

Royal Yachting Association

**ONGOING CUSTOMER
SATISFACTION SURVEY**

**YACHTMASTER/COASTAL
SKIPPER/ADVANCED POWERBOAT**

ANNUAL REPORT 2010

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1 Introduction

This report outlines the overall summary results of an ongoing customer satisfaction survey carried out for RYA by The Leadership Factor in relation to the Yachtmaster, Coastal Skipper and Advanced Powerboat certificates. This overall summary covers the results recorded during the interviewing period between January and December 2010. The original survey was preceded by exploratory research involving depth interviews with a varied selection of RYA's customers (Jan-Feb 2004). Having identified what matters most to customers, The Leadership Factor in conjunction with RYA designed a questionnaire covering the 13 criteria of most importance to Yachtmaster/Coastal Skipper/Advanced Powerboat customers.

A total of 602 interviews were conducted during this period of interviewing.

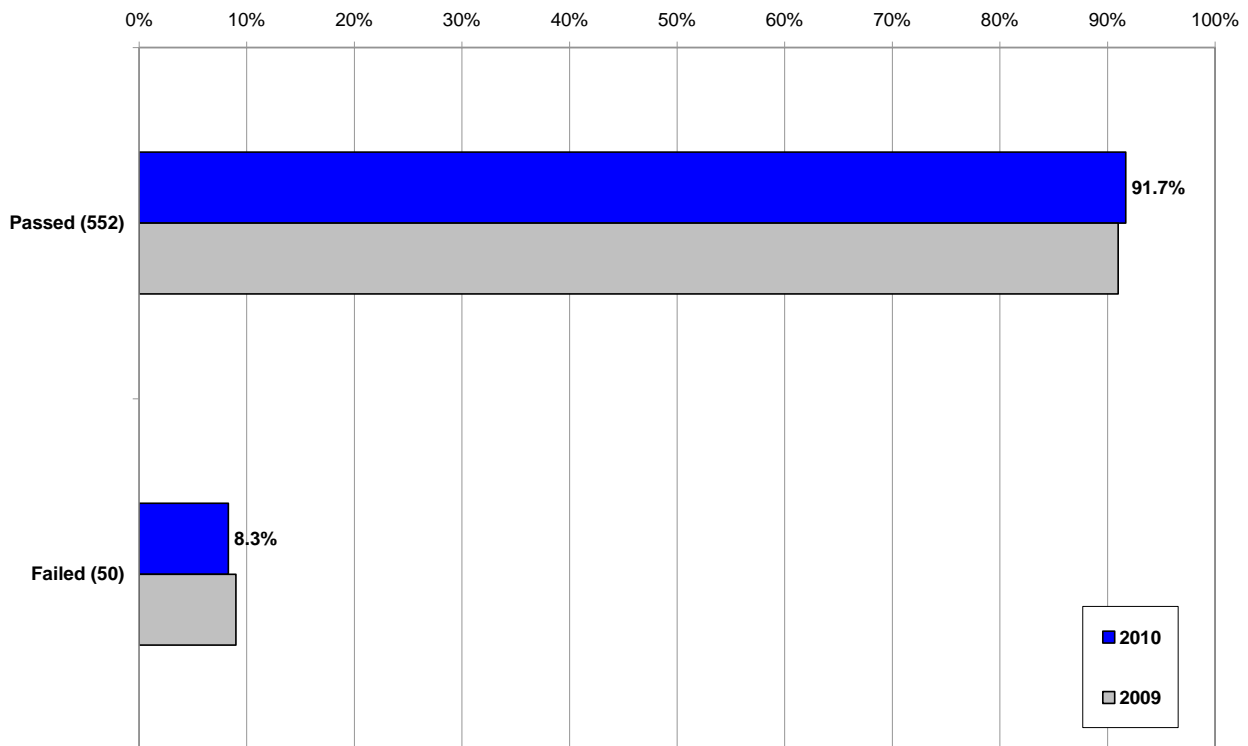
1.1 Sampling – who was involved in the survey?

The overall sample of 602 customers provides a good, reliable guide to the satisfaction of RYA's customers since the sample:

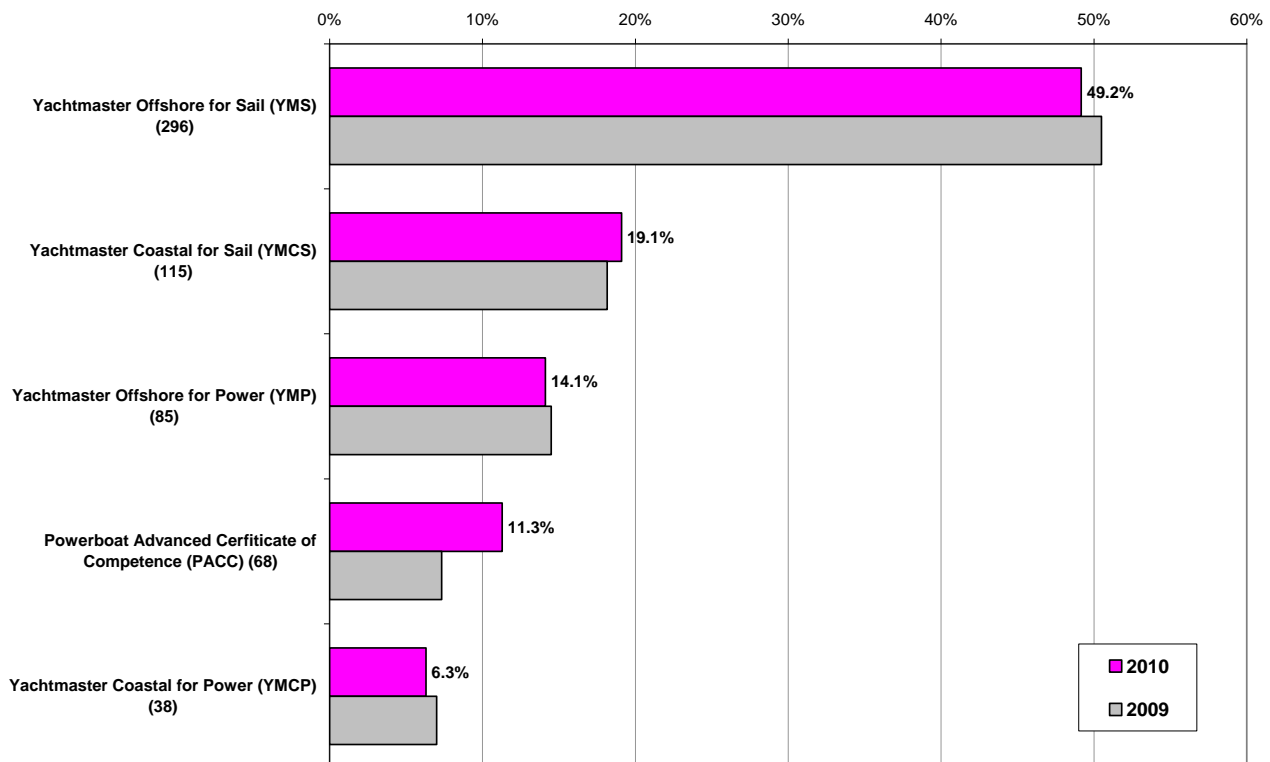
- Was randomly selected by The Leadership Factor
- Is sufficiently large to provide an accurate result. The statistical reliability of the results is shown in Section 4.1.

The charts overleaf provide an overall analysis of the sample.

Passed/Failed



Type of examination

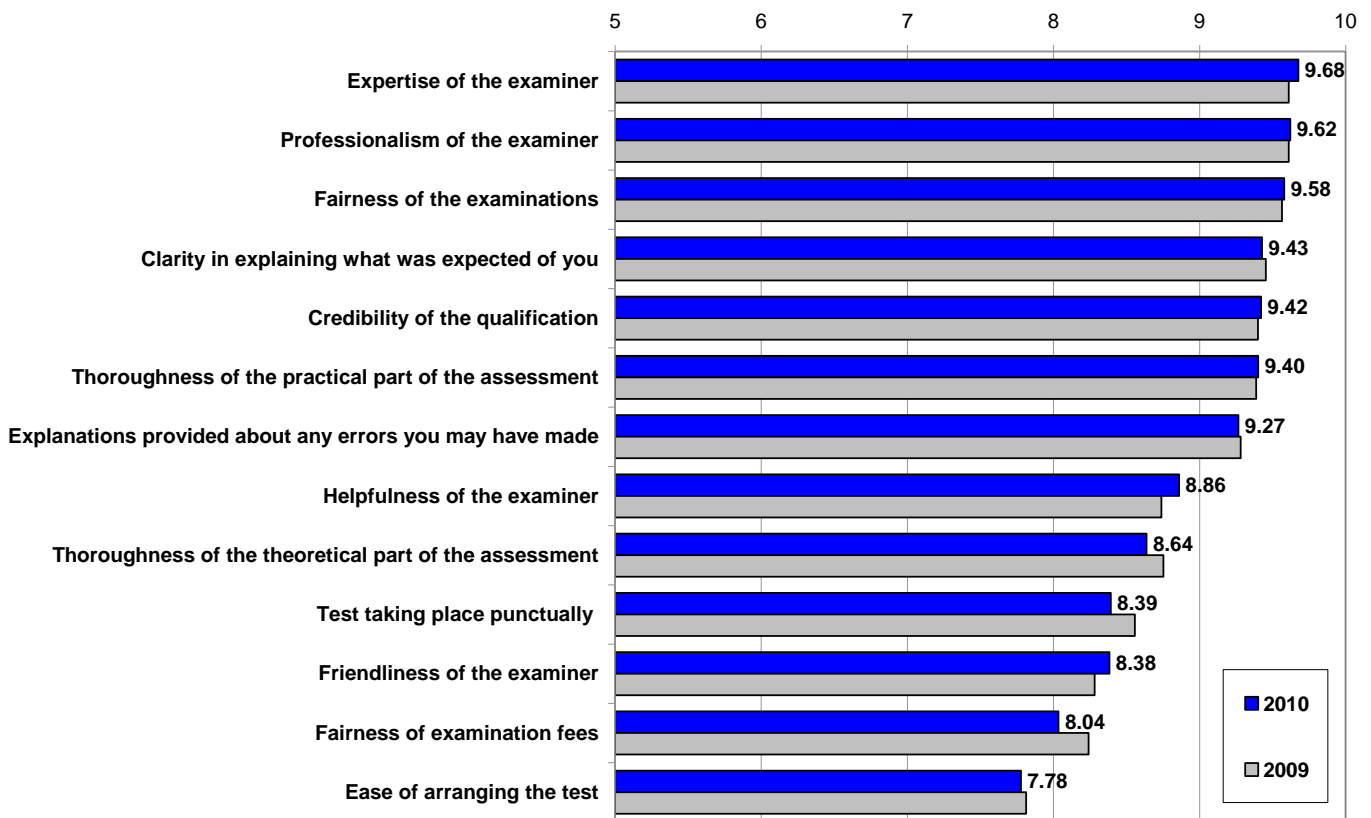


2 Customer requirements

2.1 Importance

Using the 13 main customer requirements identified by the exploratory research, customers were asked to indicate the importance to them of each one by giving it a score out of ten where ten signifies 'extremely important' and one signifies 'not at all important'. The chart below shows the customer requirements in order of priority, along with the 2009 results.

