



# NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

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## MBA PROFESSIONAL REPORT

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**Analysis of Marketing and Customer Satisfaction  
in Base Housing Communities of the Monterey Bay Area**

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**By: Andrea B. Hernandez**  
**June 2011**

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**ANALYSIS OF MARKETING AND CUSTOMER SATISFACTION IN BASE  
HOUSING COMMUNITIES OF THE MONTEREY BAY AREA**

Andrea B. Hernandez, Civilian, United States Navy

Submitted in partial fulfillment of the requirements for the degree of

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**June 2011**

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## **ABSTRACT**

An analysis of the base housing organization Clark/Pinnacle revealed factors of satisfaction and dissatisfaction with the organization's current organizational and marketing strategies. Research was conducted through management interviews, a focus group that explained the Clark/Pinnacle housing process, archival material, a housing survey provided by Residential Communities Initiative management, and use of the Clark/Pinnacle website. Measurement factors were identified as: property, move-in process, management, amenities, services, and security. The data collected from the research indicated that survey results and management opinion are different at various levels. The analyses of these differences identified problems with the current marketing and structure of the housing organization. Solutions and specific recommendations were concluded from the research.

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## ACKNOWLEDGMENTS

The interest in this research stemmed from personal observations of individuals currently residing in base housing. Hearing the stories of their experiences—both positive and negative—motivated my interest in analyzing the organization Clark/Pinnacle. I would like to give a special thanks to professors Jones and Euske for their guidance and patience throughout the course of my MBA. I appreciate the lessons both in and out of the classroom. I would also like to acknowledge Claire Fess. Her patience and advice made pursuing an MBA a little bit easier. Lastly, and most importantly, I would like to thank my family and close friends. If not for my two brothers and two sisters, I would never have had the competitive drive to accomplish this master's program. To my father, thank you for your guidance and encouragement to pursue a master's at NPS. If I accomplish one-quarter of what you have accomplished academically, professionally, and personally, I will be extremely satisfied. Reese, thank you for answering all my late-night phone calls and reminding me I should be working on my paper instead of venting. This report is dedicated to all of you.

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## **EXECUTIVE SUMMARY**

*The strength of a nation is derived from the integrity of its homes.*

—Confucius

The purpose of this MBA report is to analyze the organizational and marketing strategy for the military base housing management organization Clark/Pinnacle in the Monterey Bay, California, area. Military housing is one of the benefits offered to active duty personnel. Prior to Clark/Pinnacle's takeover of military base housing management, in 2003, it was more common for military personnel and their families to live on base, taking advantage of the amenities military communities had to offer. Recently, however, military families have been favoring off-base housing when it comes to looking for a home, given that the military no longer requires families to live on base even if military housing is available. The decommissioning of Fort Ord, in the Monterey Bay area of California, created open military housing both on the former Fort Ord and in La Mesa Village, located near the Naval Postgraduate School. The housing developments in these locations, while no longer on a military base, still are restricted to occupancy by military families and Department of Defense employees only. Clark/Pinnacle, a nonmilitary company, was formed in early 2000, when Clark Realty and Pinnacle Management joined forces with a stated goal of improving the management and development of military housing as the government transferred these management operations from the public to the private sector. The military housing supervisor for the Monterey area, RCI, took the initiative to work with Clark/Pinnacle to make the privatization transition run smoothly. When Clark/Pinnacle management took over housing development in the Monterey Bay area, it was faced with the challenge of sharing its target audience with a robust off-base housing industry. For Clark/Pinnacle to continue making a profit and keeping its clientele, it would be wise to continually reassess its customer service. Lack of communication between residents and Clark/Pinnacle management, and weak marketing strategies, are two areas that are identified for evaluation in this thesis. For Clark/Pinnacle, a critical element for the success of the organization is in identifying the

needs of a military, versus a civilian, resident. Creating a marketing and organizational strategy that is properly tailored to a military audience has the potential to improve the effectiveness of the Clark/Pinnacle organization.

A literature review, participation in a focus group, review of current housing surveys, and RCI management interviews were used to collect data used in this report. Research showed that management opinion of housing procedures differed from that of the residents. The lack of communication prevented management from understanding the needs of the residents as well as having the residents use the housing services that had been designed to improve the security and public works of base housing. Overall, the organization has created policies and services that strive to meet the needs of and accommodate military families. However, many services and policies seemed to go unrecognized. The lack of satisfaction with the move-in process also appears to be an ongoing concern for the organization. Implementing better communication strategies and processes with current and future residents seems like an amicable solution to fixing these minor issues. Promotion of the website as a source of information is also encouraged.

The goal of this report was to analyze Clark/Pinnacle's organizational and marketing strategies. In exploring Clark/Pinnacle's current resident and management relations, this thesis identified that the organization's strategies do in fact, address the betterment of the quality of life of U.S. servicemen and women, and their families, but these strategies need to continue to be improved.

## I. INTRODUCTION

*Any communication or marketing professional needs cross-cultural research and communication skills to be able to succeed in the future.*

—Mary Tharp

### A. OVERVIEW

This report presents an overview of the importance of marketing strategy and organizational effectiveness to help ensure customer satisfaction for any organization, specifically in how marketing strategy and organizational effectiveness can play a significant role in recruiting occupants for a housing development. The base housing organization Clark/Pinnacle was chosen for the focus of this report because it manages properties in Monterey, California, as well as other bases across the United States. Individuals, who would live in base housing in Monterey, come due to job obligations at the Naval Postgraduate School or the Defense Language Institute. At the beginning of this project, it was hypothesized that the current housing and marketing process does not serve military personnel to their full advantage, and evaluating customer satisfaction will help define and give purpose to an improved marketing strategy that Clark/Pinnacle could implement.

In 2003, Clark/Pinnacle, a private corporation, was requested to take over the management of the current base housing communities for military families in Monterey Bay from Residential Community Initiative (RCI), an Army organization. The goal was to establish a housing management procedure that would meet military standards, as well improve customer service and living situations (Clark/Pinnacle Corp., 2011). This was an opportunity to serve military families better in the Monterey area. Prior to 2003, base housing was run by military personnel supervised by an Army organization. Previous housing management and procedures were basic, meaning management seldom conformed to changes in technology, updated marketing strategies, or updated properties. The housing units were also old, out of style, and small, and located in areas that lacked community amenities. Filing complaints or making requests for repairs was cumbersome. Residents were required to fill out and submit hard copies of forms in order

to file public works requests and housing complaints. The forms often got lost or received no immediate action, and tracking such requests and complaints was difficult. Former management, consisting of enlisted Army personnel and supervised by RCI, also did not have the most efficient housing process. Prior to 2003, management did not initiate contacting potential residents about housing procedures or have a website that explained how to apply for housing. Additionally, individuals could claim housing without being present in the Monterey area, causing frustration for military families already in the Monterey area and creating a sense of unfairness. Military families who were present in Monterey, and wanted military housing, found that they could be rejected because another family, although still at another duty station, had already been assigned a home in Monterey—essentially leap-frogging over the “local” military family (Fort Ord, 1994).

