

Project of Marketing Campaign for Fitness Center Box-Fit Gym

Bc. Martina Vokáčová

Master's thesis
2021

 Tomas Bata University in Zlín
Faculty of Management and Economics

Univerzita Tomáše Bati ve Zlíně
Fakulta managementu a ekonomiky
Ústav managementu a marketingu

Akademický rok: 2020/2021

ZADÁNÍ DIPLOMOVÉ PRÁCE
(projektu, uměleckého díla, uměleckého výkonu)

Jméno a příjmení: **Bc. Martina Vokáčová**
Osobní číslo: **M19828**
Studijní program: **N6208 Ekonomika a management**
Studijní obor: **Management a marketing, specializace Design management**
Forma studia: **Prezenční**
Téma práce: **Projekt marketingové kampaně fitness centra Box-Fit Gym**

Zásady pro vypracování

Úvod

Definujte cíle práce a použité metody zpracování práce.

I. Teoretická část

- Zpracujte kritickou literární rešerši k tématu marketingové kampaně.

II. Praktická část

- Analyzujte současnou marketingovou strategii fitness centra Box-Fit Gym.
- Zpracujte projekt marketingové kampaně fitness centra Box-Fit Gym a projekt doplňte ekonomickou analýzou.

Závěr

Rozsah diplomové práce: **cca 70 stran**
Forma zpracování diplomové práce: **Tištěná/elektronická**
Jazyk zpracování: **Angličtina**

Seznam doporučené literatury:

DIETRICH, Gini and Geoff LIVINGSTON. *Marketing in the round: How to develop an integrated marketing campaign in digital era*. 1st Edition. Indianapolis: Que Publishing, 2012, 224 p. ISBN 978-07897-4917-8.
KOTLER, Philip and Gary ARMSTRONG. *Principles of Marketing*. 17th Edition. Boston: Pearson, 2017, 736 p. ISBN 978-1-292-22017-8.
KOTLER, Philip and Kevin Lane KELLER. *Marketing Management*. 14th Edition. Upper Saddle River, N.J.: Prentice Hall, 2012, 657 p. ISBN 01-321-0292-7.
RANDAZZO, Gary W. *Developing Successful Marketing Strategies*. 1st Edition. New York: Business Expert Press, 2014, 168 p. ISBN 978-1-60649-961-0.

Vedoucí diplomové práce: **doc. Ing. Miloslava Chovancová, CSc.**
Ústav managementu a marketingu

Datum zadání diplomové práce: **15. ledna 2021**
Termín odevzdání diplomové práce: **20. dubna 2021**

L.S.

