



2006 Member Survey Presentation



APPLIED MARKETING RESEARCH, INC.

September 2006

- A Quick Look at the Study
- The Sandcastle
- Security Services
- Central Office Staff
- Board of Directors
- Other KICA Functions
- Member Communications
- Future Improvements
- Conclusions and Recommendations

A Quick Look at the Study

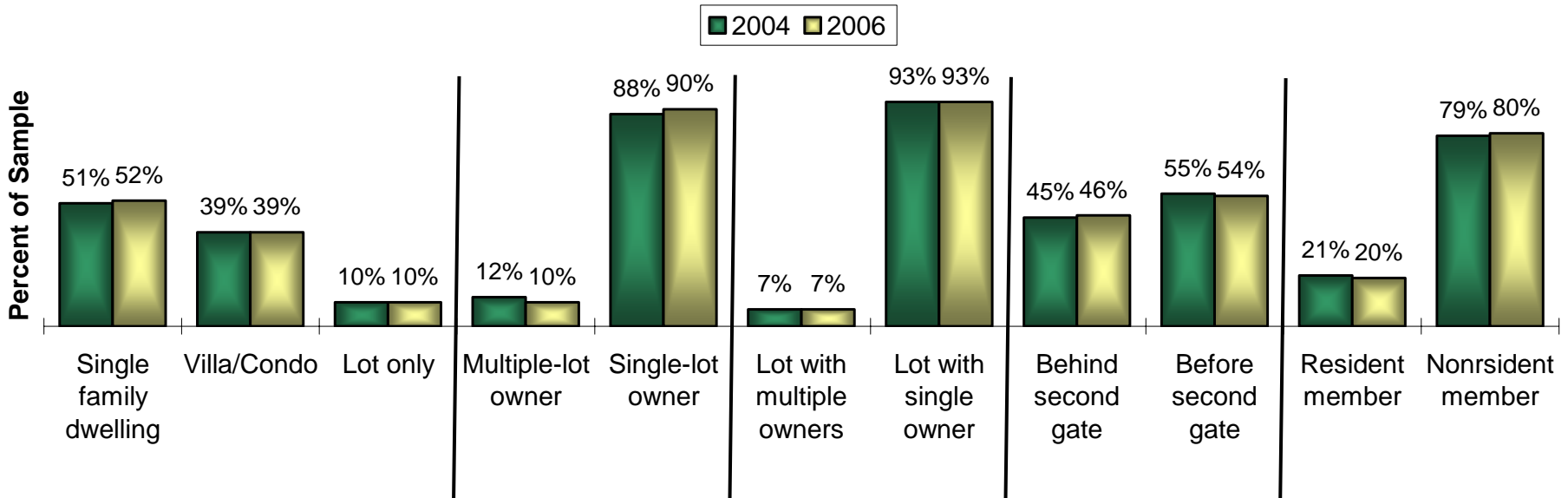
- Overall – to gain a better understanding of how to improve services and facilities for members.
 - In addition – to measure changes in satisfaction compared to the 2004 “benchmark wave” of the study.
- More specifically – to measure:
 - Use of, importance of, and satisfaction with Sandcastle facilities and programs
 - Satisfaction with security services
 - Satisfaction with KICA’s office staff
 - Satisfaction with Board of Directors activities
 - Member preferences for communicating with KICA
 - Member preferences for future improvements

- The main method involved self-administered mail questionnaires.
 - Members could choose to do the same survey on the web
- The “population” of interest included all property-owning households belonging to KICA.
- KICA mailed 3,549 questionnaires and followed up with two post-card reminders.
- After a one-month waiting period, 1,488 **qualified** questionnaires had been received.
 - 1,242 questionnaires returned by mail
 - 246 questionnaires completed on the Internet
 - The percentage completed on the Internet increased to approximately 17% from 11% in 2004.
- The “margin-of-error” is approximately $\pm 2\%$ at 95% confidence level.
 - English translation – we can be 95% sure that percentages based on a sample of 1, 488 from a population of 3,500 are within plus or minus 2% of the true percentages for the whole population.

Conclusion – **The response was quite good and the statistics are very reliable.**

- The study sample was a close representation of all KICA households.
 - Results in this regard were virtually identical in the 2004 and 2006 studies.
- The “average” study participant was a nonresident (as defined by KICA) member who owns a single lot with a single family dwelling before the second gate.
 - Other types of owners made up proportions of the sample roughly equivalent to their proportions of KICA members as a whole.

Types of Members Represented in the Sample



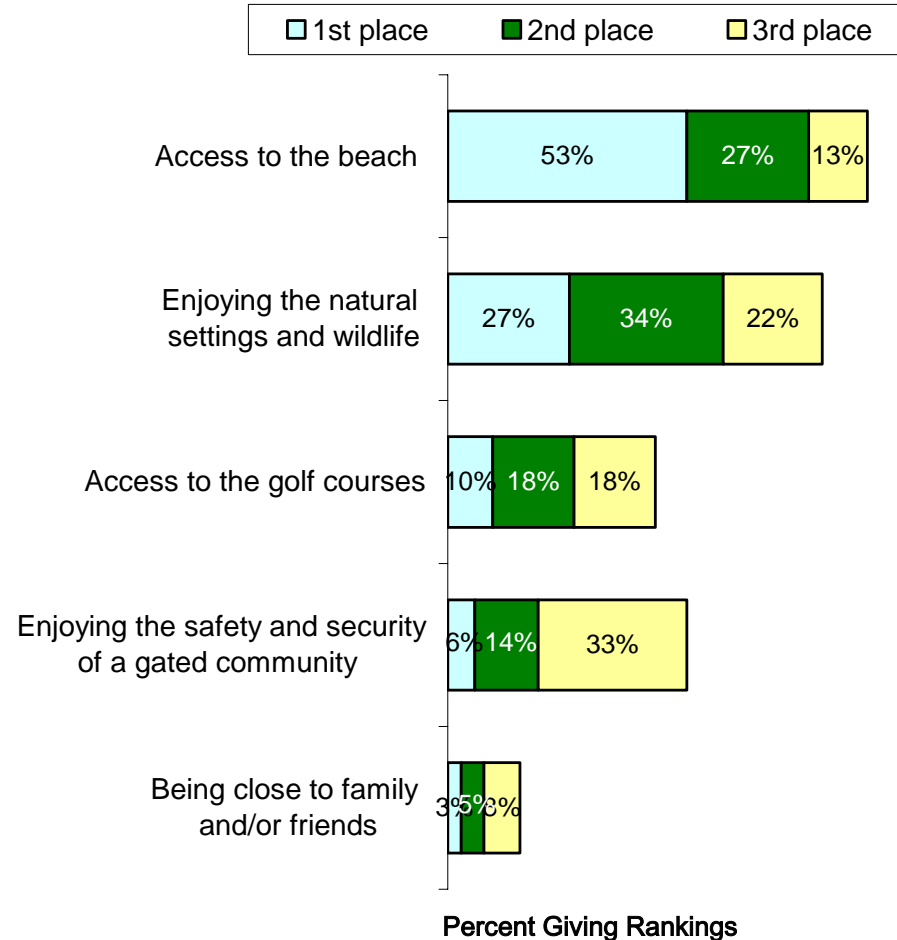
Percentage base = total (3,072)