Having Clark/Pinnacle management take over from RCI promised a chance for better customer service expertise, realty strategies, and development of new housing and, with the supervision of RCI, to gain an understanding of military clientele housing needs and wants. Initially, the company began by building new homes. They also hired a new management and housing staff to deal with incoming and current residents. However, the cost of reconstructing housing and management became more expensive. The original federal budget plan did not cover the costs and, when more money was requested, it was not granted. Many of the original plans for La Mesa Village and Fort Ord housing could not be followed through upon, bringing the construction of new homes to a halt. Even with the budget constraints, RCI and Clark/Pinnacle were still left with the challenge of trying to improve current living standards, while also recruiting military families to live on base rather than off. The transition of a civilian corporation taking over military housing operations, and its marketing techniques in use from 2003 through 2009, are studied in order to collect data for this report (Clark/Pinnacle Corp, 2010).

## **B. BACKGROUND**

Clark/Pinnacle is a partnership between Clark Realty and Pinnacle Realty (an American Management Services Company), both privately held companies. Together, Clark/Pinnacle serves as a military housing agency that combines civilian structure with military clientele. According to the Clark/Pinnacle website, [www.clarkpinnacle.com](http://www.clarkpinnacle.com), the objective for this collaboration was to “provide the Department of Defense with the ability to offer incomparable communities for military families defending our nation” (Clark/Pinnacle Corp., 2010). Clark Realty, established in 1992, is a real estate company headquartered in Bethesda, Maryland. The company claims its strengths are its capital resources, empowered staff, financing experience, and large-scale developments (Clark/Pinnacle Corp., 2010). Pinnacle is a real estate management firm, headquartered in Seattle, Washington. The company claims to be based on four basic principles: “exceptional people, strong customer service, market knowledge, and support capabilities” (Clark/Pinnacle Corp. 2010).

As of June 2010, Clark/Pinnacle manages a dozen housing developments for the U.S. Army, U.S. Navy, and U.S. Air Force, including locations at Fort Belvoir and Fort Benning in Georgia, and Fort Irwin, Moffet Airfield, and locations in Monterey, California. Clark/Pinnacle’s partnership with the U.S. military currently involves a portfolio of approximately 12,000 military family housing units in these five distinct military communities (Clark/Pinnacle Corp., 2010). As stated on their individual websites, both companies have been financially successful in the private sector, and both claim good reputations. Pinnacle Realty’s website lists a number of awards, including the 2006 Congress for the New Urbanism Charter Award for the Villages at Fort Belvoir, and the 2005 Multifamily Executive Best Use of Technology Award for the Villages at Monterey Bay (Pinnacle American Management, 2007).

The military housing developments in the Monterey Bay area are among the more recent housing projects for Clark/Pinnacle (Clark/Pinnacle Corp, 2010). Clark/Pinnacle management is supervised by RCI, which is located on Fort Ord. RCI is a government entity, managing housing under the auspices of the U.S. Army. They are responsible for informing military families of housing options both on and off base. In relation to

Clark/Pinnacle, RCI deals with situations Clark/Pinnacle cannot resolve (e.g., residential complaints), and provides guidelines for the company regarding how to properly manage military housing and address the needs of its occupants (RCI, 2010).

On the Pinnacle Realty website, there is a quote from a Garrison Sergeant Major that describes the housing development in the Monterey Bay Area: “We have worked together tremendously and couldn’t ask more of the partners we have in Clark/Pinnacle. I’m thrilled with the new homes; they are everything that our soldiers deserve and more” (Pinnacle American Management, 2007). Pinnacle stated that its reason for partnering with Clark Realty and the U.S. Armed Forces was to provide the housing development and service that active duty families deserve (Pinnacle American Management, 2007). The Clark/Pinnacle website states that the organization focuses on six capabilities that have helped them become one of the leading trendsetters: pioneering ideas, improving lives, advancing urbanism, building community, changing horizons, and developing responsibility (Clark Capital Ventures, 2008). According to the Clark Realty website, the capabilities of building community, pioneering ideas, and improving lives have been best exemplified by Clark’s collaboration with Pinnacle Realty. The Fort Ord Military Community Housing and La Mesa Village Housing projects are used as examples of these capabilities.

Although Clark/Pinnacle’s award recognition is certainly noteworthy, the most important opinion is that of military residents—not all of whom have been happy with their base housing experiences. On a blog for military wives, one spouse stated how her decision to live on base in Las Vegas was not the experience she was hoping for:

We have only lived on base once in our 6 duty stations, and that was at Nellis (Las Vegas). I had finally talked my husband into letting us and our kids experience the camaraderie that everyone raved about. The houses might be small, the features might be plain, but everyone is friends with everyone else and base housing is WONDERFUL, right?

No.

We tried our hardest to meet people, but everyone kept to themselves in our area. (it was a loud rowdy party down on the very far end of our block, in the cul-de-sac!) In 3 years of living there, we’d only just begun

to draw people out of their homes for socialization. I'd like to blame it on the high temperatures, but in the fall and spring, it was wonderful, and there really was no excuse. We didn't have a disease or signs on our back saying "ignore us." It was just not the right grouping of people. It was such a negative experience that my husband doesn't want to try it again. (militarymoms.stripes.com, 2010)

Clark/Pinnacle may excel in certain areas when it comes to management and housing development; however, they do not have a long history with military customers. As a result, "they do not entirely understand the special needs of military clientele."

### **C. PROBLEM STATEMENT**

A familiar scenario for military personnel is one of constantly moving from one duty station and relocating to another, an experience that civilians often do not face. The majority of military personnel are married with dependents (Military Housing Privatization, 2011). Many military personnel, whether single or married, arrive from deployments or other assignments and have limited time to search for and select a home in their new duty station. A housing community for military personnel should consider this scenario, as well as other factors such as the individual's financial situation, their living situation (e.g., children, pets, spouses), desired location (e.g., on base, close to base, safety), and the overall lifestyle of military members. With these factors in mind, this report will explore whether an organization, such as Clark/Pinnacle, could improve its current marketing and housing management structure to better serve the specific needs of military clientele.

### **D. RESEARCH QUESTIONS**

In order to answer the problem statement, this report focuses on the following questions:

- What factors are the most important to military clientele?
  - What are their needs and wants in regard to housing?
  - Are there issues in meeting these needs and wants?
- What are the residents' and RCI managers' overall impressions of Clark/Pinnacle?

- Do the current marketing and customer service strategies used by Clark/Pinnacle best serve its military clientele and meet both companies' standards and goals? If not, what are the changes that need to be made?

#### **E. BENEFITS OF RESEARCH**

Identifying current problems and their sources, to improve the overall standard of living for military personnel, would be an effective tool in refocusing Clark/Pinnacles' marketing strategies. This, in turn, would benefit its target audience.

Specifically, Analysis of Marketing and Customer Satisfaction in Base Housing Communities of the Monterey Bay Area offers the opportunity to:

- Develop more effective marketing strategy to better serve military personnel and improve the overall image of the organization, Clark/Pinnacle.
- Improve the relationship and suggest how to improve communication between military housing management and occupants.
- Create a more productive organization.
- Improve overall housing conditions.
- Provide a method for military members to understand their options.