Stated importance



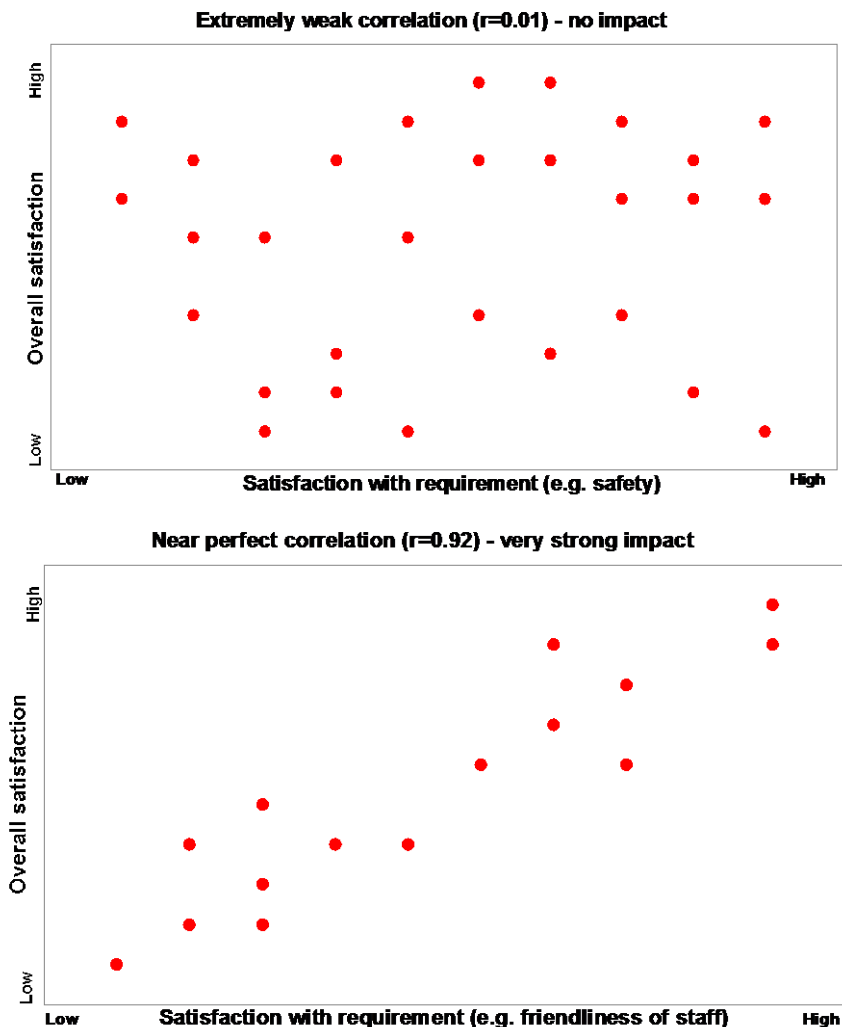
As in previous years, customer priorities have remained very similar, with no noticeable changes occurring since 2009.

2.2 Impact

Customers' view of the importance of requirements does not always reveal the true differentiating attributes, since certain requirements may be regarded as 'givens', whereas others may have a greater impact on their satisfaction judgement than they consciously realise. For example, 'safety' is typically very important but is an attribute on which all suppliers would be expected to achieve high standards and unless there is a failure it will not be a reason for choosing a particular supplier. On the other hand, 'friendliness of staff' might well be what makes the difference between one supplier and another, although it may not initially seem important to customers when asked to judge the relative importance of a list of requirements.

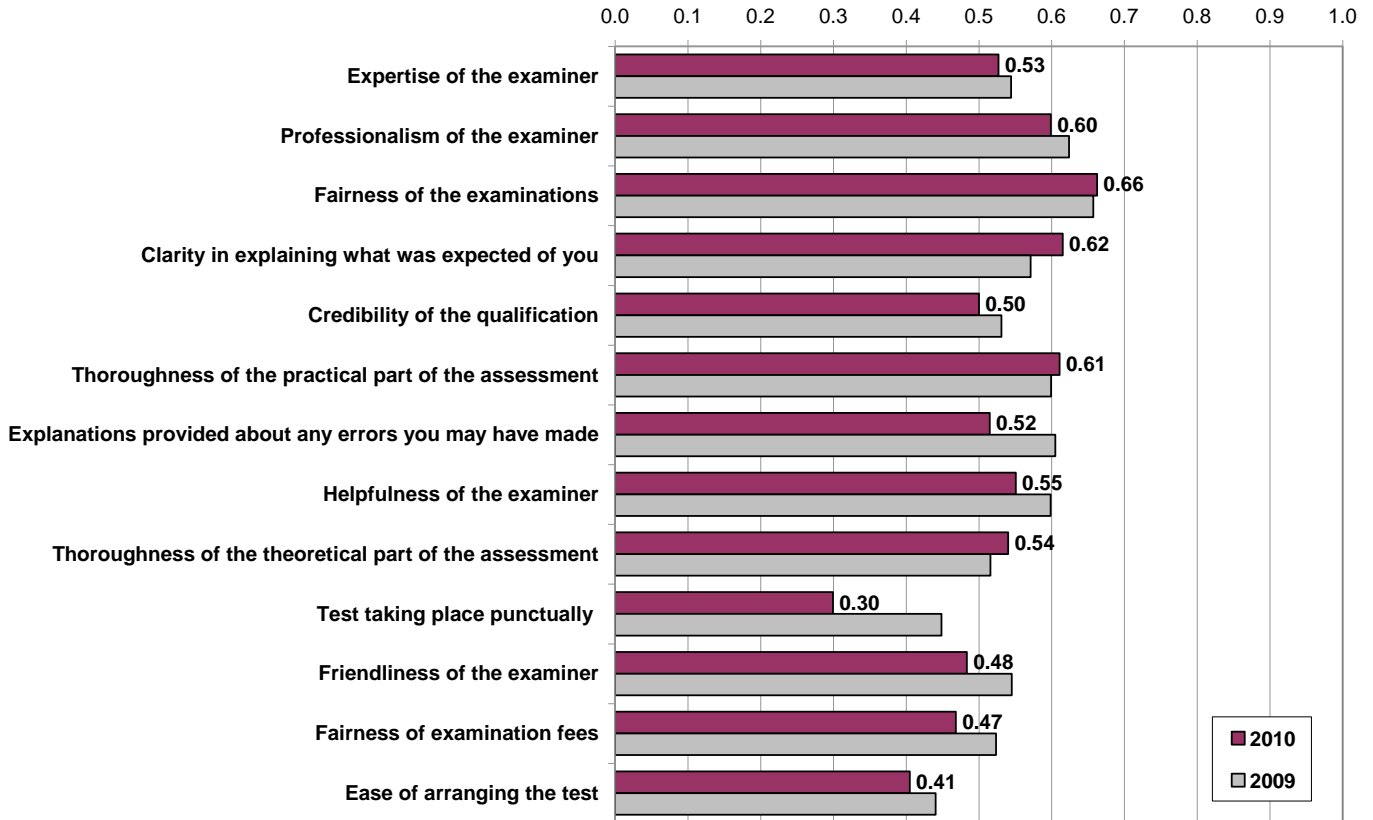
To identify the strongest differentiators in terms of creating satisfaction, we correlate overall satisfaction with satisfaction for each attribute. Such a correlation produces a coefficient in the range -1.00 to $+1.00$, where -1.00 represents a perfect inverse relationship and $+1.00$ a perfect positive relationship. A score of 0.00 indicates that there is no relationship at all between the two variables. From customers' satisfaction data we would expect to see only positive correlations between 0.00 and $+1.00$.

The following two hypothetical charts illustrate how correlation works:



The impact coefficients for RYA are shown in the chart below, compared with the corresponding coefficients from 2009:

Impact correlations



Most of the attributes have a medium to strong impact on overall satisfaction. The requirements with the largest bearing, with impact correlations of at least 0.55 are:

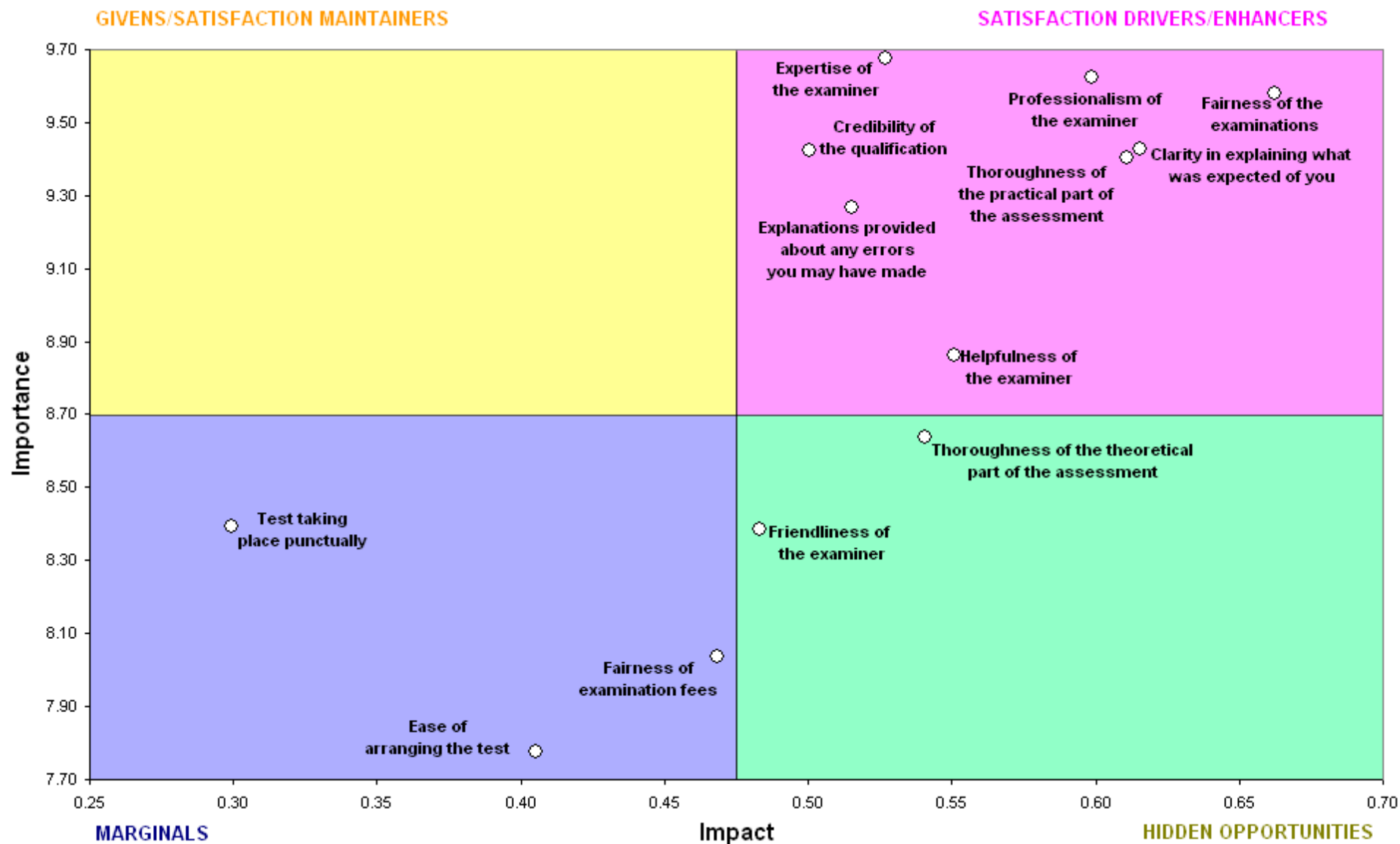
- Fairness of the examinations
- Clarity in explaining what was expected of you
- Thoroughness of the practical part of the assessment
- Professionalism of the examiner
- Helpfulness of the examiner