- **Most members (52%) first purchased property on Kiawah in the past ten years.**
 - Nearly one in five first purchased property more than 20 years ago.
- **Slightly more than 20% of members consider Kiawah to be their permanent residences. Another one-fourth say they definitely or probably will become resident members.**
 - Members who own single family homes are more likely than others to say they already are, or will become, resident members.
 - Villa/condo owners are more likely than others to say they definitely or probably will not become resident members.
- **On average, KICA members with developed properties occupy or rent their properties for approximately half a year (26 weeks).**
 - Resident members and their families/guests occupy their residences an average of 46 weeks a year.
 - Nonresident members occupy their residences along with family/guests an average of 9 weeks.
- **Approximately two-thirds of study participants and spouses were 45 to 64 years old.**
 - Nearly all (93%) indicated that they had a spouse by providing the spouse's age.
 - The average age of study participants was roughly 59 and of spouses, roughly 58.

- Of five purchase motivations included in the survey, most members say that the main reason they purchased property on Kiawah was for access to the beach. Slightly more than half rank beach access first, while 80% rank it either first or second.
 - Those in villas/condos, those living before the second gate, and nonresident members are more likely than others to rank beach access as most important.
- Overall, the second most important reason was enjoyment of natural settings and wildlife. Just over one-fourth of respondents rate this motivation first, while slightly more than 60% rank it either first or second.
 - Those with properties behind the second gate are more likely than others to rank this motive first.

Motivations for Purchasing

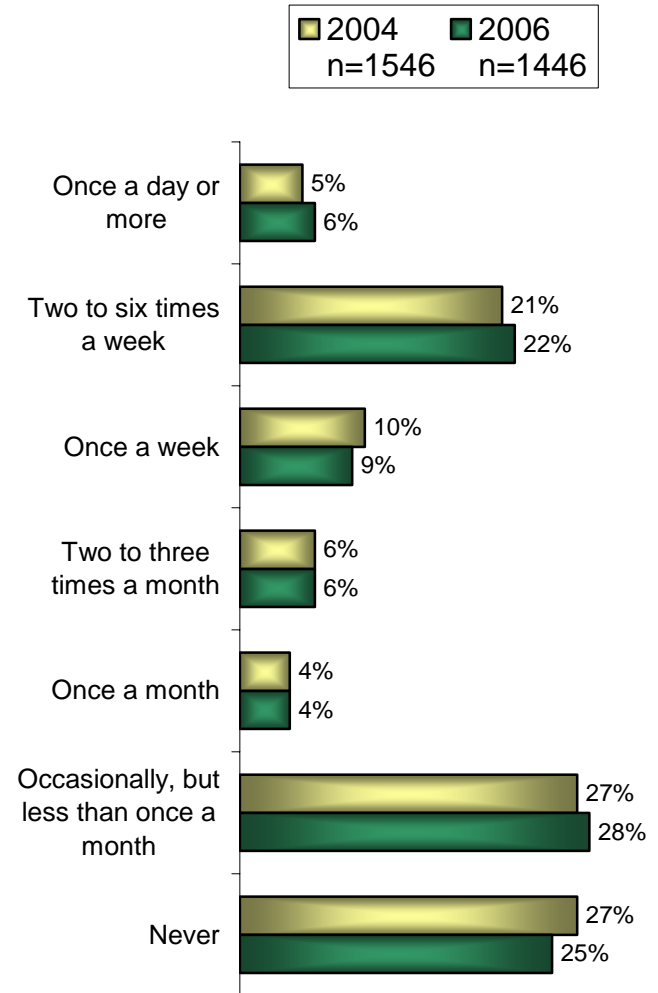


Percentage base = total answering (n=1488). This was a new question in 2006.

The Sandcastle

Frequency of Sandcastle Use

- Three-fourths of members say that they, their families or guests use the Sandcastle at least occasionally during the times they are on Kiawah. One-fourth say they never use Sandcastle facilities.
 - Those more likely than their counterparts to say they never use Sandcastle facilities include:
 - those who belong to the Kiawah Island Club,
 - those who live behind the second gate and
 - those younger than 64 years old.
- On average, members, their families or guests use Sandcastle facilities roughly 1.4 times a week when they are on Kiawah.

