

This is the final of a three-part series on how resorts can use Process Improvement strategies to strengthen operational efficiencies and guest experiences. In this issue, the author, Joe Hession, will correlate Conversion Cookbook strategies with Process Cycle Efficiency designs to boost guest conversion.



# *The* POWER of **PART 3** PROCESS IMPROVEMENT

## **Correlating the Conversion Cookbook with Process Cycle Efficiency**

BY JOE HESSION

Process Improvement tools, the Conversion Cookbook, and Terrain-Based Learning™ are all excellent ways to help increase conversion in the snowsports industry. But there is no magic bullet. Resorts find that by combining these and other practical (if not philosophical) strategies, they can easily increase the value of the experience for beginners and lifetimers, and help them have fun—the true measure of success.



**I**n previous articles in the *Journal* we have reviewed key Process Improvement methodologies, starting with Process Mapping (Fall 2014) and then going deeper into the improvement "rabbit hole" for a look at Process Cycle Efficiency, or PCE (Early Winter 2014). We've also looked at how these methods have been applied to similar, yet different industries than ours.

In this final installment of the series, we will apply these concepts to the NSAA Conversion Cookbook, Terrain Based Learning™, and other successful growth initiatives used throughout our industry.

It is always valuable to take time to research the history, background, and effectiveness of any and all operations. That said, it is easy to get carried away with the process tools reviewed in the last two articles (see Terminology Refresher below), and lose sight of other tried-and-true initiatives such as the Conversion Cookbook and its 10 strategies, proven to help increase conversion rates. The information in the Cookbook was developed through shared industry knowledge and years of experience from many resort professionals.

The fact is, successful conversion is not a matter of "this" versus "that"—there is no one silver bullet to attracting and retaining skiers and snowboarders (and likely never will be). Instead, the Conversion Cookbook and the process tools *complement* each other nicely. As with most any other challenge, sometimes the solution lies in the integration of more than one approach.

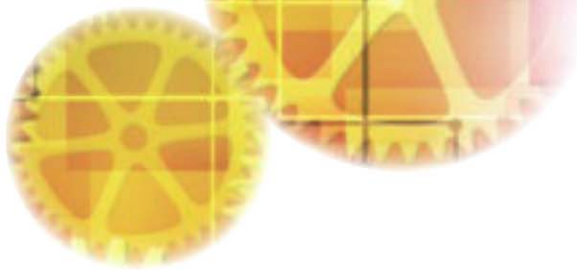
### Terminology Refresher

- **Process Map:** a graphical representation of every sequential step in a specific process, e.g., ticketing, rentals, and lessons.
- **Process Cycle Efficiency:** a method for rating and evaluating how a process performs based on a comparison of two critical factors: 1) customer-value added time and 2) cycle time. PCE is the customer's perceived value divided by the total cycle time.
- **Customer Value-Added Time:** the fun zone, that is, the actual amount of time your guests spend having their ideal experience.
- **Non Value-Added Time:** the amount of time guests spend in process steps that seemingly have no value but are necessary, as when moving from one point to the next or waiting in lines.
- **Cycle Time:** The full amount of time it takes to make it possible for guests to have their ideal experience, that is, the total interval from the beginning to the end of a process.

### The Conversion Cookbook

The timeless expression "you have to know the past to understand the present" has never been more applicable. In the world of change management, many of us loathe the phrase, "But it's always been done that way." And I think we loathe it because we know it shouldn't stop there. The way we've always done it is not an excuse to avoid continuous improvement. Instead, I think our follow-up question should be, "But *why* have we always done it this way?"

One of the greatest things about my current job is the ability to travel to so many different resorts. Over the last two years I've visited more than 80 ski areas and have observed and experienced each destination's processes first-hand. It can be both eye opening and encouraging, especially when I'm able to record outstanding PCE values and world-class levels of efficiencies.



