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SMILING FACES, BEAUTIFUL PLACES

Customer happiness is the cornerstone of business success

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For Mark Luthman, data is simply a starting point for meeting customer expectations.

SMILING FACES, BEAUTIFUL PLACES

Customer happiness is the cornerstone of business success

By Steve Eubanks

Everyone who has traveled to play golf has experienced the nice surprises that accompany the game—full-length mahogany lockers, custom-labeled water bottles, and starters who hand out iced towels on the first tee. Most golfers acknowledge these accoutrements by saying things like, “Wow, that’s a really nice touch.”

At Cassique on Kiawah Island, South Carolina, for example, range balls are packaged in antique-leather feedbags, a rich,

masculine feature that brings a smile to the face of anyone who sees them for the first time. Then there’s the Dormie Club in Pinehurst, North Carolina, where the bag stands are driftwood tripods laced together with leather straps—rustic and raw, and the perfect fit for the club’s Old South motif. East Lake Golf Club in Atlanta, Georgia, makes fresh-squeezed lemonade with raw cane sugar every day, and Pebble Beach streams live video of the course so your friends around the world can watch you play.

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“THE KEY IS TO UNDERSTAND THE PERSPECTIVES EVERYONE IS BRINGING TO THE CONVERSATION, AND THEN TO LISTEN.”



Bill O'Brien believes the key to getting good customer feedback is having the courage to ask for it.

Indeed, these add-ons give golfers a warm, welcome feeling and provide something to talk about once they get home. But do they move the business needle? Is one more dollar of revenue added because of these niceties? Those are far more difficult questions to answer.

Ask most operators to quantify the bottom-line effect of things like cotton hand towels in the restrooms or a golf staff adorned in tartan knickers and you'll hear a lot of claptrap about setting a tone or crafting an overall experience. Almost no one can put a number on how many green fees are sold or how many members are retained as a result of these items, and most operators have no real idea if the customer wants these niceties or not. However, if a course's greens are in bad shape or the bunkers are unkempt, customers will let you know about it and the bottom line will take an immediate hit.

“Course conditioning is always a top priority,” says Tim Dunlap, a senior manager at Sequoia Golf Holdings. “Other things might slip in and out of the top spot in surveys and member focus groups, but conditioning is a constant. And if the condition of the golf course slips, you will almost always see a corresponding drop in rounds and revenues.”

Every operator wants to reasonably provide the customers with what they want—great golf, great service and a great value. After all, happy customers are repeat customers. The trick is

identifying what those customers actually want relative to what they think they want, or in some instances, what they say they want.

For example, every golfer will list “speed of play” near the top of a generic priority list. But at courses along the Monterey Peninsula in California, golfers rarely complain about a round taking too long. Apparently, a vacationer playing at one of the most beautiful places on Earth is in no rush to finish. If operators along the northern California coast believed the national survey results, they would bring in armies of course marshals and institute “time pars” and other measures to make sure play kept moving.

In reality, such practices would drive customers away. No one, it seems, is anxious to leave places like Spyglass, Pebble Beach or Black Horse and Bayonet in Monterey. While those courses do have marshals to nudge golfers along, it isn't because the players themselves feel their experience is devalued because of slow play. Most could stand on No. 7 and No. 8 at Pebble Beach for hours with no complaint.

“While it's true that keeping up with national statistics is important in terms of understanding trends in the industry, decisions should be made based on local information gathered from the people who actually play the golf course,” says Mark Luthman, executive vice president and chief operating officer of Touchstone Golf, a San Francisco-based golf management and consulting firm. “That's why at our facilities we believe in using the national statistics and national survey results as a guide. They only set parameters for conversations that we must have with our target customers.”

