



MARKYT Business Scorecard ©

Prepared for: City of Melville
Prepared by: CATALYSE[®] Pty Ltd
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Contents

The study	3
Economic confidence	6
Perceptions of place	8
Council performance	13
FOGO	21
MARKYT industry standards	23
Recommendations	27

The Study

The Study

The City of Melville administered a MARKYT® Business Scorecard to evaluate performance and priorities among local businesses between 11 March to 15 April, 2020. The study took place following the COVID-19 outbreak on 21 Feb 2020.

The study proceeded as the City considered the importance of staying in touch with the long-term needs of local businesses and the continued need to develop plans and strategies for the local area.

Data was collected using online surveys. Email invitations and one reminder were sent to 1,000 businesses that were randomly selected from the City's business customer database.

In total, **36 businesses** provided valid responses; a response rate of 4%. This is considered to be low. With respect to the challenges businesses were experiencing with COVID-19 challenges, no further reminder emails were sent.

MARKYT® Industry Standards are published throughout this report. When three or more councils have asked a comparable question, we publish the high score to enable participating councils to recognise and learn from the industry leaders. In this report, the 'high score' is calculated from WA councils that have completed an accredited study with CATALYSE® within the past year. Participating councils are listed to the right in alphabetical order.

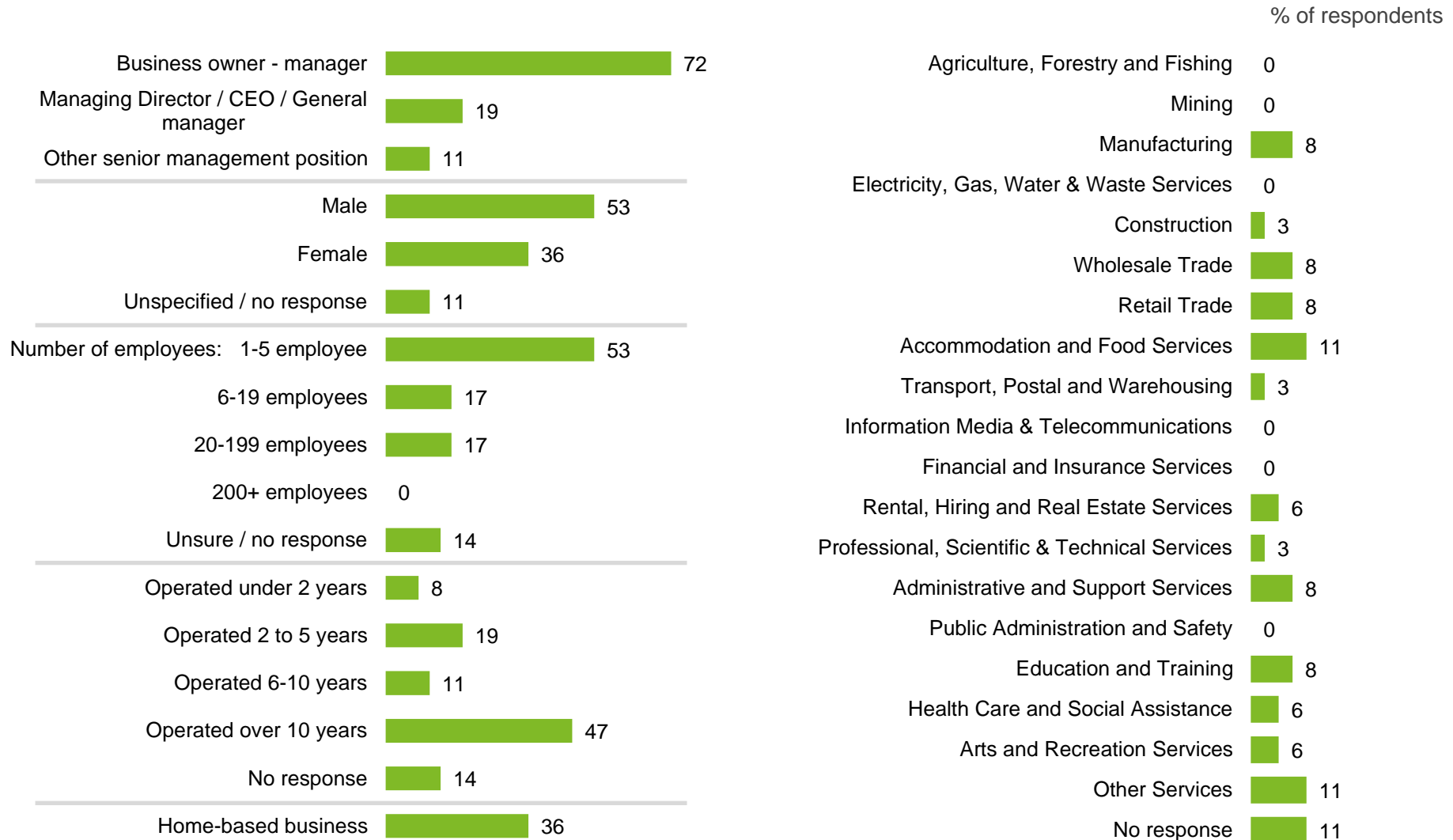
Throughout this report, when sub-totals equal $\pm 1\%$ of the sum of the parts, this is due to rounding errors to zero decimal places.