2.3 Drivers of Satisfaction

By combining the importance and impact scores into one matrix, it is possible to define four broad categories of customer requirements:

- (1) **Givens**– items with high importance but low impact. Strong performance in these areas will often be taken for granted, and whilst performance beyond acceptable minimum standards will not necessarily result in an increase in customer satisfaction, poor performance will have a strong adverse effect on customer satisfaction.
- (2) **Satisfaction Drivers**– requirements with very high scores for both importance and impact. These are the strongest drivers of satisfaction and should be prominent in plans for improving customer satisfaction and loyalty.
- (3) **Hidden Opportunities** – factors with low importance, but high impact. Whilst customers do not rate these factors high in importance, performance in these areas will have a strong impact on overall customer satisfaction; a good customer experience will have a strong positive effect on overall satisfaction, whilst a bad one will have a lasting negative effect. Provided minimum standards have been achieved on Givens, and a strong emphasis has been placed on Satisfaction Drivers there is potential for improving customer satisfaction by investing in Hidden Opportunities.
- (4) **Marginals** – requirements with both low importance and low impact. Such requirements cannot be dismissed as unimportant, since all of the requirements included on the questionnaire were rated as important by customers during the exploratory phase of the research. As far as customer satisfaction improvement is concerned, Marginal requirements will usually offer the least opportunity for a return on investment.

The main areas driving satisfaction remain very similar to last year: professionalism, fairness and thoroughness of the examinations, along with the standard of explanations provided to candidates and helpfulness of the examiner.



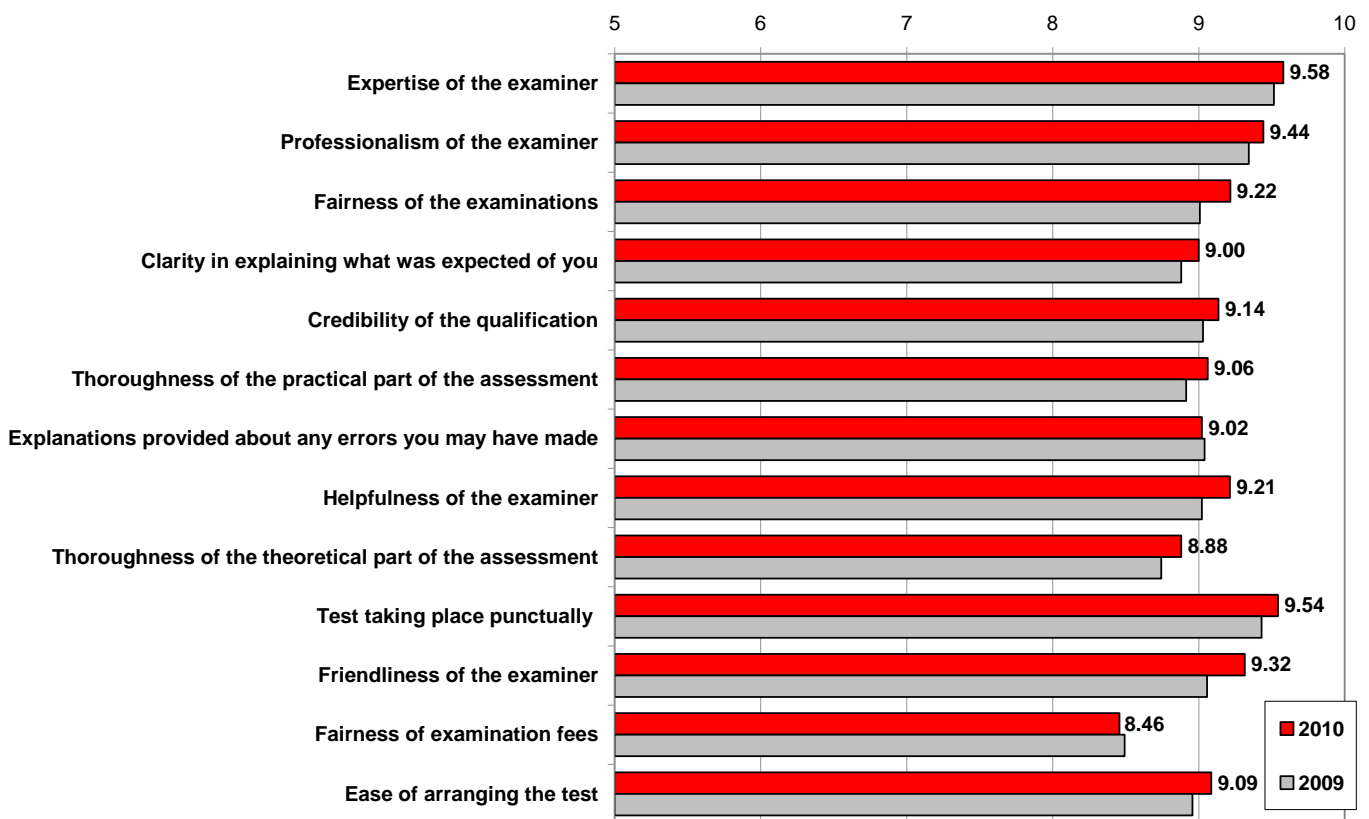
3 Customer satisfaction

Customers were also asked to score their level of satisfaction with RYA's performance on the same 13 criteria giving a mark out of ten, where one signifies 'completely dissatisfied' and ten signifies 'completely satisfied'.

The results are shown in the chart below compared to the 2009 results, with the criteria again listed in order of their importance to customers.

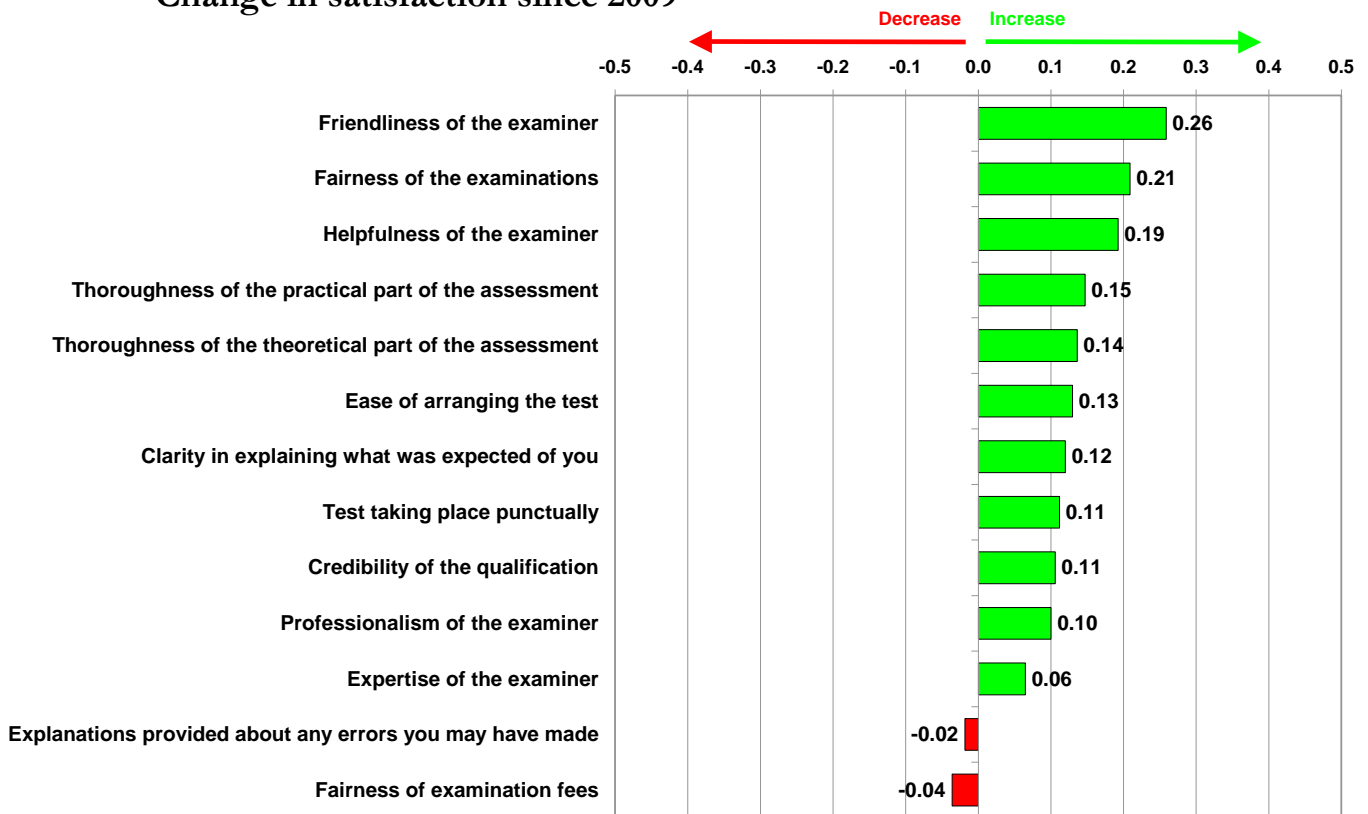
Almost all scores have increased, which at a high level of scoring is not easy to achieve.

