Marketing Athletic Clubs, Recreation Centers and Country Clubs: Recruiting and Retaining Members Using Psychodemographics

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Membership recruitment and retention is critical to fitness facilities managers and often the primacy of product and service offerings is overemphasized. This research indicates that consumer psycho-demographics are more important in determining membership. A 'SIT-UPS' routine is offered to assist managers in marketing and membership initiatives.

INTRODUCTION

Membership recruitment and retention is a perennial challenge for fitness center directors and marketing managers (Williams, Pedersen and Walsh, 2012). Membership dissatisfaction and attrition is of primary concern, and the commonly accepted explanation for member defection is poor service quality, not because the services are no longer perceived to be useful or needed (Tharrett and Peterson, 2008). Aaker (1997) and Keller (2001) suggested over fifteen years ago that the power of a brand is derived from an association and relationship consumers have with a product offering. Alexandris, et. al., (2008) argued that managers should actively monitor the brand associations relevant to their service offerings. Finally, for a better understanding of brand preferences and purchase intentions, researchers and practitioners have emphasized the use of consumers' values, attitudes, beliefs and lifestyles as they relate specifically to product or service offerings (Sheth, Newman and Gross, 1991; Yankelovich and Meer, 2006).

CONCEPTUAL FRAMEWORK

Historically, athletic clubs and fitness centers focused primarily on weight training. However, over time, these facilities have been transmogrified into resort-style, luxurious offerings (Woolf, 2008). It is not uncommon to find hospitals, recreation centers, wellness clinics, nationally franchised fitness facilities and renowned country clubs offering a panoply of health and fitness service offerings. As a result, consumers are now free to develop a variety of brand expectations vis à vis an even greater variety of fitness facility product and service offerings. It is precisely at this point of difference between what the consumer expects to receive and what the consumer perceives they will receive from each type of fitness facility that creates the marketing opportunity for fitness facility marketers and membership managers.

It would be erroneous to assume that consumers do not differ in values, tastes, preferences and social groupings regarding purchase and consumption activities. Tajfel (1981) cautioned researchers to be cognizant of the finding that consumers are members of social groups and that they hold specific and identifiable emotional values of personal significance in relationship to consumption activities. Fournier, et.al., (1992) utilized lifestyle inventories to predict users for products and services. Orth, et.al., (2004) emphasized that consumers vary greatly and that they will react differently to marketing communications given their lifestyle and psychographic characteristics. And finally, Fournier and Lee (2009) encouraged the creation of brand communities because "in today's turbulent world, people are hungry for a sense of connection" (p. 105) and can be more important "than the brands themselves" (p. 107).

It is this conceptual framework that researchers and practitioners recommend to health and fitness managers to measure and monitor consumer brand associations with their facility (Williams, Pedersen and Walsh, 2012; Alexandris, et.al., 2008). These brand associations then become the significant source of differentiation to be leveraged into a renewable and robust competitive advantage (Dickson and Ginter, 1987; Zook and Allen, 2011). The brand association and affiliation will become the foundation for a brand community exhibiting a shared collective consciousness.

Research Purpose And Questions Of Interest

Fitness facilities of all genre develop their marketing strategy around product and service offerings like technologically enhanced equipment, personalized service and price packages. However, both fitness facilities managers and researchers often neglect to fully assess the impact and influence of psychodemographics on membership probability *over and above* the influence of the product and service offerings. The purpose of this research is to identify unique product and service offerings that are likely to be desired by consumers who have been categorized into discrete psychodemographic segments. Psychodemographic segmentation as used for this research   is a unique combination of two consumer psychological typologies (thinking vs. feeling and introvert vs. extrovert) and two key demographic characteristics of education and income levels. This technique effectively segments consumers into functional lifestyles reflecting purchasing patterns according to needs, wants and expectations. Therefore, two research questions are addressed: (1) Can consumer psychodemographics predict facility membership *over and above* the influence of product and service offerings?; and (2) Will the clustering of consumers into psychodemographic segments reveal unique bundles of product and service offerings?