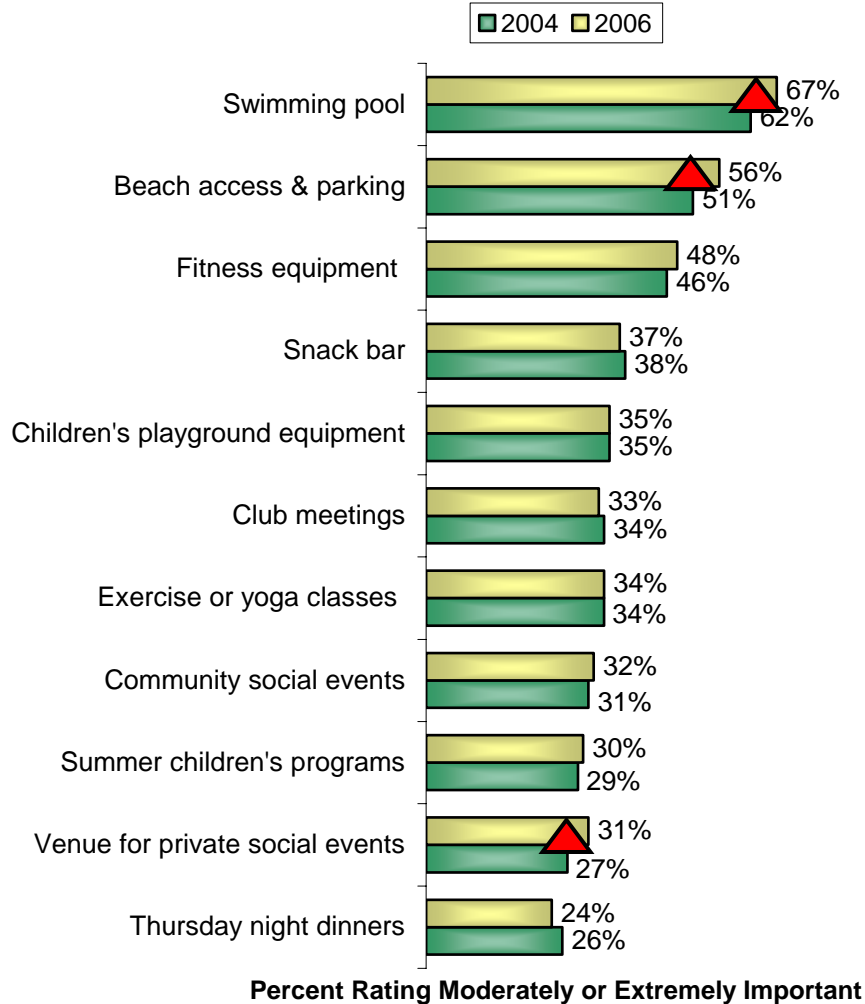



Percentage base = total answering

- Overall, nearly two-thirds of members and two-thirds of spouses take advantage of the Sandcastle Community Center at least occasionally.
 - Slightly more than half of those who have adult guests say that those guests use Sandcastle facilities.
- Approximately 40% of members and spouses use beach access/parking and the swimming pool, while nearly 20% mention the snack bar, fitness equipment, community social events and Thursday night dinners.
 - Governor's Club members and those who are not members of private clubs are more likely than Kiawah Island Club and Charleston private club members to take advantage of all of the Sandcastle facilities and activities included in the survey.
 - Those living before the second gate are more likely than their counterparts to take advantage of Sandcastle facilities and events.
 - Those living in villas/condos and those living before the second gate are more likely than their counterparts to use the pool and fitness facilities.
- Attendance at community social events has increased since 2004, while use of the snack bar has decreased.
- Slightly more than one-fourth of members with family or guests under 19 years old say that those young people use Sandcastle facilities.
 - Regardless of age, approximately one-fourth of the young people use the swimming pool, while roughly 15% use beach access/ parking and the snack bar.

Percentage bases include only those answering

Importance of Sandcastle Amenities and Activities



 Importance significantly higher than 2004 at 95% confidence level

- Swimming, beach and fitness facilities are the most important amenities to members overall.**
 - In general, members give children's amenities and social events lower ratings than they give the physical facilities for swimming, beach access, fitness and the snack bar.
 - Overall, compared to 2004, members gave higher importance ratings for the swimming pool, beach access and parking and availability as a venue for social events.
- Some groups tend to rate fitness/swimming/beach amenities higher than other groups, while those other groups tend to rate social/club activities higher.
 - Groups that rate fitness/swimming/beach amenities higher include those with property before the second gate, and those who do not belong to a private club with a pool.
 - Groups that rate club/social activities higher include owners of single-family properties, those with property behind the second gate, and those who belong to the Governor's Club.
 - Those who belong to the Kiawah Island Club give consistently lower importance ratings than others in the sample.

Percentage base = total answering



- The satisfaction scale is a scale of one to six with the following meanings.
 - 6 = completely satisfied
 - 5 = mostly satisfied
 - 4 = just slightly satisfied
 - 3 = just slightly dissatisfied
 - 2 = mostly dissatisfied
 - 1 = completely dissatisfied
- Based on our experience, we can interpret top-2 box satisfaction scores roughly as follows:
 - 90% or above – extremely high level of satisfaction (hard to increase score)
 - 85%-90% -- very high level
 - 80%-85% -- moderately high level
 - 70%-80% -- plenty of room for improvement
 - Under 70% -- an area for immediate concern
- It is very important to remember that your relatively low scores are not necessarily low in the absolute sense. They are only low compared to your other scores.


The “top-2 box score” is the percentage of members who were mostly or completely satisfied.

- In general, members who are familiar with the Sandcastle are highly satisfied with its operations.
 - Members are most satisfied with the staff's professionalism and availability for help.
 - They are relatively less satisfied with activities.
- While overall satisfaction with the Sandcastle remained unchanged at a moderately high level, satisfaction with most aspects of the operation increased from 2004 levels.
 - The satisfaction increases were significant for the professionalism and availability of the staff, the staff's caring attitude and ability to respond quickly to requests, and the quality of the physical facility.

Satisfaction with Aspects of the Sandcastle Operation



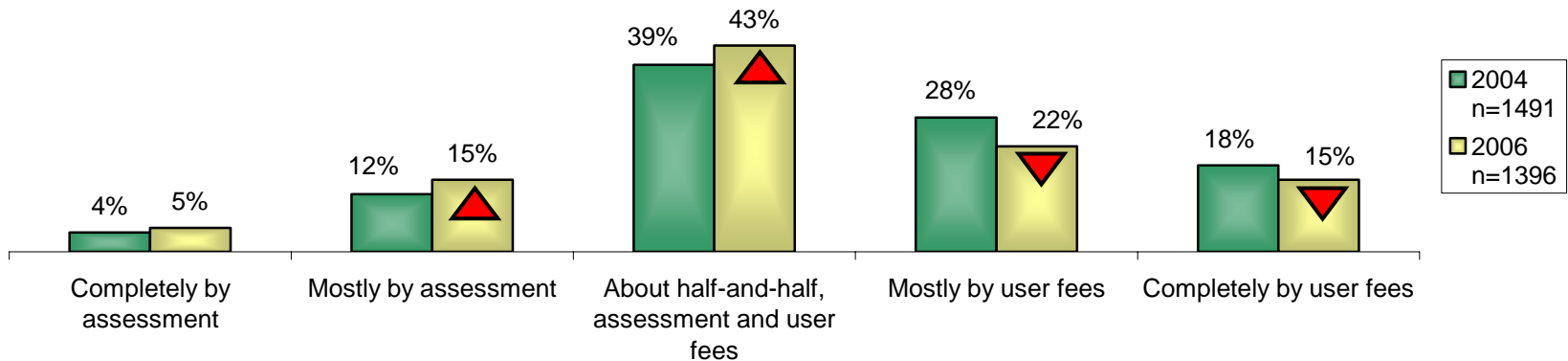
Percentage base = total answering (860 to 990)



 Satisfaction significantly higher than 2004 at 95% confidence level



- **Members would prefer to fund Sandcastle operations by a mix of user fees and assessments, possibly more heavily composed of user fees.**
 - Members living behind the second gate and Kiawah Island Club members have a stronger preference than others for funding mostly or completely by user fees.
 - Those Governor’s Club members and those who do not belong to any private club have a **relatively** strong preference for assessments, though they still had a slightly stronger preference for user fees.
- While the overall preferences for funding were similar, preferences shifted significantly away from user fees and toward a “50/50” mix of fees and greater emphasis on assessments.

