Image Analysis of Fitness Agencies: Implications for Marketing Strategies

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IMAGE ANALYSIS OF FITNESS AGENCIES: IMPLICATIONS FOR MARKETING STRATEGIES

BY

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ABSTRACT

The fitness marketplace is becoming more competitive and agencies now are starting to more closely examine their image(s) which are held by various target markets. This study examined the image of 10 fitness agencies as held by one target market--the college-aged, student, fitness market. A familiarity-favorability analysis and index technique was developed and refined. Seven of ten agencies were found to have an image problem. Implications and strategies are discussed.

INTRODUCTION

The fitness industry has been one of the fastest growing components of the recreation and leisure field over the past two decades.(9) However, we are beginning to see signs that this fragmented industry is becoming very competitive.(1, 2, 4, and 8) This appears to be resulting as the industry enters the mature phase of its life cycle and the growth rate begins to slow. Business failures, aggressive market strategies, and refined market segmentation approaches are likely results of the current industry climate. Consequently, to survive in the competitive marketplace fitness agencies will begin to turn more to market strategies and techniques. Responsive agencies, which have a strong interest in how their markets see them and their programs, will start to closely examine their image(s).(3)

Image is defined "as the sum of beliefs, ideas and impressions that a person has of an object".(3, p. 57) An agency's image and not necessarily the reality is what target markets respond to in their decision process to purchase programs or memberships. Markets who hold a negative image towards an agency will not respond. Avoidance or failure to correct the image problem by management places the agency at a

strategic disadvantage. The agency will also have a very difficult and expensive marketing problem to overcome. On the other hand, the agency which maintains or holds a positive image in the eyes of its target markets will certainly benefit from word-of-mouth advertising; fewer promotional expenditures; and strategic market drawing power. This will assist agencies in understanding consumer behavior; designing appropriate media messages; and making informed media selections. Consequently, a fitness agency should have a vital interest in learning about its "images" in the exercise/fitness marketplace. However, to date few, if any, market research studies have dealt with image analysis of target markets in the area of fitness. Therefore, this research was undertaken.

The purpose of this research paper was two-fold: a) to examine the "image" of ten fitness agencies within a residential market through familiarity-favorability measurements; b) to refine the familiarity-favorability measurement technique introduced and suggested by Kotler (3) and to apply it to fitness marketing; and c) to examine information about benefits sought in exercise/fitness programs.

METHODOLOGY

To examine the image analysis concept of the exercise/fitness market, data were compiled from personal interviews and a structured questionnaire. Rather than focusing on a wide range of target markets, one specific target market was selected--the college student market. This target market, primarily comprised of 18 to 24 year olds, was selected because it constitutes the highest penetration of participation of any age category and accounts for about one-fourth (25.4%) of all adults 18 years and older who participate in physical fitness/exercise programs.(6) Trained interviewers collected information from 105 college students who resided in a regional market area of two major towns in Western Massachusetts. Of the 105 interviews of randomly selected individuals conducted in this convenient market, information from 96 were considered complete and eligible for analysis. Only those who had participated in an exercise/fitness program were considered eligible in the interview process.

For the purposes of this research, the image analysis as applied to exercise/fitness programs was examined by the familiarity-favorability index (3) and descriptive statistics (percentages) respectively. The familiarity-favorability technique measures image by a two-step approach: first, measuring how familiar individuals are with various agencies and second, how favorable individuals are to these agencies. To establish familiarity, individuals were asked to respond to a 5-point scale which included the following five categories: "never heard of," "heard of," "know a little bit," "know a fair amount," and "know very well." If the majority of the respondents place the awareness of the organization in the first three categories, then the organization has an awareness problem. The sample group was then asked how favorable they were toward the agencies by responding to a 5-point scale which included: "very unfavorable," "somewhat unfavorable," "indifferent," "somewhat favorable," and "very favorable." If the majority of the respondents place the favorability of the organization in the first three categories,

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then the organization has an image problem. This information is then displayed on a graphic scale which indicates the relative position of the agency and its competition's positions. An example of this graphic scale is listed below in the results section in Figure 1. Depending on the placement of the agency's position in the four quadrants on the graphic scale, strategic suggestions can be made to deal with the agency's image.

RESULTS

The target market of 96 college-aged students was primarily composed of undergraduates, average age 21.8 years, 59.4% female and 40.6% male; and average length of residency in the market area was approximately three school years. The target market indicated that, on average, the maximum amount of time they would travel one-way to participate in an exercise/fitness program was approximately 21.3 minutes. Of the 369 benefits mentioned by the target market, the five most frequently (frequency percentage in parentheses) mentioned benefits sought from exercise/fitness programs were: 1) tone muscles (8.9%); 2) weight loss/maintenance (7.59%); 3) better health/fitness (6.87%); 4) improve/build strength (6.78%) and 5) aerobic/cardiovascular fitness (4.6%). When asked what the primary benefit sought in participating in an exercise/fitness program, the following three benefits were mentioned most frequently: 1) get/stay in shape (29.5%); 2) weight loss/maintenance (11.5%) and 3) muscle toning (10.4%).