Methodology And Statistical Analysis

A sample of 276 adults was obtained from eight communities in Northwest Pennsylvania and two conterminous communities in Northeast Ohio. The communities' total population was approximately 60,000 with 45,000 adults over 18 years of age. Trained field researchers personally interviewed adults who were passing by and who were exiting store locations in popular shopping districts. The participants were asked if they were currently a member of any athletic club, recreation center, or country club. Those individuals who responded "no", and could identify a local facility that they would possibly join, were asked to participate in the research.

Participating adults responded to the following eight questions: (1) On a 9-point scale [1=Not Very Important; 9=Extremely Important], how would you rate the following in terms of influencing you to join a gym, recreation center, or country club? [Cost; Location; Safety; Cleanliness; Staff; Equipment; Environment; and Programs/Educational Opportunities]. Participants responded to basic education and income level questions; their answers were classified according to the U.S. Census Bureau (Florida, 2008). Finally, participants were asked to reflect upon and decide if they were more of a THINKING or FEELING person and if they were more of an INTROVERT or EXTROVERT. These two personality traits are commonly accepted psychometric classifications (see Briggs-Myers and Briggs, 1985).

The interviewers determined each participant's gender by inspection and asked if they were under or over 40 years of age. The participants were then given the opportunity to respond to the following 9 open-ended questions: (1) What kinds of activities would you like to participate in or learn more about regarding what a gym, recreation center, or country club may or may not offer?; (2) In what season do you think the most about joining a club and why?; (3) If possible, in what month would you most likely join?; (4) What would you like to know about members?; (5) What special service would you want to have offered?; (6) What type of sport or activity would you like to participate in?; (7) What do you do now to stay healthy?; (8) What prevents you from joining a gym or fitness facility?; and (9) How do you receive information or become knowledgeable about gyms or fitness facilities? The tenth and final question asked participants to rank-order their probability of joining each type of fitness facility.

Following the personal interviewing and data collection process, all participants were assigned to categories. The demographic characteristics of education and income were assigned to one of four categories: (1) high education/high income (HE/HI); (2) high education/low income (HE/LI); low education/high income (LE/HI); and (4) low education/low income (LE/LI). Finally, all participants were assigned to a psychological typology, based upon their self-assessment of being either a THINKING or FEELING person and an INTROVERT or EXTROVERT.

Hypotheses were tested using the SPSS statistical package (Version 19), and specific statistical model comparisons, correlation analysis and multiple regression techniques were employed to determine statistical significance (.05 alpha). Finally, the open-ended responses were assessed, rank-ordered and assigned to categories utilizing a commonly accepted qualitative clustering technique (see Strauss, 1987).

Research Findings And Discussion
Participants identified nine local organizations that offer athletic, recreation, or country club memberships. This corroborates Woolf's (2008) findings that demonstrate the plethora of unrelated supporting services that have been developed by fitness organizations in their relentless pursuit of building their memberships. This research reveals four distinct types of fitness organizations, as measured by the frequency of participant responses: (1) a Local Country Club – LLC (26.4%); (2) a National Community Recreation Center – NCRC (26.1%); (3) a Local Community Recreation Center – LCRC (24.3%); and (4) a Franchised National Fitness Center – FNFC (21.7%). These percentages reflect the elimination of the five facilities that evoked low (less than 5%) brand saliency and recall. This finding suggests two major categories of fitness facilities — profit and non-profit. Moreover, each category was evenly split in brand awareness, suggesting that neither has achieved sufficient brand meaning and brand association to differentiate itself in the minds of the research participants.

However, a psychodemographic analysis of the participants reveals four distinct profiles. Regarding the demographic characteristics of education and income, participants self-identified in the following manner: (1) high education/high income (HE/HI = 11%); (2) high education/low income (HE/LI = 49%); (3) low education/high income (LE/HI = 5%); and (4) low education/low income (LE/LI = 16%). This suggests that although the two categories of facilities exhibit equivalent brand awareness, the distribution of consumers is not proportional, and therefore may influence the decision-making process to join or retain membership. Regarding the psychological typology exhibited, the results suggest proportional representation. Specifically, the ratio of participants who self-classified as THINKING or FEELING was 47% and 53%, respectively; the ratio of INTROVERT or EXTROVERT was 49% and 51%, respectively.