Touchstone manages and consults for a wide range of facilities across the country, from municipal courses to high-end private clubs and resorts. Given the diversity of the company's portfolio, Luthman has a unique under-

REMAINING FOCUSED

CUSTOMER FOCUS GROUPS ARE CRUCIAL, not just for the feedback that owners get, but for the dynamic they offer. For example, if a customer or group of customers complains chronically about the condition of the bunkers, the owner can, in a focus group setting, acknowledge that he or she is aware of the problem and explain the economics of why the situation will likely remain unchanged for the coming season. Here are the keys to holding an effective and productive focus group:

1 MIX IN A FEW CRANKS WITH RESPECTED AND REASONABLE CUSTOMERS.

“Sometimes, a local judge or highly-respected businessman in town will hear the slings and arrows coming my way and say things in my defense that I might not be able to say or might not want to say,” explains Henry DeLozier, a principal with Global Golf Advisors. “If a third party is saying it, it comes off differently than if the owner is defending himself.”

Word also spreads that the owner didn't run away from criticism and wasn't blind to the problems that exist. Fair-minded people will share a fair-minded business message if the owner presents it to them face-to-face.

2 HOLD MEETINGS FREQUENTLY, BUT ON THE OWNER'S SCHEDULE. One focus group every two or three years is a waste of everyone's time. Not only is not enough data gained from a one-off session, the customer feels used if his or her ideas aren't implemented and no one he or she knows is ever invited back. “The owner has to be available on the customer's [or member's] schedule,” DeLozier notes. “Sunday at 10 a.m., while the [member] is having brunch with his family is not that time, but that time has to exist.”

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3 BE PREPARED TO HEAR THAT YOUR CUSTOMERS DON'T SHARE YOUR TASTES.

Some of the things that course owners take for granted as being important are virtually meaningless to customers. For instance, an owner might learn that the matching staff uniforms look nice, but the customer would much rather that money go to an additional water cooler on the back nine or some hedge-trimming in the parking lot.

4 PRESENT A WRITTEN AGENDA AHEAD OF THE FOCUS GROUP AND SOLICIT FEEDBACK before the meeting begins. Many times what an owner thinks is important is not what the group wants to discuss. Negotiating agenda items before the meeting ensures time can be used efficiently during that meeting and that customers' concerns are addressed.

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5 DEVELOP A POST-MEETING ACTION PLAN TO SHARE WITH PARTICIPANTS. Many of the items brought up in a focus group cannot be addressed in the short term. But customers need to know that something is going to eventually happen or they need to know the reasons why an owner cannot take care of a problem. Providing a written after-meeting report that specifies when certain actions will take place creates a wealth of goodwill and customer loyalty. —S.E.

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standing of the challenges that come with different customer bases.

