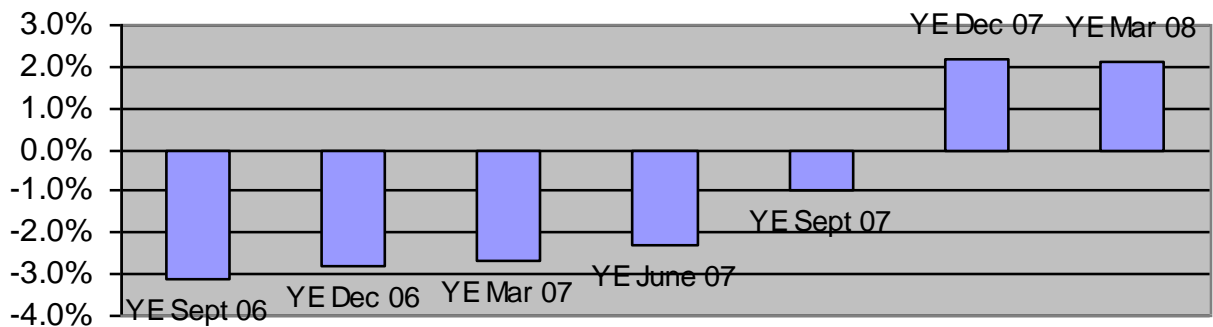
Surveying visitor satisfaction determines whether visitors’ expectations have been met. You would expect this to be the minimum standard achieved, yet we continue to state that a score of 90% indicates visitors were very satisfied with their experience. In other words we met 90% of visitors’ expectations. Does that mean that we didn’t surpass the visitors’ expectations for anyone? What we can say is that surveying visitor satisfaction doesn’t give us the data we need to make an informed decision about the quality of the visitor experience delivered. It is becoming increasingly accepted that measuring the level of recommendation is a much better indicator of visitor/customer behaviour than satisfaction and is closely aligned with customer loyalty and repeat visit/purchases.

To illustrate the point the charts below taken from data in the RVM (March 2008) show the level of recommendation achieved for domestic and international visitors using a highly respected international methodology (Net Promoter Score®). In comparison with the very high levels of visitor satisfaction (80% RVM, 90% NZ Tourism), the recommendation scores are considerably lower. If the level of recommendation is accepted as a better indicator of visitor behaviour, which it is by most people, then we should be concerned about our ability to achieve the target of “a world class visitor experience by 2015”.

### International Visitors - Recommending Region to a Friend or Colleague



### Domestic Visitors - Recommending Region to a Friend or Colleague



There needs to be a much greater focus on using the recommendation question in surveys for all areas of the tourism industry. It is only then that we will be able to determine whether we are on target to achieve the goal of a world class visitor experience by 2015.

### Apple Computers and Mt Somers Mountain Bike Challenge on equal footing!!

Not many organisations can say they are the equal of Apple Computers. The Mt Somers Mountain Bike Challenge however has achieved this by obtaining the same score as Apple when customers were asked whether “they would recommend the organisation to a friend or colleague?” Using the Net Promoter Score© (NPS) both organisations achieved a score of 72%, which is an incredibly high score and indicates very clearly that both organisations are providing a high quality customer experience.

TLG and Customer Experiences have been working with the Mayfield Lions who run the Mt Somers Bike Mountain Bike Challenge to improve the event and provide more funds for Canterbury based

community organisations. With a survey response rate of 68% we were able to identify some key areas for enhancement that the Mayfield Lions have taken on board and will improve not only the racing experience but also other aspects of the event. Through the survey results an increased potential for sponsorship has been identified as the quality of the available data on race participants improves.