Therefore, it is reasonable to assume that brand recognition and psychological typology are proportional, whereas brand recognition and demographic characteristics vary significantly.

Testing The Research Questions

Two research questions are addressed. The first question is, "Can consumer psychodemographics predict facility membership *over and above* the influence of product and service offerings? Although a statistically significant relationship exists between product and service offerings and membership in three of the four types of facilities [NCRC; LCRC; LCC], results suggest that psychodemographics account for statistically significant variance *over and above* the variance accounted for by the offerings of all four types of facilities. In all the Tables (see Tables 1-4), the Restricted Model includes: Programs/Educational Opportunities; Location; Safety; Cost; Environment; Equipment; Cleanliness; and Staff. The Full Model includes the eight aforementioned product and service offerings plus the consumer psychodemographic characteristics of education and income (HE/HI; HE/LI; LE/HI; LE/LI) combined with the psychological typologies (THINKING/FEELING and INTROVERT/EXTROVERT).

This research suggests that product and service offerings are important as to why a consumer *may* join a fitness facility, but in all four tested statistical models, psychodemographics predicted facility type membership *over and above* the influence of product and service offerings. This suggests that all types of fitness facilities must provide an array of offerings, but these are "the price of entry" to gaining a leveragable competitive advantage. Fitness facilities will not be able to survive without them, but they are not the critical dimension on which consumers decide their membership. The more robust competitive advantages will arise instead from other sources of differentiation like a strong sense of community and attachment with the organization and its members. Please refer to Tables 1-4 for complete statistical detail.

The second question is, "Will the clustering of consumers into psychodemographic segments reveal unique bundles of product and service offerings?" The psychological typologies and the demographic characteristics were sorted into categories and the findings strongly suggest that discernible characteristics emerge by facility type. Moreover, once the psychodemographic characteristics were counted and rank-ordered, specific bundles of product and service offerings emerged. Specifically, two salient findings emerged from the cluster analysis: (1) most participants, regardless of their psychodemographic segment, stated that if they were to join a facility, it would be in the month of January; and (2) most participants receive facility information from their peers. Table 5 highlights key findings that pertain to the four facility types and participant membership. Also listed are desirable product and service offerings classified by facility type and psychodemographic segment. Given this information, a fitness manager at a specific type of facility can create a more targeted and timely marketing mix that will likely elicit brand responses and forge brand relationships with desired consumer niches.

TABLE 1
PSYCHODEMOGRAPHICS VS PRODUCT/SERVICE OFFERINGS
NATIONAL COMMUNITY RECREATION CENTER (NCRC)

MODEL	R	R Square	Adjusted R Square	R Square Change	F Change	df1	df2	Sig. F Change	Sig.
Restricted Model	.417	.174	.15	.174	7.045	8	267	<.0001	S
Full Model	.772	.596	.574	.422	45.36	6	261	<.0001	S

TABLE 2
PSYCHODEMOGRAPHICS VS PRODUCT/SERVICE OFFERINGS
LOCAL COMMUNITY RECREATION CENTER (LCRC)

MODEL	R	R Square	Adjusted R Square	R Square Change	F Change	df1	df2	Sig. F Change	Sig.
Restricted Model	.309	.096	.069	.096	3.52	8	267	<.001	S
Full Model	.598	.357	.323	.262	17.70	6	261	<.0001	S

TABLE 3
PSYCHODEMOGRAPHICS VS PRODUCT/SERVICE OFFERINGS
FRANCHISED NATIONAL FITNESS CENTER (FNFC)

MODEL	R	R Square	Adjusted R Square	R Square Change	F Change	df1	df2	Sig. F Change	Sig.
Restricted Model	.220	.049	.020	.049	1.70	8	267	<.098	NS
Full Model	.598	.357	.323	.309	20.87	6	261	<.0001	S

TABLE 4
PSYCHODEMOGRAPHICS VS PRODUCT/SERVICE OFFERINGS
LOCAL COUNTRY CLUB (LCC)

MODEL	R	R Square	Adjusted R Square	R Square Change	F Change	df1	df2	Sig. F Change	Sig.
Restricted Model	.378	.143	.117	.143	5.562	8	267	<.0001	S
Full Model	.925	.855	.847	.712	214.05	6	261	<.0001	S