MARKYT Industry Standards

Participating Councils | 2019 to 2020



Sample Profile



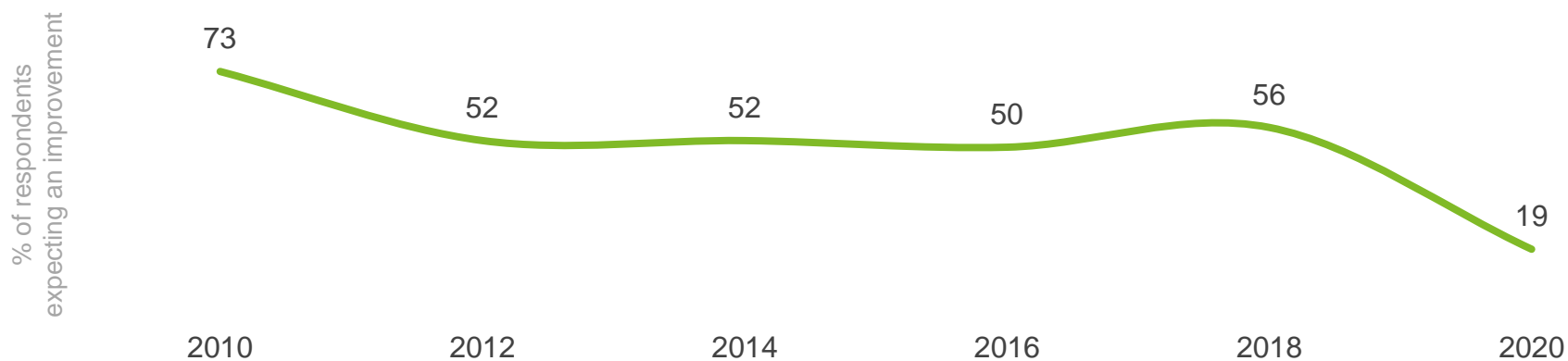
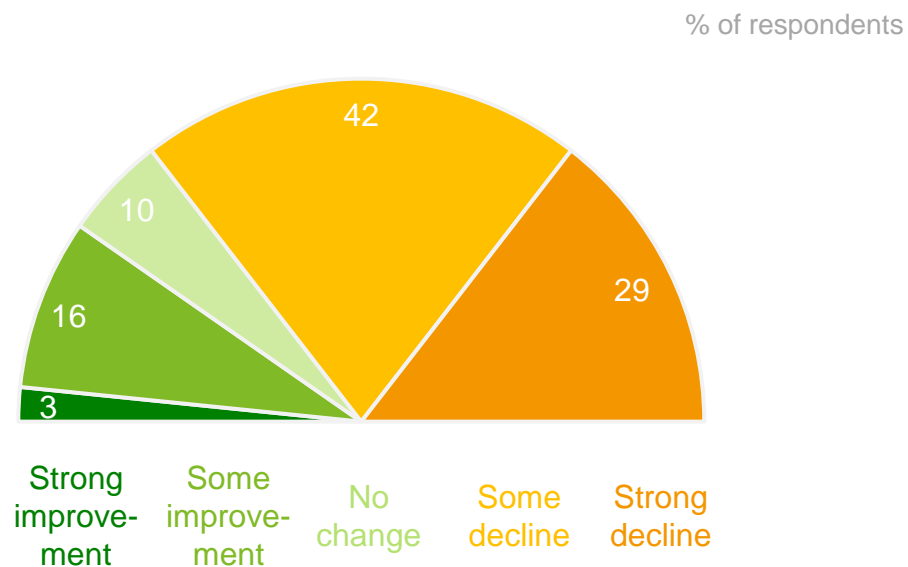
Economic Confidence

Economic expectations for local businesses

COVID-19 has severely impacted local confidence in the economy.

71% of respondents believe their organisation will experience some level of decline over the next 12 months.

19% are optimistic they will see some improvement.



Q. Over the next 12 months, what is your expectation for the economic situation for your organisation?

Base: All respondents, excludes 'unsure' and 'no response' (n = 31).

Perceptions of place

City of Melville as a location to operate a business

89% of businesses rate the City of Melville positively as a place to operate a business.

The overall Performance Index Score is 68 out of 100. This indicates an average rating between 'okay' and 'good'. Performance is on par with previous years, with the exception of 2018, the strongest performing year.

Currently, the City of Melville is on par with the industry average.

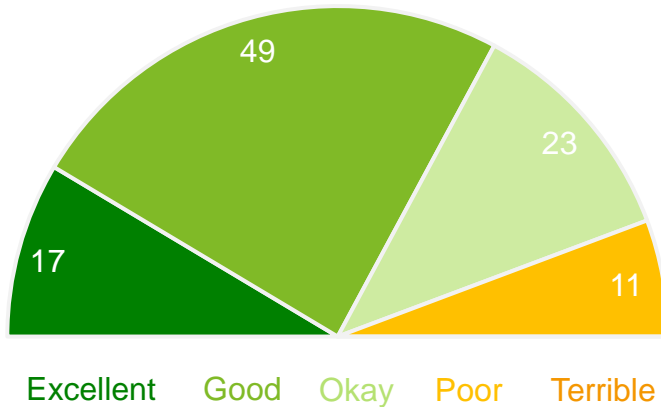
Performance ratings

% of respondents

Total Positive Rating

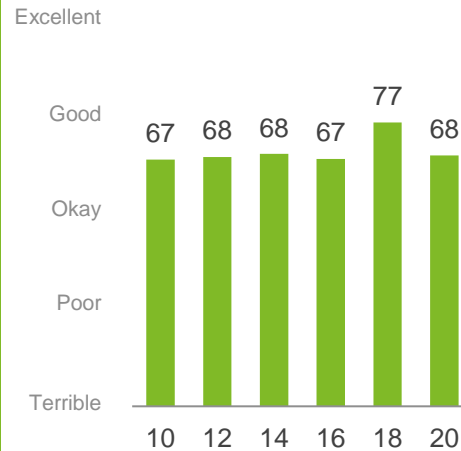
(excellent + good + okay)

89%



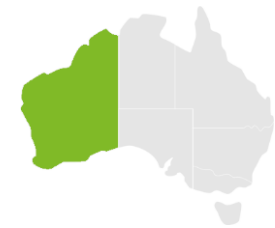
Trend Analysis

Performance Index Score



MARKYT Industry Standards

Performance Index Score



City of Melville	68
Industry High	73
Industry Average	69

Q. Overall, how would you rate the City of Melville in the following areas?

Base: All respondents, excludes 'unsure' and 'no response' (n = 35).

Local business advocacy

Likelihood of recommending the City of Melville as a place to operate a business

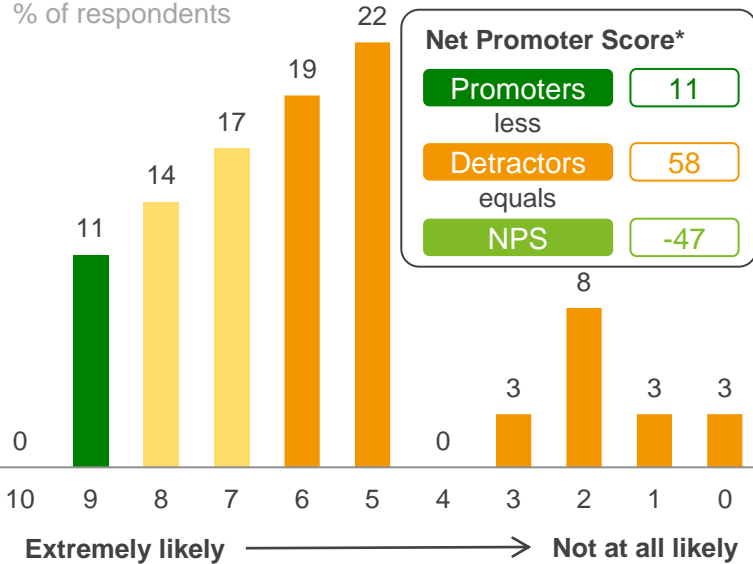
11% of business respondents are classified as 'promoters', giving a score of 9 or 10 out of 10 for likelihood of recommending the City of Melville as a place to operate a business. 31% are 'passives', giving a score of 7 or 8 and 58% are potential 'detractors', giving a score of 0 to 6.