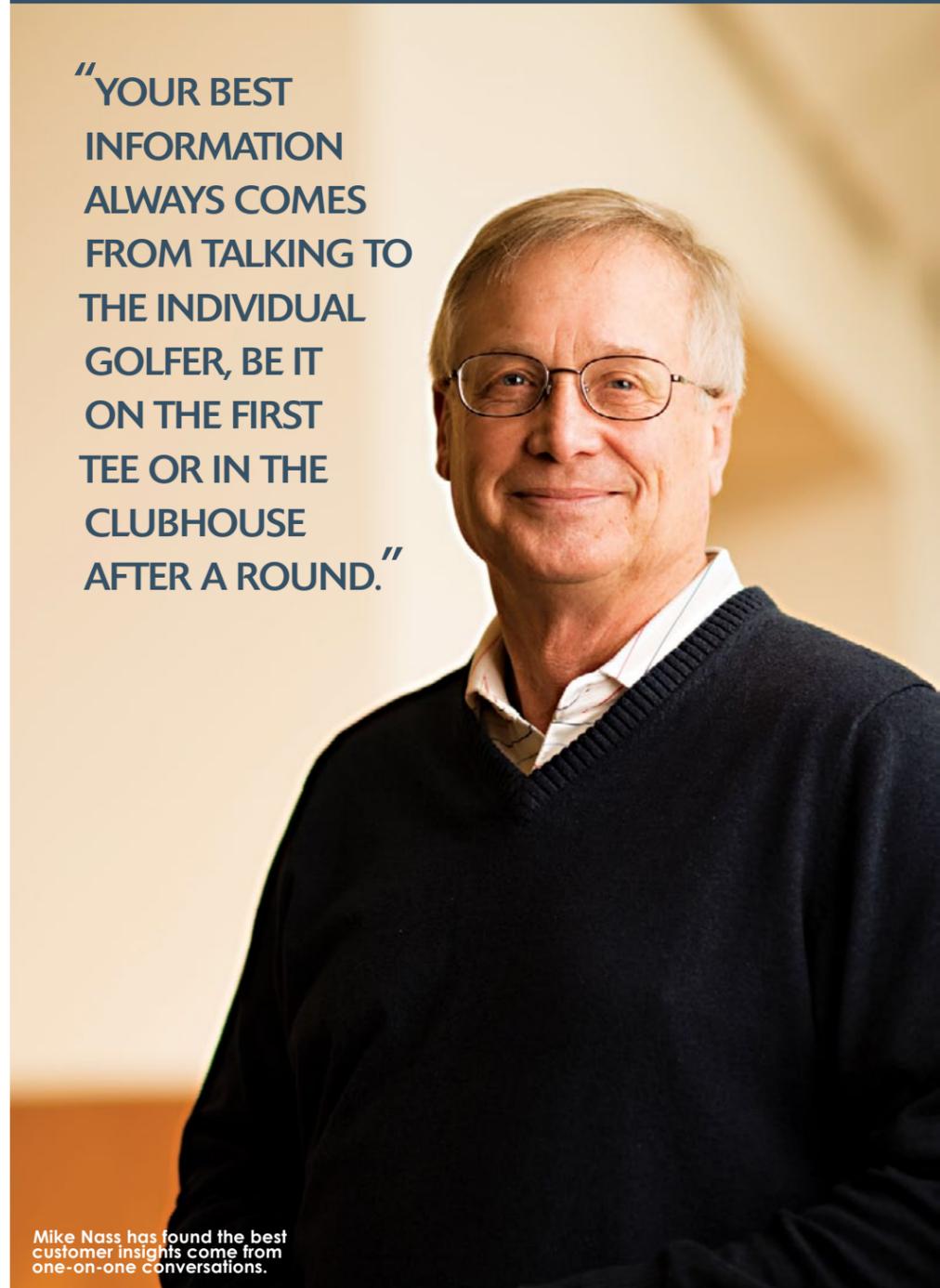
"To find what your customer really wants, you have to first identify who your customer is," he says. "In a private club setting, that's a lot easier because you have a roster of members and you know what group or groups are most actively engaged, so you can meet with them and get input. At a public or municipal facility, there's more of a challenge in that you have a lot of competing constituencies that often want different things."

Luthman has found that the key to being as responsive as possible to customers is to meet with them and open an ongoing dialogue. "An operator might not be able to accommodate every request, but sometimes just having a conversation is all the customer needs," he adds.

As low-tech as that sounds, most industry experts agree that one-on-one interaction with the golfer on the front line is, by far, the best way to measure customer needs.

"Without meaning to be a smart aleck, the answer to the question, 'How does an owner know what the customer wants?' is simple: You ask them," says Henry DeLozier, a principal with Arizona-based Global Golf Advisors. "Unfortunately, most golf course owners are reluctant to engage their customers, something I believe is borne of the fact that they hear more than their fair share of criticism and complaints, so there's a tendency to disengage."

It's an understandable human reaction. No one enjoys being criticized, especially by individuals or groups who complain about everything. But many owners and operators won't admit their aversion to customer feedback, even to themselves. Instead, they become tethered to sur-



Mike Nass has found the best customer insights come from one-on-one conversations.

"YOUR BEST INFORMATION ALWAYS COMES FROM TALKING TO THE INDIVIDUAL GOLFER, BE IT ON THE FIRST TEE OR IN THE CLUBHOUSE AFTER A ROUND."

vey or e-mail data, convinced that the sterile numbers are more complete and telling than talking to a few dozen people here or there.