Preferences for Sandcastle Funding



 Percentage significantly higher than 2004 at 95% confidence level
 Percentage significantly lower than 2004 at 95% confidence level


Percentage base = total



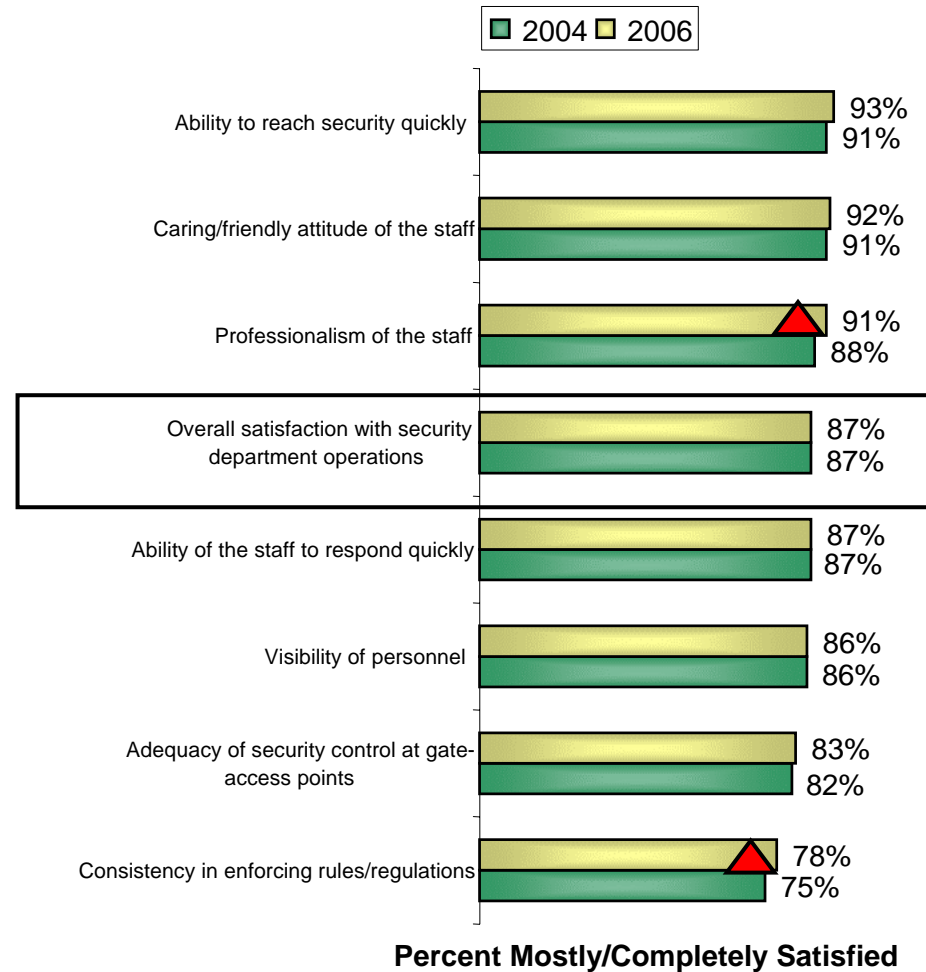
- When asked for suggestions on how to improve the Sandcastle, 516 members gave a wide variety of answers. Among those who gave suggestions, the most frequent answers were:
 - Suggestions related to the **fitness center**, including:
 - Expand and improve the fitness and exercise space.
 - Add more and better exercise equipment.
 - Provide full-time instructor for exercise classes.
 - Suggestions related to **Sandcastle facilities in general**, including:
 - Renovate, upgrade and better maintain the facilities.
 - Give members free access to all facilities.
 - Suggestions regarding the **swimming pool and beach**, including:
 - Provide an indoor-outdoor pool and Jacuzzi.
 - Do not charge members and their guests for pool use.
 - Extend pool hours and dates of operation.
 - Suggestions related to **kitchen facilities**, including:
 - Better snack bar with more menu options.
 - Suggestions related to **activities**, including:
 - Provide more/better social gatherings.
 - Provide more activities for children/teens.
 - Miscellaneous suggestions, including:
 - Improve staff friendliness.
 - Improve communication of events to owners.

Security Services

- In general, members are highly satisfied with security operations.
 - Members are highly to very highly satisfied with most aspects of KICA security operations.
 - They are least satisfied with the consistency of enforcing rules and regulations. The top-2 box rating of 78% indicates an area that shows room for improvement.
 - Members with property before the second gate and nonresident members tend to be consistently more positive than others toward security operations.
- Satisfaction has improved or remained steady in all of the areas included in the survey.
 - Satisfaction with the professionalism of the staff and consistency in enforcing rules and regulations have increased significantly since the 2004 study.