TABLE 5
EXPECTED PRODUCT/SERVICE OFFERINGS BY PSYCHODEMOGRAPHIC SEGMENT

QUESTIONS	NCRC	LCRC	FNFC	LCC
Demographic Classification	Low Education – Low Income (LE/LI)	Low Education – High Income (LE/HI)	High Education – Low Income (HE/LI)	High Education - High Income (HE/HI)
Psych-Typology 1	Feeling Person	Thinking Person	Feeling Person	Thinking Person
Psych-Typology 2	Extroverted Person	Extroverted Person	Introverted Person	Introverted Person

What would you like to participate in or learn - that a facility/club may or may not offer? Learn	Basketball Camping Canoeing Horticulture/Gardening Martial Arts Antiquing Scrapbooking	Racquetball Handball Free-Weights Swimming Mountain biking Survival/ Hunting Beer Making	Running Machines Weight Machines Elliptical Machines Rowing Machines Rock Climbing Skydiving Painting	Golf Elliptical Machines Jogging Swimming Cycling Travel Wine Tasting
In what season do you think the most about joining a facility/ club?	Winter "Staying in the house for three months"	Summer "I should be in shape - peer comparison"	Spring "preparing for spring vacation or trip"	Fall "Thinking of golf and dining next year"
If possible, what month would you most likely join?	January	January	January	January
What would you like to know about members?	Where they live	Names/Surnames	Where people work	Professional titles
What special service would you want?	Medical related check-ups	Physical Fitness Test	Strength Testing	Health Screenings
What type of Sport/activity would you like to participate in?	Non-Competitive (No score)	Competitive Score/winner	Competitive Score/winner	Non-Competitive (No score)
What do you do now to stay healthy?	Diet/Nothing	Weight-lift/Go outside	Jog/Diet	Walk/Eat Healthy
What prevents you from joining?	Too expensive/Too tired	Family needs/Home Workout	No Time/work or school obligations	No one to go with/not necessary
How do you get information or know about a facility?	Peers (WOM);School System; Handouts; Brochures; Church; Physician; Web	Peers (WOM); Volunteers; Handouts; Church; Web	Peers (WOM); Web; Radio/TV; Paper Advertisement; Billboards.	Peers (WOM); Associations; Colleagues; Web; Media
Rank-order the probability of joining each facility.	LCRC - FNFC - LCC	FNFC - NCRC - LCC	LCC - LCRC - NCRC	FNFC - LCRC - NCRC

Research Implications

This research reveals two key implications. First, psychodemographics are relatively more influential in membership decision-making than product or service offerings. The R-Square values (variance explained) in the Full Models for the NCRC and LCC facilities are 60% and 86%, respectively, whereas the R-Square value (variance explained) for the LCRC and FNFC facilities, is 35% for each. Therefore, this significant gap in variance explained necessitates further research and analysis. And second, the qualitative clustering analysis strongly suggests that each psychodemographic segment desires facilities that "fit" their psychological profiles. Since these profiles are uncontrollable to marketers, it is imperative to hone your product and service offerings to a more precisely targeted niche, eschewing an "offer-it-all", all benefits value proposition. Table 6 offers a 'SIT-UPS' routine to guide facilities managers in marketing and membership initiatives. Although there are certainly more than four types of fitness facilities, this framework can serve as a heuristic device for developing and implementing membership and marketing plans.

TABLE 6
A 'SIT-UPS' ROUTINE

*S*egment your niche using psychodemographics
   *I*nvestigate . . . do your offerings match your niche wants, desires and expectations?
     *T*arget your offerings by known and established relationships like gender and age
*U*nderstand that each niche has unique expectations beyond exercise
  *P*lan your promotions when consumers start deliberating membership decisions
    *S*tart engaging consumers with peer WOM campaigns – get "social"

Limitations and Concluding Statement

The sample for this research was limited in geographic area, and no participants actually *joined* a fitness facility. However, population shrinkage estimates utilizing the difference between R-Square and Adjusted R-Square suggest a stable prediction model, but replication is ultimately the key to research validity. In conclusion, research findings strongly support Fournier's and Lee's 2009 assertion that the psychodemographics of community are more important than the brand itself.

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