If you want to know more about using NPS© for surveying event participants and spectators contact Ray at: [ray.sleeman@tourismleisuregroup.co.nz](mailto:ray.sleeman@tourismleisuregroup.co.nz)

### Ellerslie Flower Show trumps Hampton Court Palace Flower Show

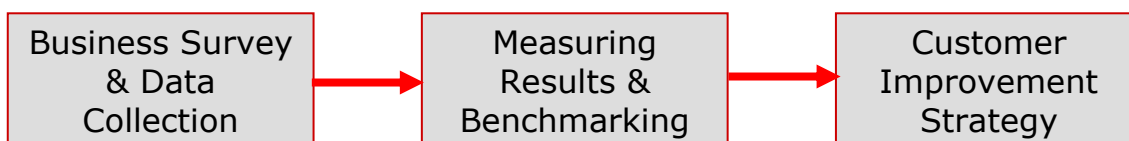
A recent visit to the Hampton Court Palace Flower Show indicates that a fine line exists between a fantastic event that generates many plaudits and one in which the public goes away from, wishing that the organisers had managed the event better. At the first Ellerslie Flower Show there were, and rightly so, numerous complaints about too many people and particularly long queues. By the second year these had been sorted and the visitor experience had been enhanced considerably.

Hampton Court Palace Flower Show despite operating for a number of years got it wrong, at least on the day we visited (Thursday 8 July), by allowing far too many people into the show. It was difficult to see some exhibits, little chance to linger and when walking between exhibits or in the marquees where you were likely to be attacked by green trolleys loaded with customers' bought plants.

The key point is that as many of the tickets are pre sold and with experience from previous years, the organisers should be able to determine the number of tickets that can be sold while still ensuring a high quality visitor experience. How have we responded to our Hampton Court Palace Flower Show experience? We have recommended to many people that they shouldn't attend. Whether it was commercial greed or bad planning the organisers need to learn that maximising numbers is a sure way to minimise repeat visits and deter potential visitors. Perhaps we should consider revisiting in a few years time when numbers have declined, due to so many people having a poor visitor experience!