#### **F. RESEARCH METHOD**

A literature review, participation in a focus group, review of current housing surveys, and RCI management interviews were used to collect data used in this report. The initial intent was to use interviews with Clark/Pinnacle management as the primary source of information; however, management was unavailable for interviews when the research was conducted. The literature review provided the background on past issues, which were used for comparison to current problems. Observing and participating in a focus group, whose purpose was to explicate the processes related to military housing, allowed for deeper insight into how the processes are oriented to meet the needs of the military community. RCI management was able to give background information on how base housing currently operates in both the La Mesa Village and Fort Ord housing developments, as well as to provide background information from a management

perspective. Housing surveys, provided by RCI for La Mesa Village and Fort Ord Housing, helped determine overall satisfaction with the housing organization, as well as identify any issues that military residents might have.

The next few chapters contain analysis of the data collected and the factors identified during the course of the research. Chapter II is a breakdown of the methods used to identify the satisfaction and dissatisfaction of residents. Chapter III contains the data used for analysis in order to answer the research questions previously discussed. Finally, Chapter IV provides conclusions from the research and solutions to the problems found.

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## II. METHODOLOGY

*There is more similarity in the marketing challenge of selling a precious painting by Degas and a frosted mug of root beer than you ever thought possible.*

—A. Alfred Taubman

### A. FACTORS

To identify residents' satisfaction or dissatisfaction with base housing run by Clark/Pinnacle management, information had to be collected on the following: residents' and management's opinion on housing procedures, management and housing procedures, status and condition of current housing, the Clark/Pinnacle website for Monterey Bay, the surveys completed by residents, and past research on base housing. This data was collected over the course of a year, starting in 2009 and ending in 2010. The results of a base housing survey given to residents by RCI was provided by RCI management, and a focus group was conducted in the privacy of a resident's home, in which neighbors and friends joined in to explain housing procedures. Lastly, an e-mail request was sent out to RCI management for one-on-one interviews, once it was determined that Clark/Pinnacle management would not be available to participate in this investigation. Interviewing those RCI managers who responded to the request gave another perspective of on-base housing, rather than relying solely on residents' opinions.

The choice of Clark/Pinnacle as a research subject was based on the fact that it is a local company, data and information are easily accessible, and residents are individuals from the Naval Postgraduate School and Defense Language Institute. La Mesa Village and Fort Ord—and the communities within Fort Ord such as Fitch Park, Upper/Lower Stilwell Park, Marshall Park, and Hayes Park—were the primary housing communities that were evaluated for this research.

Once surveys were analyzed, reading material was reviewed, the focus group's explanation of the step-by-step housing process was documented, and management

interviews were conducted, the following items were identified as the determining factors of satisfaction services, property, amenities, security, management, move-in process, and housing assignment.

The determining factors that were identified are based on findings in customer responses (focus group conducted by the researcher and an existing survey conducted by RCI), as well as RCI management's statements. These factors had the most questions focused on them in the RCI survey. Factors such as security, move-in process, property, and services were determined as the major indicators in the RCI survey questionnaire, and supported by "reliable factor" indicators in the analysis provided by the RCI survey results.

## **B. SURVEY**

Based on the 2009 RCI housing survey<sup>1</sup> given to residents in La Mesa Village and Fort Ord, and information on the pros and cons of surveys from Fred Reichheld's *The Ultimate Question* (2010), the areas in which residents were found to have the most the dissatisfaction, and satisfaction, are as follows:

### **Dissatisfaction**

- Services
  - Housing assignments
  - Current policies
- Property
  - Condition of the exterior
  - Condition of the interior
  - Amount of storage space inside
  - Layout
  - Quality of appliances provided
  - Visual appeal of housing community
  - Availability of convenient parking for visitors

---

<sup>1</sup> Due to a privacy agreement, a copy of the survey results cannot be provided for publication.

## **Satisfaction**

- Services
  - Maintenance requests
  - Office hours
- Property
  - Safety and security
  - Unit attributes

The housing survey distributed to La Mesa and Fort Ord Communities has a series of questions for which residents rate their opinions on a scale of 1–5, with “1” being the least satisfied and “5” being the most satisfied. The RCI management team had a goal of receiving a score of 3.5 from Clark/Pinnacle residents in all sections of the survey. The response scale of 1–5 and RCI’s goal of a 3.5 were used to measure the levels of satisfaction during the analysis process. If the overall response rate for a section was below 3.5, the consensus was that residents were not satisfied with that feature of Clark/Pinnacle. If the overall response rate was 3.5 or higher, the overall consensus was that residents were satisfied with that feature of Clark/Pinnacle. RCI management provided the survey results for each of the survey sections. The survey results also included what RCI management determined as major indicators of satisfaction and the use of reliable factors by RCI analysts to determine satisfaction. The major indicators that were identified by the RCI analysts to determine overall satisfaction were: (1) overall satisfaction with services, (2) overall satisfaction with property, and (3) overall satisfaction with the complete housing experience. According to the RCI analysts, these were considered major indicators because the La Mesa and Fort Ord Housing had a statistically lower mean for the three areas, compared to other posts run by Clark/Pinnacle.

Using a scale of 1–5, questions that were asked in relation to these contributing factors were as follows:

- What is the satisfaction level with each of the major indicators of satisfaction?
- How do the major indicators of satisfaction compare to the other posts?

- With which aspects of the experience are residents most and least satisfied?
- Where has resident satisfaction improved/declined?<sup>2</sup>
- In which aspects does Fort Ord and La Mesa Village score higher/lower than other posts?<sup>3</sup>
- How do individual communities perceive their experience?

An analysis team that was hired by RCI implemented a system called “reliable factors” in order to analyze the survey results. Each question on the survey was rated on a percentage scale of 0%–100%. RCI analysts then determined what questions received the most responses; how many questions related to management, property, services, and policies; and, lastly, what questions were related to three major indicators of overall satisfaction. RCI analysts determined the following areas had the most significant results with regard to the housing survey: Housing Assignment (92% reliable indicator), Policies (91% reliable indicator), Housing Community (91% reliable indicator), Staff and Office Hours (95% reliable indicator), Overall Satisfaction with Services (90% reliable indicator), Overall Satisfaction with Property (93% reliable indicator), and Overall Satisfaction with Housing Experience (91% reliable indicator). Other areas on the survey received an 87% on average; however, these items were not considered a reliable factor. Only areas that received a score of 90% or higher were deemed as reliable factors.

### **C. FOCUS GROUP**

In order to understand the housing process, a focus group of residents from the Defense Language Institute and the Naval Postgraduate School was conducted. In the focus group, participants who were present were asked by the researcher what the housing process is for military residents to move into Clark/Pinnacle base housing. Any other information or experiences that were stated were not asked for by the researcher.

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<sup>2</sup> Lists of all sections of the survey were provided, i.e., property, amenities, services, etc.

<sup>3</sup> A list of other Clark/Pinnacle properties was provided for comparison. A scale of 1–5 was used. The lower the score, the lower they ranked in comparison with regard to Clark/Pinnacle Monterey Bay.

The focus group was made up primarily of military spouses and a few active duty members—a total of 15 people. During the focus group, individuals discussed the move-in process and resident procedures.

#### **D. MANAGEMENT INTERVIEWS**

During the course of this research, the author was unable to obtain personal interviews with Clark/Pinnacle management. However, two managers from RCI were willing to participate by answering questions regarding management procedures, making personal observations, describing the history of Clark/Pinnacle in the Monterey Bay area, and indicating what improvements they would recommend. Their insight provided valuable feedback from a management perspective, and was used later in comparison to survey results.