doc. Ing. David Tuček, Ph.D.
děkan

Ing. Jiří Bejtkovský, Ph.D.
ředitel ústavu

PROHLÁŠENÍ AUTORA BAKALÁŘSKÉ/DIPLOMOVÉ PRÁCE

Prohlašuji, že

- beru na vědomí, že odevzdáním diplomové/bakalářské práce souhlasím se zveřejněním své práce podle zákona č. 111/1998 Sb. o vysokých školách a o změně a doplnění dalších zákonů (zákon o vysokých školách), ve znění pozdějších právních předpisů, bez ohledu na výsledek obhajoby;
- beru na vědomí, že diplomová/bakalářská práce bude uložena v elektronické podobě v univerzitním informačním systému dostupná k prezenčnímu nahlédnutí, že jeden výtisk diplomové/bakalářské práce bude uložen na elektronickém nosiči v příruční knihovně Fakulty managementu a ekonomiky Univerzity Tomáše Bati ve Zlíně;
- byl/a jsem seznámen/a s tím, že na moji diplomovou/bakalářskou práci se plně vztahuje zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, zejm. § 35 odst. 3;
- beru na vědomí, že podle § 60 odst. 1 autorského zákona má UTB ve Zlíně právo na uzavření licenční smlouvy o užití školního díla v rozsahu § 12 odst. 4 autorského zákona;
- beru na vědomí, že podle § 60 odst. 2 a 3 autorského zákona mohu užít své dílo – diplomovou/bakalářskou práci nebo poskytnout licenci k jejímu využití jen připoustí-li tak licenční smlouva uzavřená mezi mnou a Univerzitou Tomáše Bati ve Zlíně s tím, že vyrovnání případného přiměřeného příspěvku na úhradu nákladů, které byly Univerzitou Tomáše Bati ve Zlíně na vytvoření díla vynaloženy (až do jejich skutečné výše) bude rovněž předmětem této licenční smlouvy;
- beru na vědomí, že pokud bylo k vypracování diplomové/bakalářské práce využito softwaru poskytnutého Univerzitou Tomáše Bati ve Zlíně nebo jinými subjekty pouze ke studijním a výzkumným účelům (tedy pouze k nekomerčnímu využití), nelze výsledky diplomové/bakalářské práce využít ke komerčním účelům;
- beru na vědomí, že pokud je výstupem diplomové/bakalářské práce jakýkoliv softwarový produkt, považují se za součást práce rovněž i zdrojové kódy, popř. soubory, ze kterých se projekt skládá. Neodevzdání této součásti může být důvodem k neobhájení práce.

Prohlašuji,

1. že jsem na diplomové/bakalářské práci pracoval samostatně a použitou literaturu jsem citoval. V případě publikace výsledků budu uveden jako spoluautor.
2. že odevzdaná verze diplomové/bakalářské práce a verze elektronická nahraná do IS/STAG jsou totožné.

Ve Zlíně, 24. 5. 2021

Jméno a příjmení: Bc. Martina Vokáčová

.....
podpis diplomanta

ABSTRAKT

Cílem diplomové práce je vytvoření marketingové kampaně pro fitness centrum Box-Fit Gym. Práce je tvořena teoretickou, analytickou a projektovou částí. Teoretická část obsahuje poznatky vztahující se k problematice marketingové kampaně, marketingu služeb a situačních analýz. Získané teoretické poznatky jsou dále využity při zpracování analytické části. Ta se věnuje představení fitness centra, a následné analýze současné marketingové strategie, benchmarkingu, PEST analýze, Porterovu modelu pěti sil a SWOT analýze. V rámci analýzy je proveden také kvantitativní a kvalitativní marketingový výzkum. Výsledky analytické části práce slouží jako podklad pro vypracování marketingové kampaně, jejímž cílem je vybudování loajality stávajících klientů, a také zvýšení povědomí o fitness centru a následné získání nových klientů. Projektová část obsahuje stanovení cílů a představení jednotlivých akčních plánů projektu, které jsou následně podrobeny časové, nákladové a rizikové analýze.

Klíčová slova: marketing, marketingová kampaň, marketing služeb, analýza, marketingový výzkum, fitness centrum

ABSTRACT

The master's thesis aims to create a marketing campaign for the fitness center Box-Fit Gym. The thesis consists of theoretical, analytical, and project parts. The theoretical part contains knowledge related to the marketing campaign, marketing of services, and situational analyzes. The acquired theoretical knowledge is further used in the processing of the analytical part. The analytical part is dedicated to introducing the fitness center and analyzing its current marketing strategy, benchmarking, PEST analysis, Porter's five forces model, and SWOT analysis. In addition, quantitative and qualitative marketing research is also performed as part of the analysis. The results of the analytical part serve as the basis for the marketing campaign development, which aims at building the loyalty with existing clients, and also raising awareness of the fitness center and subsequently gaining new clients. The project part includes setting objectives and presenting individual project action plans, which are subsequently subjected to time, cost, and risk analysis.

Keywords: marketing, marketing campaign, marketing of services, analysis, marketing research, fitness center

I would like to take this opportunity to thank my supervisor doc. Ing. Miloslava Chovancová, Csc. for her willingness and advice. I would also like to thank the fitness center owner Ing. Jan Vašut for his collaboration, dedicated time, and the provided information required to elaborate the master's thesis.

