



CERM-PI

Benchmarking aquatic, leisure and recreation centres

Agenda

1st) CERMPI

Who we are

What we do / what's new?

Why benchmarking?

Industry trends

Case studies

2nd) Partnership opportunity

3rd) Next steps

Consultation with members and feedback



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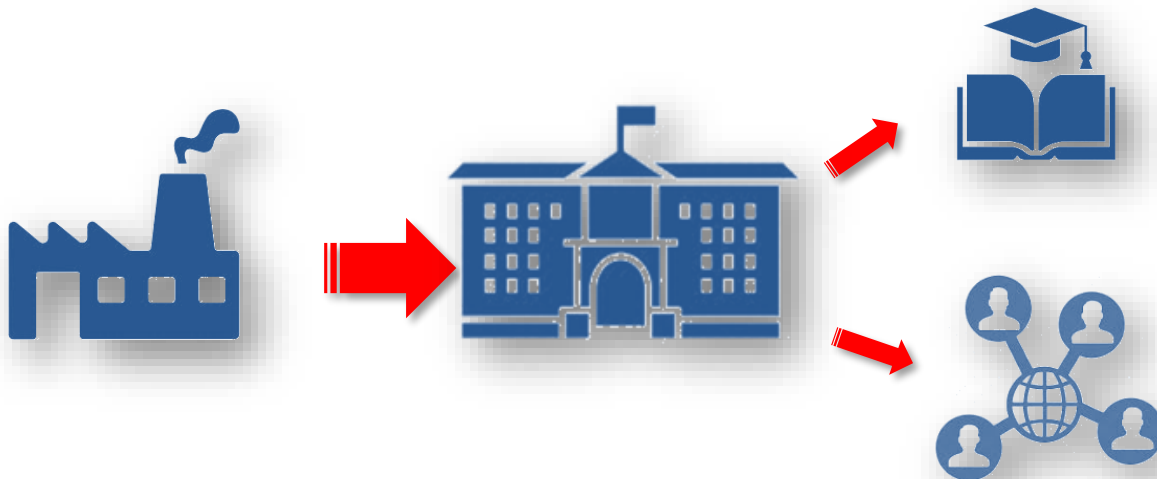
Who is CERMPI?

Leading research centre

- customer service quality
- operational management indicators in the sport and leisure industry

25 years

Improve the performance of the sports industry through benchmarking indicators



What do we do?



What's new?

New online software platform

Individual log-ins for facility managers



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Why benchmarking is important?

Long-term sustainability and competitiveness

Track, measure and improve performance by comparing it
with external data

Decision-making & planning based on evidence-based
information

Survey is not the same as benchmarking!!!



CERMPI vs Survey Monkey vs Net Promoter Score

	CERMPI	Survey Monkey	Net Promoter Score
Reputation and integrity to back/support funding bids?	✓	-	-
Internationally recognised researchers?	✓	-	-
Ethical university guidelines and protocols?	✓	-	-
Ability to benchmark specific groups vs whole industry? QLD vs industry benchmarks?	✓	-	-
Annual bulletin detailing results of the whole industry?	✓	-	-



Operational Management Benchmarks, 1995-2017

(Group 6 centres - catchment populations of 10K+)

	1995-97	1998-00	2001-03	2006-08	2009-11	2012-14	2015-17
Labour cost share	61%	60%	60%	61%	63%	62%	65%
Total visits per year	340,000	324,715	328,198	365,473	338,199	348,628	379,165
Fees per visit	\$3.08	\$3.24	\$3.97	\$4.70	\$5.37	\$6.40	\$6.30
Subsidy per visit	-\$0.20	-\$0.27	-\$0.61	-\$0.58	-\$0.78	-\$1.14	-\$1.38
Expense recovery	92%	93%	88%	89%	85%	85%	84%

Customer Service Quality Benchmarks (Expectations v Performance)

Scale for service quality attributes ranged from 1-6.