The responses from RCI management were determined to be important factors because RCI supervises Clark/Pinnacle management in the Monterey Bay area. RCI sponsors are in charge of creating the questionnaires that are passed out to the residents in base housing. The RCI Project Manager and Management Program Analyst were interviewed in an effort to gain a better understanding of the housing management process and marketing strategies used in military communities. The RCI Project Manager is responsible for providing oversight for Monterey Bay military housing, and by resolving issues when residents feel that their property manager (Clark/Pinnacle) has failed to do so.

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### III. DATA AND ANALYSIS

*There is nothing like looking, if you want to find something. You certainly usually find something, if you look, but it is not always quite the something you were after.*

—J.R.R. Tolkien

#### A. FACTORS

In order to analyze marketing and organizational strategies that would determine whether customer satisfactions of military occupants in Clark/Pinnacle housing are fulfilled, factors had to be identified. Based on the survey, management interviews, and the focus group, factors were identified as contributing to satisfaction or dissatisfaction of the residents. As stated earlier, the six areas labeled as factors are: services, property, housing assignment, move-in process, security, and management. The satisfaction levels were ranked as: satisfied (higher than 3.5), moderately satisfied (3.5), not satisfied (below 3.5), or not applicable (N/A; could not be determined). When comparing the focus group, management interviews, and RCI survey results provided by management, satisfaction levels varied. The survey results show residents as not satisfied with the services, housing assignment, and move-in process. The information collected from management interviews showed management as at least moderately satisfied in those areas. Management feedback and survey results showed that levels of satisfaction matched in security and management. Table 1 displays the results in the six areas determined as factors.

Table 1. Effectiveness of Marketing and Organizational Strategy as Indicated by Customer Satisfaction

Areas of Satisfaction	Survey	Focus Group	Management
Services	Not Satisfied	Not applicable	Satisfied
Property	Moderately Satisfied	Not applicable	Satisfied
Housing Assignment	Not Satisfied	Moderately Satisfied	Moderately Satisfied
Move-In Process	Not Satisfied	Not Satisfied	Moderately Satisfied
Security	Moderately Satisfied	Not applicable	Satisfied
Management	Moderately Satisfied	Not applicable	Satisfied

Based on the factors used, Marshall Park, a community within Fort Ord, had the highest levels of dissatisfaction, rating as their biggest issues as the move-in process and housing assignment. Residents of Marshall Park, Fort Ord housing includes officers, enlisted, and DoD civilians. According to the RCI survey, Marshall Park ranked move-in process at a 3.2 and housing assignment a 3.14. Marshall Park was the only community that had more than one section that was below the 3.5 rating goal.

On the overall satisfaction section of the housing survey, which includes all housing developments for Clark/Pinnacle Monterey Bay, question D075 asks “would you recommend privatized housing,” for which satisfaction was rated at 2.29, lower than the goal of 3.5. The satisfaction rate indicates that the primary factors of satisfaction were not met in order for residents to recommend Clark/Pinnacle housing. Importantly, with a military housing population, recommendations from former clients are a key factor for generating new housing occupants. The survey ratings also showed dissatisfaction with the base housing community in La Mesa Village, Fitch Park, Upper/Lower Stilwell Park, and Marshall Park. Hayes Park in Fort Ord, had the highest satisfaction rates in all categories.

For reference, a 1999 study conducted by the National Defense Research Institute addressed satisfaction rates for military residents living in base housing. The results and issues were published in the book, *An Evaluation of Housing Options for Military Families* (Buddin, 1999). The research also included surveys to identify whether military families were satisfied with base housing. From the results of the surveys provided, general base housing factors were identified to determine satisfaction rates for the general military housing population. From these factors, the researcher stated two important observations. One, that military family housing is first and foremost a significant benefit provided to military members and, second, it is up to government agencies to continue providing this service to best of their capabilities. From these observations, researchers determined the two preferences of housing choices of military personnel: reasons to prefer military housing and disadvantages military personnel see in military housing.

Surveys that were used to determine military housing preferences, and structure the two observations presented in Buddin's research, were very similar in design to the RCI survey. Both surveys focused on the same overall factors of satisfaction, services, property, housing assignment, and security. However, the RCI survey was more specific in the survey questions provided, since it was dealing with Clark/Pinnacle. The surveys in *An Evaluation of Housing Options for Military Families* (Buddin, 1999) were more generic, as they were dealing with various base housing organizations. The study found that "the most common reasons for individuals to prefer a military housing community over a civilian community were that military housing communities foster military culture and cohesion, accelerate the acculturation of junior personnel, and facilitate support of families of deployed personnel" (Buddin, 1999, p. 4). In other words, military housing has institutional value to the military services.

The same concepts of institutional value and military housing as a benefit can be applied to the residents of Clark/Pinnacle in Monterey Bay. As an organization, RCI and Clark/Pinnacle understand that military personnel have a choice to live on or off base. Making military housing a preferred benefit is important to Clark/Pinnacle's success. Determining what pleases its clientele can help in the promotion of that benefit. To better understand the reasons for the levels of dissatisfaction and satisfaction with the factors used, each factor will be broken down and analyzed. Then a determination will be made whether factors were reasons why residents would prefer living in on-base housing, or if the factor contributed to disadvantages of military housing for military residents.

## **B. SERVICES**

Based on the author's research of the Clark/Pinnacle website for Monterey Bay and interviews with RCI managers, this thesis concludes that the services provided by Clark/Pinnacle management are indeed useful services that are specifically structured to better a military housing community. For instance, Clark/Pinnacle is implementing the use of "One Call Now" to provide better customer service via technology. This system allows Clark/Pinnacle to provide telephone and e-mail messages to all of its current residents, which helps keep residents aware of the current events within their community

and provides them of other information that could affect residents. This can include possible safety issues, housing issues, and pending construction. When residents have maintenance issues, they are able to submit a public works request and keep track of their request electronically. The “extended absence” request is another service that was created to provide better living for military residents. The extended absence request allows military residents who need to go on travel have Presidio of Monterey (POM) police do a courtesy home check during their absence. All issues and requests can be done in the comfort of the resident’s home, simply by making a phone call or logging onto the Clark/Pinnacle website.

Another element that Clark/Pinnacle and RCI management take pride in is the safety and appearance of their community. The beautification program provides residents with a semiannual drought tolerant package, which includes the tools and gardening supplies needed to beautify their gardens and backyard areas. This service provides free products and encourages residents to take pride in their homes. The beautification program can be requested online and residents are encouraged to take advantage of the program.

Although this research has shown that the services are beneficial and fitting for a military housing community, it also found that management and the survey differed in their levels of satisfaction regarding services. This difference seems to exist because management is more aware of all the services available on the website and through Clark/Pinnacle. Clark/Pinnacle needs to do a better job of advertising the usefulness of its website to community members. There was no evidence to indicate that the residents are encouraged to browse the website for such services. If residents were given some incentive or need that would encourage them to browse the website more, or had residents been exposed to more advertisements with regard to Clark/Pinnacle residential programs, they would be more likely to use the services to their full advantage.