I hereby declare that the print version of my Master's thesis and the electronic version of my thesis deposited in the IS/STAG system are identical.

CONTENTS

INTRODUCTION	10
OBJECTIVES AND METHODOLOGY	11
I THEORY.....	12
1 MARKETING CAMPAIGN	13
2 MARKETING COMMUNICATION.....	14
2.1 MARKETING COMMUNICATION MIX	14
2.1.1 Advertising.....	14
2.1.2 Sales Promotion	15
2.1.3 Events	15
2.1.4 Public Relations	15
2.1.5 Direct Marketing	16
2.1.6 Interactive Marketing.....	16
2.1.7 Word-of-mouth Marketing.....	16
2.1.8 Personal Selling.....	16
2.1.9 Other Marketing Communication Tools	16
2.3 MARKETING AND CORONAVIRUS PANDEMIC	18
3 MARKETING OF SERVICES.....	20
3.1 SERVICE MARKETING MIX	21
3.1.1 Product	21
3.1.2 Place	21
3.1.3 Price.....	22
3.1.4 Promotion.....	23
3.1.5 People.....	24
3.1.6 Process.....	25
3.1.7 Physical Environment	25
4 ANALYTICAL METHODS.....	26
4.1 MACROENVIRONMENT ANALYSIS	26
4.1.1 PEST Analysis	26
4.2 MICROENVIRONMENT ANALYSIS	27
4.2.1 Porter's Five Forces Model.....	28
4.3 TARGET MARKETING	29
4.3.1 Segmentation.....	29
4.3.2 Targeting	30
4.3.3 Positioning.....	30
4.4 BENCHMARKING	31
4.5 SWOT ANALYSIS	32
4.5.1 Internal Analysis	32
4.5.2 External Analysis	33
4.6 MARKETING RESEARCH	34

4.6.1	Quantitative research.....	34
5	SUMMARY OF THE THEORETICAL PART	35
II	ANALYSIS.....	36
6	METHODOLOGY.....	37
7	INTRODUCTION OF FITNESS CENTER BOX-FIT GYM.....	40
7.1	CORONAVIRUS PANDEMIC IMPACT ON SELECTED FITNESS CENTER.....	41
8	ANALYSIS OF CURRENT MARKETING STRATEGY	43
8.1	PRODUCT.....	43
8.2	PLACE	43
8.3	PRICE	43
8.4	INTEGRATED MARKETING COMMUNICATION	44
8.4.1	Facebook	45
8.4.2	Instagram.....	45
8.4.3	Web	45
8.4.4	Events.....	46
8.4.5	Word-of-mouth Marketing.....	46
8.4.6	Personal Selling.....	46
8.5	PEOPLE.....	46
8.6	PROCESS.....	47
8.7	PHYSICAL ENVIRONMENT	47
9	PEST ANALYSIS.....	48
9.1	POLITICAL FACTORS.....	48
9.2	ECONOMIC FACTORS	49
9.3	SOCIO-CULTURAL FACTORS	51
9.4	TECHNOLOGICAL FACTORS	52
10	PORTER’S FIVE FORCES	54
10.1	POTENTIAL ENTRANTS	54
10.2	BUYERS.....	54
10.3	SUPPLIERS	55
10.4	SUBSTITUTES.....	55
10.5	COMPETITORS	56
10.5.1	Services Offer of Competitive Fitness Centers.....	56
10.5.2	Price.....	57
10.5.3	Place	58
10.5.4	Comparison of Competitive Fitness Centers.....	59
11	BENCHMARKING.....	60
12	SWOT ANALYSIS.....	64