## We tend to communicate at the level of the intermediate and expert skier/rider, and neglect the nomenclature and impressions of the first-timer altogether.

Here are some examples of how resorts and industry partners are applying Conversion Cookbook strategies successfully, and how their efforts relate back to a PCE conversion metric.

### Strategy 1: Provide Information

From the new skier/rider's perspective, visiting a ski resort for the first time can be confusing and intimidating. While there are clearly exceptions to the rule, overall we tend to communicate at the level of the intermediate and expert skier/rider, and neglect the nomenclature and impressions of the first-timer altogether. (Obviously, we don't do this intentionally. We forget how knowledgeable we really are when it comes to this lifestyle and culture!)

It's hard to imagine, but in some markets, even the term "lift ticket" can be confusing. To this point, the first-timer's pre-arrival information is critical. Beginners often find themselves overwhelmed and confused about how to prepare for a trip to the resort: what to wear, how to get there, where to park, where to go from the parking lot, etc. In many ways the confusion gets worse, as resorts are large and often very spread out. And to think, they haven't even bought this thing called a lift ticket yet!

Information is critical. Having a clear path of communication on the homepage is critical. When first-time guests hit your webpage, they can get very confused by all the tabs—the mountain, tickets, book lodging, videos, photos, event calendar, find us on Facebook, and so on. It's imperative that your first-time guests can find something that speaks specifically to them, and gets them all the information they'll need to know prior to arrival, on the day of their visit, and even after their visit.

NSAA's 2014 Conversion Cup winner, Camelback Mountain in Pennsylvania, is an excellent example of an area that has tailored its website to the first-timer. Upon visiting the homepage, the individual is greeted with an offer and call to action, "Learn Here, Learn Right." Pretty straightforward, isn't it? This takes the guesswork out of it for guests.

If they need to learn to ski and snowboard, this is where they go to begin that process, and it will take them to everything they need to know about their visit to the resort.

Bromley Mountain in Vermont is another resort that does a great job of communicating well with first-timers. Bromley has an easy way of finding first-timer information on its website homepage. Beyond that, the resort offers a "guided tour" to any new guest upon arrival.

In addition, companies such as Ryan Solutions, a data-driven marketing agency, have partnered with resorts across the country to provide an excellent amount of dynamic pre-arrival information, such as customized welcome letters, weather forecasts, what to wear, what to bring, and other answers to FAQs.

Circling back to the world of process improvement and Process Cycle Efficiency (PCE), how does effective communication and providing information affect the actual mathematics (i.e., more value, less time) that are the basis of every great customer experience?

For example, if a resort does a great job communicating the guest's arrival information, the individual then knows exactly where to go once he or she gets to the resort. This results in the guest getting to each destination—be it the resort parking lot, ticket booth, rental shop, or lift—faster than if he or she wasn't informed. This streamlined experience decreases cycle time, and ultimately has a drastic effect on PCE.

In the Bromley example, the guided tour has a dramatic effect on the guest's perceived value of the experience, also known as customer value-added time. Imagine being welcomed at the entrance and provided a tour of the resort with all the information you need. I know many of you are thinking, *How is this possible with the volume of visits?* But even if we're only able to provide this service to every 5th (or 50th) customer, we're elevating positive connections with a relative percentage of our overall customer base—which is well worth the effort in my book.

### Strategy 2: Arrival at the Resort

It's your day off. Your alarm goes off at 6:30 a.m. You climb out of bed, wake the kids, make breakfast, get everyone outfitted in jackets, pants, hats, helmets, and gloves. You pack the car and make your way to the mountain—a 2-hour drive without traffic.

Families that have been season pass-holders for years probably have this arrival down to a science. ▶

They know when to arrive, how to drop off, and the best place to park to get in and out with surgical perfection.