The Net Promoter Score is calculated by subtracting the percentage of detractors from the percentage of promoters. The score can range from -100 to +100. With more detractors than promoters, the City of Melville's Net Promoter Score is -47.

While COVID-19 may be having an impact on these results, it is recommended that the City follows up with local businesses further explore any underlying issues.

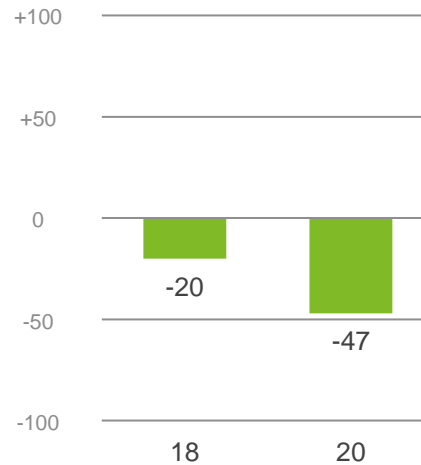
Likelihood of recommending

% of respondents



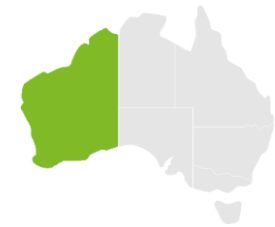
Trend Analysis

Net Promoter Score



MARKYT Industry Standards

Net Promoter Score



City of Melville	-47
Industry High	-22
Industry Average	-35

Q. How likely are you to recommend the City of Melville as a place to operate a business?

Please give a rating out of 10, where 0 is not at all likely and 10 is extremely likely.

Base: All respondents, excludes 'unsure' and 'no response' (n = 36).

* NPS can range from -100 to +100

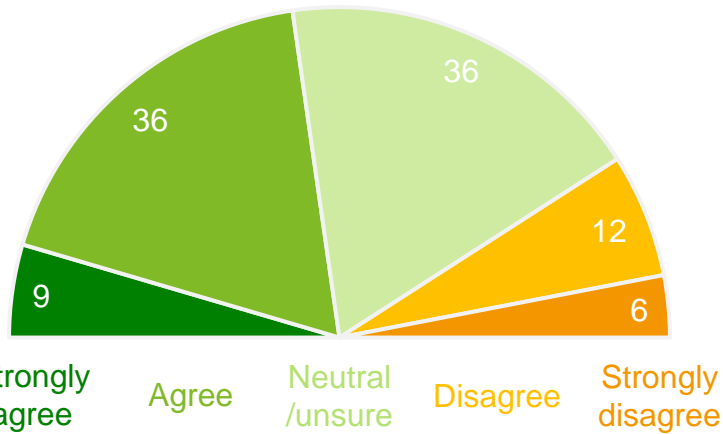
Business commitment to the City of Melville

45% of business respondents agree there are good reasons to stay in the City of Melville. This is down 26% points over the past two years.

27% of business respondents agree there are many good reasons to relocate. The rate of businesses that are considering relocating has been gradually increasing since 2012. The result is up 20% points over the past 8 years.

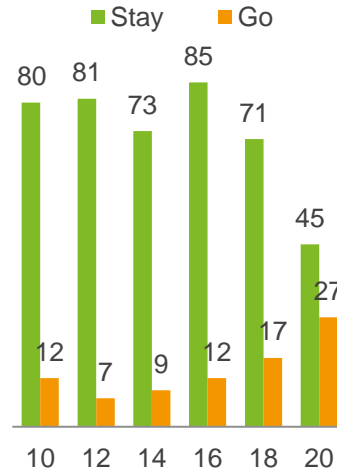
There are many good reasons to keep our business located within the City of Melville (STAY)

% of respondents



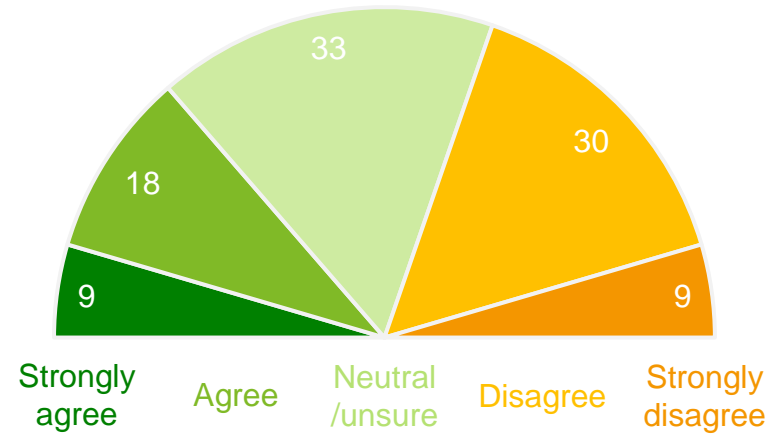
Trend Analysis

% agree



There are many good reasons to relocate our business (GO)

% of respondents



Q. How strongly do you agree or disagree with the following statements:

Base: All respondents, excludes 'no response' (n = 33 / 33).

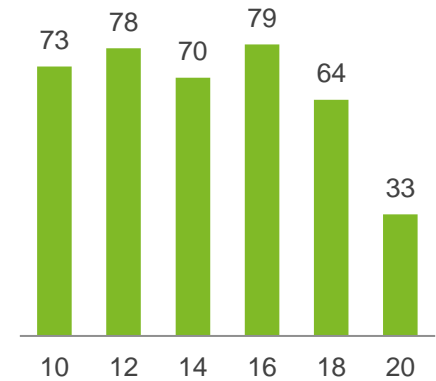
Business commitment analysis

33% of business respondents are classified as 'committed' or 'comfortable'; a drop of 31% points from 2018. These businesses agree that there are many good reasons to stay in the City of Melville and they do not agree that there are many good reasons to relocate.

33% of business respondents are a moderate to high risk of relocating.