13	RESPONDENTS CHARACTERISTICS RESULTS OF QUESTIONNAIRE SURVEY.....	66
13.1	BASIC DATA ON RESPONDENTS.....	66
13.2	INTERPRETATION OF QUESTIONNAIRE SURVEY DATA.....	66
13.3	HYPOTHESES.....	72
14	IN-DEPTH INTERVIEW.....	75
15	CONCLUSION BASED ON ANALYZES.....	77
16	PROJECT OF MARKETING CAMPAIGN FOR FITNESS CENTER BOX-FIT GYM.....	79
16.1	PROJECT OBJECTIVE.....	79
16.2	PROJECT ACTION PLANS.....	80
16.2.1	Action Plan 1.....	80
16.2.2	Action Plan 2.....	81
16.2.3	Action Plan 3.....	82
16.2.4	Action Plan 4.....	83
16.3	TIME ANALYSIS.....	85
16.4	COST ANALYSIS.....	88
16.5	RISK ANALYSIS.....	89
16.5.1	Risk Elimination Suggestions.....	91
16.6	PROJECT VERIFICATION.....	93
17	PROJECT SUMMARY.....	94
	CONCLUSION.....	95
	BIBLIOGRAPHY.....	96
	LIST OF ABBREVIATIONS.....	99
	LIST OF FIGURES.....	100
	LIST OF TABLES.....	101
	APPENDICES.....	102

INTRODUCTION

Recent years have seen an ever-increasing interest in a healthy lifestyle and the associated exercise. Various nutritional supplements, vitamins, vegan diets, or packaging-free foods are becoming popular. More and more people are interested in exercise mainly for the purpose of body shaping. Such interest can be caused by the massive influence of social networks, especially Instagram, which results in a desire to look just like the 'perfect' people in the photo. Such growing interest is definitely an opportunity for fitness centers to increase their attendance.

However, in the last year, fitness centers have faced several government restrictions due to the global pandemic. Thanks to this, fitness centers have been closed to prevent the spread of the pandemic. As a result, not only are they losing income, but there are also fears that they will lose part of their clientele, which will no longer attend the fitness center once it reopens. Above all, concerns about losing clients were the main incentive for developing this marketing campaign project.

The aim of the thesis is to develop the project of a marketing campaign, the purpose of which is to build the loyalty of existing clientele, raise awareness of the fitness center, and subsequently gain new clients. The starting point for the project elaboration will be the results of the performed situational analysis of the external and internal environment and the performed qualitative and quantitative marketing research.

The thesis consists of theoretical, analytical, and project parts. Theoretical knowledge from the theoretical part serves as the basis for the analytical part. The fitness center is first introduced in this part and then selected situational analyzes are performed. The results of these analyzes then serve as a basis for project development. The project part proposes individual action plans using appropriate marketing tools to achieve the required objectives.

OBJECTIVES AND METHODOLOGY

The aim of the thesis is to design a project of the marketing campaign for the fitness center Box-Fit Gym. The resulting product should raise awareness about the fitness center and build the loyalty of existing clients, whose loss could result from the long-term closure of the fitness centers.

To achieve the set goal, it is first necessary to study and compile literary research related to a marketing campaign, marketing communication, and marketing of services. Part of the theory is also devoted to analytical methods, which serve as a theoretical basis for subsequent analysis of the current state of the selected fitness center. The following methods have been selected for this analysis: PEST analysis, Porter's five forces model, target marketing, benchmarking, SWOT analysis, and marketing research.

The summary of the theoretical bases is followed by an analytical part, which is further divided into analytical and project parts. Within the analytical part, the introduction of the fitness center and its current marketing strategy is processed. This processing is followed by the PEST analysis, Porter's five forces model, comparing the fitness center with its competitors using benchmarking, and SWOT analysis. The analytical part also includes qualitative and quantitative marketing research and subsequent processing of the data obtained. The methodology used will be described in more detail in the analytical part for better clarity and coherence of the thesis. The analytical part concludes by summarizing the data obtained and drawing conclusions and recommendations for the project part.

The thesis concludes with the project part, in which the project solution is developed based on the results of performed analyzes. The project itself is subjected to cost, time, and risk analyzes.