Satisfaction ratings



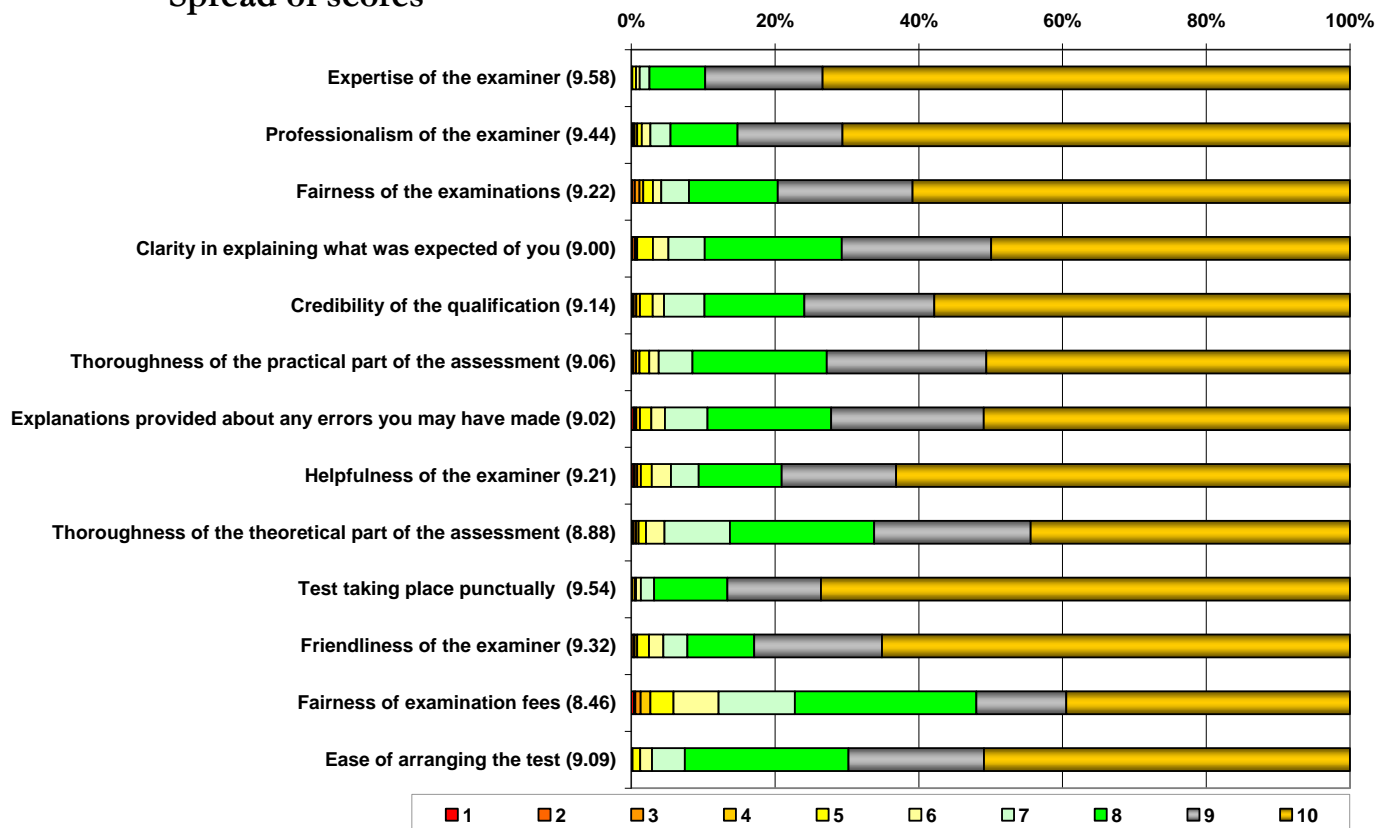
The chart overleaf illustrates the changes in satisfaction for each requirement since 2009, and shows that satisfaction has remained extremely similar, with no increase or decrease greater than 0.26.

Change in satisfaction since 2009



The following chart shows the spread of satisfaction scores given for each requirement, in order of priority. This indicates that there is a high level of consistency in performance.

Spread of scores



3.1 Satisfaction by segment

The following shows any differences in scores given by customers taking the different examinations as well as those who passed or failed the exam.

Examination type

Yachtmaster Coastal for Sail candidates are the least satisfied, having given the lowest scores for 7 of the 13 requirements – in particular for ‘thoroughness of the theoretical part of the assessment’ and ‘thoroughness of the practical part of the assessment’.

The most satisfied group of candidates is Powerboat Advanced Certificate of Competence, who gave the highest mean scores for 12 requirements, most noticeably ‘professionalism of the examiner’, ‘expertise of the examiner’ and ‘friendliness of the examiner’.

It is worth noting that ‘fairness of examination fees’, the requirement with which candidates are the least satisfied overall, is given clearly higher scores by Yachtmaster Offshore for Power and Powerboat Advanced Certificate of Competence candidates.

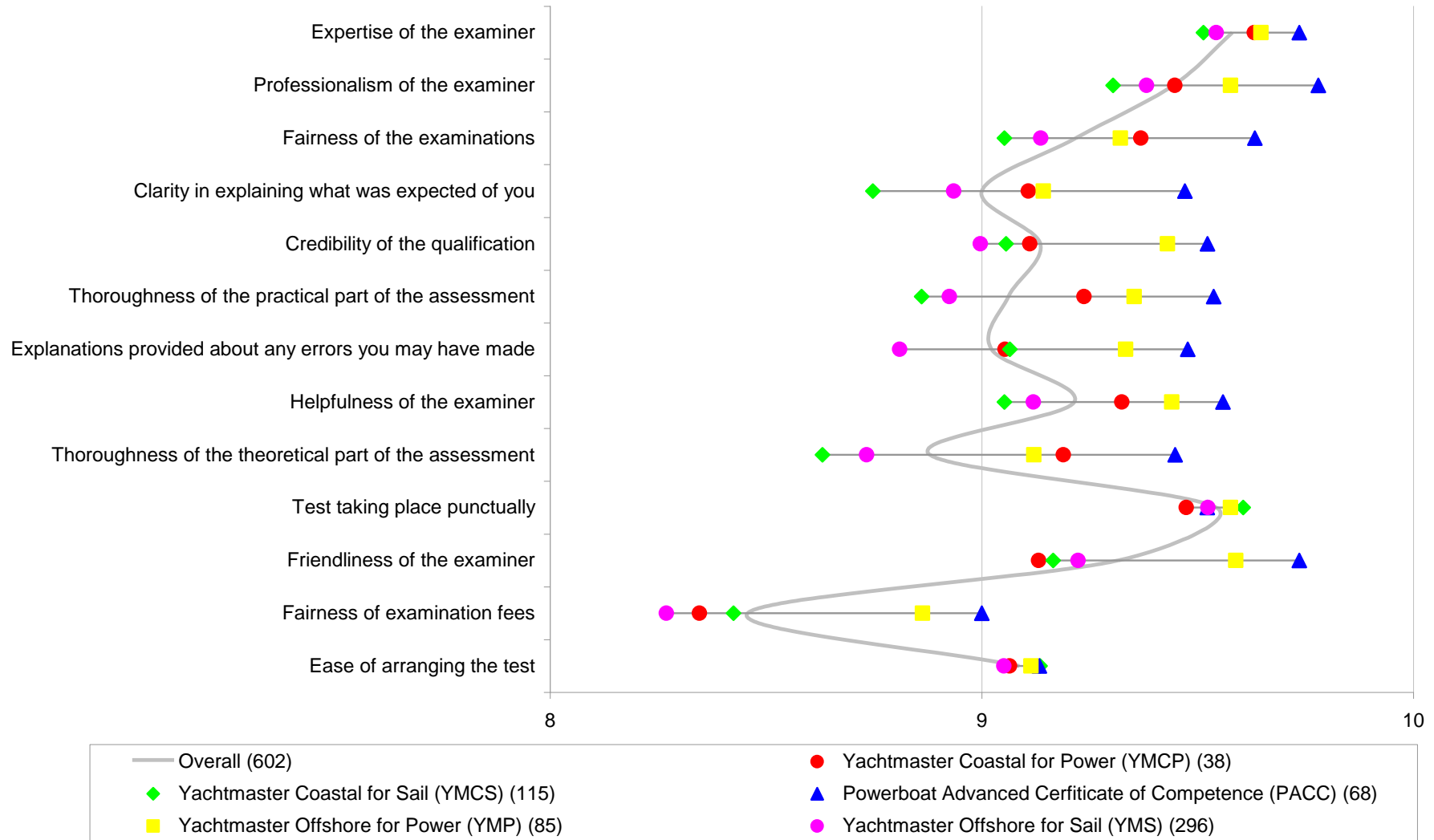
Passed/failed

As is normal, those who passed the examination gave a higher score than those who failed for each of the 13 requirements.

The requirements with the biggest differences are ‘helpfulness of the examiner’ and ‘clarity in explaining what was expected of you’.

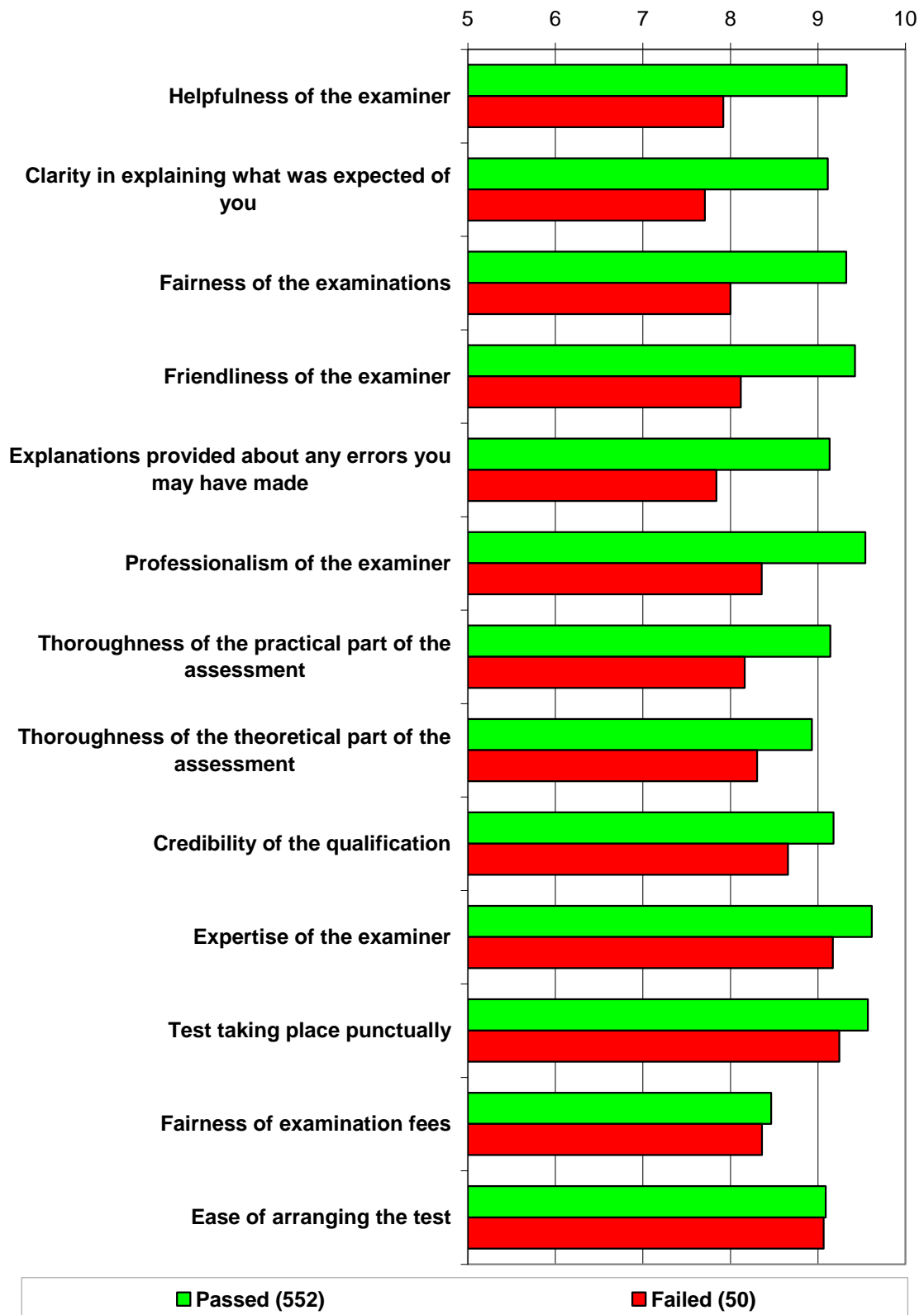
This chart shows the satisfaction scores given split by type of examination taken. The requirements are shown in overall importance order:

Satisfaction ratings by examination type



The following chart shows the satisfaction scores given by those who passed the examination and those who failed. The requirements are shown in descending order of the difference between the two scores.