On the flip side, if you aren't used to the experience of skiing or snowboarding, the arrival at a resort can be stressful. First-time guests can find themselves completely confused, like an outsider arriving at a members-only country club. The resort employees are rushing them into a parking spot while expertly outfitted in-the-know guests push by in a hurry. In fact, these people have way more than a jacket; they have things like goggles, helmets, snow pants, gloves, and boots—and all look very confident in what they are doing. For the first-time guest, this can be very overwhelming and intimidating.

Being top-notch in terms of how you orchestrate the arrival process at your resort isn't easy. Simplicity of messaging and clear direction is key. One of the best-in-class in this respect has to be Northstar California in Truckee. The lots are marked clearly with arrival instructions, making them easy to navigate, have great signage and communications, and even have restrooms at the bus stop! I have found that nothing adds stress to the arrival process more than having to go with no place to go. Parking lots, shuttle drop offs, ticketing, and rental shops should also have easy access to facilities.

Many resorts direct guests to rentals straight-away, as soon as they've arrived. From an efficiency perspective this can be a great move, however signage and clear direction is key. I often find that first-time guests follow the flow of traffic, and the flow usually leads to ticketing. Going directly to rentals is a great option, as long as guests find themselves there on the first try (rather than wander around the base area due to poor signage).

Point of sale usually takes place at the end of the arrival process or early in the rental process. This is critical in the conversion of a first-time guest. This is the moment where they either buy a lesson or decide to "figure it out" on their own.

Our company, SNOW Operating, spends a lot of time on this process with our partner resorts. We have found that the lead product at nearly every resort is a lift ticket, with the second lead product being rentals. The lesson or beginner package is usually the third offering, and sometimes not offered at all. This is a classic example of the resort speaking to the intermediate or expert guest and not the first-timer. The intermediate or expert will find the price of the lift ticket regardless of its location on the sign,

and if the guest doesn't have equipment, you can bet that person will find out how to rent.

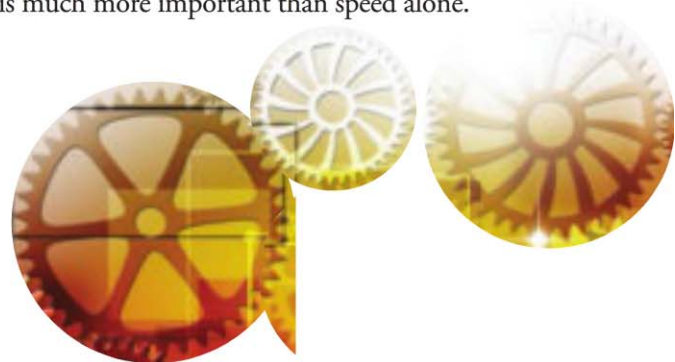
The only thing truly optional in this equation is the lesson. The phrase "you should take a lesson" is said a lot, and it's true. First-time guests *should* take a lesson. From the product design standpoint, we should make it feel as if it's what you "do" not what you "should do." This can be achieved by making sure the beginner package is always the lead product and marketed as the best deal.

This season Snowbasin Resort in Utah is experimenting by meeting first-time guests at the resort entrance. On busy days, instructors are positioned at the entrance, offering information to resort guests the same as any ambassador would. But when the first-time guest shows up, these instructors actually stay with that guest or group of guests though ticketing and rentals, all the way until they meet their instructor. This is obviously a best-in-class process that might not work for all volumes, but nearly every resort can apply variations of this.

The arrival process is essential to a strong resort PCE. This process is not only the first impression, but it can also eat up a lot of non-value time. Getting the guest to the right location the first time is essential. This can be done with intuitive design and layout as well as clear signage. Having immediate access to people who can answer questions and give directions is invaluable, especially to new guests who aren't familiar with the lay of the land.

### Strategy 3: Rental Shop

A smooth, intuitive, process-driven, and experiential rental process is essential to conversion. Getting the proper boot fit and equipment can completely change the outcome of the day. I find that nearly every rental manager can quote how fast his or her shop can pump a guest out: 15 minutes...20 minutes...30 minutes. But—as reviewed in Part 2 of this series—not many managers speak to how well they fit boots or how experiential the shop is, and this is much more important than speed alone.