I. THEORY

1 MARKETING CAMPAIGN

The marketing campaign aims to attract the individual customer segments' attention by using the appropriate communication mix of marketing communication tools. This should lead to establishing relationships with new potential customers and maintaining and strengthening relationships with the regular ones. (Kašík and Havlíček, 2015, p. 210)

According to Vysekalová and Mikeš (2010), there are seven essential steps while creating the marketing campaign. Firstly, it is necessary to set the goals as specifically as possible. After the company knows the marketing campaign aim, it can set a budget, define the target customers, set the requirements, and define the message. When all these steps are done, it is necessary to select the appropriate media and communication mix. The last but no less important step is the control of the results of the marketing campaign. (Vysekalová and Mikeš, 2010, p. 33)

A similar approach is described by Kotler and Keller (2012). When developing the marketing campaign, marketing managers should first identify the target market and customer's motives and then proceed to the five major decisions, known as 'the 5 M' – *mission, money, message, media, and measurement*. The mission comprises advertising goals based on the information concerning the target market, marketing program, and brand positioning. A specific audience must achieve advertising objectives within a particular period. Money invested in the campaign is a current expense and an investment in customer loyalty and building brand equity. The message development process begins with message generation and evaluation (*what*), continues with creative development and execution (*how*), and ends with a social-responsibility review. The next marketer decides to choose suitable media. Firstly, it is necessary to determine reach, frequency, and impact. Then it is needed to choose the major and specific media types, followed by the determination of the schedule and geographical media allocation. Since marketers are clear about the mission, money, message, and media, it is necessary to evaluate the effectiveness. The evaluation may be done from the point of view of so-called communication-effect research, which assesses the impact on knowledge, preference, and awareness. The second possibility is sales-effect research, which measures sales and examines whether the company is overspending or underspending on advertising. (Kotler and Keller, 2012, p. 504 – 518)

2 MARKETING COMMUNICATION

Marketing communication aims to inform, remind, and persuade customers about the products the company sells. It uses the tools by which companies build relationships with customers, strengthen customer loyalty, and increase customer equity. By connecting the brand to the places, people, events, experiences, or feelings, the company may create a brand image and drive sales. (Kotler and Keller, 2012, p. 476)

Marketing communication nowadays differs from what it used to be in the past. While previously customers received the information mostly from mass media such as television or newspapers, technology deeply changed the communication process nowadays. Marketing information is communicated by various advertising tools such as websites, social media, viral marketing, or direct mail. It may be said that marketing communication is on a huge rise. However, even though marketers must be creative in the technologies used, they must be cautious not to interfere in the customer's lives too much. The marketing information would have the opposite effect then. (Wilson et al., 2016, p. 629; Kotler and Keller, 2012, p. 479 – 77) Moreover, in service provision, a company should ensure that employees and customer service departments are providing consistent messages as customers must receive unified messages, even though they come from several communication channels. (Wilson et al., 2016, p. 629)

2.1 Marketing Communication Mix

According to Kotler and Keller (2012), the marketing communication mix comprises eight major means of communication: *advertising, sales promotion, events and experiences, public relations and publicity, direct marketing, interactive marketing, word-of-mouth marketing, and personal selling*. (Kotler and Keller, 2012, p. 478)

2.1.1 Advertising

Advertising is "any paid form of nonpersonal presentation and promotion of ideas, goods, or services by identified sponsor via print media (newspapers and magazines), broadcast media (radio and television), network media (telephone, cable, satellite, wireless), electronic media (audiotape, videotape, videodisk, CD-ROM, Web page), and display media (billboards, signs, posters). (Kotler and Keller, 2012, p. 478) Advertising supports brand building and awareness. Moreover, it helps not only to retain loyal customers but also to reduce lost customers and recruit new ones. By advertising, the company creates a word-of-mouth

opportunity as it informs people that the company is in business, promotes sales, and broadens the audience's reach. Being combined with the other communication mix elements, advertising is still amongst the best ways to convince potential customers to make a purchase decision. (Dietrich and Livingston, 2012, p. 102 – 3)