Trend Analysis

% committed + comfortable



Level of Commitment

% of respondents

		There are many good reasons to relocate our business				
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
There are many good reasons to keep our business located within the City of Melville	Strongly disagree	3	0	0	0	3
	Disagree	0	0	3	6	3
	Neutral	3	6	24	3	0
	Agree	0	24	3	6	3
	Strongly agree	3	0	3	3	0

Business commitment to the City of Melville

Committed	3
Comfortable	30
Passive	33
Moderate risk	24
High risk	9

Q. How strongly do you agree or disagree with the following statements:

Base: All respondents, excludes 'no response' (n = 33 / 33).

Council performance

City of Melville as the organisation that governs the local area

77% of businesses rate the City of Melville positively as a governing organisation.

The overall Performance Index Score is 61 out of 100. This indicates an average rating between 'okay' and 'good'. Performance is on par with previous years, with the exception of 2018, the strongest performing year.

Currently, the City of Melville is 2 points below the industry average.

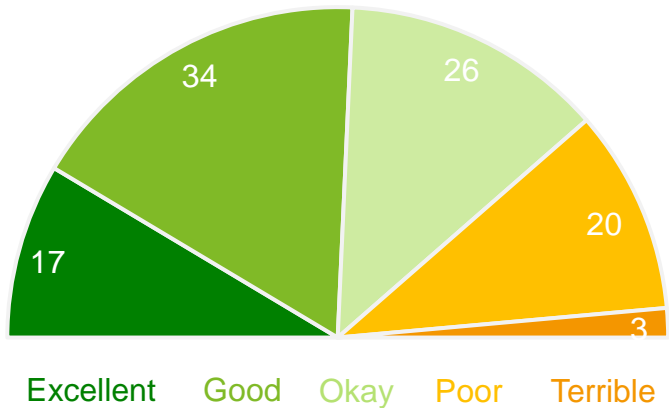
Performance ratings

% of respondents

Total Positive Rating

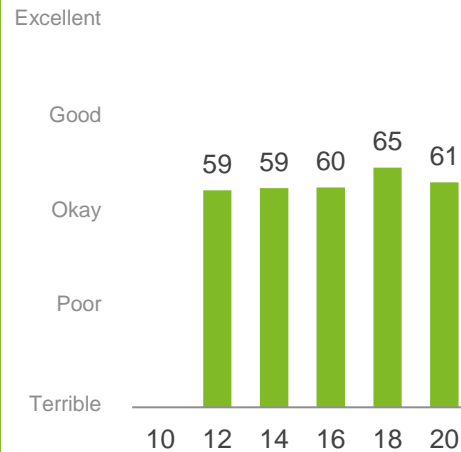
(excellent + good + okay)

77%



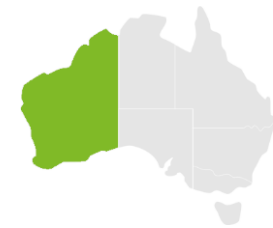
Trend Analysis

Performance Index Score



MARKYT Industry Standards

Performance Index Score



City of Melville	61
Industry High	68
Industry Standard	63

Q. Overall, how would you rate the City of Melville in the following areas?

Base: All respondents, excludes 'unsure' and 'no response' (n = 35).

Value for money from Council rates

63% of businesses rate the City of Melville positively as a governing organisation.

The overall Performance Index Score is 46 out of 100. This indicates an average rating just below okay.

Performance fell 7 index points and is now 2 points below the industry average.

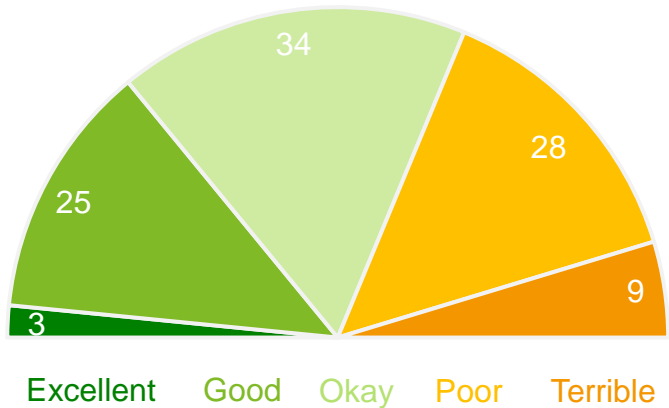
Performance ratings

% of respondents

Total Positive Rating

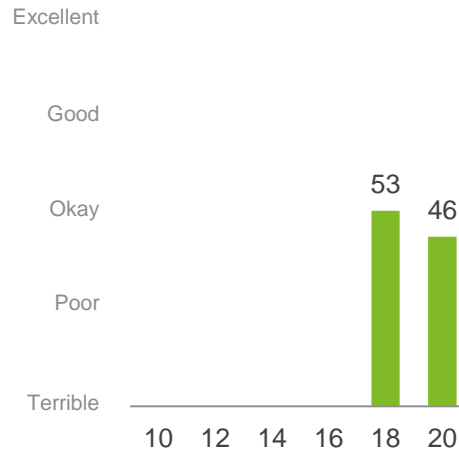
(excellent + good + okay)

63%



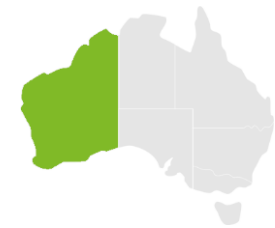
Trend Analysis

Performance Index Score



MARKYT Industry Standards

Performance Index Score



City of Melville	46
Industry High	56
Industry Standard	48

Q. Overall, how would you rate the City of Melville in the following areas?

Base: All respondents, excludes 'unsure' and 'no response' (n = 32).

The City has developed and communicated a clear vision for the area

27% of business respondents believe the City has developed and communicated a clear vision for the area.

This is down 20% points over the past two years; now 22 points below the industry average.