 Satisfaction significantly higher than 2004 at 95% confidence level

Satisfaction with Aspects of KICA Security Operations



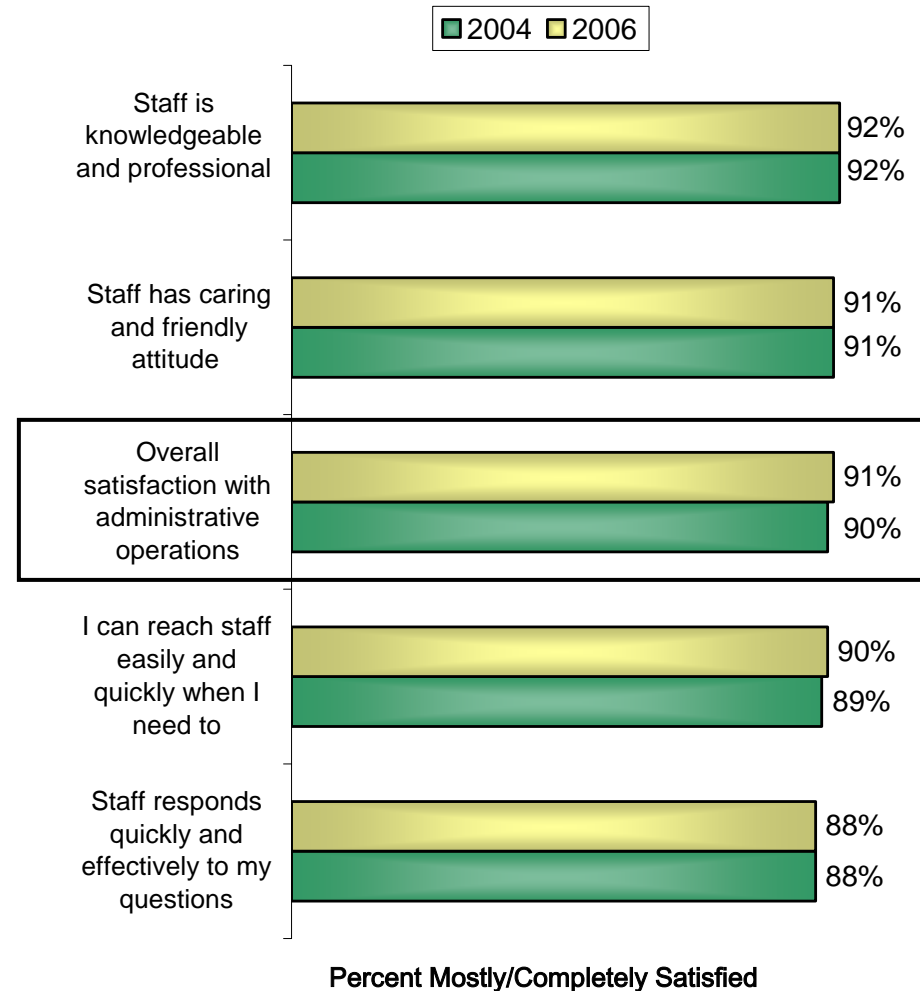
Percentage base = total answering



Central Office Staff

- Satisfaction with the central office staff remains steady at very high levels.
 - Satisfaction across the board is virtually identical to 2004 levels.

Satisfaction with Central Office Staff



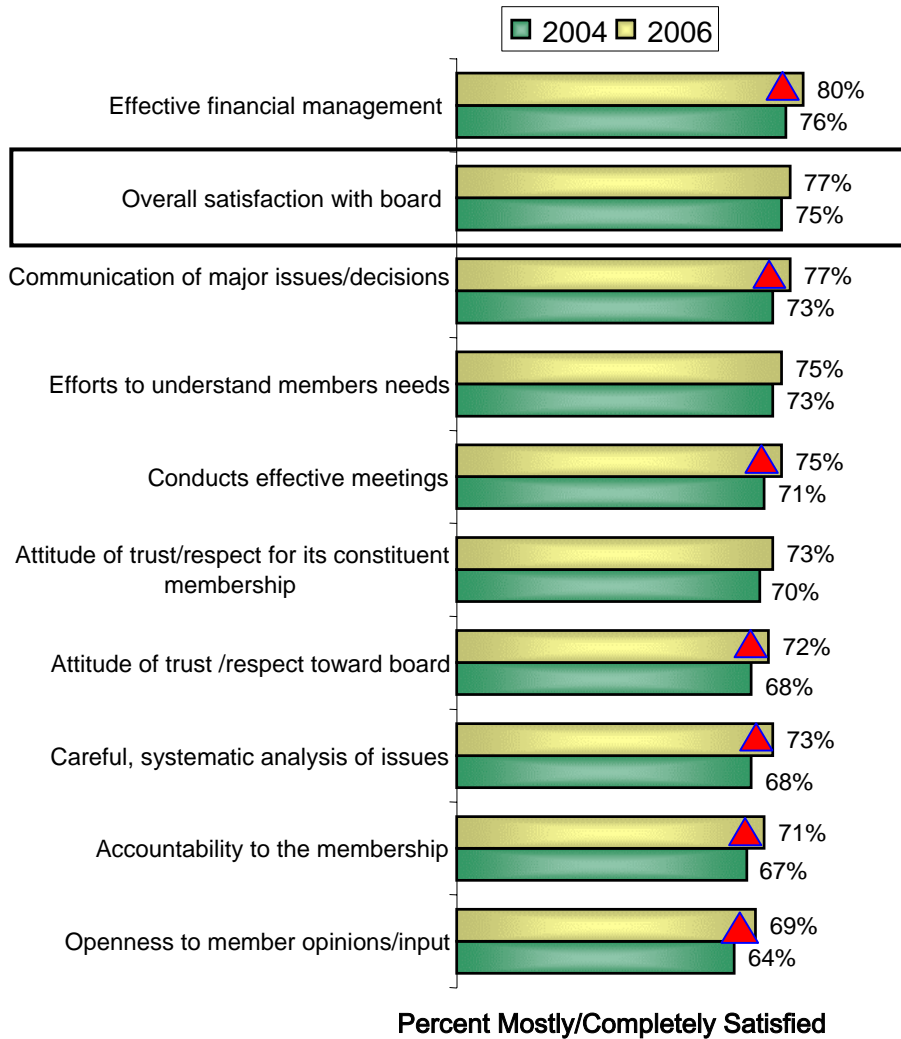
Percentage base = total answering

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Board of Directors

Satisfaction with Aspects of KICA Board of Directors



Percentage base = total answering

- While satisfaction in most respects continues to show room for improvement, satisfaction with the board has increased at least slightly across all aspects since 2004, and significantly so in seven of the ten aspects.

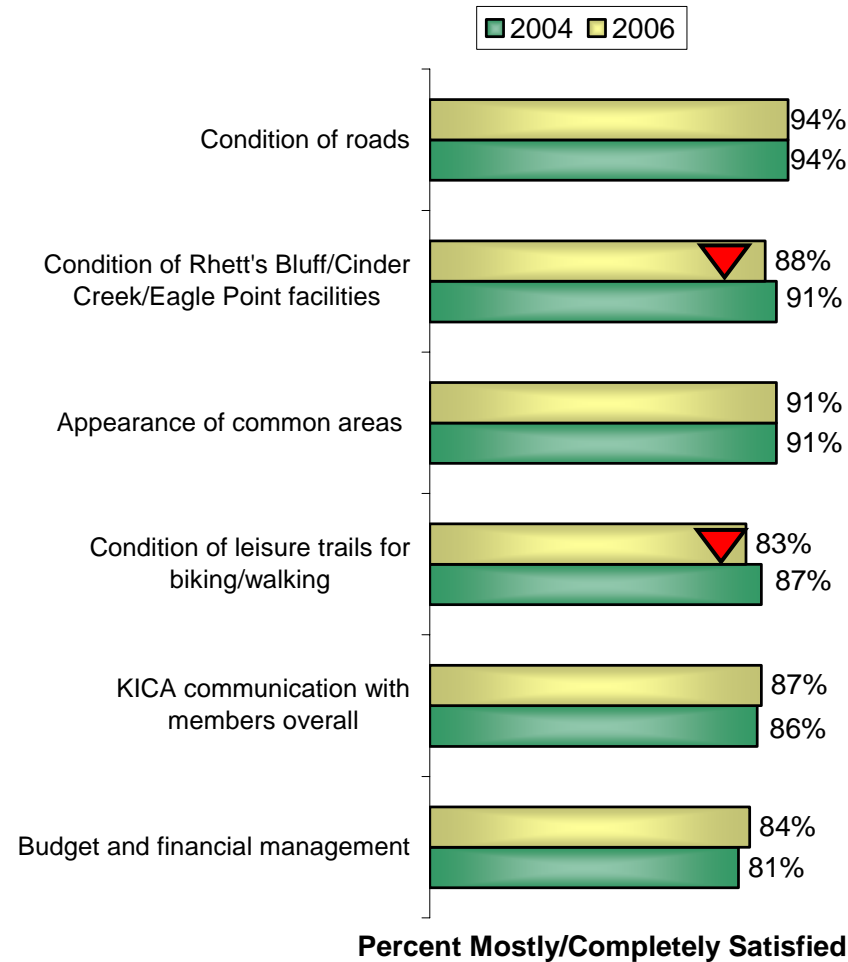
- Although satisfaction with openness to member opinions and input has increased since 2004, it remains at a low level suggesting that additional efforts are needed in that regard.
- It is important to note that those with responsibilities for budgeting and establishing “rules” virtually always receive lower satisfaction scores than those with other organizational responsibilities.

