

Metrics that Matter



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Presented by
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Agenda

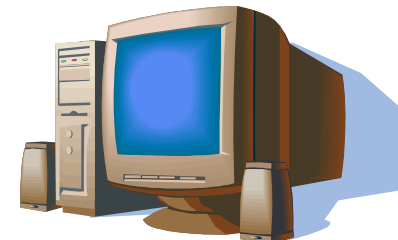
- Overview – Making data work for you
- Context – Why do we need to use our data?
- 30,000 Feet: Strategies and scorecards
- 10,000 Feet: Perspectives and objectives
- 500 Feet: Key Performance Indicators (KPI's)
- Putting it into practice
- Questions and Answers

Overview

...Or, a Brief History of JCA...

What we used to hear

I need more information to manage my business



Then we heard

I have the data but it's a mess



Then we heard

I have the data, but it's in 10 different places



What we hear now...

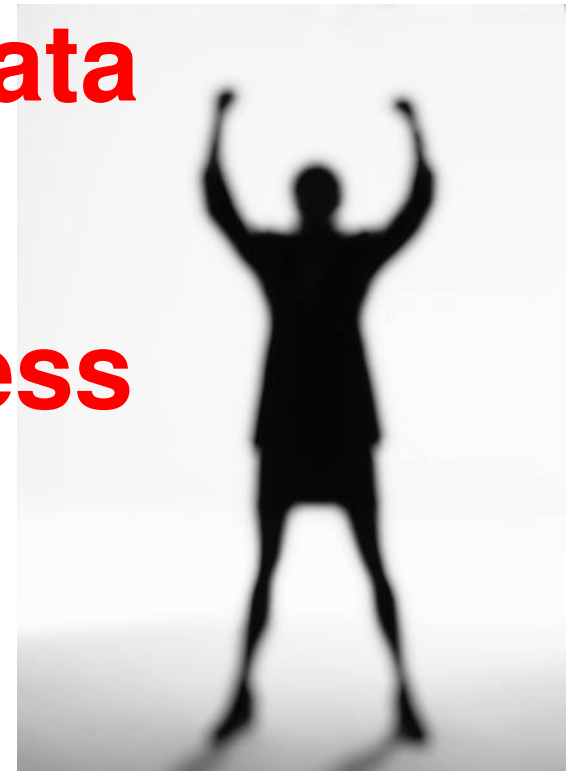
I have the data....

It is clean....

It is integrated....

What we hear now...

**How Do I Use My Data
To Make My Business
Successful???**



Now More than Ever

According to Gartner:

“Through 2012, more than 35 % of the top 5,000 global companies will regularly fail to make insightful decisions about significant changes in their business...”

Now More than Ever

“...The economic downturn forces businesses to

- *Be aware of changes in their organizations*
- *Re-think their strategies*
- *Face demands from stakeholders for greater transparency about core performance metrics*

Now More than Ever

“However, most organizations do not have the

- *Information,*
- *Processes, and*
- *Tools*

needed to make informed, responsive decisions”

So We Return To:

How Do I Use My Data

To Make My Business

Successful???



Citation

*The Balanced Scorecard
Strategy Maps*

Robert Kaplan & David Norton

Before Technology, Focus on Business

We will get to **Metrics**

We will get to **Technology**

We will get to **Tangible Advice**

But First We Must Think Bigger

From 30,000 Feet to 10 Feet:

Mission

Vision

Strategy

Balanced Scorecard (Perspectives)

Measurable Objectives

Strategic Outcomes

The Mission

Why we exist...

“...to develop the most creative, innovative and profitable entertainment experiences and related products in the world”

{Walt Disney Company}

“...to inspire an understanding of and passion for science and technology learning”

{The Franklin Institute}

The Vision

How We Achieve Our Mission...

“...to deliver unique, memorable and rewarding experiences to millions of visitors”

{Merlin Entertainments}

“...to inspire and motivate our children to achieve their full potential in the fields of science, technology, engineering and medicine.”