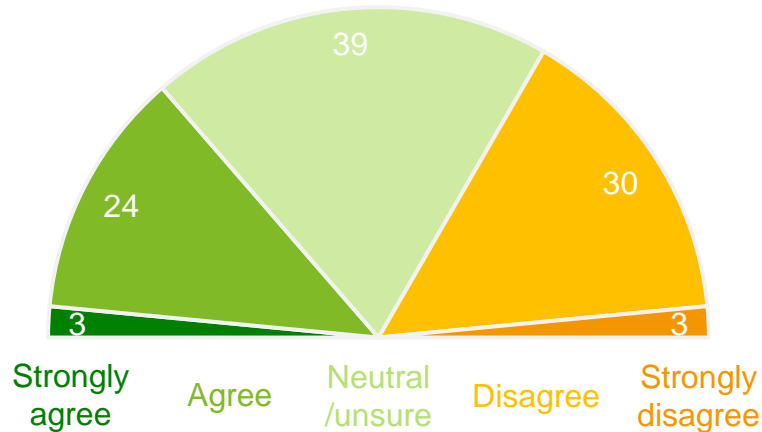
Performance ratings

% of respondents

Total Positive Rating

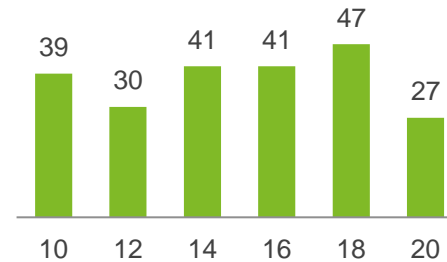
(strongly agree + agree)

27%



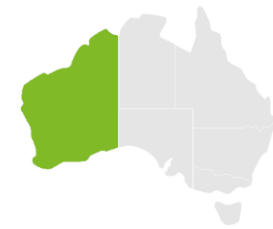
Trend Analysis

% agree



MARKYT Industry Standards

% agree



City of Melville	27
Industry High	64
Industry Standard	49

Q. How strongly do you agree or disagree: The City has developed and communicated a clear vision for the area – I am fairly clear about what the area is going to look and feel like in 10 years time?

Base: All respondents, excludes 'no response' (n = 33).

The City has a good understanding of issues and challenges facing business

24% of business respondents believe the City has a good understanding of issues and challenges facing businesses.

Continuing to fall, this is down 26% points from 50% in 2016 and 13% points below the industry average.

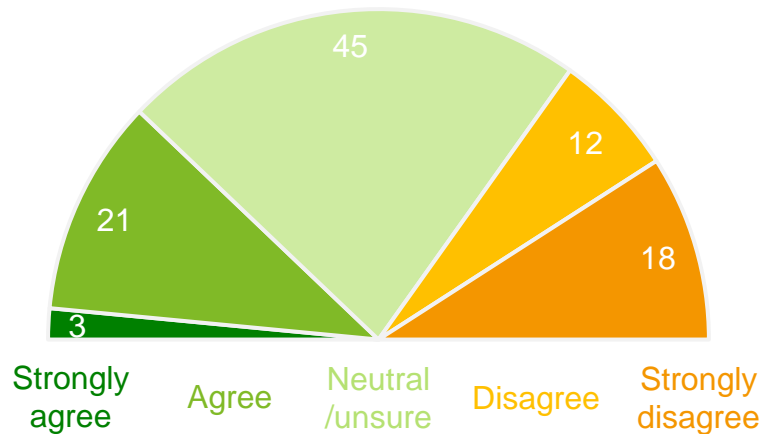
Performance ratings

% of respondents

Total Positive Rating

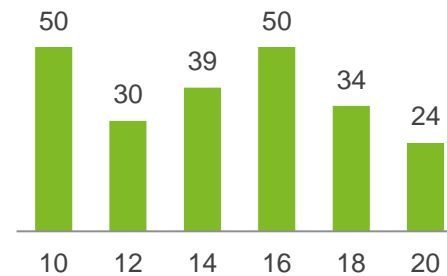
(strongly agree + agree)

24%



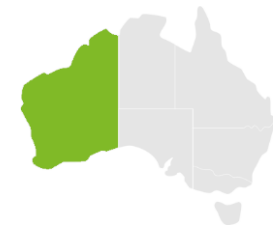
Trend Analysis

% agree



MARKYT Industry Standards

% agree



City of Melville	24
Industry High	49
Industry Standard	37

Q. How strongly do you agree or disagree: The City has a good understanding of issues and challenges facing business?

Base: All respondents, excludes 'no response' (n = 33).

Familiarity with Council services

% of respondents who were familiar with service area



There is opportunity to improve knowledge and understanding of key services provided in and by the City of Melville.

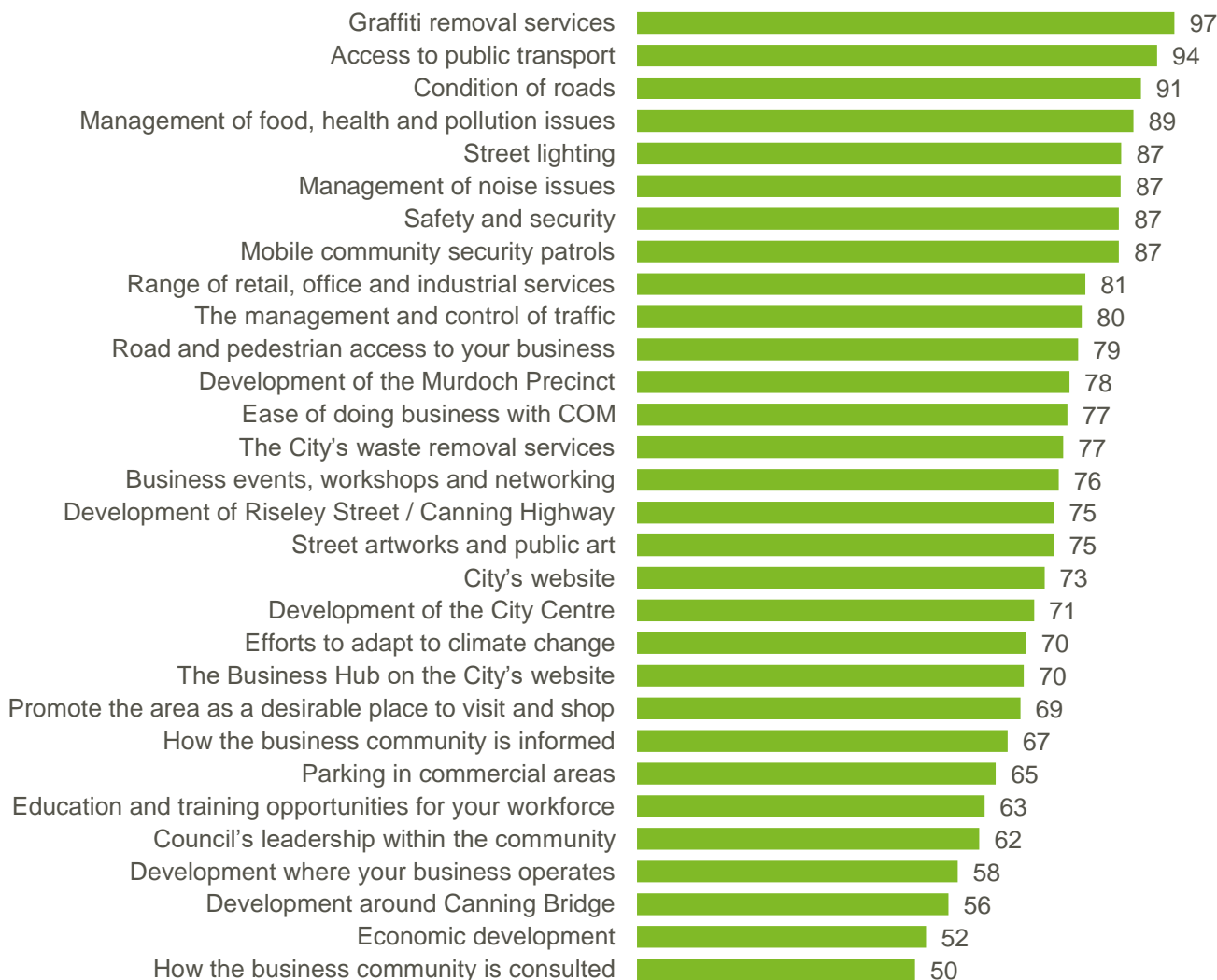
While there is high familiarity with key City services, such as roads, parking, street lighting, public transport, doing business with the City and the range of commercial services available in the area;