Satisfaction significantly higher than 2004 at 95% confidence level

Other KICA Functions

- In most regards, satisfaction with other functions has remained stable at high to very high levels.
- Satisfaction, while remaining at acceptable to high levels, has dropped significantly for the condition of outdoor recreation facilities, suggesting that members perceive some deterioration in that regard.

Other Aspects of KICA Performance

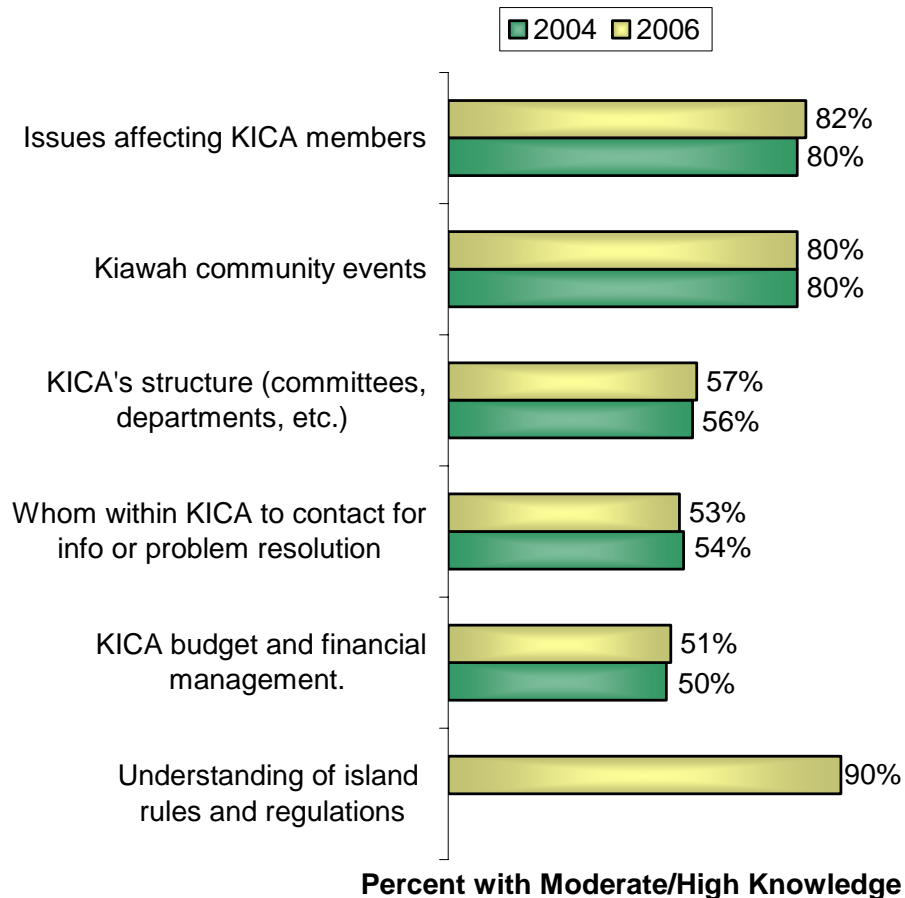


Percentage base = total answering



Member Communications


Level of Knowledge About KICA Topics



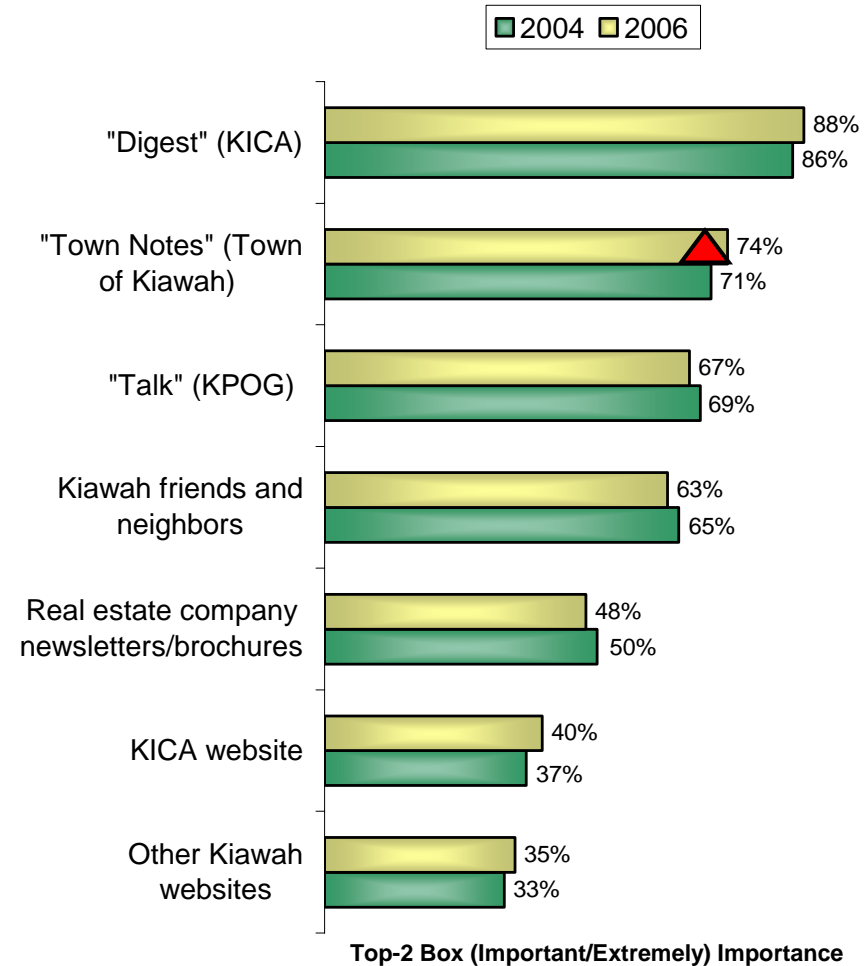
Percentage base = total answering

- Nine in ten members say they have a high or moderate level of understanding of island rules and regulations, and eight in ten have high/moderate understanding of issues affecting them, and of Kiawah community events.
 - Fewer than six in ten say they have a moderate or high level of understanding of KICA structure, whom to contact in case of problems and of KICA's budget and financial management.
 - With respect to topics that were covered in 2004 and 2006, levels of understanding have remained virtually unchanged since 2004.