2.1.2 Sales Promotion

Sales promotion comprises short-term stimuli to purchase a product or service by offering samples, coupons, trade promotions, and business and sales force promotions. (Kotler and Keller, 2012, p. 478)

2.1.3 Events

Amongst the events, activities such as conferences, arts, brand-related programs, or trade shows may be included. Participating in an event gives a great opportunity to network with clients, learn from industry leaders, or increase brand awareness. A face-to-face meeting is still the best way to build relationships. (Kotler and Keller, 2012, p. 478; Dietrich and Livingston, 2012, p. 99 – 100) This form of marketing communication may be beneficial. However, there are many disadvantages which the company must take into consideration. For instance, industry trade shows have seen a decline in attendance as companies cut expense budgets. Besides, some attendees may be tired of the same ways of persuading people and lack of creativity. Planning an event is a time-consuming activity, which requires a huge amount of backup plans in case of catering failure, or speaker cancellation. Thanks to this, many events are turning virtual. Nevertheless, virtual events have disadvantages too. For instance, it is more difficult to keep people's attention, which reduces the event's efficiency. (Dietrich and Livingston, 2012, p. 104 – 5)

2.1.4 Public Relations

Public relations (PR) cover everything from reputation management, crisis, corporate social responsibility (CRM), or media relations. It aims to communicate these issues to customers, the government, media, and other companies and company employees. First, PR creates brand awareness, as it reaches a large audience and creates credibility. People prefer doing business with those they like and know. Thus, CRM allows for good PR and shows the company's willingness to support the business (Kotler and Keller, 2012, p. 478; Dietrich and Livingston, 2012, p. 101)

2.1.5 Direct Marketing

Another marketing communication element is direct marketing, which comprises direct communication by telephone, e-mail, fax, mail, or Internet. (Kotler and Keller, 2012, p. 478) Direct marketing aims to sell the products and inform customers about potential developments or price changes. (Dietrich and Livingston, 2012, p. 84) However, direct communication has its disadvantages as there may be annoying customers with unwanted communication. Sometimes, the costs may rise extremely high. (Dietrich and Livingston, 2012, p. 89)

2.1.6 Interactive Marketing

Interactive marketing encompasses online programs and activities, which are designed to engage customers. It aims to raise brand awareness, elicit sales of the company's products and services and improve the image. (Kotler and Keller, 2012, p. 478)

2.1.7 Word-of-mouth Marketing

Word-of-mouth marketing is an action where consumers provide oral, electronic, or written information to the other consumers based on their experience. Word-of-mouth nowadays is much stronger than it used to be in the past, thanks to a huge rise of social networks. Customers can share stories, messages, and campaigns online, which helps reach a higher number of potential customers. (Kotler and Keller, 2012, p. 478; Dietrich and Livingston, 2012, p. 117) On the other hand, this huge advantage of online message spreading can become a disadvantage once people start to share negative things about the company, brand, product, and service. Therefore, it is necessary to be completely transparent – apologize to unsatisfied customers, fix the problems, and not get defensive. (Dietrich and Livingston, 2012, p. 126)

2.1.8 Personal Selling

The last element of the marketing communication mix is personal selling. It includes face-to-face interactions with potential customers to make product presentations, answer questions, and procure orders. (Kotler and Keller, 2012, p. 478)

2.1.9 Other Marketing Communication Tools

Besides the above-mentioned communication tools, there are other effective means of marketing communication, which companies may find useful.