There is **lower familiarity** with efforts to adapt to climate change, management of noise and the business hub on the City's website.

Chart shows proportion of respondents who were familiar enough with the service area to rate performance.

Service performance levels

% of respondents who gave a positive rating (excellent + good + okay)



Business respondents rated most local services and facilities positively.

The top 3 performers were:

- graffiti removal services
- access to public transport
- condition of roads

The lowest performing areas were:

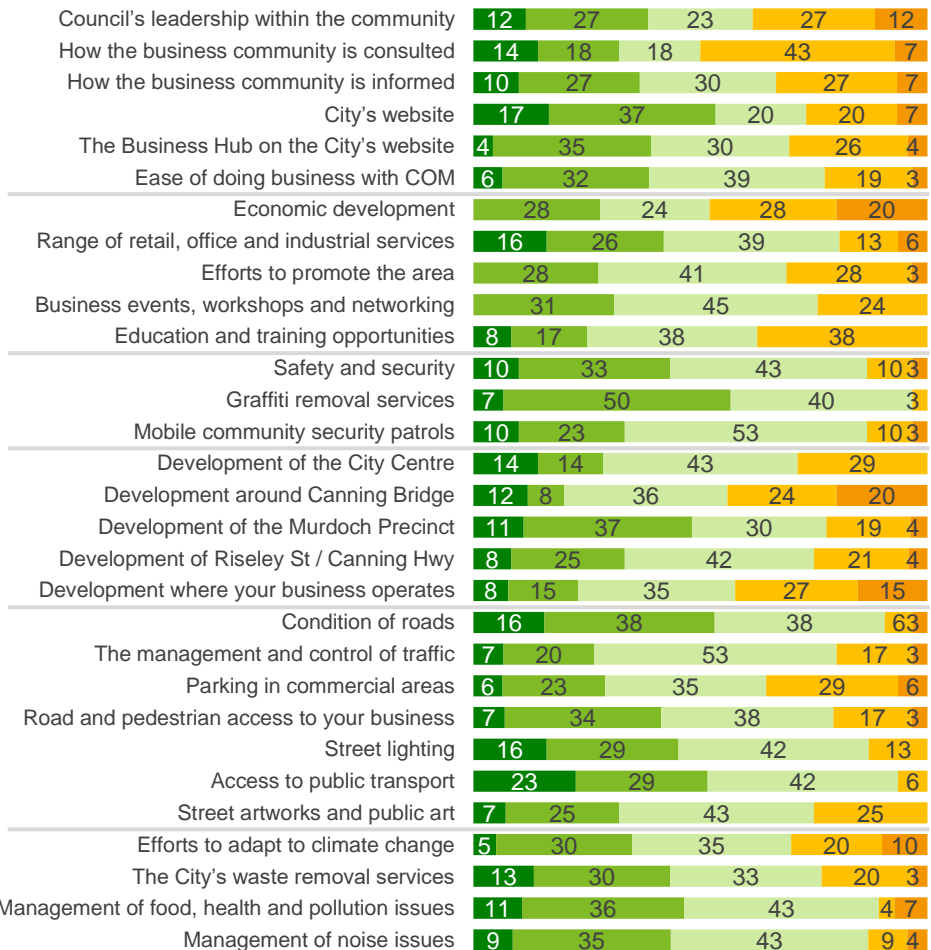
- consultation about local issues
- Economic development
- Development around Canning Bridge

Service performance levels | detailed analysis

Performance ratings

% of respondents

Excellent Good Okay Poor Terrible



Trend Analysis

Performance Index Score

10	12	14	16	18	20	
45	50	49	52	54	50	=
45	43	44	44	45	47	=
48	44	49	45	48	52	▲
NA	NA	NA	NA	61	59	=
NA	NA	NA	NA	NA	52	-
NA	NA	NA	NA	NA	55	-
NA	NA	NA	NA	NA	40	-
NA	NA	NA	63	67	58	▼
53	51	55	56	55	48	▼
48	49	52	55	58	52	▼
54	52	55	53	52	49	=
55	56	58	57	63	59	▼
58	58	63	63	72	65	▼
49	51	54	51	61	57	▼
57	55	62	59	66	54	▼
NA	NA	52	57	63	42	▼
NA	NA	62	62	73	58	▼
NA	NA	NA	NA	53	53	=
NA	NA	NA	NA	NA	43	-
NA	NA	60	64	67	64	=
48	49	49	52	56	53	=
48	49	47	48	50	48	=
64	57	59	60	66	56	▼
62	58	62	60	66	62	▼
NA	59	57	62	71	67	▼
NA	NA	NA	NA	53	54	=
NA	NA	NA	NA	NA	50	-
60	59	67	64	67	58	▼
58*	55*	58*	57*	67	60	▼
58*	55*	58*	57*	64	59	▼

MARKYT Standards

Performance Index Score

City of Melville	Industry Average	Industry High
50	54	58
47	50	54
52	56	60
59	63	67
52	NA	NA
55	56	60
40	51	58
58	NA	NA
48	NA	NA
52	NA	NA
49	54	58
59	56	59
65	66	70
57	NA	NA
54	NA	NA
42	NA	NA
58	NA	NA
53	NA	NA
43	NA	NA
64	64	69
53	54	58
48	53	64
56	NA	NA
62	64	65
67	NA	NA
54	NA	NA
50	NA	NA
58	65	68
60	60*	62*
59	60*	62*

Q. How would you rate performance in the following areas?

Base: All respondents, excludes 'no response' and 'unsure / NA' (n = varies from 20 to 32).