### **C. PROPERTY**

Based on interviews with managers and the background research that was conducted, the age (newer or older) of the housing developments is a variable that affected the experiences of residents. Both Naval Postgraduate School Housing and Fort Ord Housing have older developments for military families. By comparison, from the author's own observation, there is a significant difference between the new and older developments. The exteriors of the new houses have a more modern design, with Spanish-style influence. They are larger than the older houses, more suitable for larger families, and have a cohesive color scheme. The older houses appear run down, are smaller, the exterior colors range from blue and gray to pink and brown, and there are obvious signs that these houses are not as well maintained as the new ones.

The visual differences between the older housing development and the new housing development are shown in Figures 1 and 2.



Figure 1. House in an Older Housing Development, The Parks at Monterey Bay.  
(From The Parks at Monterey Bay, Photos, [n.d.]).



Figure 2. House in a New Housing Development, The Parks at Monterey Bay.  
(From The Parks at Monterey Bay, Photos, [n.d.]).

The floor plans and site density for the newer houses are different than the older ones. All of the newer houses managed by Clark/Pinnacle are two stories and have smaller lot sizes. The majority of the older houses, both at Fort Ord and the Naval Postgraduate School (i.e., La Mesa Village Housing), are single story, “ranch-style” homes, and are spaced farther apart than the newer homes. On the Clark/Pinnacle Monterey Bay website ([monterey.pinnaclefamilyhousing.com](http://monterey.pinnaclefamilyhousing.com)), one can find the floor plan for each house based on rank and number of bedrooms. The older houses have, on average, 1,722 square feet of living space with 2 bedrooms and 1.5 baths, while the new houses average 1,958 square feet of living space and are typically 3 bedrooms and 2.5 baths.

#### **D. AMENITIES**

Fort Ord and the Naval Postgraduate School both have housing and community amenities that are readily available to the residents. Based on the author’s own research, and the research data provided by the RCI survey, housing community amenities are what residents value the most about living on base.

The community amenities are well received by the residents, while also adding value to the housing development. The community amenities include the following: tennis courts, basketball courts, dog parks, walking and jogging trails, playgrounds, tot lots, athletic fields, bike paths, cardio room, weight room, indoor heated swimming pool, kiddie pool, meeting room, billiards room, children’s play room, and activity centers. As stated previously, Buddin, in *An Evaluation of Housing Options for Military Families* (1999), concluded that base housing gave value to the military experience. The author found no evidence that indicates that the amenities provided do not add to the military living experience. The amenities provided by Clark/Pinnacle housing in Monterey allow for residents to interact with one another, thus giving the base housing experience more value. Amenities also accommodate the needs of parents well. Children have places to play sports and interact with other kids their age. Parents do not need to leave the housing community to go to the gym or host social events for their children. For working parents, and busy stay-at-home spouses, this helps with their often hectic schedules.

The amenities that the children take advantage of are the playgrounds, athletic fields, community room, and biking trails. Everyone benefits from the community amenities—students can destress, parents get quiet time, and children have a play area, as well as an opportunity to make friends. These amenities allow military children to interact with other children with common backgrounds. Social events with other families within the military community are an important part of the “military culture.” Whether it is a birthday party, holiday parties, school fundraisers, promotions, retirements, or hail and farewells, social gatherings bring military families together. Having a centralized place to host them is beneficial to all.

Based on the survey, residents were pleased with the home amenities provided in both the new and older houses. Those amenities include: ceiling fans, central heating, private balcony, hardwood floors, master bedroom suite, washer/dryer hookups, media boxes for wireless, trash/recycling pickup, extra storage, garage/carport, lawn care, fenced backyard, blinds, and 24-hour emergency maintenance. Unlike many of the off-base properties, these amenities are available on site at every Clark/Pinnacle housing development.

#### **E. HOUSING ASSIGNMENT/MOVE-IN PROCESS**

Single enlisted personnel, enlisted families, single officers, and officer families are able to live in both La Mesa Housing and Fort Ord Housing. When making housing arrangements, management tries to assign families by rank, needs, and, most importantly, arrival time (in order to create fairness during the housing assignment). The method by which Clark/Pinnacle in Monterey has addressed housing assignments among residents has been one of the areas with which both the military families and management are least satisfied. According to the survey, focus group, and online research, Clark/Pinnacle in Monterey follows a “boots on ground” policy when distributing housing, which requires that a client be physically present to be assigned to a house.

When incoming personnel arrive, there is a housing process that must be followed. Management must first explain the housing “chain of command” to incoming residents. It is very important for residents to understand this chain of command, so they

know to whom to go when applying for housing, where to get housing information, and who addresses specific housing issues. Figure 3 displays the chain of command for housing applications and housing issues.

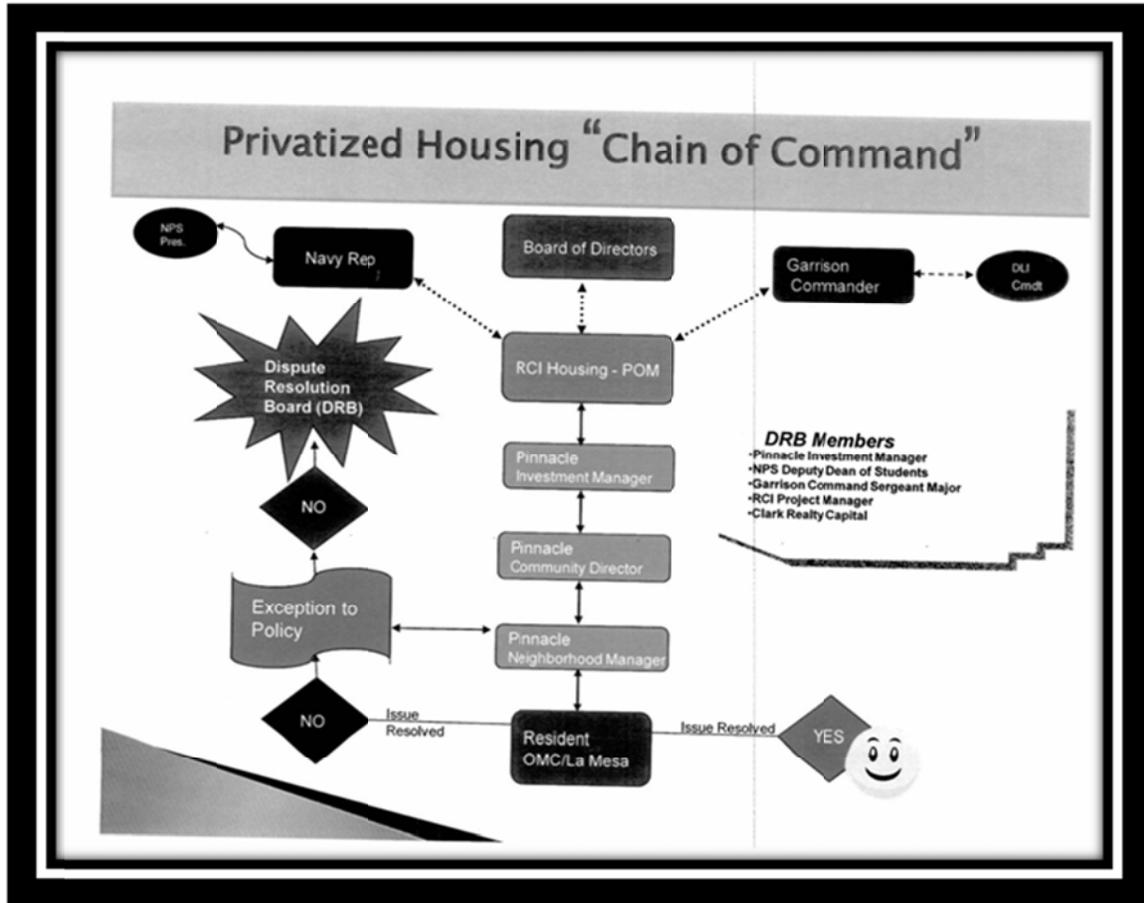


Figure 3. RCI Housing Chain of Command, The Parks at Monterey Bay (From The Parks at Monterey Bay, Incoming Resident Document, [n.d.]).