{Museum of Science and Industry, Chicago}

The Strategy

How to Reach Our Vision

- A mission is stable, a strategy is *dynamic*
- Set of activities an organization can excel at to create a sustainable difference in the marketplace

Examples of Strategy

Theme Park

- Build
lifelong
loyalty

Science Center

- Attract
broader
age range

The Balanced Scorecard

Growth and Learning

Internal

Customer

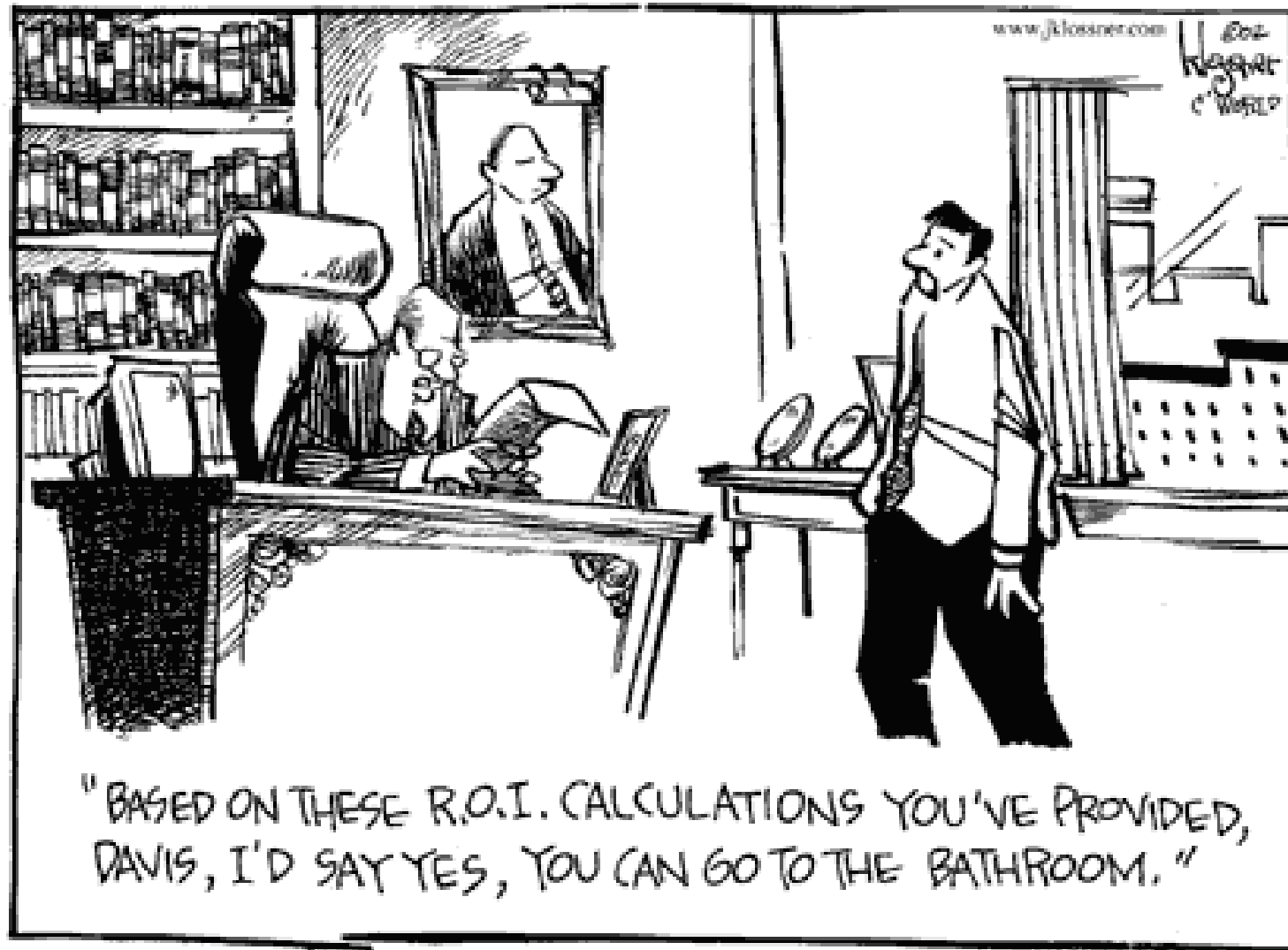
Financial

Show Me the Money?

Not always...