- Nearly nine in ten members consider the "Digest" to be an important or extremely important information source regarding Kiawah issues and activities.
 - Most also consider "Town Notes," "Talk" and word-of-mouth to be highly important.
 - The importance of "Town Notes" as an information source increased significantly since 2004.
 - Currently, the least important sources are Internet websites, though their importance continues to increase slightly.

 Importance significantly higher than 2004 at 95% confidence level

Importance of Kiawah Information Sources



Percentage base = total answering



- Members clearly prefer to **receive “official” KICA communications** by regular postal mail and, to a lesser (but growing) extent, by e-mail.
 - Over half give regular mail a first-place ranking, while one-third give e-mail a first place ranking.
 - The least preferred methods are Internet website (by itself) and telephone.
 - Nearly nine in ten (89%) members say that they have e-mail accounts that they check regularly.

Preference for Receiving Information

Options	2004			2006		
	1st	2nd	3rd	1st	2nd	3rd
Regular postal mail	63%	14%	6%	54%	19%	7%
Email addressed to me	26%	39%	10%	32%	39%	9%
Combo of website and email	9%	13%	29%	10%	15%	32%
Information posted on KICA's website	1%	6%	19%	1%	7%	21%
Telephone	1%	5%	4%	0%	6%	6%
	Significantly higher in 2006 than in 2004					
	Significantly lower in 2006 than in 2004					

Percentage base = total answering



- Members also prefer to **send official business communications** by regular mail. However, many also prefer having the option of choosing to reply either by regular mail or by e-mail, and this option appears to be increasing compared to regular mail.
 - The least preferred methods are telephone and, to a lesser extent, the Internet website (by itself).

Preferences for Sending Official Communications

Options	2004			2006		
	1st	2nd	3rd	1st	2nd	3rd
Paper communications you post to KICA by regular postal mail	45%	17%	11%	43%	16%	10%
E-mail response to KICA	23%	26%	19%	26%	28%	19%
Option to choose either paper-by-mail or electronic means	22%	18%	20%	20%	18%	23%
Voting and responding to surveys on a website	7%	15%	14%	9%	17%	16%
Automated telephone response system	1%	6%	8%	1%	5%	6%
	Significantly higher in 2006 than in 2004					
	Significantly lower in 2006 than in 2004					

Percentage base = total answering (1,118 to 1,416)

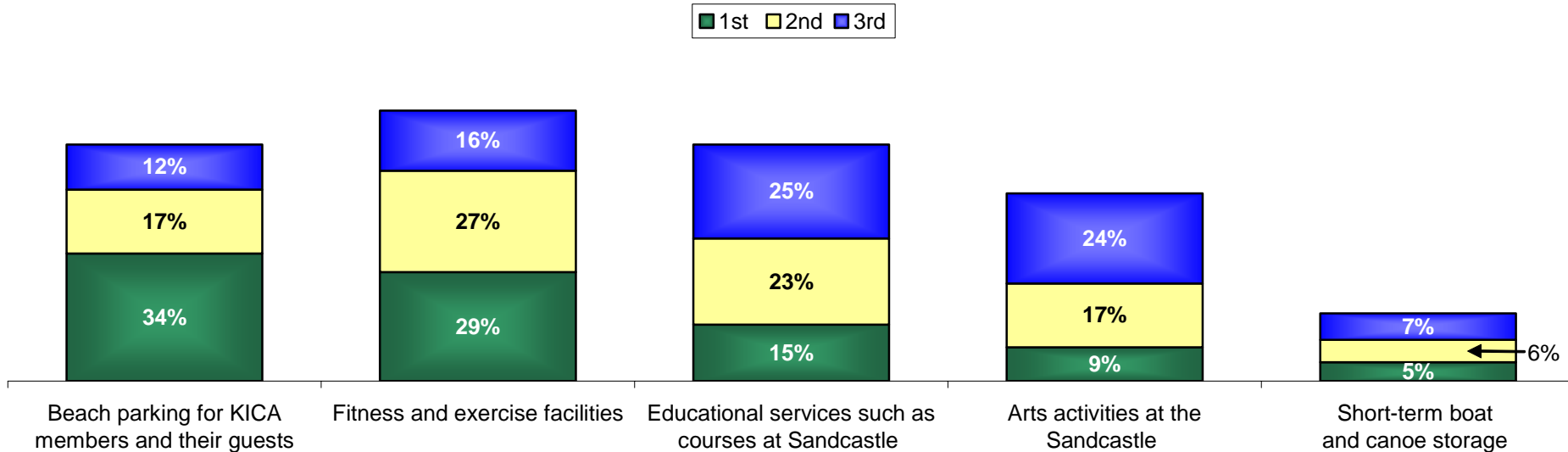


Future Improvements

- Given a choice of five potential amenities and services, members give higher rankings to beach parking and fitness facilities than to other services or capital projects.
 - The least preferred potential amenity is short-term boat and canoe storage.
 - Resident members give higher rankings than nonresident members to educational services and arts activities at the Sandcastle.
 - Nonresident members give higher rankings to beach parking and access, fitness and exercise facilities and short-term boat/canoe storage.