Satisfaction ratings by passed/failed



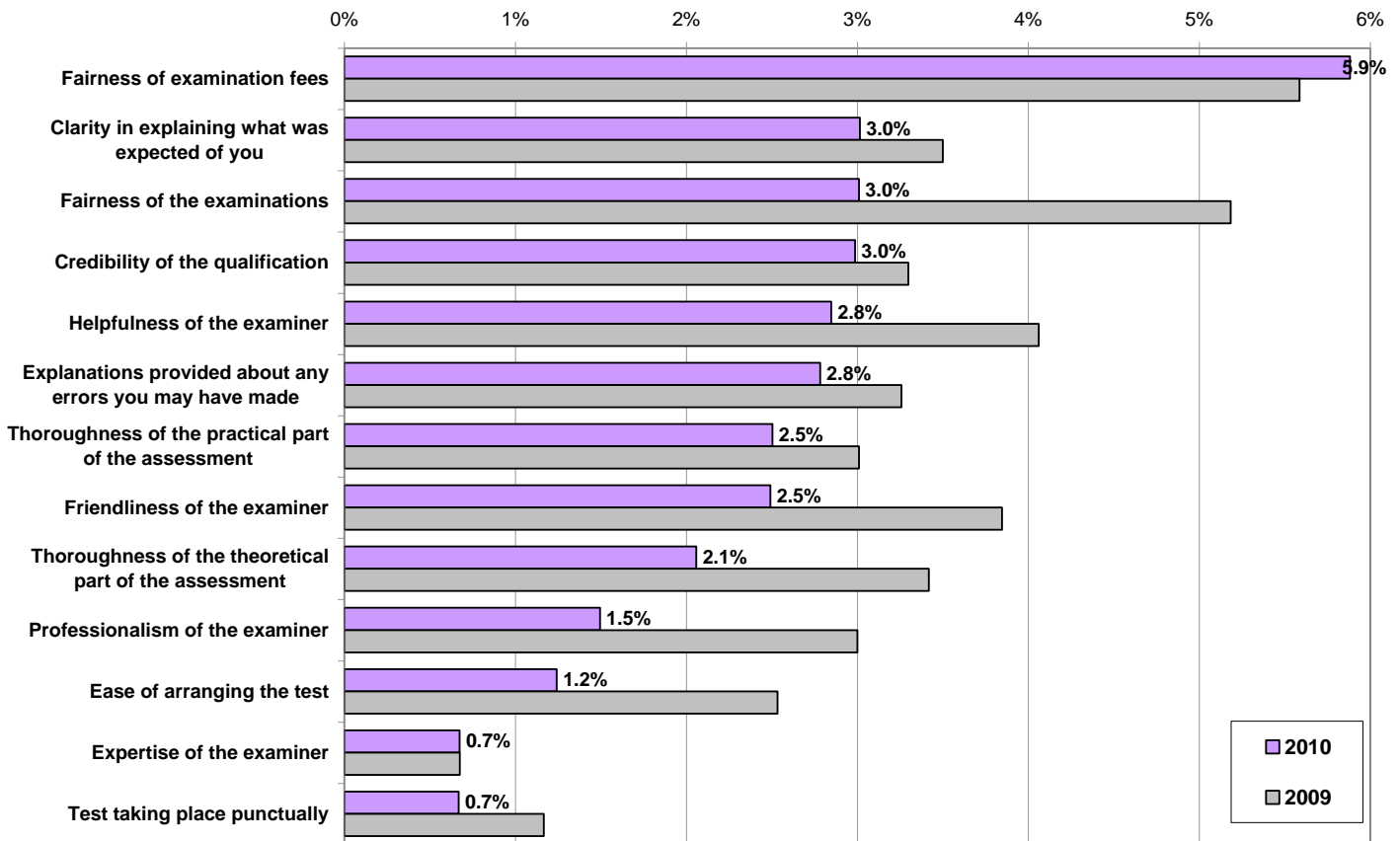
3.2 Reasons for dissatisfaction

In any instance where a satisfaction score of 5 or less was given, the customer was asked to explain the reason for their low level of satisfaction with that requirement.

It is important to note that only low satisfaction scores were probed, not high ones. This is based on the view that it is more important to understand reasons behind low scores, which explains why all the comments in this section are negative.

The chart below shows the proportion of customers scoring 5 or lower for each requirement.

Reasons for low satisfaction



4 Satisfaction Index™

4.1 Calculating the *Satisfaction Index™*

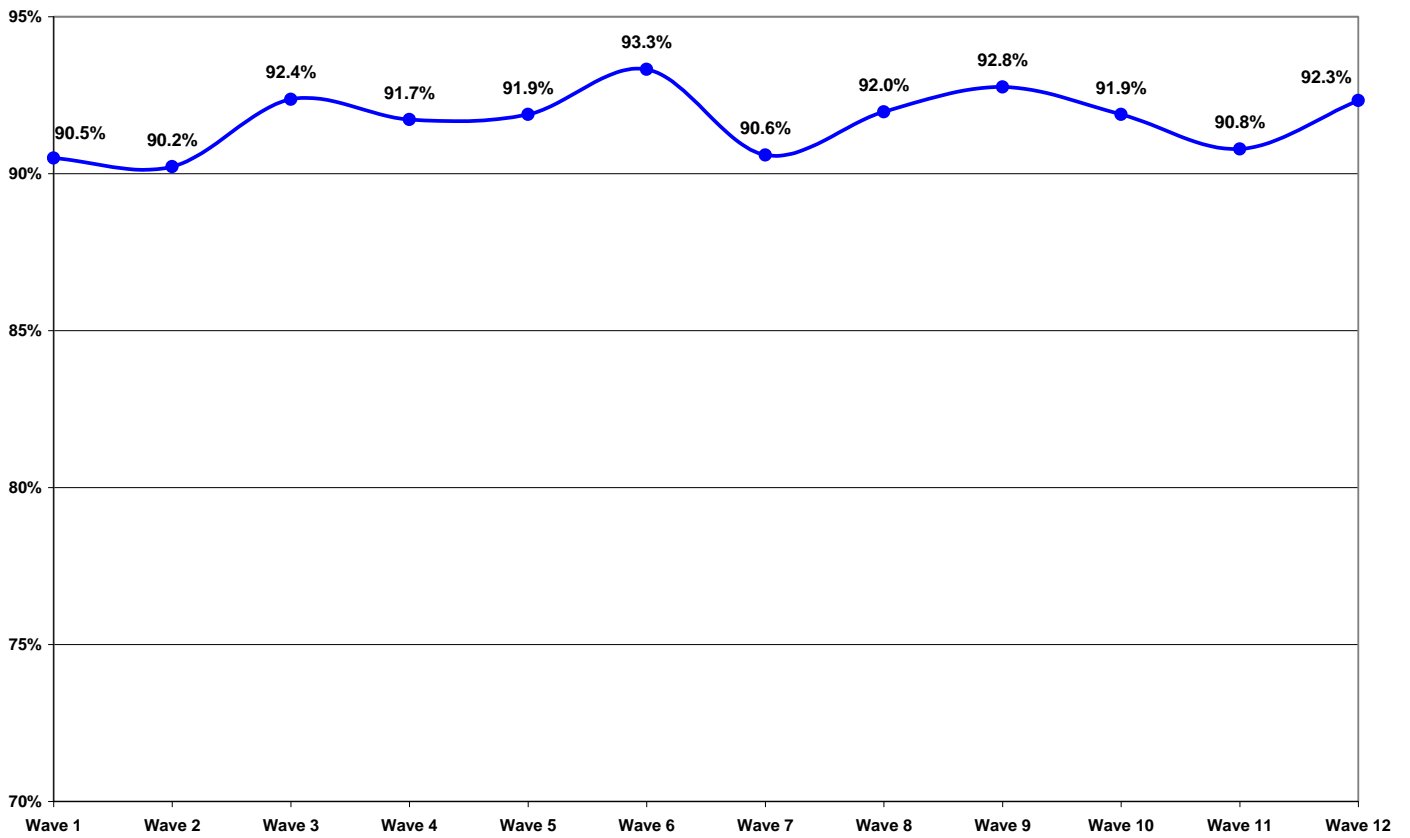
Satisfaction Index™ is the overall measure of success in satisfying customers. Since some customer priorities will be more important to them than others, *Satisfaction Index™* uses importance scores to weight satisfaction scores. The resulting index is therefore a weighted average score which is expressed as a percentage, a score of 100% representing total customer satisfaction with every aspect of their dealings with you. This results in a totally accurate picture of your ability to satisfy customers by ‘doing best what matters most to customers’.

RYA OVERALL		
YEAR	<i>SATISFACTION INDEX™</i>	Statistical reliability
2010	91.7%	±0.7%
2009	90.5%	±0.8%
2008	90.4%	±0.8%
2007	90.4%	±0.8%
2006	90.6%	±0.8%
2005	89.7%	±0.9%
2004	89.3%	±1.0%

The *Satisfaction Index™* has seen a respectable (and statistically significant) increase on the 2009 result, breaking the trend of minimal change since 2006.

The chart overleaf shows the change in Satisfaction Index overall over the past twelve months.