*Comparison against 'Management of food, health, noise and pollution issues'.

FOGO

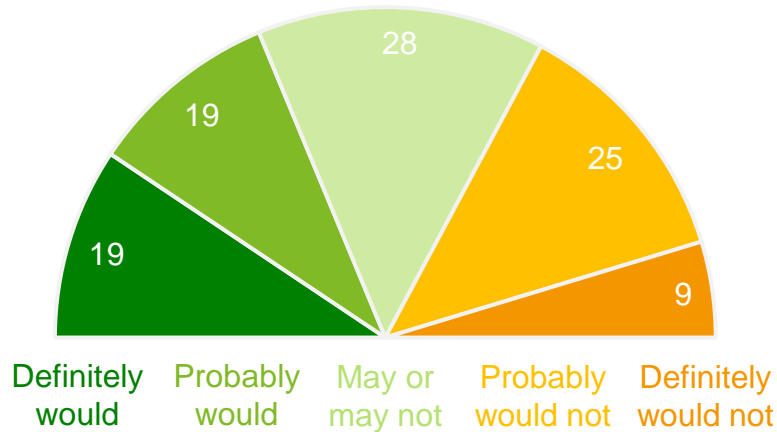
Support for food organics collection service

38% of business respondents believe they would use a food organics collection service in addition to the waste collections services already provided by the City of Melville.

34% believe they would not use this service.

Would your organisation use a food organics collection service in addition to the current waste and recycling services?

% of respondents



Q. Would your organisation use a food organics collection service in addition to the current waste and recycling services?

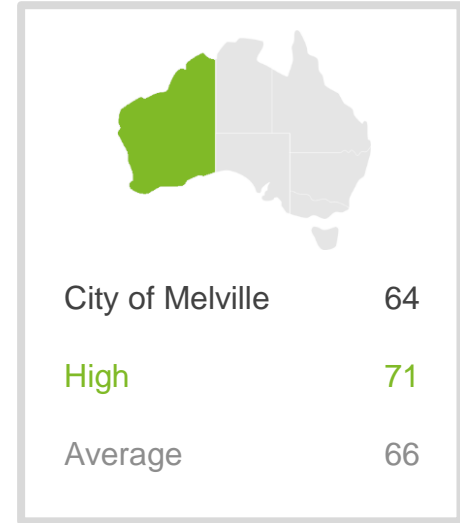
Base: All respondents, excludes 'no response' (n = 32).

*Image credit: <https://www.melvillecity.com.au/CityOfMelville/media/Images/Content-Pages-Images/FOGO-bin.png>

MARKYT  industry comparisons

Overall Performance | industry comparisons

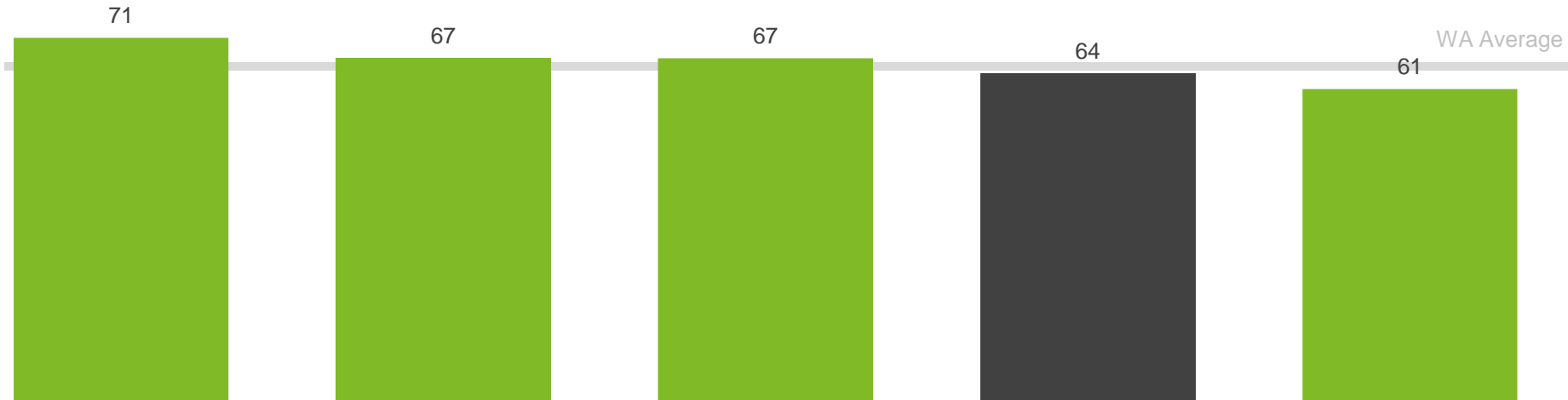
The 'Overall Performance Index Score' is a combined measure of the City of Melville as a 'location to operate a business' and as a 'governing organisation'. The City of Melville's overall performance index score is 64 out of 100, two points below the industry average having dropped 7 points from 71 in 2018. The change in results is likely to have been impacted by the COVID-19 outbreak, though comments suggest there are a number of underlying issues that also need to be addressed.



Overall Performance Index Score

average of 'place to live' and 'governing organisation'

- City of Melville
- Other participating councils



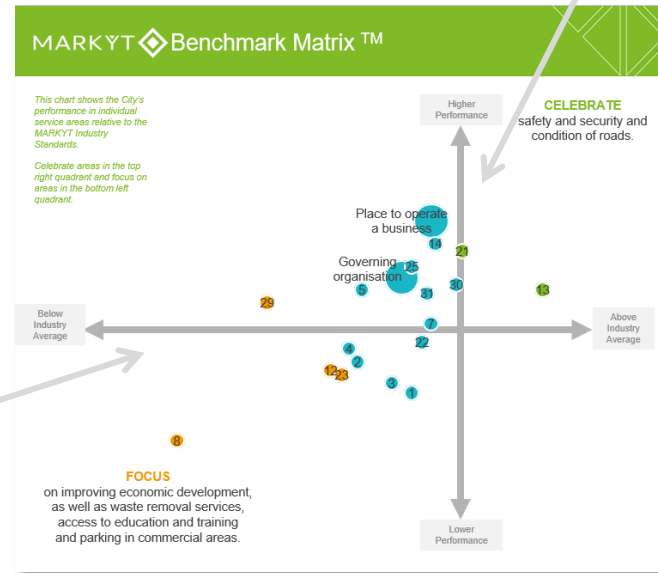
How to read the MARKYT Benchmark Matrix™

The MARKYT Benchmark Matrix™ (shown in detail overleaf) illustrates how businesses rate performance on individual measures, compared to how other councils are being rated by their business community.