Percent Providing Rankings

New Services and Enhancements



Percentage base = total

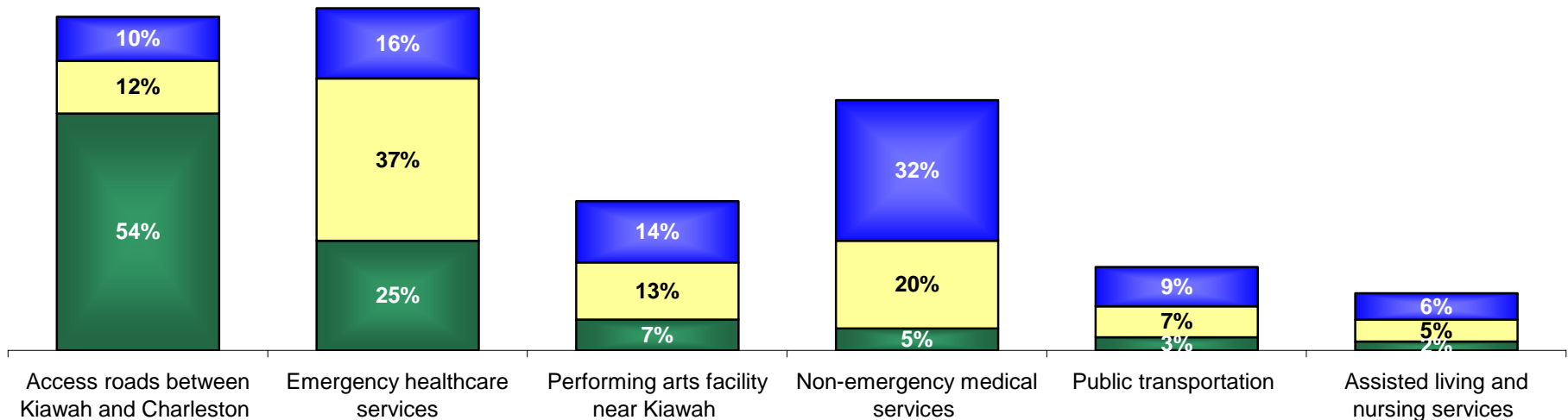


- Given a choice of six potential ventures to undertake in cooperation with other entities, members gave their highest ranking to access roads between Kiawah and Charleston. The venture ranked second overall was emergency healthcare services.
 - The least preferred joint ventures are public transportation and assisted living/nursing facilities.
 - Resident members give higher rankings than nonresident members for access roads between Kiawah and Charleston, for senior living services and, to a lesser extent, for emergency healthcare services.
 - Nonresident members give higher rankings for non-emergency healthcare services.

New Services and Enhancements

■ 1st ■ 2nd ■ 3rd

Percent Providing Rankings



Percentage base = total



- When asked for general feedback or comments, 504 members provided a wide variety of answers. The most frequent suggestions among those who provided answers were:
 - Suggestions related to **various services** including:
 - Increase security.
 - Continue efforts to control costs of services.
 - Comments offering **positive feedback** including:
 - Positive comments regarding KICA management.
 - General praise for Kiawah.
 - Directory.
 - Suggestions regarding **facilities and activities**, including:
 - Provide more entertainment and activities.
 - Improve pool access.
 - Suggestions related to **improved communications** including:
 - Increase and improve communication.
 - Suggestions related to the **overall KICA policies** including:
 - Keep Kiawah a private island run by owners.

Percentage base = total offering feedback (n=504).

Summary and Conclusions

- **In general, members are very satisfied with Sandcastle operations and satisfaction has increased since the 2004 survey.**
 - Satisfaction scores are in the “high to extremely high” range for all items included in the survey, with the highest scores associated with staff professionalism, availability and response time.
 - The lowest score is for the number and quality of activities. Importantly, however, while this rating is low compared to the others, it is not low in the absolute sense.
 - Satisfaction with most aspects of Sandcastle increased between 2004 and 2006. The increases were statistically significant for five or six aspects included in the survey.
- **The most important aspects of Sandcastle operations are the pool, beach access and parking, and fitness equipment.**
 - In terms of member and spouse usage, these aspects, along with the snack bar and Thursday night dinners, are used most heavily.
 - There is a segment that places relatively high emphasis on club and social activities. The segment includes single-family homeowners, those with property behind the second gate, and those who belong to the Governor’s Club.
- **Members prefer funding Sandcastle operations using a mix of user fees and assessments with the greatest emphasis on user fees.**
 - Compared to 2004, however, sentiment has shifted somewhat toward a mix and toward assessments.

- **In general, members are highly satisfied with security operations, and satisfaction has remained steady at high levels since the 2004 study. However, attention should be given to ensuring that rules and regulations are consistently enforced by the staff.**
 - Satisfaction scores are in the “good to excellent” range for all other security-related items included in the survey. The highest scores are for staff availability, caring/friendly attitude, professionalism, and response time.
 - The lowest scores are for consistency when enforcing rules and regulations, adequacy of control at gate-access points, and understandability of rules and regulations.
 - Satisfaction with staff professionalism and enforcement consistency improved significantly from 2004 levels, while satisfaction with all other aspects remained essentially the same.
- **Approximately 10% of members feel that they have a low level of understanding or no understanding at all of Kiawah rules and regulations.**

- **Members are very highly satisfied with all aspects of central office staff performance, and performance has remained steady at very high levels since the 2004 study.**
 - As was the case in 2004, continue “business-as-usual” while looking for inexpensive ways to improve and exceed member expectations.
- **Members are also well satisfied with other KICA functions.** However, slippage in two areas indicates that some members perceive deterioration in the condition of the non-beach recreational areas.
 - They are very highly satisfied with roads, common areas and the condition of Rhett’s Bluff and Cinder Creek facilities.
 - The lowest score (though still reasonably high) is for budget and financial management.
 - Satisfaction with the condition of the Rhett’s Bluff/Cinder Creek/Eagle Point facilities and with the condition of leisure trails, while still high, have decreased significantly since the 2004 study.

- **Satisfaction with board’s performance has increased significantly since the 2004 study. However, members are not well satisfied with Board of Directors operations. The board should continue its current efforts to solicit member input into decisions, and to improve communications regarding how and why decisions were made.**
 - Satisfaction scores for all aspects of board performance are in the range that suggests room for improvement.
 - The lowest scores suggest that many members still perceive the board as not listening to their ideas when it makes decisions.
 - Our opinion is that as the board takes measures to improve communication regarding how and why decisions are made, satisfaction with other aspects of performance will improve as well.
 - Importantly, the results suggest that actions taken by the board are working and we recommend that the board continue actions similar to ones taken in the past two years. Of nine specific aspects included in the survey, satisfaction with seven of the aspects increased significantly and satisfaction with the others appears to have increased at least slightly.

- **Members prefer to receive communications and to conduct official business by regular postal mail and e-mail.**
 - The results suggest that KICA should continue providing two-way communications capabilities over the Internet as well as by postal mail.
- **Given a choice of five budget items, members ranked beach parking for members and guests and fitness/exercise facilities above the rest, followed closely by educational services/courses.**
- **Given a choice of six potential cooperative ventures with other entities, members gave their highest ranking to access roads between Kiawah and Charleston.**
 - This was followed closely by emergency healthcare services in terms of the percent of members ranking the facilities first, second or third.