Killington in Vermont has an amazing experience designed for the first-time guest. When first-timers enter the point of sale area, they are directed to the “First-Time Guest” POS. This routes them into a process designed completely for first-timers. After they purchase their products, they are directed to a pod outfitted with benches as well as video and visuals about how a boot should properly fit—the kicker! This is also where guests meet their instructor and receive help when first putting the boots on.

After the boots are fitted, the instructor sizes the guest for ski or snowboard equipment. Before ever receiving the equipment, the guest visits what Killington calls the “theater room.” In this space, the instructor essentially starts the lesson by working on activities that help ensure proper boot fit. Should any problems arise with the boot’s fit, the instructor can easily and quickly swap out the boots. The best part? While the first-timer is completely engaged in what the instructor is teaching, another tech somewhere else is prepping the equipment, which will be ready for the guest when he or she is ready to go outside.

Killington really delivers from a PCE perspective, being they get the guest with an instructor nearly as soon as the guest walks in the door. The next big driver of value is the boot-fitting process. It is informative, and actually strives to achieve a level of fun and entertainment. The “theater room” delivers an experience focused on fun while guests are learning skills *and* getting the attention they need to make sure their boots fit comfortably. A large percentage of the time spent within this process is value-added—for both the customer and the resort—making this a great example of a high PCE rental shop.

#### **Strategy 4: Lesson Registration and Size of Lesson Group**

As we know, the size of the group can easily make or break the lesson experience. If the lesson group is too large, each student will have some downtime and feel neglected at one point or another, no matter how hard the instructor works to pay attention to everyone. If the group is small, the instructor will be able to provide far more individualized attention to each student. The more hands-on the instructor can be, the better value the guest will find in the experience.

Whistler Blackcomb is certainly among the very best when it comes to lesson sizes; they literally have named their program “MAX 4.” This means that all group lessons have four guests to one instructor. This allows their instructors to spend much more time

with each student, with more hands-on instruction and more time for movement. Connection is key to conversion.

#### **Strategy 5: Grouping of Students by Athleticism and Learning Goals**

In designing TBL programs at resorts, something that’s glaringly apparent is the fact that no two guests are the same, even if they’re in the same group lesson. Nothing is worse for an instructor than having a breakthrough moment with a guest and then having to divert attention to another guest who is falling behind. This hurts both the guest needing more attention *and* the guest who is excelling.

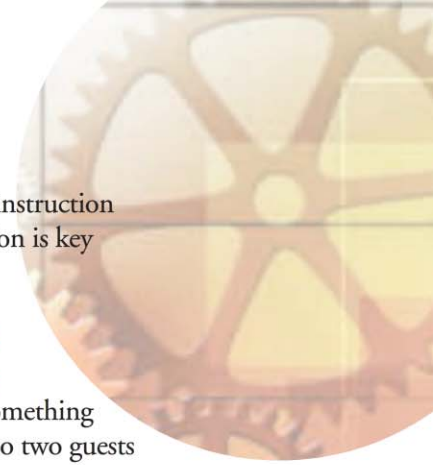
This hits the Mid-Atlantic region and a resort like Mountain Creek in New Jersey in a very real way. With their diverse population, resorts in this region see high variations of motivation and athletic abilities. The team at Mountain Creek deals with this variation and high volume in a very clever manner: they start the lesson with a larger group and two instructors, which allows them to naturally divide the group into ability levels as the lesson unfolds. They execute this very delicately, as it’s very easy to hurt someone’s feelings when making the split, leaving the guest feeling frustrated. A roving instructor can also be of great assistance to give an extra hand when needed (more on that later).