A Balanced Scorecard
looks at all aspects of the business

This presentation focuses on
revenue-generating metrics only



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Growth & Learning Perspective

- Human Capital
 - ✓ Hire, retain and train staff to execute strategies
 - ✓ Share knowledge
- Information Capital
 - ✓ Implement systems to enable strategies
- Organizational Capital
 - ✓ Develop institutional culture to achieve strategies

Growth & Learning Examples

Theme Park (Lifelong Loyalty)

- Train staff to make each visit special
- (Human Capital)

Science Center (Broader Age Range)

- Enhance social networking avenues
- (Info Capital)

Internal Perspective

- Internal Processes
- Create and Deliver the Value Proposition

Internal Strategy Examples

Theme Park (Lifelong Loyalty)

- Special offers for 5/10-year consecutive annual pass holders

Science Center (Broader Age Range)

- Free “Meet the Mad Scientist” events at the mall

Customer Perspective

- Define the Value Proposition
- Acquire, Retain, Increase

Customer Strategy Examples

Theme Park (Lifelong Loyalty)

- Increase annual pass renewal rates

Science Center (Broader Age Range)

- Increase visitation from high school demographic

Financial Perspective

- Grow Revenues
 - ✓ More Tickets, Passes, Donations, and other Spend
- Reduce Expenses
 - ✓ Efficient Processes, Higher Productivity, ROI

Financial Strategy Examples

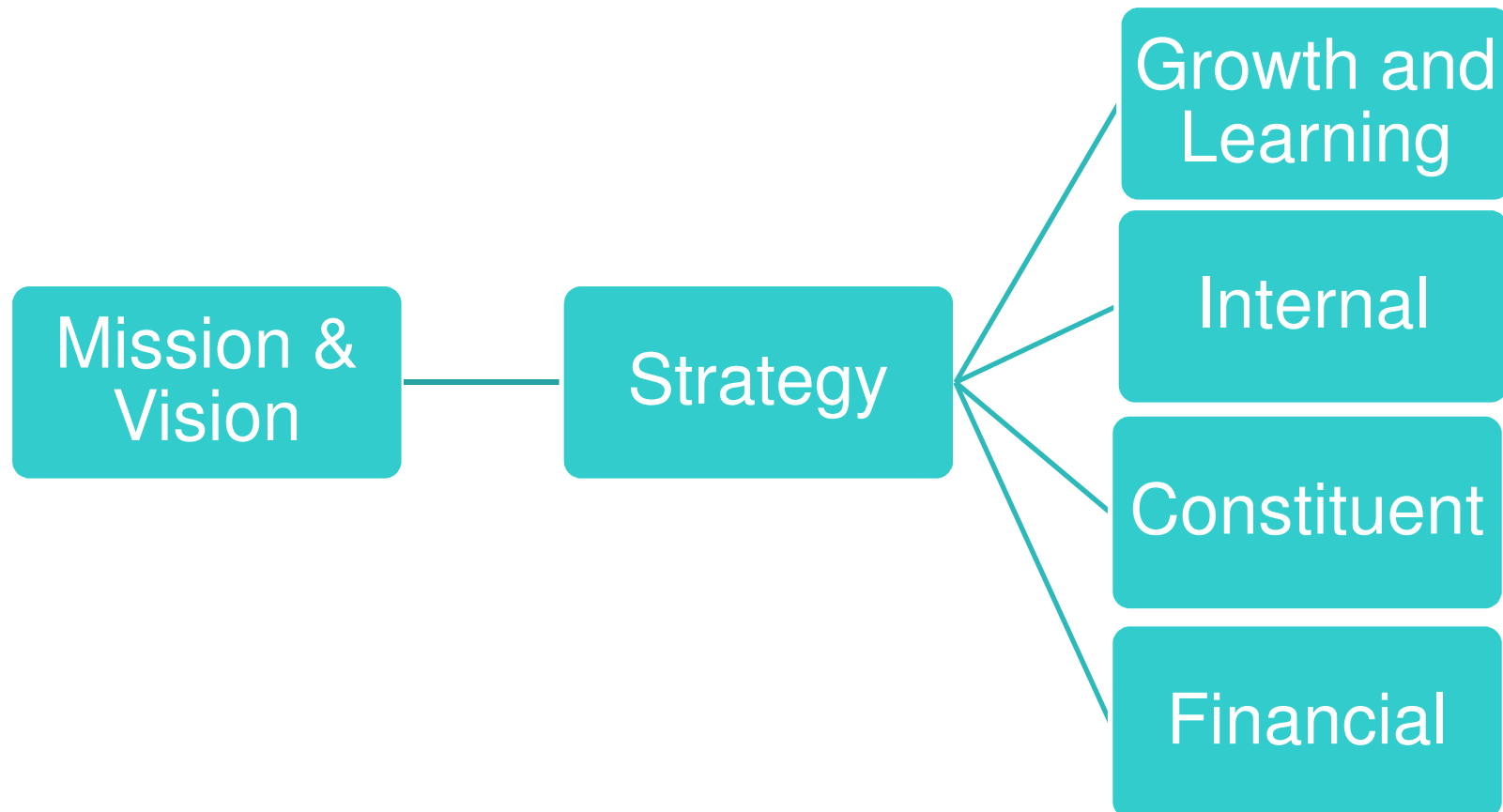
Theme Park (Lifelong Loyalty)