"We've found that e-mail and surveys are good, but not always reliable," says Mike Nass, executive director of Cantigny Golf at Cantigny Park, a 27-hole facility in Wheaton, Illinois, that's part of the Robert R. McCormick Found-

ation. "It isn't that you don't get good information from e-mail or surveys; it's that you tend to get responses on the margins that are not reflective of the majority of your customers. Your best information always comes from talking to the individual golfer, be it on the first tee or in the clubhouse after a round or just driving around the course and listening to what they have to say."

Survey and e-mail information can also be notoriously outdated and biased. One operator who used e-mail customer communication on a regular basis recently examined his list and discovered that more than half the e-mail addresses were outdated.

What's more, operators have no idea what factors might bias the survey data. As much as everyone would like to believe that opinions are not based on how a golfer plays, respondents are human beings. If you ask a man what he thinks of a course where he just played 10 shots worse than his handicap, he's likely to pick every nit he can find. Ask the same man the same question after he has played well and beaten his buddies, and the answers will be much different.

"No matter what market we're talking about, we have never heard anyone say, 'Your golf course is too easy,'" Luthman says. "No one says, 'Hey, you need to grow the rough higher and harden up the greens.' Golf is hard enough, and people want to enjoy themselves and at least have a chance of shooting a good score. That is universal, no matter what kind of facility or customer you're dealing with."

In many cases, a survey respondent will be biased due to the time that has elapsed between filling out the survey and when he or she played. For instance, if the respondent has played two rounds at another course since visiting your facility, the survey answers will reflect feelings from the most recent rounds as much as the feelings experienced at your facility. The data isn't worthless, but it is skewed.

External forces also impact the validity of formal surveys. As much as operators live and breathe the game, golf is not the No. 1 priority for most golfers. Outside factors—work, kids,

the news of the day—certainly influence how a customer responds. The only way to qualify those responses is by speaking to the person face-to-face and sorting through what prejudices he or she brings to the table.

"A golfer will always be influenced by what he sees away from your facility," says Bill O'Brien, general manager at Maderas Golf Club in San Diego, one of the top-ranked clubs in the Bay area. "But that's also true of a professional staff. Our guys might play somewhere else or see another facility and think that having greens that run 10.5 [feet on the Stimpmeter] are too slow, but when we talk to our golfers we find out that they're quite satisfied with that speed. So, the key is to understand the perspectives everyone is bringing to the conversation, and then to listen."

One discussion here and there won't yield much usable data, which is why a lot of owners fall back on surveys and e-mails. It seems the logical way to gain feedback from a large number of customers. No doubt, it's harder to hold a series of member meetings or customer focus groups (see sidebar on conducting an effective focus group) than it is to send out an e-blast. Along the same lines, having the owner walk up and down the tee of his driving range soliciting commentary can seem tedious. But the information gained and the lines of communication that are opened through regular meetings far exceed anything that can be gleaned from a customer survey.

"We believe in holding as many focus groups as are needed at a facility and doing so as frequently as required," Luthman notes. "The key is to get all the important constituencies together—men's and women's associations, senior groups, [and the

like]—so there can be a free exchange of opinions and ideas."

Granted, the sample size of people any owner can meet will be relatively small, but that sample can and should grow over time. Eventually, the meetings will become more useful as the owner becomes more proficient at conducting them.

"Obviously, you have to enter the meeting with an agenda," Luthman says. "Otherwise, they can veer off topic and become gab sessions. Sometimes that's good, but a good manager has to be able to steer the discussion back to topics where the most useful information can be gained."

Even so, the best information sometimes comes from the most casual conversations. "Nothing beats riding out on the course and simply asking, 'How are things going?'" O'Brien says. "A lot of times the discussion will be about how the golfer is playing, but sometimes it will be about the course or the operation or some other tidbit that you can use to make your facility better. You just have to have the courage to ask." **GB**

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