To understand the housing process, the author referred to the Clark/Pinnacle website and confirmed the procedure during the focus group. According to the website, potential residents must be present to begin the housing application process. Those who try to apply prior to arriving in Monterey will have their applications rejected. When incoming residents first arrive, they must fill out a military application form; provide proof of orders to the Monterey Bay area; indicate the number of their dependents, pets, and vehicles; list their service and their rank. This application allows Clark/Pinnacle management to see for which houses/communities the individual qualifies. For example,

a Navy 0-3, with three dependents, one large dog, and one vehicle, would be eligible for a home with at least three bedrooms, a large yard, and a carport, to accommodate that person’s needs. Still, keeping the “boots on ground policy” in mind, if another Navy 0-3 with the same needs arrives in Monterey at the same time, and only one such house is available, housing accommodations are assigned based on which application was received first.

The standard guidelines for number of bedrooms based on dependents provided on the Clark/Pinnacle website for Monterey Bay are shown in Table 2

Table 2. Housing Guideline (From Clark/Pinnacle, n.d.)

<b>Dependents (Excluding Spouse)</b>	<b>Bedrooms Qualified</b>
1	2
2	3
3	4
4 or more	4 (or 5, if available)

Once management receives the application, a list of available houses to be viewed is created. The applicants then receive a “preview letter of housing options” from management. The letter states which of the houses are vacant and ready to be viewed, vacant not ready to be viewed (with scheduled ready date), or occupied and on-notice (with scheduled ready date). Once the list of available properties has been narrowed down by management, along with seeing which applicants are compatible with the property, an “offer of placement” is sent out to the military applicant. The offer of placement states the number of bedrooms, bathrooms, name of the housing community, and address. The offer of placement also states:

Please note that a preview letter does not guarantee availability. A home will not be reserved until availability has been confirmed and an offer for placement has been signed and received by The Parks at Monterey Bay. Availability for homes is subject to change. Please do not schedule household goods delivery until you have signed your lease and have keys to your home. (Clark/Pinnacle Corp., 2010)

RCI managers indicated that the move-in process, i.e., the “boots on ground” policy, has been the number-one complaint among residents, as families who are waiting for military housing often have to resort to temporary military lodging. Information on military lodging is provided on the Clark/Pinnacle website, as well as the RCI website. The “boots on ground” policy states that residents rated the move-in process fairly low on the RCI survey. In some cases, many of the military families cannot take leave to check out housing prior to being stationed in Monterey. The policy gives military families less time and adds additional stress to the house hunting process, along with all the other worries of being assigned to a new base.

It is important for incoming personnel with children to know where they will be living, for many reasons. They need to know what schools their children will be attending, along with the common worries of how much utilities will cost, and whether their furniture will fit in their new residence or will need to be stored. During the management interviews, managers understood the residents’ frustration, since not all military housing developments follow the same policy. However, management also believes that the “boots on ground” policy creates fairness, especially for enlisted personnel and junior officers—who, as a result, will not automatically get the “worst” home just because of their rank. Although rank is considered on an application, an O-4 does not get priority over an O-3, if the O-3 was on the waiting list first. As stated on the Clark/Pinnacle website, the guidelines for the wait list are as follows:

Your position on the waitlist is determined by the date that the application documents have been received and approved. In order to be placed on the waitlist, you must have current orders to the duty station you are applying for. If there is a waitlist, your position may be viewed on the website listed above. You will have access to this feature at your leisure from the moment of placement on the waitlist until your move in day. To determine if there is an active wait list, please contact us. Once you are placed on the waitlist and if availability permits, a resident specialist will contact you with an offer for home assignment. The resident specialist will use all contact information provided on the application. Once contacted, you will have 24 hours to respond back to us. We will allow you to remain at the top of the waitlist until you declined two separate offers for a home. If we do not hear back from you, we will place you on the bottom of the waitlist. We understand that at times you may be

unavailable in a 24 hour period so we will work with you based on individual circumstances. (Clark/Pinnacle Corp, 2010)

One of the positive things that the focus group mentioned, which also is stated on the Clark/Pinnacle website, is that residents living in military housing do not have to make a deposit and they do not have additional payments for utilities. Most apartment complexes and houses (either renting or for sale) require some type of deposit in advance. Families who are financially constrained find not having a deposit requirement to be extremely beneficial. The military grants each service member a Basic Allowance for Housing (BAH). Clark/Pinnacle acknowledges that each service member is only granted a specific BAH amount based on rank and location, and ensures that its rent charges will not surpass the BAH.

The respondents evaluated security as “moderately satisfied” on the survey, while management ranked security as being “satisfied.” The fact that Fort Ord and Naval Postgraduate School housing communities are predominantly made up of military and DoD civilians would likely give residents a sense of security. Despite living in a new area, there is still a sense of familiarity in being surrounded by other military families. This is a factor that management acknowledges as important to its residents, and which is also noted by the author of *An Evaluation of Housing Options for Military Families* (Buddin, 1999). However, some of the housing locations are further separated from the military atmosphere (such as the communities on Fort Ord, which is surrounded by a civilian university community) and the fact that some of the housing developments (such as La Mesa Village) are not gated communities, could have prompted the “moderately satisfied” ratings. Other Clark/Pinnacle properties, such as Fort Belvoir, which is located in northern Virginia, are built inside gated military communities (Clark/Pinnacle Corp., 2010). However, the Clark/Pinnacle website does state that police monitor ungated community areas, which does help establish a sense of security. Specifically, the website mentions the “extended absence request,” having police check on the house while residents are on vacation.

The main security issue for housing in Fort Ord and La Mesa is that the community is not gated and is accessible to the general public. Given the budget

constraints for Clark/Pinnacle, it would be too expensive to create a gated housing environment on Fort Ord. Clark/Pinnacle would have to build an actual fence to surround the base housing properties, pay for the construction labor, and building materials. They would then have ongoing payments for some form of security force to stand guard at the gate(s).

Clark/Pinnacle Monterey Bay website management provides services that focus on the safety of its residents. They host monthly town hall meetings to discuss community issues, such as safety, where residents can express their concerns about the safety of their families. Based on the author's research and observation, management takes into account the concerns of the community and addresses them as quickly and efficiently as possible. "One Call" updates residents on issues going on within the community. The military police that patrol the neighborhoods provide a sense of security for residents. Clark/Pinnacle provides a safety tip link on its website. It discusses how to create a child-safe home, dog bite prevention, living with California mountain lions, fire safety escape planning, smoke detector usage, and the availability of the courtesy home check program.