Satisfaction Index™ tracking

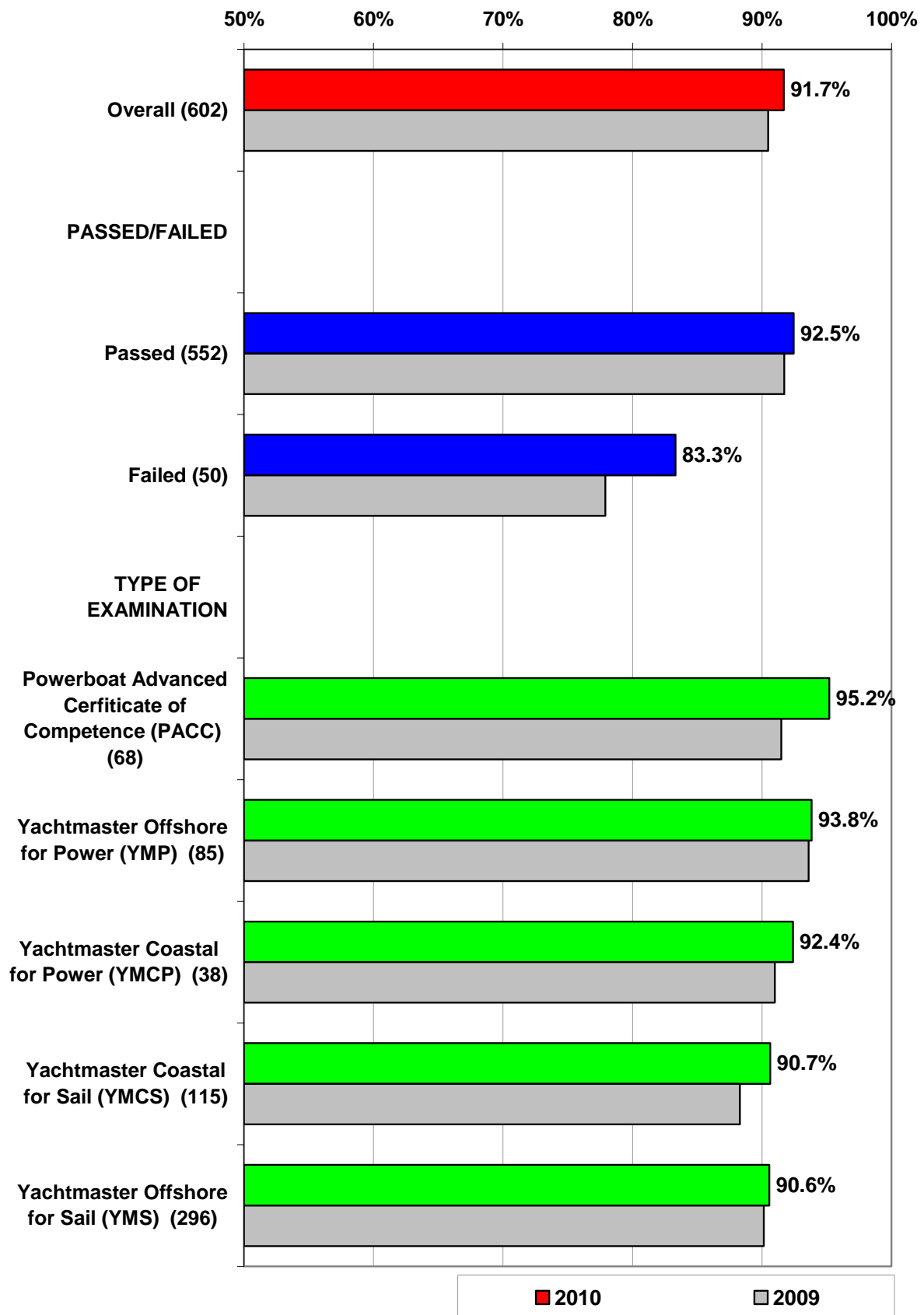


4.2 Sub-group indices and statistical reliability

The table below shows the *Satisfaction Index*TM overall and for each sub-group, together with the statistical reliability of the results and the base size.

SEGMENT	INDEX 2010	RELIABILITY 2010	BASE 2010	INDEX 2009	INDEX 2008
Overall	91.7%	±0.7%	602	90.5%	90.4%
Passed/Failed					
Passed	92.5%	±0.6%	552	91.7%	91.2%
Failed	83.3%	±4.8%	50	77.9%	82.1%
Type of examination					
Powerboat Advanced Certificate of Competence (PACC)	95.2%	±1.5%	68	91.5%	-
Yachtmaster Offshore for Power (YMP)	93.8%	±1.5%	85	93.6%	90.8%
Yachtmaster Coastal for Power (YMCP)	92.4%	±2.8%	38	91.0%	94.0%
Yachtmaster Coastal for Sail (YMCS)	90.7%	±1.6%	115	88.3%	89.6%
Yachtmaster Offshore for Sail (YMS)	90.6%	±1.1%	296	90.1%	89.8%

Satisfaction indices by segment



5 Relative performance

5.1 The Satisfaction Benchmark League Table

RYA's *Satisfaction Index*TM for 2010 is 91.7%. According to our databank, based on many customer satisfaction measurement projects, 91.7% represents an above average performance, placing RYA high up in the top quartile of suppliers, as shown in the league table.

RYA's overall percentile score is 98th, 2 points higher than the 2009 percentile score of 96th. This places RYA in the top 3% of companies.

The league table shows RYA's success in satisfying customers compared with other organisations generally. This is the most useful benchmark of customer satisfaction since customers make these judgements by comparing your performance against that of all other organisations that they have used.

Methodologically, the league table provides a comparable benchmark across industries because *Satisfaction Index*TM is a measure of an organisation's success in meeting its customers' requirements. Organisations operating in different sectors do not have to meet the same customer requirements, but to succeed in their markets they do have to meet (or exceed) whatever those customer requirements are. *Satisfaction Index*TM is a measure of an organisation's ability to do that as judged by the customers themselves.

Benchmarking more widely than your own industry is therefore strongly recommended. The league table is anonymous since data on the performance of individual companies is totally confidential.

*Satisfaction Index*TM League Table



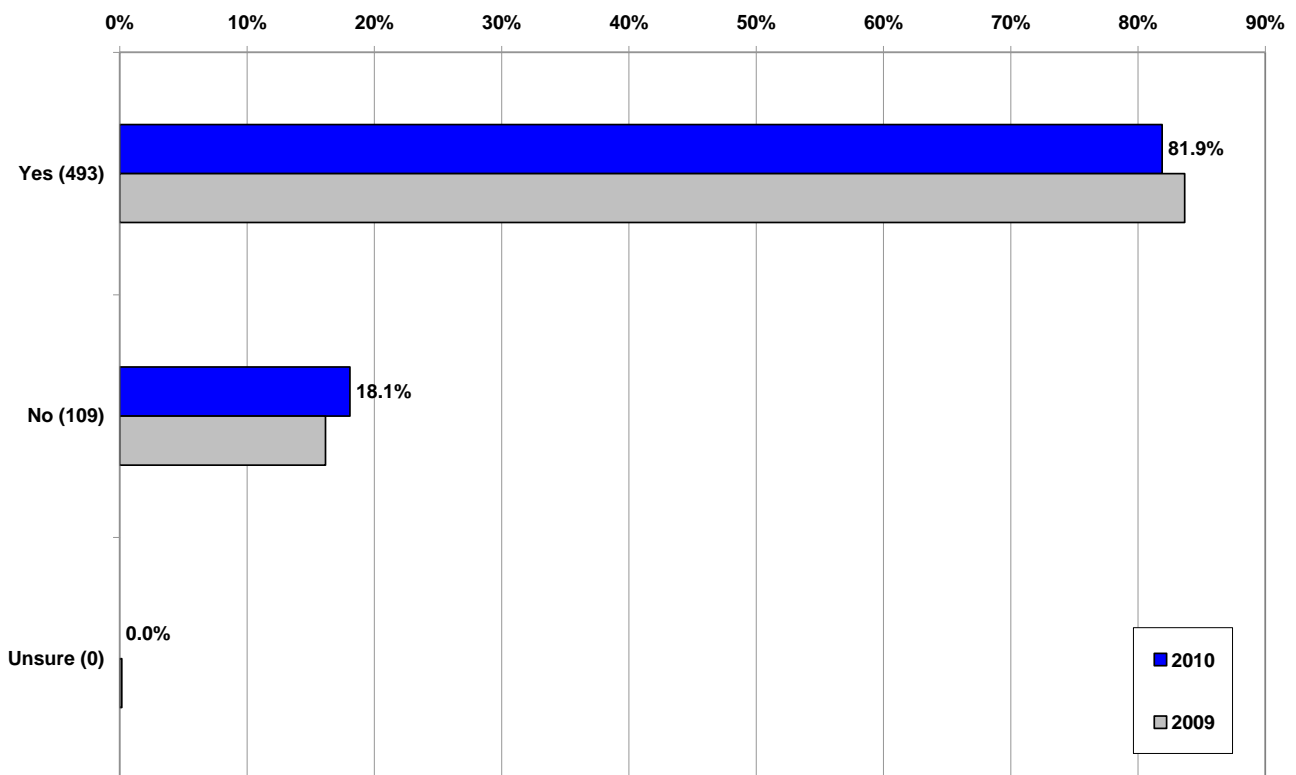
6 Student activity, confidence and other topics

Towards the end of the interview, some additional questions were asked. The questions and their results are shown in this section.

6.1 Did you attend a course with an RYA recognised Centre prior to your examination?

The above question was asked to all RYA customers to establish participation levels in courses prior to the Yachtmaster/Coastal Skipper examination, the following chart tracks the proportion of customers who did.

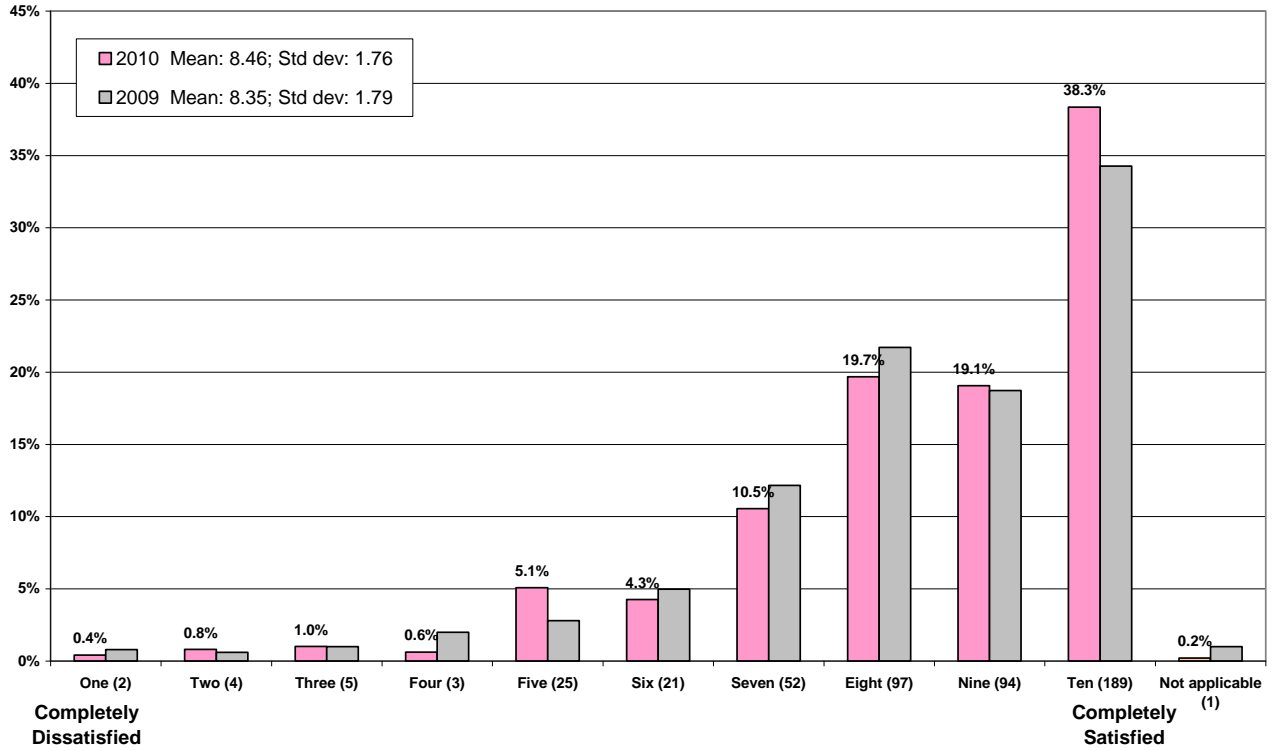
Attended course prior to the examination



Any customers who stated they had participated in a course were asked how satisfied or dissatisfied they were with the course, using a scale of one to ten, where ten means 'completely satisfied' and one means 'completely dissatisfied'. The histogram on the following page shows customer responses.

The spread of scores for course satisfaction is shown below with the mean score and standard deviation also shown.