Expectations				Actual Performance		
1999-2001 n=21,101	2015-17 n=20,071	Rank 1999-2001 (2015-17)	Service quality attributes (22)		1999-2001	2015-17
5.7	5.6	1 (1)	Pool water cleanliness		4.1	4.6
5.6	5.5	3 (2)	Centre cleanliness		4.0	4.3
5.3	5.3	9 (7)	Staff friendliness		4.6	4.9
5.3	5.2	10 (10)	Value for money		4.2	4.4
5.2	4.8	18 (20)	Parking safety & security		3.8	4.2
4.7	4.3	21 (21)	Food and drink facilities		3.8	3.9

Case study

Operational Management (OM)



Background

The SA Aquatic Centre opened in April 2011 as a world-class facility for athletes, swimming clubs and casual swimmers
\$120 million partnership between City of Marion (SA), State and Federal Government
Managed by the YMCA on behalf of the Government of South Australia

SA Government made adopting CERM PI mandatory for reporting and tracking its performance

Challenge

Through an examination of national benchmarks available through CERM PI, the SA Aquatic Centre were able to identify that their utilities overheads (energy consumption) were significantly above the national median for their facility type.

Solution

Based on the data provided by CERM PI comparing benchmarks of facilities across Australia and New Zealand, the SA Aquatic Centre lobbied the state government to have solar panels installed, thereby reducing overheads and increasing energy efficiency within the facility.

Outcome

The successful lobbying of state government resulted in a \$1.2M investment in solar power infrastructure within the facility.

Case study

Customer Service Quality (CSQ)



Challenge

Extending the life-cycle of members at the facility (5 years) to ensure the facility's long-term viability, stability and profit.

Solution

Using CERM PI's customer service quality surveys, the SA Aquatic Centre identified a key area impacting of overall customer satisfaction: Improvement of change-rooms. This had not previously been a priority for senior management, who were considering other areas for investment such as air conditioning, carpet in the front foyer, and other cosmetic improvements.

Outcome and ROI

- By listening, acting and demonstrating to the customer that the facility was addressing key concerns, customer satisfaction and retention was increased, which in turn generated good word of mouth and referrals.
- Saved money for the facility (mkt expenses): By protecting customer satisfaction (cost of acquisition is 5 x higher than retaining a customer)
- Made money for the facility: Customer retention for 5 years is a big win and increases profits
- ROI: Through the use of CERM PI' CSQ data for \$4k, significant revenue can be retained and new revenue added through customer satisfaction and loyalty.

Case Study Tennis QLD

Background

2015/16 QLD - highest number of participating clubs (over 120 clubs - 70% returning participants)
Catalyst to the increase was a state wide audit.

Tennis QLD used CERMPI data for

- **Club development** & facility planning
- **LGA strategic planning process** / increased recognition by local councils in the last 12 months (leverage this approach!?)
- **Prioritise infrastructure** development across the state (similar to libraries – article)
- **Educate** members of the association of the importance of measuring operational performance
- **Support funding** bids

Outcomes to Tennis QLD

- The results from the audit, combined with CERMPI data **INFORMED 11 LGA** plans
- Cairns Regional Council - **compulsory** for all council owned assets to participate annually.
- Helped TA in the **development of funding schemes** and specialist services
- Supported **contract negotiations**



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Partnership opportunity

Achieve a common goal and **create value** to the QLD aquatics industry

- How can we do things better collectively?
- Business as usual or...

Drive change

- Achieve performance excellence
- Increase transparency and accountability
- Assist and support in securing funding to develop or renew facilities
- Strengthen the sector and its long-term viability



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Opportunity to create indicators for QLD



Benchmarking QLD

- QLD as an industry
- and against national industry standards *



*subject to having enough centres and good respondent numbers



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Partnership opportunity with ALFAQ

Customer Service Quality benchmarking report

Tailored questions
benchmarking
QLD facilities
against QLD and
against industry.