There are two dimensions. The vertical axis maps business perceptions of performance for individual measures relative to the average score for all measures. The horizontal axis maps performance relative to the Index Score for Western Australia.

Councils aim to be on the right side of this line, with performance ABOVE the WA Index Score.

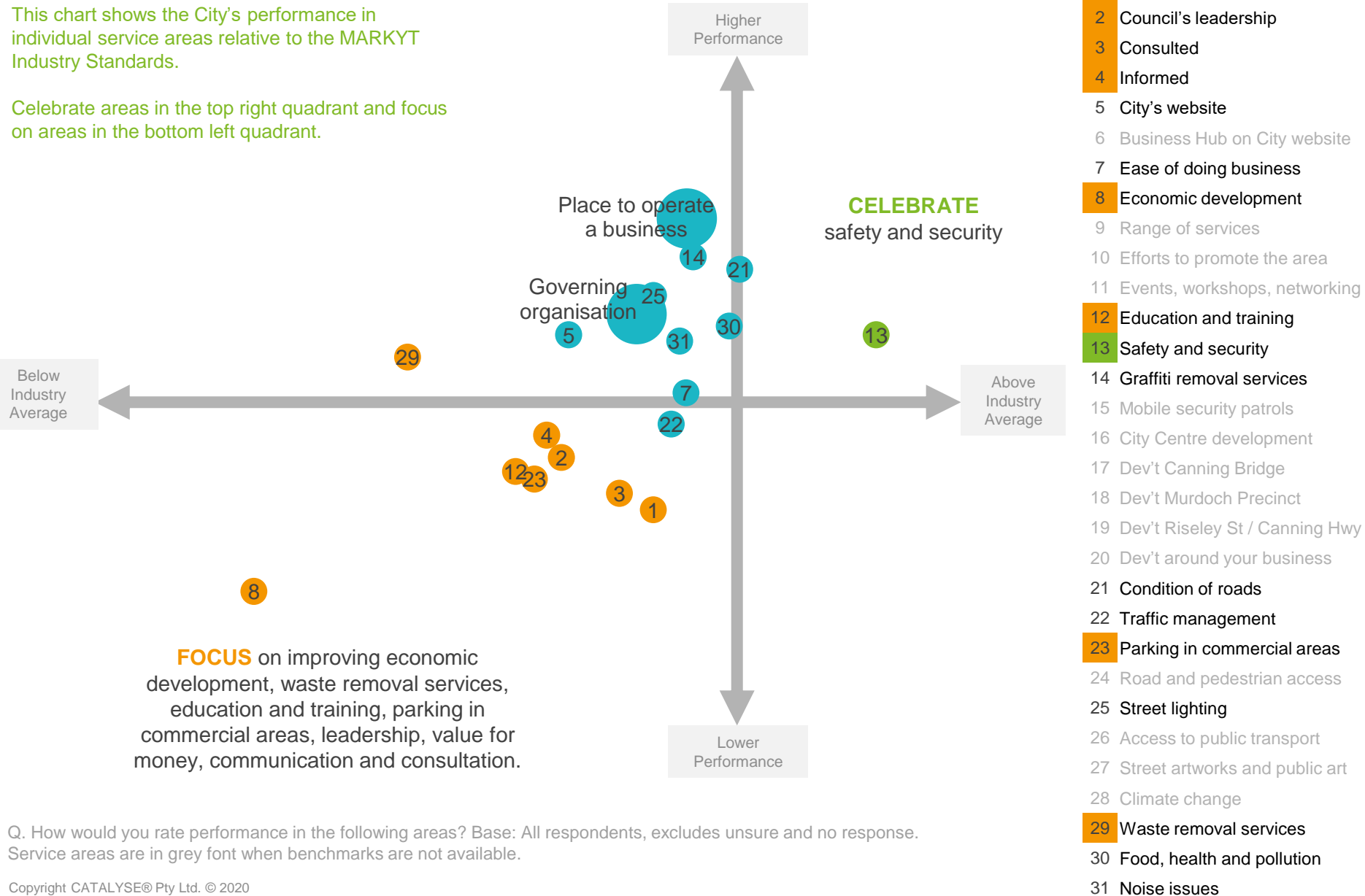
As this line represents Council's average performance for all individual measures, around half of the service areas will be placed above the line (above average), and around half will be positioned below the line (below average).



MARKYT Benchmark Matrix™

This chart shows the City's performance in individual service areas relative to the MARKYT Industry Standards.

Celebrate areas in the top right quadrant and focus on areas in the bottom left quadrant.



Q. How would you rate performance in the following areas? Base: All respondents, excludes unsure and no response. Service areas are in grey font when benchmarks are not available.

Recommendations

Recommendations

1. Review the City's **stakeholder relationship management** practices. There are some concerning signs that businesses are disengaged, including:
 - Low level of survey engagement. While local businesses are being impacted by the COVID-19 pandemic and this may have impacted survey participation rates, we have not seen evidence of this degree of impact in other studies. The results from this study indicate there may be other underlying issues that have impacted participation rates.
 - Declining levels of advocacy and commitment among local businesses. There is a moderate to high level of risk that 1 in 3 businesses will look to relocate out of the area.
2. Engage with local businesses to **develop a shared vision** that is relevant, believable and inspiring.
 - The City's current vision is "Working together to achieve community wellbeing for today and tomorrow". Does the vision speak to or resonate with businesses? Results from this study suggest no. A growing number of businesses report that the City lacks vision and that it does not understand local business needs.
 - To be effective, and meaningful, visions must describe what the area will look and feel like in future, supported with tangible, beacon projects that build trust, confidence and hope that the vision is achievable. To communicate visions effectively, use a combination of words, artist impressions, models, video and shared commitment from key partners.
3. Review the City's **engagement practices** and seek to understand why performance levels are dropping.
 - 1 in 2 business respondents rated business engagement as poor or terrible. This was the lowest performing measurement.



www.catalyse.com.au

Office 3, 996 Hay Street, Perth WA 6000

PO Box 8007, Cloisters Square WA 6850

Phone +618 9226 5674

Email: info@catalyse.com.au

ABN 20 108 620 855

MARKYT 