Looking at this from the PCE angle, the more the class is performing at the same ability level, the more one-on-one time and opportunity for a connection will be balanced between each guest, thus creating more value. This is a great example of really needing to have a clear plan to allow proper staffing and execution.

#### **Strategy 6: Lesson Closure**

The closure or wrap-up of the lesson sometimes gets second shift for any number of reasons (fatigue, scheduling, etc.). Yet this is one of the most essential components of conversion. It is crucial that the guests’ progress and accomplishments are effectively communicated to them.

Our research has shown that fun is really the most important aspect of the first lesson, and as the guest’s ability evolves, the individual can start depending less on “easy fun” and more on “hard fun.” This is when guests will truly start to identify with skiing or snowboarding. It is extremely important that they can see what is next and why it will be a great experience. This shouldn’t be positioned purely as educational; the second visit should be seen





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as the next great adventure and even more fun than the first time out.

Lesson closure should also come with a physical takeaway, such as a progression card or even better, a product. I mentioned pricing earlier. If we know a guest should take multiple lessons, the resort should have products that mirror the “beginner continuum.” This can be seen at Camelback with the resort’s Explorer Card, a three-time lift, lesson, and rental product that is offered pre-visit, upon arrival, and at the end of the lesson. This allows Camelback to make sure their guests have the right product for success at every obvious part in the progression.

### **Strategy 7: Roving Instructor**

Even if our messaging conveys that first-timers naturally take lessons (without the “should” wording), many of them will elect not to. In fact, nearly 40 percent of first-time guests will not take a lesson, according to RRC Associates. But that doesn’t mean we can’t take the opportunity to offer some helpful on-slope guidance spontaneously, outside of the conventional lesson setting.

That’s where roving instructors can have tremendous value. They can actively seek out guests to provide tips and assistance (or even better, encouragement to join a lesson), and this can make a huge difference in those fledgling skiing and riding experiences.

Multiple times over the course of any given day, Jay Peak, Vermont, sends instructors out to find guests that might need a lesson. The instructors provide immediate assistance to these guests, giving them helpful tips, telling them how to get to the right location on the mountain, and even helping them get into a lesson. Many resorts use similar programs with on-snow employees who keep an eye out for guests who are struggling.

Remember, Process Cycle Efficiency is the guest perceived value divided by total cycle time. So if a guest finds him/herself on the mountain struggling, this will take a lot of that person’s time and won’t be

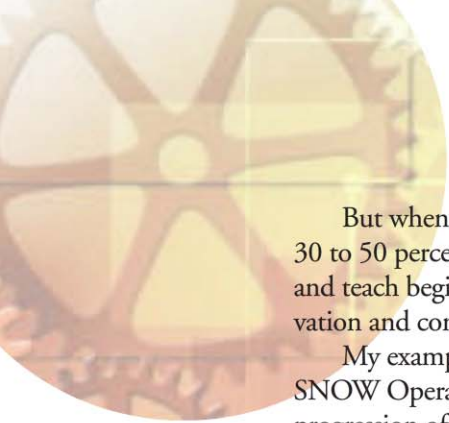
of very much value. We can’t get every guest into a lesson from the beginning, but finding a way to head off a potentially negative experience can make a great impact on conversion.

### **Strategy 8: Staffing Beginner Lessons with the BEST Instructors**

Having the first-time guest make a connection with a great instructor is critical to the conversion process because experienced instructors have the best tools to provide a fun and valuable experience. I often find that the “best” instructors are financially motivated, teaching lessons that often fall into higher-level lessons, which tend to pay more. (And who can blame them, really?) Typically this involves lessons with intermediate- to expert-level students, not beginners. Meanwhile, resorts tend to be very focused on the first-timer and conversion rates. There is a clear disconnect between instructor motivation and resort motivation, which impacts the overall success of conversion.

