

# Case Study

## PGA TOUR's Tournament Players Clubs



### The Client

Tiger Woods, Phil Mickelson, Ernie Els . . . Do you play where the pros play? The Tournament Players Clubs ("TPC") form a network of high-end private clubs and daily fee resorts and are licensed, owned and/or operated by the PGA TOUR. Representing a commitment to excellence unsurpassed in the golf industry, TPCs provide avid golfers the opportunity to "Play where the PGA TOUR pros play!"

*LRA and the TPC collaborate on an innovative brand assurance program that keeps their members and guests returning for more*

### The Situation

After years of double-digit increases, the number of golf rounds played in the United States declined by three to five percent during 2002-2003, per the National Golf Foundation. Unfortunately for the TPCs, high-end clubs were most severely impacted by this decline. Between 1998 and 2003, developers built new courses at twice the rate that golfers were taking up the game. While the number of golfers grew slightly, from 25 million to 25.4 million, the number of courses increased from 14,900 to 16,000 during the same period. Supply was far outstripping demand. In addition, poor economic conditions were negatively impacting the amount of discretionary income available to consumers.

*"As the leading upscale golf club operator in the world, and the home of the PGA TOUR, LRA's customer experience management process helps us ensure that we continue to meet and exceed our members' and guests' expectations in all aspects of their experience with TPC."*



*John Huggins, Vice President of Operations - TPC*

### The Solution

With the challenging conditions the industry was facing, TPC management recognized the need to enhance the customer experience to emotionally engage and retain each and every member and guest. They realized that plush fairways alone would not create a loyal customer base. The TPC worked with LRA to develop and implement an integrated Brand Assurance and Customer Experience Management program to increase customer satisfaction and drive retention, with a goal of improving the bottom-line. LRA applied its three-pronged methodology called the Continuous Cycle of Managing the Customer Experience to drive positive change at the TPC.

#### ***Assessing the Customer Experience***

The first step in helping the TPCs create exceptional customer experiences was to identify those things that customers considered most relevant and important. With no formal measurement system in place at the daily fee and resort clubs, LRA and TPC management instituted a continuous customer satisfaction survey program. Over 40 percent of the customers surveyed responded. The feedback indicated that the putting surfaces, golf shop experience, booking, food & beverage and arrival and departure process were all critical elements of the overall TPC golf experience. The research also revealed certain performance gaps and their root causes.

### ***Improving the Customer Experience***

LRA worked with TPC management, each individual facility and their customers to identify the key touch points, which most closely correlate with satisfaction. With this information, LRA and TPC designed the ideal TPC customer experience. The TPC's focus on a service-oriented culture, including hiring and training great employees, was critical to its future success. To design the new and improved TPC customer experience, LRA worked with TPC management to develop a comprehensive set of standards, operating procedures, and best practices. These standards, which articulate required outcomes, were specific, measurable and linked to incentive compensation. LRA also led the way in the creation of a high-level customer service and leadership training program called TPC University.

### ***Managing the Customer Experience***

TPC management knew that for the long-term success of TPCs, it had to continuously manage the quality of every customer experience. So far, more than 25,000 TPC guests have responded to the TPC customer survey. With input from TPC management, LRA has instituted a rigorous quality assurance and mystery-shopping program as a management tool. Both of these measurement programs focus on execution and operational excellence, attention to detail, consistency and customer service delivery. LRA managers frequently analyze the mystery shopping and customer feedback data in order to identify gaps, uncover root causes, and make recommendations for positive change.

## **The Results**

Over the past three years, TPC member and guest satisfaction and loyalty scores have improved more than 15 percent. In a very tough environment, the number of rounds played at TPCs has outpaced the national average, and the TPC organization continues to post consistent earnings during a period when other course owners have struggled. Retention levels for TPC members have remained strong. Employee engagement has improved as well. In addition, the TPC Network has earned a number of prestigious awards including the Zagat Survey's Top 10 in Service, Golf Digest's Top Places to Play, Golf Magazine's Top Golf Shops and many more.



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