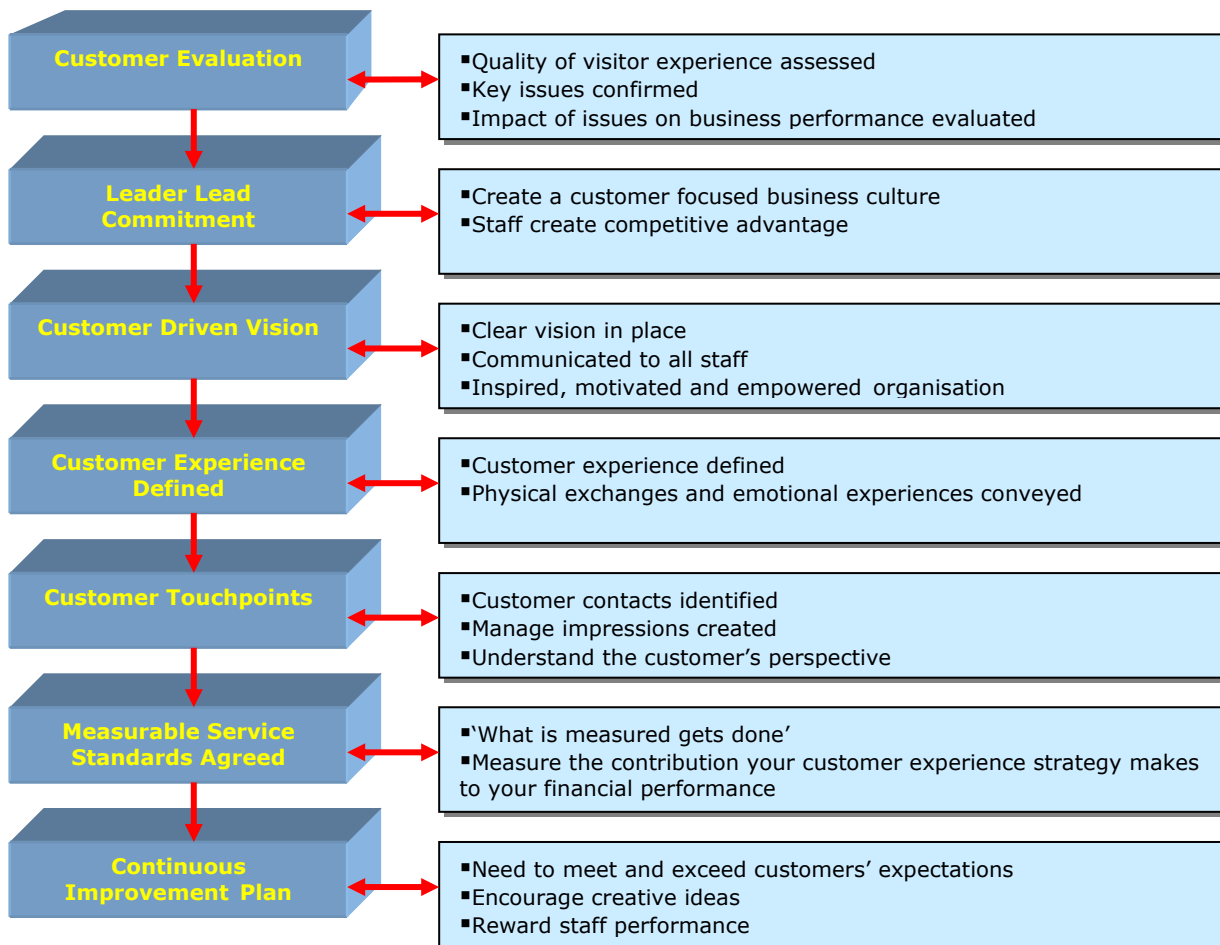
### Customer Experience Tracker

Customer Experience Tracker (CET) is an initiative of TLG and Customer Experiences Ltd. It is an **inclusive** approach to **gaining** and **acting** on employee & customer feedback in a way that will have an on-going **positive** impact on business **growth & profitability**. Most customer service surveys focus on undertaking the research, but offer little in terms of how to act on the information. CET is a three stage approach.



Data is collected using the NPS© methodology. Results are benchmarked so as to enable comparison with other similar businesses and/or branches within the same organisation over

time. Having analysed the results a Customer Experience Strategy is developed which provides the means to ensure continuous improvement in the score through enhanced customer experience.



The ultimate benefit from CET is improved profitability and business value.

If you would like to know more about CET contact Ray at: [ray.sleeman@tourismleisuregroup.co.nz](mailto:ray.sleeman@tourismleisuregroup.co.nz)

### Maximising the return for the marketing dollar

Whenever workshops for small tourism businesses are suggested it is almost certain that the demand is for those concerned with marketing. A key area that is often overlooked, however, is determining how effective advertising has been and how it compares with previous campaigns undertaken. The old adage that "if you can't measure it don't do it" is still very appropriate and it doesn't matter whether you are using, advertising, brochures, the web or any other form of promotion, measurement is critical to maximising revenue, minimising cost and improving profitability.

TLG working with Moran Tourism have developed a methodology that ensures that you maximise the value from your marketing dollar. The testing of the methodology on a campaign undertaken by a major Regional Tourism Organisation (RTO) has proved its value.

Key benefits for the RTO were:

- Determining the return on investment from the campaign (total revenue achieved, revenue per person, revenue per media channel)
- Determining the costs of contacting potential visitors through different media channels (total costs, costs per contact, costs per visitor)
- Identifying the most cost effective media channels
- Ability to focus funding in future campaigns on the most successful media channels
- Ability to report accurate results to campaign funders
- Recognise the need to evaluate and compare the impact of marketing campaigns

Options for RTOs and tourism operators include:

- Commissioning an audit of previous campaigns to identify key issues and opportunities
- Preparing a plan that is used to develop, implement and measure the performance of every marketing campaign
- Commissioning a half day workshop with industry operators to assist in understanding the benefits of marketing campaign evaluation and planning

If you would like more information on improving your marketing results contact Ray at:  
[ray.sleeman@tourismleisuregroup.co.nz](mailto:ray.sleeman@tourismleisuregroup.co.nz)