## **F. FOCUS GROUPS**

Listening to the focus group's description of the step-by-step process of moving into Clark/Pinnacle, it is understandable why there would be some frustration with the move-in process. Based on the feedback from the focus groups and base housing survey, not allowing active duty members coming out to their next duty station to "reserve" housing makes the transition of moving more difficult on the whole family. The process reported by the focus group matched the process that was described on the Clark/Pinnacle website. All residents described the same process, indicating that the website is clear and to the point regarding Clark/Pinnacle's standards and procedures.

## **G. MANAGEMENT**

The last factor analyzed for measuring customer satisfaction is management. Overall, satisfaction with management ranged from “moderately satisfied” to “satisfied.” The survey respondents indicated that they were satisfied with management, actually stating that it ranked above the average expectations. As stated previously, the management of Clark/Pinnacle was not available for interviews during the research period. RCI managers were available to give insights on the Clark/Pinnacle process, however, along with how the RCI managers oversee Clark/Pinnacle. The stated three main objectives of RCI are:

- Create world-class, residential communities
- Leverage assets/scarce funds
- Obtain private sector expertise, creativity, innovation, and capital

The management team at Clark/Pinnacle is composed of the community managers, assistant managers, resident specialist, receptionist, accounting department, investment manager, and a marketing director. All these individuals are responsible for keeping a strong and positive relationship with RCI. By having a close working relationship with one another, Clark/Pinnacle is able to help RCI management achieve its three main objectives.

According to the RCI Project Manager, military housing provides a sense of community and security for military as compared to off-base options. These aspects of military housing are considered important by RCI when addressing residents’ needs and are implanted in the marketing techniques used by property management. Management relies on websites created by the Army, Marines, Navy, and Air Force to help advertise its welcome packets. There is often a link on those websites directed to the Clark/Pinnacle website, explaining available housing options in the area as well as the organization’s housing policies. Management feels that focusing on the Internet to distribute advertisements is the best channel to reach its target audience.

According to RCI, management has good communications with its residents. The RCI Project Manager stated:

Yes, we wouldn't have this strong of communication with our military if they did not live, in and around this privatized community. Through town halls, weekly newsletter, Facebook, websites, informational meetings, the One-Call system and several other mission related venues, our residents receive communications from not only the property manager/developer, but also from the commands. (RCI Management, personal communication, March 5, 2010)

Management stated that these strategies are effective, its customers are satisfied, and that by using technology it satisfies interaction with the customer. When military families are looking for housing online, they are led to the local Clark/Pinnacle link, <http://monterey.pinnaclefamilyhousing.com/>, which breaks down the housing options and procedures at both Fort Ord and the Naval Postgraduate School. Questions and concerns can be addressed in person, over the phone, or via the Internet.

## **H. PRICING**

The Management and Program Analyst for RCI, who is responsible for financial oversight and detailed financial reporting on all aspects of privatized housing management and housing development, such as new home construction and renovation of older homes, provided further insight into how management provides for its residents and why its housing is a fit for military families. When asked what the most appealing aspects are about living in on-base housing, the response listed four main reasons why residents should be satisfied with the on-base housing provided. As stated:

Opportunity to live near and among families with shared values, experiences, helps create a sense of camaraderie. New home amenities, space, location, and cost, compete very well with local economy housing choices. Older un-remodeled homes, however, are not competitive. La Mesa Elementary School has a reputation for high academic performance. La Mesa Welcome Center offers a first class activity center (exercise facilities, swimming pool, meeting rooms, etc.) The Navy also operates a contiguous child care center, youth center, and Navy Lodge. A new welcome center will be built in 2011. (RCI management, personal communication, March 5, 2010).

## **I. COMMUNICATION**

The Management and Program Analyst provided additional specifics about the marketing strategies that are being used to not only attract new residents, but to keep current residents satisfied as well. Four marketing strategies were listed:

Flat rate (market competitive) rents for older un-remodeled homes, periodic waivers of first month's rent, aggressive marketing of military occupancy advantages, i.e., free utilities in older homes, no first and last month deposits, no damage deposit, and competitive rates for civilian occupancy (currently have over 450 civilian tenants). (RCI management, personal communication, March 5, 2010).

According to the interviewee, a 90% occupancy rate for the 2,032 homes available demonstrates that the marketing strategies are effective and customers are satisfied. One of the improvements suggested in this interview was for Clark/Pinnacle to conduct a comprehensive survey among E-1s through E-5s, to find out why the majority of them choose to live on the local economy versus on base.

RCI management stated that they have provided enough resources and advertisement for future and current residents. However, just because information and services are readily available to residents, the question remains: are residents fully aware of the benefits of using such services, and does management advertise and promote its services sufficiently?

## IV. RECOMMENDATIONS

*The creative process involves getting input, making a **recommendation**, getting critical review, getting more input, improving the **recommendation**, getting more critical review... again and again and again.*

—Anonymous

### A. FUTURE PLANS

According to the Clark/Pinnacle website, the future goals of the organization are as follows:

The U.S. Army, U.S. Navy, and Clark Pinnacle have worked together to create a ten-year development plan that improves the POM/NPS residential communities by:

- Replacing ALL non-historic homes with new, high-quality homes at both the Ord Military Community and La Mesa Village by 2013;
- Transforming the Ord Military Community from a collection of sprawling, outdated houses into a vibrant community with a sense of place, cohesion, and extensive recreational and community amenities;
- Enhancing the existing community at La Mesa Village with new streetscapes and a new Village Center;
- Renovating the 37 historic homes on Fort Ord of Monterey and the four historic homes at the Naval Postgraduate School;
- Constructing state-of-the-art Community/Recreation Centers, new Neighborhood Centers, and a new Town Hall;
- Providing superior customer service to all residents
- Building a technology platform to reduce the cost and increase the availability of Internet access, wireless communications, and other technology services to POM/NPS families.

By the end of 2013 it is expected that total number of military houses will be 2,168 new homes—1,579 at Ord Military Community and 589 at La Mesa Village—along with 37 renovated historic homes at Fort Ord, and four renovated historic homes at the Naval Postgraduate School. (Clark/Pinnacle Corp., 2010).

These goals are focused on improving the properties and amenities (community and housing), as well as putting customer satisfaction as a main priority. Based on the research and analysis conducted for this report, suggestions have been made in the following areas: marketing, surveys, and customer/management communication.

## **B.     MARKETING**

Clark/Pinnacle currently has a marketing director who is responsible for promoting base housing as the best option for military families. Marketing is a process that “identifies and meets human social needs... or more formally defined as an organizational function and a set of processes for creating, communicating, and delivering value to customer and for managing customer relationship in ways that benefit the organization and its stakeholders” (Keller & Kotler, 2009, p. 6). Goods, services, events, experiences, persons, places, properties, organizations, information, and ideas can all be marketed.

Clark/Pinnacle is focusing its marketing strategies on services, experiences, properties, and communication of information. Based on management interviews, Clark/Pinnacle relies on “word of mouth” to help promote base housing in the Monterey Bay area, as well as having a dependency on technology, i.e., its website and Facebook. On the Clark/Pinnacle website, the properties that Clark/Pinnacle manages are discussed, as are details of the housing designs, the collaborations behind it, and the engineering. Quotes from past residents are posted on the portfolio link on the Clark/Pinnacle website. Positive testimonials by military families help advertise to potential residents. Each Clark/Pinnacle website markets with regard to services, the experience of current and past residents, as well as local information (town meetings, school fundraisers, yard sales, etc.).