The image analysis revealed various promotional strategies for each of the agencies examined and their relative position and awareness in the marketplace. The "image positions" of each agency are displayed in Figure 1. The agencies are identified by letter here to insure confidentiality and average scores of each dimension determine their placement.

In the upper right hand corner of the graphic scale, called the "Maintain Image" quadrant, agencies A and B are positioned. They are encouraged to maintain and reinforce their positive image. These are agencies which have high familiarity or awareness and high favorability or a positive image. In the upper left hand corner of the graphic scale, called the "Build Promotion" quadrant, the majority of the agencies are positioned. They are encouraged to build and increase their awareness among the college-aged target market. These are agencies which have low familiarity or awarenesss and among those who know about them relatively high favorability or a positive image. Although no agency was positioned in the lower right hand section of the graphic scale, called the "Retool and Change Image" quadrant, these agencies would have relatively high familiarity or awareness and relatively low favorability or a negative image. Agency J was close to this quadrant and is encouraged to work to change its image and improve its relative position. The lower left hand section of the graphic scale is called the "Keep Low Profile" quadrant. These are agencies which have both a low familiarity or awareness and low favorability or a negative image. If an agency has been positioned in this quadrant, it would be encouraged to mend its image and keep a low profile until the image problem was corrected.

DISCUSSION

From this analysis, it was evident that Kotler's familiarity-favorability index does have application to the image analysis of fitness agencies. The majority, seven of 10 agencies, were found to have an awareness problem among an important and a significant target market--college students. Building awareness and promotion within these agencies' marketing strategies should be a priority of each of them. It should also be noted that the agencies with the most positive image were both convenient and economical to this market. These findings support research on the shopping style behavior of fitness participants. Warnick (10) found that fitness participants stressed "convenience" and "economy-minded" attributes in their descriptions of their shopping style for fitness programs. Although the specific reasons as to why these agencies suffer an awareness problem are not known, it was evident that problems do in fact exist, affect many agencies, and require further analysis. These findings also have direct implications for fitness center managers as they develop and refine their promotional strategies aimed at this particular target market. This technique when applied in a regional market may also help agencies understand the nature and image of the competition as held by various target market groups. It also suggests promotional strategies. In conclusion, image analysis is one of several marketing tools which can help the recreation/fitness agency improve and apply appropriate marketing strategies in the highly competitive marketplace.

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IMAGE ANALYSIS OF AGENCY FITNESS PROGRAMS

Build Promotion | Maintain Image 5

A
B   4

H I EF D C
        G   J   3   Familiarity

2

1
Keep Low Profile 3 Retool and Change 5

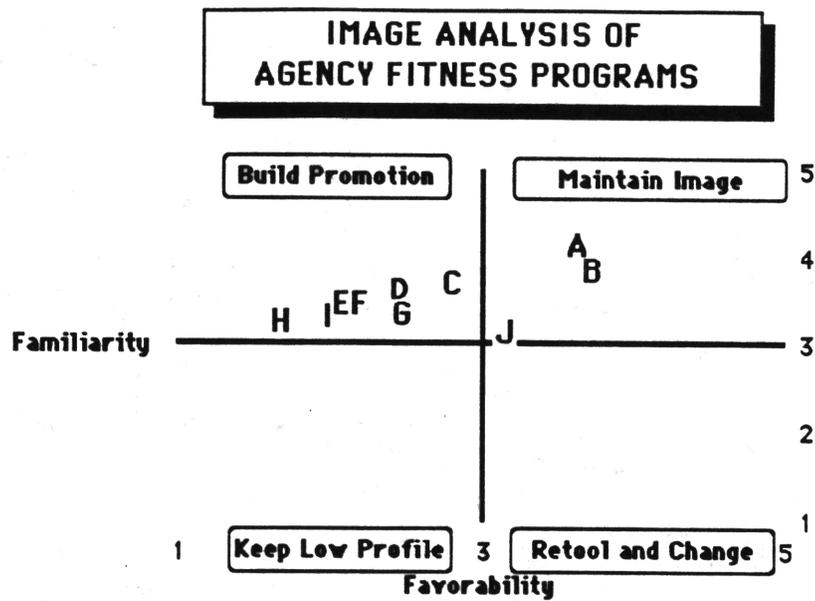1   5

Favorability

Figure 1. Familiarity-favorability image analysis index for agency fitness programs.