Does your resort pay more for a private or a higher-level lesson than a never-ever group lesson? This can be a hotly debated topic, as instructors with the highest skills *should* get paid the highest wage, right? After all, as with any job or career, more experience should lend itself to a higher paid position. That said, I would argue that resorts might want to rethink how they compensate instructors, to incentivize teaching those lower-level lessons. Beginners are the future of our sport and as such merit the very best treatment we can give them.

In order to get the most out of the instructors, and to deliver the highest quality experience to the guest, instructors should teach the students they are most likely to connect with. If an instructor is passionate about children, that instructor should work within the children’s program. If an instructor enjoys taking private lessons up to the back bowls, that’s where he or she should be. If an instructor lights up at the prospect of introducing skiing and snowboarding to a never-ever... you get the idea. ♦



But when an instructor has to (at times) take a 30 to 50 percent pay cut to fulfill his/her passions and teach beginners, there is a big gap between motivation and compensation.

My example for this topic comes right from SNOW Operating. Chris Hargrave, our “chief progression officer,” has worked at many ski schools—from the director level to private lessons and everything in between. He also coaches some of the highest-level freestyle athletes to help them in the X-Games and even train for the Olympics! When you spend time with Chris, you’ll find rather quickly that his passion is connecting with people, especially the first-time guest. When you watch him lead a lesson, he works hard to make sure *everyone* in the group is having a great experience. The more people our industry has that share Chris’s passion for teaching and connecting to the first-timer, the more successful our conversion rates will be.

If PCE is driven by guest value over cycle time, nothing is more valuable than the connection with an informed, inspiring, and knowledgeable instructor.

### Strategy 9: Post-Lesson Follow-up

The post-lesson follow-up is essential: it’s not only a reminder of a good experience, it’s the roadmap to the next step.

This messaging should include tons of custom information about the individual’s experience at the resort, as well as feedback from that person’s instructor. This should include an opportunity to provide more value, not just a sales offer. But, you need a sales offer, because a good offer can make sure the guest has a clear direction moving forward.

Rob Megnin from Killington Resort has been using the Personal URL (PURL) for many years. PURL allows the resort to connect with the guest after each visit, give specific feedback, provide information for the next visit, and even offer a congratulatory message—all customized to that specific individual. This truly makes each and every guest feel as if they are now part of the club.

If after visiting a resort the guest receives follow-up communication that provides custom details, feedback from the instructor, and even photos or video with a clear path to the next visit, there’s little doubt this can create value, and hopefully drive the next visit.

### Strategy 10: Overall Training of Staff

We are in the service industry, and it’s obvious that training our staff is one of the keys to getting a great result. Moreover, nearly all resort employees should be trained when it comes to interacting with and handling the first-time guest. Resort employees should be on the lookout for guests who need extra direction and should also be familiar with all key locations and talking points regarding your resort’s program and processes.

Last season, Camelback Resort GM Charles Blier and his team took conversion to the next level through a variety of methods, one of which was resort-wide “conversion training” during orientation. They shared recent results of the conversion program and TBL with their employees, and posted the information weekly at every time clock to keep it top of mind.

Charles once bet me I couldn’t find a resort employee that didn’t know about the conversion initiatives at Camelback. I tried multiple times, from the parking lot to even the food court, and this is a bet I’m proud to say I lost.

### Wrap-up

Resorts that have used the Conversion Cookbook have seen some amazing results. We can all agree that using the Cookbook has a correlation to better conversion metrics, but does it have causation? Correlation speaks to the relationship between two variables. Causation looks at whether these two variables have any direct effect on or from each other.

Implementing the strategies in the Conversion Cookbook will certainly improve your conversion, but this can only happen when your resort has a “Culture of Conversion.” I would argue that *culture* is the leading driver toward increased conversion.

Great experiences are the combination of great people and great processes working together. Our industry is lucky to have some of the most passionate, inspired, and knowledgeable people. By implementing the Conversion Cookbook and leveraging the Process Improvement tools, we can create a true “Culture of Conversion.” ■

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