When it comes to marketing, it is important to remember that it is not always possible to satisfy everyone in a target audience; however, an organization must reach out and show its audience how they are superior to the competition. In this case, the competition is off-base housing. Clark/Pinnacle has information for marketing, it has identified the items to market (property, service, and experience), it understands its target

audience is active duty military and their dependents, and it also understands the specific needs of such families. In the analysis, it was stated that residents, both current and future, do not take enough advantage of the website. How should Clark/Pinnacle improve its marketing tactics? By marketing its website. Give current and future residents a reason to look at the website, rely on it for answers to their questions, and use it to promote the base housing community in the most positive light compared to off-base housing options. Therefore, the author recommends that Clark/Pinnacle reevaluate the needs and behaviors of its target audience, and create a marketing strategy that compels the customer to become interested in military housing.

Although the Clark/Pinnacle website shows various amenities, and RCI is responsible for informing potential military residents all of their housing options, this does not guarantee that the distinct benefits of on-base housing are being promoted effectively. Clark/Pinnacle and RCI management have relied heavily on having the customer come to them, when they should be reaching out to the customer. This form of marketing appeal can be labeled as the “pull” and “push” theory. Pull theory is defined as “when the manufacturer used advertising and promotion to persuade consumers to ask intermediaries for the products, thus inducing the intermediaries to order it” (Keller & Kotler, 2009, p. 232). Push theory is defined as “when the manufacturer uses its sales force and trade promotion money to induce intermediaries to carry, promote, and sell the products to end users” (Keller & Kotler, 2009, p. 232). Piquing a target audience’s interest gives the product being sold some exposure.

If Clark/Pinnacle reviews its marketing strategy, management should clearly define the mission statement, marketing and financial objectives, competitors, needs that the organization intends to satisfy, and how the organization intends to accomplish these objectives (Keller & Kotler, 2009). It is important to have everybody on the team understand the overall goals and how each department (management and staff) is expected to participate in reaching those goals.

For the Monterey Bay area, there are specific times of the year that Clark/Pinnacle can anticipate the arrival of new residents. The Defense Language Institute and Naval Postgraduate School anticipate new students at least every other quarter (summer and

winter), meaning that there will be large numbers of students being stationed in the area and looking for a place to live. Clark/Pinnacle should consider these peak times of the year for promoting its housing developments. Prior to the arrival of the anticipated new students, the organization should create some type of announcement through one of its communication channels: community newspaper, radio, mail, posters, and electronic flyers to other military housing residencies. Having some type of public announcement or advertisement that highlights Clark/Pinnacle's website would allow potential residents to browse the website before arriving in the Monterey Bay area. Local promotion alone does not reach all of its target audience, and Clark/Pinnacle must consider *all* military as potential residents.

Given the "boots on ground" policy enforced at Clark/Pinnacle Monterey Bay, reaching out to the target audience prior to their moving to the area would be helpful. Information should include all the benefits of on-base housing (location, schools, cost, etc.). Potential residents would already have the information on the organization and would be motivated to make Clark/Pinnacle one of their primary residential visits when coming to the area, instead of using base housing as a "last-minute" option. The "boots on ground" policy should be explained to all incoming personnel well in advance of the targeted times of the year.

## **C. SURVEYS**

### **1. Measurement**

In an effort to measure current success with residents, RCI distributed a survey to Clark/Pinnacle residents to obtain feedback. According to the results, not all the residents filled out the survey. The survey asked 120 questions. In order for Clark/Pinnacle to get optimal feedback, the author suggests that it make a few changes in the structure of the survey, in how it is distributed, and give residents an incentive to respond.

According to Fred Reichheld's *The Ultimate Question* (2006), there are various reasons why satisfaction surveys are often unreliable. One of the top 10 reasons is that there often are too many questions on a survey. He states, "As surveys grow to thirty or

forty questions or more, the cost per survey creeps up, response rates drop, and sample size shrinks. It introduces sample bias and makes scores volatile and unreliable” (Reichheld, 2006, p. 79). The fact that the Clark/Pinnacle survey had 120 questions limits the legitimacy of the feedback given. Did customers truly take the time to give accurate answers? The sample size is too small to even have it properly represent the other residents. The author suggests that Clark/Pinnacle limit the amount of questions it asks residents to a maximum of 25 questions, target larger sample sizes, and possibly distribute the survey more frequently. Questions should relate to specific problems of concern to Clark/Pinnacle, which focus on the specific group of individuals the organization is targeting.

## **2. Structure**

It is important for RCI and Clark/Pinnacle to remember its purpose when constructing its survey. Is the survey constructed for assessing the resident’s satisfaction with a particular issue, or is the survey trying to assess the residents’ relationship with management? When assessing the relationship between resident and management, details of the residents’ experiences need to be recorded to get an accurate understanding of the responses (Reichheld, 2006). Unfortunately, short survey cannot generate that type of data.

## **3. Delivery**

The delivery of the survey can also be improved. Mailing the survey to residents does not guarantee they will receive the survey or guarantee that all residents will respond. To help ensure a larger response rate, management should not only mail out surveys, but send them out electronically, as well as distribute them at local residential meetings (officer wives’ meetings and town hall meetings). Distributing surveys in more than one way will allow for a larger response rate. Making the survey convenient to fill out will also ensure a higher completion and return rate.

#### **4. Incentive**

Lastly, and probably most importantly, residents will likely respond if they have some type of incentive. For example, a management statement that residents who fill out a survey will automatically be enrolled in a contest to win a free party at the activity center, or a reminder that resident feedback could lead to future improvement, or an offer of a discount on use of an amenity or possibly even utilities, could act as effective incentives for survey response.

### **D. CUSTOMER/MANAGEMENT COMMUNICATION**

#### **1. Focused Town Hall Meetings**

The current RCI survey does not necessarily evaluate the residents' relationship with management and it is questionable if a survey would accurately collect the data to make that assessment. However, management needs to have a positive relationship with residents in order to productively reach its organizational goals. The author's recommendation for Clark/Pinnacle, as well as RCI, is to have staff attend all of the town hall meetings or host various residential meetings that focus on specific topics in order to evaluate residents' opinions. For example, have a meeting that discusses security issues. By addressing specific issues, management can get more feedback and personal experiences instead of just relying on survey feedback. Having more in-person contact with residents can give management a more accurate evaluation of whether its policies and procedures are really benefiting its customers.

Getting in-depth opinions gives a more accurate understanding. The same goes for the residents as to understanding management policies. If management explains to residents why it chooses to have the "boots on ground" policy, or why new houses are only located in certain parts of the base housing, this could help better inform the residents.

## **E. CONCLUSION**

From research and analysis during the course of this report, the author identified minor issues with the Clark/Pinnacle organization. Overall, the organization has created policies and services that strive to meet and accommodate the needs of military families. However, many of its services and policies seemed to go unrecognized. The lack of satisfaction with the move-in process also appears to be an ongoing concern for the organization. Implementing better communication strategies and processes with current and future residents seems to offer an amicable solution to address these minor issues. Promotion of the website as a source of information is also encouraged.

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