QLD Benchmarks

	Expectations 2018	Performance 2018	CSQ Gap 2018	CSQ Score 2018 %	CERM PI Benchmarks
Facility Presentation				85	Median
Centre cleanliness	5.5	4.5	-1.0	81	-1.1
Facility maintenance	5.5	4.6	-0.9	83	-1.0
Equipment quality/maintenance	5.4	4.6	-0.8	85	-0.9
Pool water cleanliness	5.7	5.1	-0.6	89	-1.0
Pool water temperature	5.2	4.6	-0.6	88	-0.7
Organisation				93	
Information availability	5.0	4.6	-0.4	92	-0.5
Centre well organised	5.3	4.6	-0.6	88	-0.7
Activity range	4.9	4.7	-0.2	96	-0.4
Programs/activities start and finish on time	4.8	4.7	-0.2	96	-0.4
Programs/activities relevant to customer needs	4.8	4.8	-0.1	99	-0.4
Provide value for entry fee	5.1	4.7	-0.4	92	-0.8
Program/activities provide value for money	5.0	4.6	-0.4	93	-0.7
Behaviour of others	5.2	4.6	-0.7	87	-0.7
Secondary Services				90	
Parking safety and security	4.8	4.5	-0.3	93	-0.5
Parking suitability	5.0	4.1	-1.0	81	-0.9
Food & drinks facilities	4.6	4.3	-0.2	95	-0.4
Child minding facilities	*	*	*	*	-0.3
Staffing				94	
Staff friendliness	5.4	5.1	-0.3	95	-0.4
Staff responsiveness	5.4	5.0	-0.4	92	-0.6
Staff presentation	5.2	5.2	0.0	100	-0.2
Staff experience/knowledge	5.5	5.0	-0.5	91	-0.5
Instructors' experience/knowledge	5.6	5.1	-0.5	91	-0.5
Overall service quality				91	

CERM PI National Benchmarks Bulletin Operational Management Indicators including QLD benchmarks

QLD Benchmarks

	2015-16	2016-17	CERM PI Median Group 7 2015-17 (n=68)
PERFORMANCE INDICATORS			
Finance			
Expense recovery	73%	80%	
Surplus/subsidy per visit	-\$3.39	-\$5.31	
Secondary spend per visit	\$0.79	\$0.81	
Receipts per metre ²	\$432	\$457	
Fees per visit	\$5.72	\$5.42	
Services			
Visits per metre ²	62	59	
Total visits per year	258,564	220,626	
Catchment multiple	9.0	5.8	
Catchment population (within 5km radius)	65,667	64,786	
Marketing			
Promotion cost share	1.1%	1.2%	
Promotion cost per metre ²	\$5.21	\$5.98	
Staff			
Labour cost to total receipts	96%	117%	
Labour cost share	61%	60%	
Labour costs per metre ²	\$325	\$319	
Training to salaries/wage costs	1.7%	2.3%	
Salaries/wages to labour costs	90%	88%	
Facility			
Presentation cost share	7.3%	6.9%	
Presentation cost per metre ²	\$34	\$31	
Utilities			
Energy cost share	7.4%	7.4%	
Energy cost per metre ²	\$36	\$35	
Water cost share	3.0%	4.1%	
Water cost per metre ²	\$13	\$13	



Partnership opportunity – Co-funded by UniSA(*)

Price list

Exc. GST

Inc. GST

4,534	4,987	Full price 2018 (4% increase on 2017)
4,307	4,738	5% discount on 2018 prices (3-4 centres)
4,081	4,489	10% discount on 2018 prices (5-9 facilities)
3,627	3,990	20% discount on 2018 prices (10 - 29 facilities)
3,174	3,491	30% discount on 2018 prices (29 - 39 facilities)
2,720	2,992	40% discount on 2018 prices (40+ facilities)

(*) Discount applicable based on the total number of ALFAQ members signing up until 20 April 2018 (date TBC)

(**) Includes a complimentary subscription to CERMPI National Operational Benchmarks (worth \$ 500)



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Partnership Benefits (win-win)

- Raise standards
- Long-term sustainability
- Funding support
- Drive Policy



- Accountability & transparency
- Contract negotiation
- More competitive & sustainable
- Improved bottom line (customer retention)
- Relationship with councils



- Acknowledgment of their feedback
- match community demands



- Strategic objectives
- Planning & decision-making
- Elected members
- Transparency & accountability

Endorsement

Acknowledged in the Victorian Auditor-General's Report (2016):

*“the cost of developing and maintaining Council facilities is significant and it is critical that Councils evaluate their performance, not only to **justify ongoing investment** of public funds, but also to **maximize value** from their major infrastructure assets to **ensure efficiency and customer satisfaction**.”*

CERM PI was specifically acknowledged in this report as a benchmarking exercise that could provide a platform to evaluate aquatic and recreation centres in Victoria.



Thank you!

Questions?