- Reduce acquisition costs by retaining more pass holders

Science Center (Broader Age Range)

- High school demographic generates high average spend

To Recap So Far:



Measuring Strategy

You now have a series of well-articulated strategies

But...

“You cannot manage what you cannot measure”

Measurable Objective

From your Perspectives, develop Measurable Objectives:

1. Direction (Increase, Decrease, etc.)
2. Key Performance Indicator (KPI)
(Average Spend, Renewal Rate, etc.)
3. Benchmark (current measure)
4. Target (goal measure)
5. Timeframe (“in the next month” etc.)

Measurable Objective: Theme Park – Lifelong Loyalty

Learning
and Growth

- Train 35 **membership support staff** by end of Fiscal Year

Internal

- Offer 500 **free behind-the-scenes tours** to longtime pass holders

Customer

- Increase **annual pass renewal rates** by 20% by end of year

Financial

- Decrease **acquisition costs** by 10% by end of Fiscal Year

Key Performance Indicators (KPIs)

Key Performance Indicators (KPIs)
are
Metrics

that help an organization

evaluate the **success** of its **strategies**

Theme Park Strategy KPI examples

- Trained support staff
- “Longevity” tours
- Renewal rate(s)
- Member acquisition costs

Getting KPIs from your data

- Start with Standard Reporting
- Could be fairly simple query/export
- Data Analytics Software

Theme Park KPI example

E8 fx 44

	A	B	C	D	E	F
1	Years As Member	FY 2006	FY 2007	FY 2008	FY 2009	
2	1 Year	1050	1516	1074	985	
3	2 Years	541	520	620	655	
4	3 Years	185	162	195	227	
5	4 Years	111	84	108	160	
6	5 Years	51	53	75	100	
7	6-7 Years	30	36	50	68	
8	8-10 Years	31	29	32	44	
9	11-15 Years	18	25	27	29	
10	16-20 Years		8	12	23	
11	21+ Years			3	7	
12						

Consecutive Years Membership 200% Ready

Start JCA Answers Analytics - ... Microsoft Excel - Cons...

Make It Reusable

- Regardless of the Tool, try to make it reusable
 - ✓ Microsoft Reporting Services
 - ✓ Crystal Reports
 - ✓ Excel / ODBC
 - ✓ Analytics software








































Tracking the Objectives

- Dashboard or Scorecard
 - ✓ Custom Report
 - ✓ Excel
 - ✓ Dashboard Tool

Example: Dashboard Software

Average Tickets Per Order by Genre

Drop a Filter Condition Here

 Tickets	Season ▾		
	07 Season	08 Season	09 Season
Genre ▾	▾ Avg Tickets Per Order	▾ Avg Tickets Per Order	▾ Avg Tickets Per Order
Alternative Theatre	 2.79 	 2.44 	 2.60 
Classic Theatre	 3.14 	 3.52 	 2.62 
Contemporary	 2.56 	 2.48 	 4.60 
Family	 7.17 	 7.00 	-
Holiday	 3.32 	 3.39 	-
Jazz	 2.43 	 3.47 	 5.84 
Musical	 3.12 	 2.52 	 2.54 

Recap

- You have a world of information at your fingertips
- Now more than ever, you need to make the most of it
- Before you can really use it, you need your strategy
- Once you have strategy you can develop objectives
- Once you have objectives you can use your information

Thank You!

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