Influencer relations are increasingly used these days as they may be one of the most effective tools for establishing credibility, building brand awareness, and increasing sales. (Dietrich and Livingston, 2012, p. 103) Moreover, like influencers, brand ambassadors may be an effective way of promotion as well. These people generally create valuable content posted on social media or blogs inexpensively. According to Dietrich and Livingston (2012), brand ambassadors help increase sales as people buy from those they trust. The important thing is that the company must find a highly influential person with many engaged readers who react to the potential brand ambassador's speech or article. (Dietrich and Livingston, 2012, p. 118 – 19)

Unlike the above-mentioned influencers and brand ambassadors, content marketing does not require third-party influencers or media participation. The company itself creates content marketing. By making the content educational and informative, people will share the content, which leads to word-of-mouth and community building. Moreover, people and even competitors begin to perceive the company as an expert, contributing to building a leadership position. (Dietrich and Livingston, 2012, p. 120) Nevertheless, the disadvantage of content marketing is that it is considerably time-consuming and labor-intensive. (Dietrich and Livingston, 2012, p. 127)

2.2 Integrated Marketing Communication

Due to advanced information technology, the importance of integrated marketing communication arises. It aims to build brand identity by coordinating the company's positioning, images, and corporate messages. As different company's departments usually coordinate the individual communication components, the overall communication strategy may not be completely unified. Besides, the communication approach often focuses on immediate awareness, which makes it too shortsighted. (Kotler and Armstrong, 2017, p. 430; Rahman et al., 2019, p. 70; Wilson et al., 2018, p. 631)

Moreover, in the case of integrated marketing communication of services, it is necessary to coordinate both external and internal communication to provide consistent promises. (Wilson et al., 2018, p. 631 – 32) Service businesses should communicate more broadly – apart from traditional advertising, companies should focus on the location of a delivery facility, corporate design, or appearance and behavior of employees. (Wirtz and Lovelock, 2016, p. 362)

According to Wirtz and Lovelock (2016), there is the Integrated Service Communication Model, which consists of '5Ws': *who, what, how, where, and when*. Firstly, it is needed to define the company's target audience and communication objectives. Then the company decides how the objectives will be communicated, which communication channels will be used, and when the communication activities will take place. Also, the model includes other considerations such as available budget, ethics, or corporate design. (Wirtz and Lovelock, 2016, p. 365) A similar approach is described by Rahman et al. (2019). They claim that integrated service communication should focus on five essential areas: the objective being the influence of customer behavior, utilization of all types of contact and correspondence, beginning from the point of view of the prospect, having the limited time frame, and fabricate the company properly with the client. (Rahman et al., 2019, p. 72 – 73)

2.3 Marketing and Coronavirus Pandemic

Since the beginning of the year 2020, when the coronavirus pandemic began to spread, many companies and industries have been affected by several restrictions. Most of the stores and service providers had to close their establishments. Unfortunately, the situation in 2021 is still the same. Therefore, the change in consumer behavior and marketing strategies may be observed. Many companies have moved their services online, which also brings changes in marketing trends.

Nowadays, the companies may be divided into two groups – companies being overwhelmed with orders such as pharmacy, groceries, pet supplies, or household goods, and companies lacking orders and interactions such as furniture, automotive, appliances, or luxury. (Deloitte, ©2021)

Due to the lack of orders, a lot of businesses moved online. Various seminars, events, or conferences are available online, but online shopping also noticed a considerable increase. Shopping through social networks has become very popular as it is simple and comfortable. Social media sales increased, mostly thanks to influencers. According to SmartBrief (©2021), a study found out that 40% of people purchased a product online after seeing it on influencer's YouTube, Twitter, or Instagram. Moreover, according to Besteto (©2021), about 63% of consumers trust influencers and their opinions, and 58% of people have bought a product based on a recommendation from an influencer in the last six months. (Besteto, ©2021; SmartBrief, ©2021)

Regarding online shopping, there are tools, which can search the products through visual content – images. Tools such as Google Images, Bing, CamFind, or Pinterest Lens allow searching for products by uploading a photo. Moreover, the Google Lens application enables consumers to search for the products and find book reviews or translate the text from a foreign language. (Besteto, ©2021)