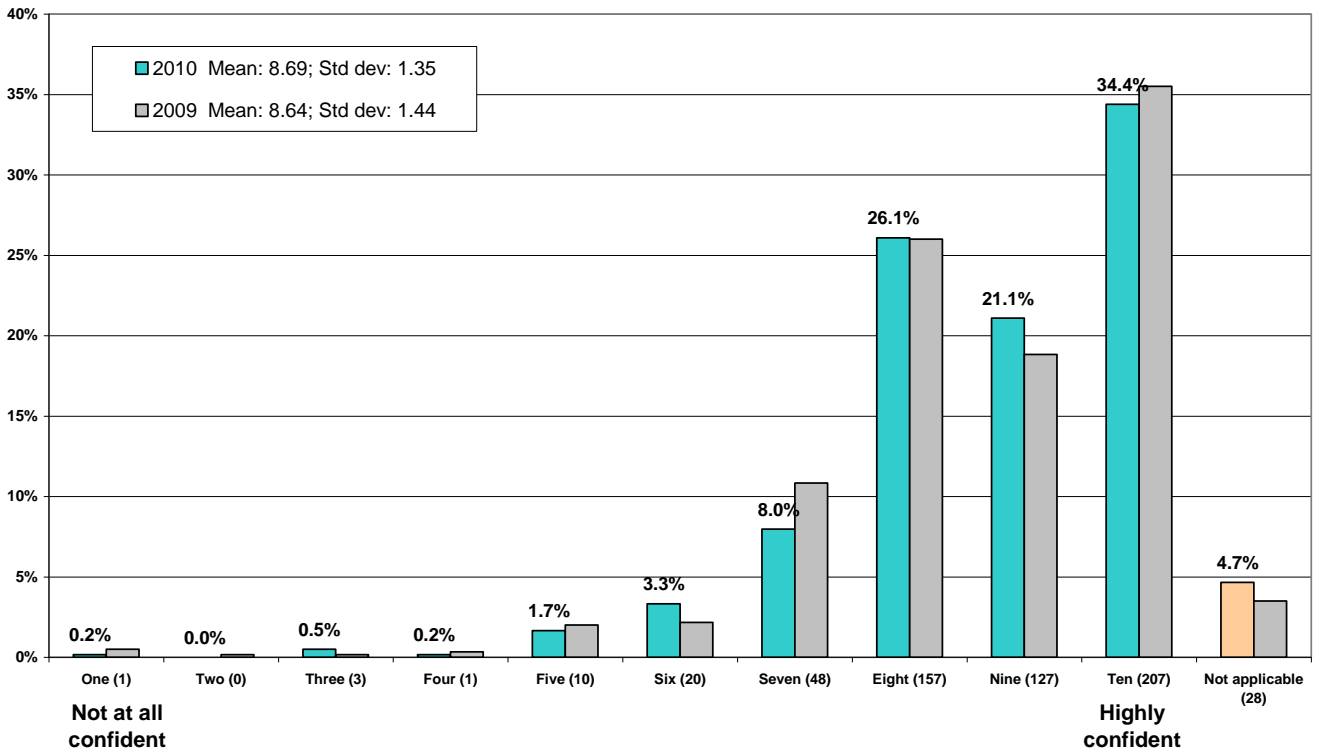
Course Satisfaction



6.2 Having been through the RYA training and examination process, how confident are you that you have gained the level of competence you need?

Customers were asked to give a score from 1 to 10, where 1 means ‘not at all confident’ and 10 means ‘highly confident’.

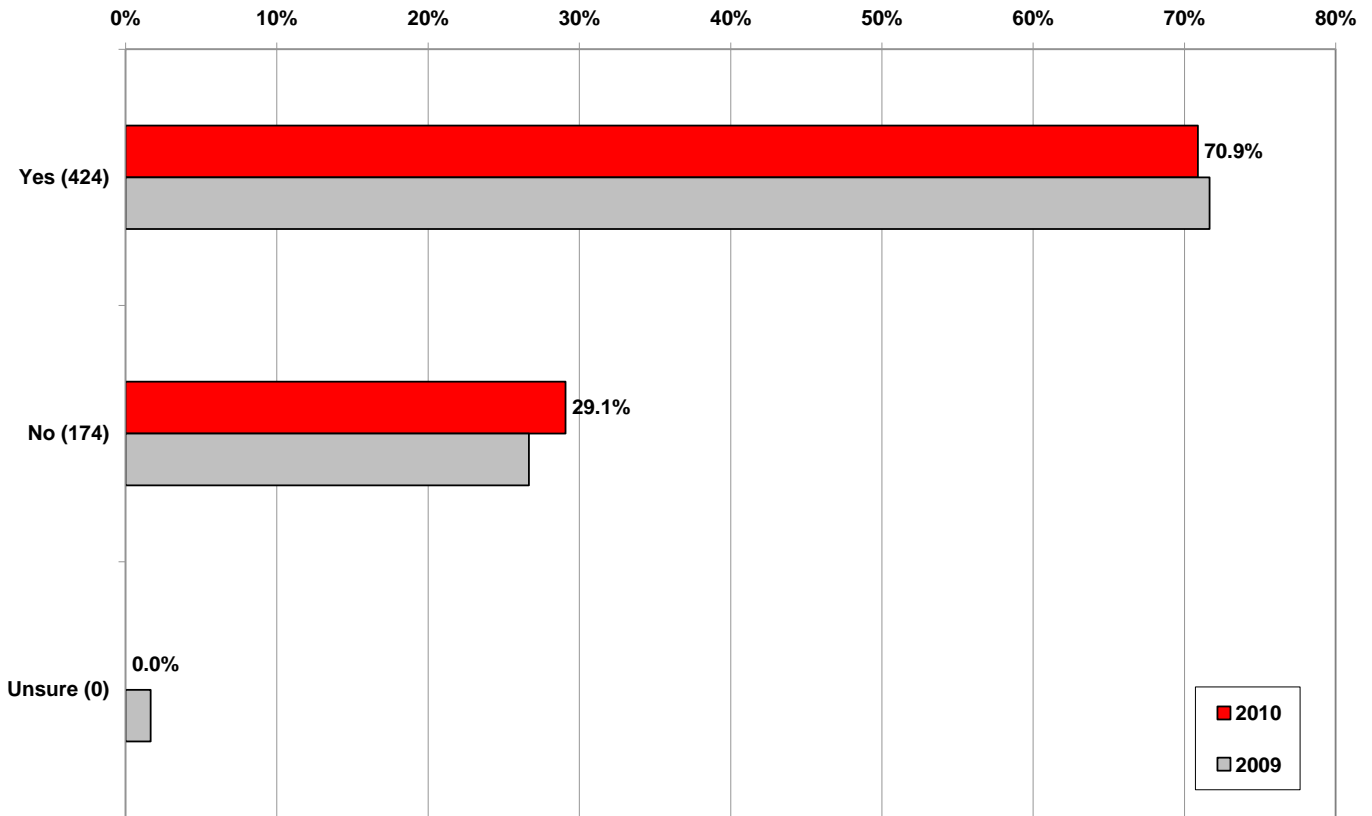
Level of confidence



6.3 Do you intend to use this qualification professionally?

Customers were asked to indicate whether they intend to use this qualification professionally, the chart below highlights their response.

Intention to use qualification professionally



7 Priorities for Improvement (PFIs)

In order to suggest where best to focus resources on making the improvements that will contribute most to increasing customer satisfaction even further, we take a number of factors into account. Detailed in this section, the factors are:

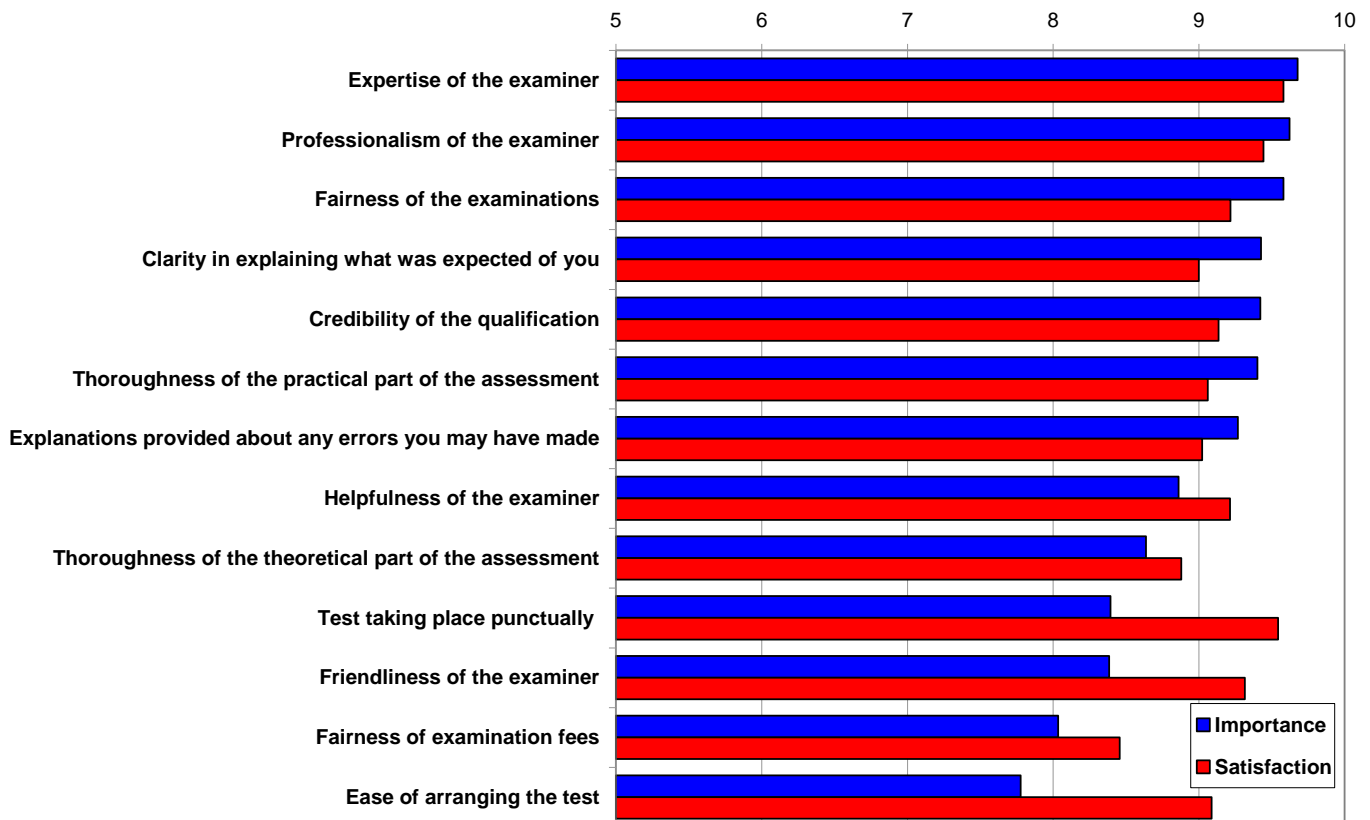
- Importance ratings
- Satisfaction scores
- Satisfaction drivers
- Causes of dissatisfaction
- Business impact

7.1 Satisfaction gaps

By comparing customers' requirements (importance ratings) with their perceptions of your organisation (satisfaction scores) the areas in which you are exceeding, meeting or failing to meet customers' needs is identified.

