

What Influence Do Your Reception Staff Have on Retention?



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Reception Staff - Your Most Undervalued Retention Resource?

In previous articles from the TRP 10,000™ series of reports we have highlighted the value of fitness staff interacting with members and the considerable impact this has on membership retention. We have also given some indication that reception staff have a role to play in member longevity too. In this article we will examine in more depth the level of interaction between reception staff and members, whether members value reception staff speaking to them and whether the level of interaction is associated with membership retention and attrition.

Data and analysis

Members were asked how often reception staff spoke to them with responses ranging from 'Never' to 'Always'. They were also asked if reception staff spoke to them on their last visit. Finally, using a 4-point scale, they were asked how much they agreed with the following statement: 'I value reception staff speaking to me'.

Questions were asked between July and September 2013 using an online questionnaire and 7-8 months later membership status was ascertained in order to measure retention.

Which members are your staff talking to?

Overall 22% of members said that reception staff always spoke to them and 35% said they were never spoken to (Figure 1). Females were more likely to be spoken to than males and reception staff were more likely to speak to older rather than younger members. Nearly half of new members say they are never spoken to compared to a third of longstanding members who say they are always spoken to. Members who attend their club more frequently are also more likely to always be spoken to, but the relationship here is not that strong (data not shown).

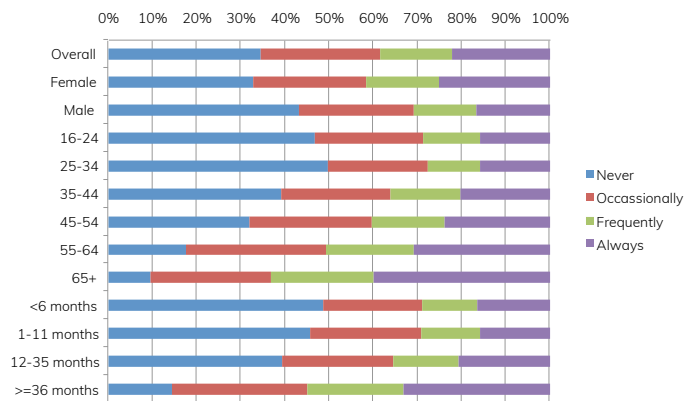
Forty four percent of members reported that reception staff spoke to them at their last visit and again this was more common among female, older, longstanding and frequent users.

Do members value reception staff speaking to them?

Seventy four percent of members agreed or strongly agreed with the statement 'I value reception staff speaking to me'; with more female members agreeing than their male

counterparts. Members aged 55 years and older, the longest standing members and the highest attending members were more likely to value reception interaction compared to the average.

Figure 1. Level of reception interaction overall and by gender, age group and length of membership



Do reception staff influence retention and attrition?

Figure 2 shows that fewer members retain their membership if they report that reception staff never or only occasionally speak to them. 10% more members retain their membership after 7 months of follow up if they reported in 2013 that reception staff spoke to them at their last visit (data not shown).

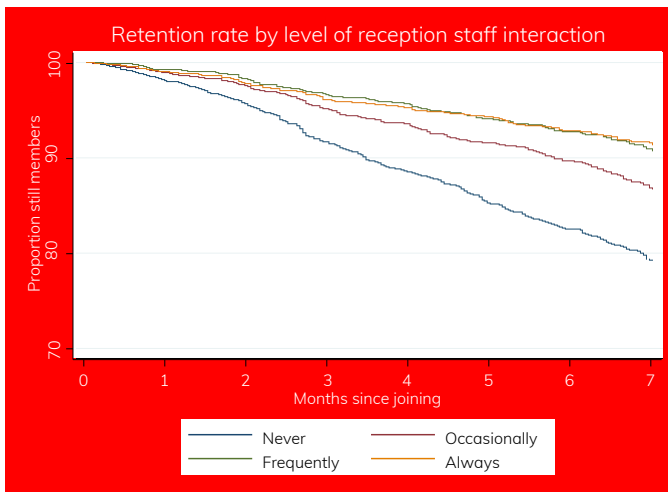
Compared to members who say they are always spoken to by reception staff, members who are never spoken to cancel at a rate 2.8 times higher, equating to an extra 21 cancelled memberships each month for every 1,000 members. This difference in cancellation rate widens further



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if members who say they value reception staff speaking to them never get spoken to. They cancel at a rate 3.4 times higher than members who value reception staff communication and always get spoken to. This equates to a loss of an additional 29 members each month out of every 1,000.

Figure 2. Retention rate by level of reception staff interaction



Even though more longer standing than new members say they value reception staff speaking to them, the detrimental effect of reception staff not speaking to the former is less than if reception staff do not speak to new members. New members who are not spoken to cancel at a rate nearly 3 times higher than established members who are not spoken to. Similarly, younger members who reception staff never speak to have a much higher rate of cancellation than older members who do not get spoken to.

Although there are differences in the effect of reception communication on retention and attrition according to age, length of membership and visit frequency, in all types of members reception communication equals increased membership longevity. Independent of age, length of membership and visit frequency, members who report always being spoken to by reception staff are 30% less likely to cancel each month compared to members who say they are never spoken to and members who say they were spoken to during their last visit are 20% less likely to cancel over the next 7 months compared to members who were not spoken to.

Summary

Over a third of members say that reception staff never speak to them and as a consequence they are twice as likely to cancel their membership each month compared to members who are spoken to at least occasionally. In other

words, each time reception staff speak to a member the risk of them cancelling next month is halved compared to if they let them walk by without any communication

The majority of members value reception staff speaking to them, some more than others, but even if they say they do not they still stay longer when they are spoken to. For every 58 members who get spoken to 1 membership cancellation is avoided.

The proportion of members who report never being spoken to by reception staff increases in newer, younger members who only use their clubs infrequently - the very members most at risk of cancelling. Not speaking to these groups of members intensifies their already high rate of cancellation.

If reception staff spoke to all members at least occasionally we estimate that 30% fewer cancellations would have occurred during the 7 month follow up period.

Therefore, reception staff have the potential to make an important and significant contribution to membership retention. At present the members most likely to be spoken to are those at lowest risk of cancellation. Therefore, if there was a shift towards speaking to more high risk members even more membership cancellations could be avoided.

Recommendations

- Each visit counts, so reception staff should try to speak to all members when they enter and leave the club.
- If possible, efforts to talk to members should focus on new members and those who visit infrequently.
- Although the exact nature of the conversation was not assessed in this study, reception staff should:
 - At the very least, build rapport and provide a friendly greeting/farewell.
 - Engage with the member about their experience during that visit, for example asking how their workout/swim/class etc. was; taking a genuine interest and listening with care.
 - Discuss the member's next visit, for example asking when they will next attend.
 - Support the member to make their next visit e.g. encourage them to make a booking.





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