



March 27, 2013

Dear Valued Franchisee,

In an effort to continue to drive service excellence, effective April 01, 2013, Oakwood has revised its internal incentive goals pertaining to our Customer Service Survey scores (ACE surveys) to utilize a **"Top Block"** methodology vs. straight customer survey average scores.

In today's world, our Supply Chain Network and our ExecuStay franchise markets all follow the same processes and service goals as Oakwood Worldwide follows for its own inventory in order to partner with us. **Top Block** methodology measures how often a guest ranks their experience as "it could not have gone any better". Oakwood's definition of achieving **Top Block** service is scoring an 87% or higher on our current ACE guest survey.

We are shifting our methodology for ACE scoring in 2013 to help us focus more on **consistency** for every guest. The more consistently our customers respond with a delighted score of 87 or greater, the more loyal our guests will be to Oakwood Worldwide and return as a repeat guest or refer Oakwood or ExecuStay to others.

NEW GOALS:

- Achieve 87% or higher on each ACE guest survey
- Minimum Standard: 72% of ACE guest surveys overall scores at 87% or greater per month
- Any location earning less than 63% of ACE guest surveys overall scores at 87% or greater per month = When requested, Written Action Plan to be submitted to [dwoodley@oakwood.com](mailto:dwoodley@oakwood.com) / Needs Improvement

In 2012, Oakwood reserved over 500K room nights or 16K - 30 days stays with our supply chain partners and ExecuStay franchisees. Oakwood awards the 'lion's share' of its outsourced business to those suppliers participating in our network who have a similar product offering and similar service standards and delivery. Our network overall in 2012 ended the year with an average of 87% for ACE guest surveys. Well done! In 2012, 66% of all supply chain ACE guest surveys hit the goal of 87% or greater. We have some room to improve (target is minimum 72%) in 2013 and together we can achieve this goal!

We felt a refresher might be useful for both our current suppliers and our newer ExecuStay franchise partners regarding the calculation of ACE guest survey scores.

Guest responses to specific survey questions are tied to a particular score on a scale of 1-5. The culmination of these guest survey scores leads to each of the categorical scores (Total, Product Quality, Customer Experience) captured.

Based on guest responses, guest survey points will be assigned to two parts of the scoring formula:

- Favorable – ‘4 – Satisfied’ or ‘5 – Very Satisfied’ are counted as **1 point**
- Unfavorable – ‘3 – Neutral, ‘2 – Dissatisfied’ and ‘1 – Very Unsatisfied are counted as **0 points**
- Questions Answered – all questions answered by guest will count as **1 point** regardless of favorable or unfavorable
- Questions with No Response – all questions unanswered will count as **0 points**

Response	Favorable Response Points	Questions Answered Points
1 – Very Dissatisfied	0	1
2 – Dissatisfied	0	1
3 – Neutral	0	1
4 – Satisfied	1	1
5 – Very Satisfied	1	1
No Answer	0	0

- Favorable Response points in each category (Total, Product Quality, Customer Experience) are added and divided by the Questions Answered for each category to obtain the final score.
- The Problem Resolution Question is a multiple part question that affects the Customer Experience and Total scores.
  - If a guest answers ‘no’ to the question of experiencing a problem, a point will be awarded and the second question will not require a response
  - If the guest answers ‘yes’ to the question of experiencing a problem, a point will be awarded if the second question (How satisfied were you with the way your issue was addressed?) is scored at a 4 – Satisfied or 5 – Very Satisfied
  - If the guest answers ‘yes’ to the question of experiencing a problem and the second question (How satisfied were you with the way your issue was addressed?) is scored 3 – Neutral, 2 – Dissatisfied or 1 – Very Dissatisfied, a point will not be awarded
  - If a guest answers ‘yes’ to the question of experiencing a problem and does not respond to the second question (How satisfied were you with the way your issue was addressed?), a point will not be awarded

As always, we thank you for your partnerships. Please refer questions or concerns to either Rob Martini at [rmartini@oakwood.com](mailto:rmartini@oakwood.com), Debbie Woodley at [dwoodley@oakwood.com](mailto:dwoodley@oakwood.com) or Suzanne Guerra at [sguerra@oakwood.com](mailto:sguerra@oakwood.com).

Regards,

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