The following chart compares RYA's overall importance and satisfaction scores for each requirement:

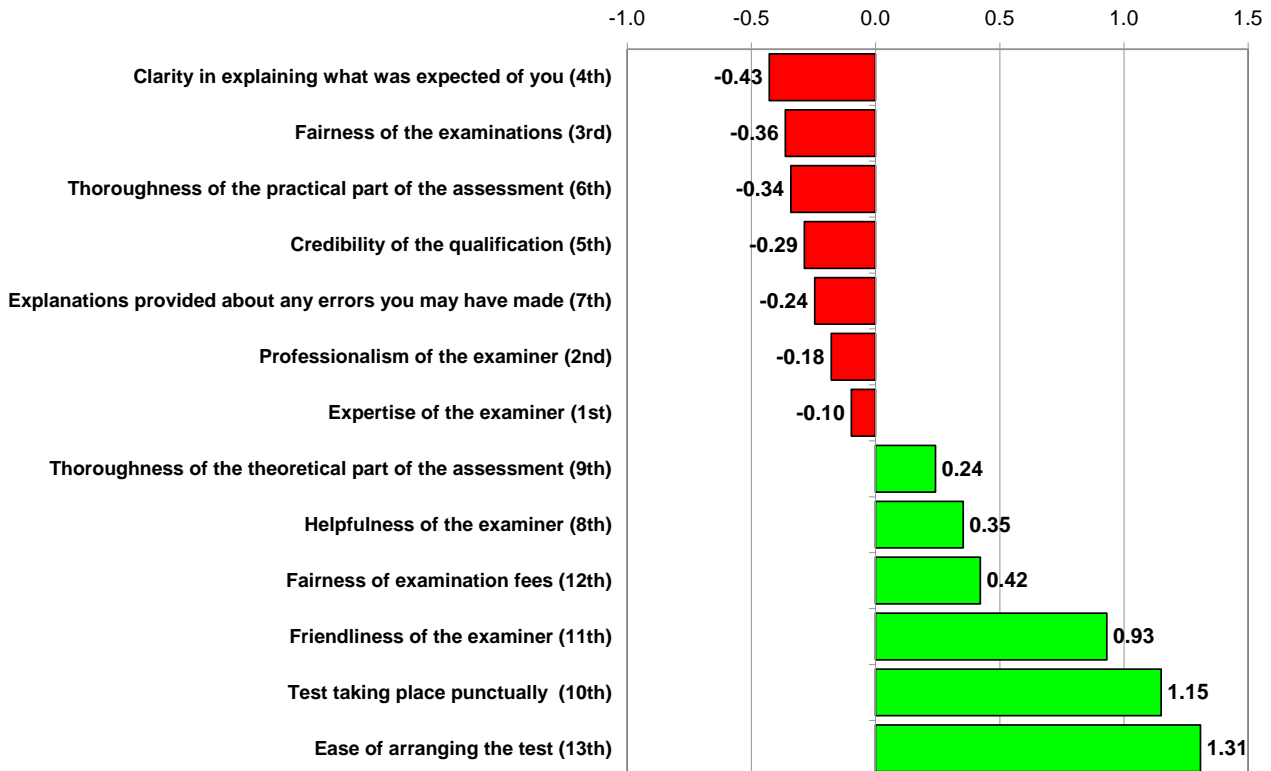
Doing best what matters most



7.2 Size of gap

Placing the factors in order by size of gap, as in the following chart, allows greater focus. The stated importance rank of each requirement is shown in brackets.

Satisfaction gaps



7.3 Reasons for dissatisfaction

Shown in section 3.2, the main reasons for dissatisfaction are:

- Fairness of examination fees
- Clarity in explaining what was expected of you

7.4 Satisfaction drivers

As described earlier (in section 2.3), as well as looking at the importance scores that customers have given, it is also important to consider the impact of each factor on customers' satisfaction.

This analysis highlighted the key drivers of satisfaction as:

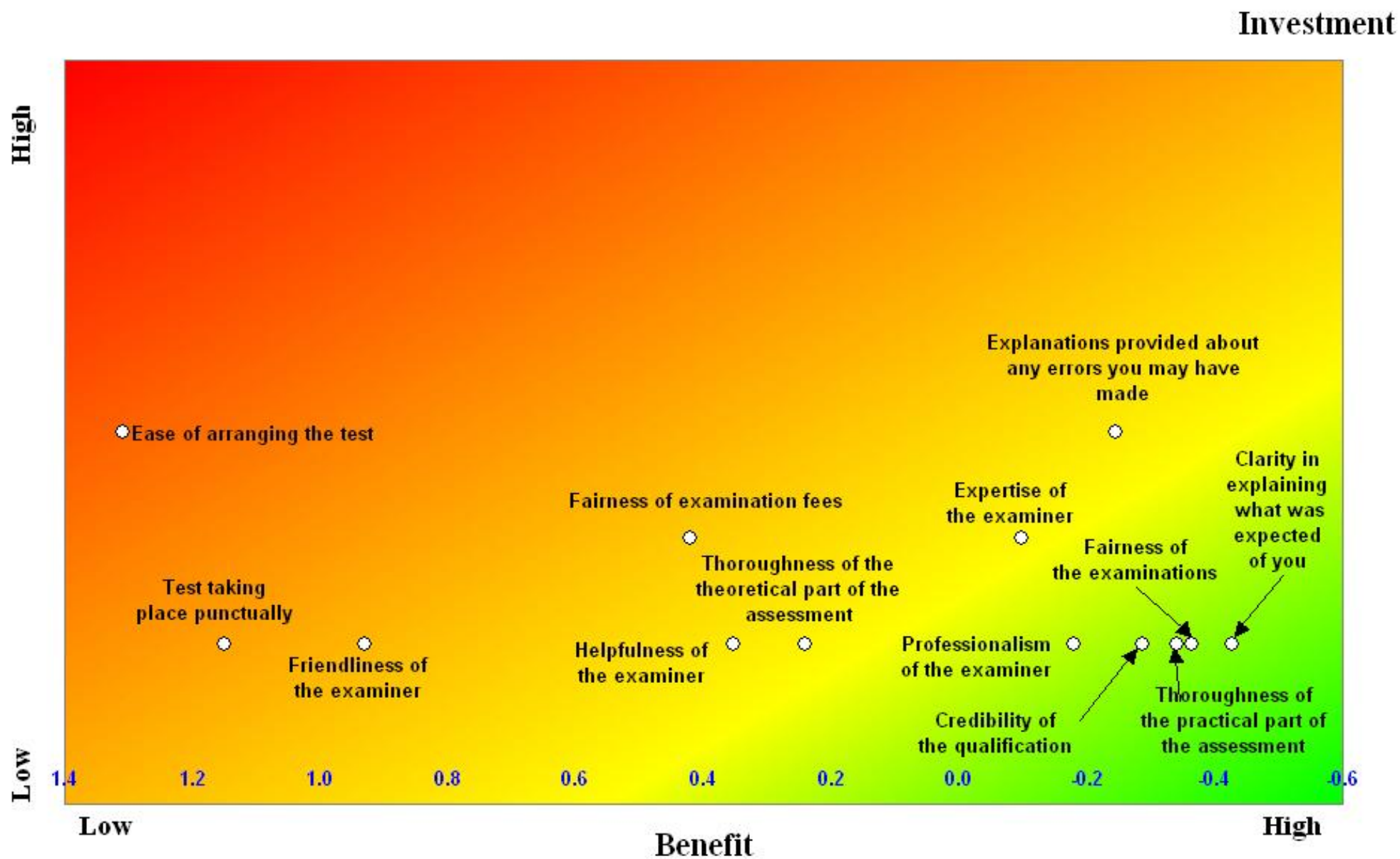
- Expertise of the examiner
- Professionalism of the examiner
- Fairness of the examinations
- Clarity in explaining what was expected of you
- Credibility of the qualification
- Thoroughness of the practical part of the assessment
- Explanations provided about any errors you may have made
- Helpfulness of the examiner

7.5 Business impact

Some PFIs will be more difficult, more time consuming and more costly to address than others. We are certainly not advocating avoidance of the difficult issues but do believe it important to adopt at least one PFI which can be addressed relatively easily – a quick win. It is very helpful if both customers and employees can see prompt action being taken as a direct result of the survey.

Adopting PFIs which will generate the greatest possible gains in customer satisfaction at the lowest possible cost will have the most positive business impact. The Cost-Benefit Matrix below illustrates where the most cost-effective gains may be made. The customer requirements have been categorised into bands (by RYA management) according to the assumed cost and time involved in making improvements, and this is compared against the benefit of improving each requirement, as determined by the satisfaction gap.

As shown in the matrix, some requirements, particularly those in the green area, should bring high returns due to the high benefit of improving each factor and relatively low cost. However, requirements in the red area bring less benefit and have a high relative cost.



7.6 Priorities for Improvement

The priorities for improvement we recommended in 2009 were:

- Clarity in explaining what was expected of you, and Explanations provided about any errors you may have made**
- Fairness of the examinations**
- Thoroughness of the practical part of the assessment**
- Credibility of the qualification**

This year, we recommend that these priorities remain the same and hope that the increase achieved this year might be repeated.

Appendix 1- Detailed results

The table following shows the mean importance and satisfaction scores, together with the standard deviation. A low standard deviation (below 1.00) indicates a strong consensus of opinion on the importance of a particular factor; a high standard deviation (above 2.00) indicates a wide disparity of views.

Requirement	2008 Importance Scores	2009 Importance Scores	2010 Importance Scores	Standard Deviation	2008 Satisfaction Scores	2009 Satisfaction Scores	2010 Satisfaction Scores	Standard Deviation	2008 Impact	2009 Impact	2010 Impact
Ease of arranging the test	7.92	7.81	7.78	1.85	8.89	8.96	9.09	1.14	0.46	0.44	0.41
Test taking place punctually	8.65	8.56	8.39	1.73	9.39	9.43	9.54	0.92	0.44	0.45	0.30
Friendliness of the examiner	8.19	8.28	8.38	1.67	9.11	9.06	9.32	1.24	0.56	0.55	0.48
Helpfulness of the examiner	8.80	8.74	8.86	1.42	9.00	9.02	9.21	1.37	0.60	0.60	0.55
Professionalism of the examiner	9.60	9.61	9.62	0.71	9.23	9.34	9.44	1.12	0.65	0.62	0.60
Expertise of the examiner	9.62	9.61	9.68	0.68	9.43	9.52	9.58	0.87	0.60	0.54	0.53
Clarity in explaining what was expected of you	9.48	9.45	9.43	0.92	8.78	8.88	9.00	1.35	0.59	0.57	0.62
Thoroughness of the theoretical part of the assessment	8.75	8.75	8.64	1.50	8.75	8.74	8.88	1.34	0.55	0.52	0.54
Thoroughness of the practical part of the assessment	9.36	9.39	9.40	0.87	8.94	8.91	9.06	1.28	0.64	0.60	0.61
Fairness of the examinations	9.60	9.56	9.58	0.82	9.12	9.01	9.22	1.34	0.63	0.66	0.66
Explanations provided about any errors you may have made	9.34	9.28	9.27	1.02	9.01	9.04	9.02	1.36	0.60	0.61	0.52
Credibility of the qualification	9.41	9.40	9.42	1.08	9.08	9.03	9.14	1.34	0.59	0.53	0.50
Fairness of examination fees	8.30	8.24	8.04	1.89	8.53	8.49	8.46	1.67	0.48	0.52	0.47