According to SmartBrief (©2021), four trends will impact marketing strategies in 2021 and beyond. Besides influencers' role, which was already discussed above, and businesses using digital channels for product and service delivery and marketing, brands may be focusing on environmental, social, and ethical responsibility. There is a prediction that businesses committed to ethics, social and environmental sustainability will be more successful as far as the long-term perspective is concerned. Many companies have also taken an anti-consumerism approach. The last possible trend is the permanent change of consumer behavior. Companies will focus on value-based messaging, pricing, and short-term and long-term changes in products, services, and messages. For instance, virtual events will become a 'new normal' as they are growing in popularity. (SmartBrief, ©2021)

3 MARKETING OF SERVICES

Services make up about 63% of the gross world product. According to Kotler and Armstrong (2017), services may be divided into three categories: *government services* such as police and fire departments, hospitals, schools, or military services; *private non-profit services* including charities, museums, or hospitals well. The largest category is made up of *business organizations*, including, for instance, hotels, banks, real estate firms, airlines, or retailers. (Kotler and Armstrong, 2017, p. 258) Moreover, according to Kotler and Keller (2012), employees working in the *manufacturing* and *retail sectors* are service providers. Workers such as accountants or computer operators provide service to the 'goods factory'. The same applies to salespeople or cashiers with the difference that they do not provide the service to the factory, but they provide customer services. Therefore, it can be said that service may or may not relate to goods production and the physical product itself. (Kotler and Keller, 2012, p. 356)

There are four properties of services that every company must consider as they affect the marketing program's design. These properties are following:

- **Inseparability:** Services cannot be separated from their providers and must be produced and consumed simultaneously. As the provider is, in most cases, present, it is necessary to maintain good provider-client relationships.
- **Variability:** The quality of services differs as well. Many factors affect the quality of the provided services, such as place, service personnel, or the way the service is provided. To ensure that the company's employees provide quality services, firms should invest in good hiring procedures and training programs.
- **Intangibility:** Another services' property is its intangibility, which means that services cannot be seen, smelled, felt, heard, or tasted before their purchase. Thus, it is necessary to provide at least one tangible aspect of the service before the purchase to convince the customers about the service's quality.
- **Perishability:** The last property of the services is its perishability. That means that services must be used immediately when being sold – they cannot be saved for later use. It is also necessary to distinguish whether the demand is steady or fluctuating. Fluctuating demand may depend on season – for instance, accommodation services offer lower prices in the off-season to attract more customers. (Kotler and Armstrong, 2017, p. 258 – 59; Kotler and Keller, 2012, p. 358 – 60)

3.1 Service Marketing Mix

The marketing mix is a set of marketing tools that consists of four basic elements: *product*, *place*, *price*, and *promotion*. These tools are in most cases referred to as the '4 Ps'. However, the traditional marketing mix focuses more on the products and does not consider specific characteristics of services. (Wirtz and Lovelock, 2016, p. 69; Wirtz and Lovelock, 2018, p. 89) While Wirtz and Lovelock (2018) claim that it is necessary to expand the original 4 Ps by the characteristics of services, Payne et al. (2011) and Wirtz and Lovelock (2016) do not consider the existing four elements of marketing mix sufficient. They claim that it is needed to extend the marketing mix by another three Ps: *people*, *process*, and *physical environment*. Most service marketers consider this expanded marketing mix being appropriate for service businesses nowadays. (Payne et al., 2011, p. 37; Wirtz and Lovelock, 2016, p. 69; Wirtz and Lovelock 2018, p. 89) Each element of the expanded marketing mix is to be discussed below.

3.1.1 Product

Service as a product is the most important element of the whole marketing mix. Service product not only has to meet customer's primary need, but it also contains other supplementary services that add value to it. Supplementary service may be, for instance, providing consultation or handling exceptions. Service having a core and supplementary services is called 'The Flower of Service'. The core service is displayed as the center of a flower, and the surrounded petals symbolize supplementary services. The third service product component is its delivery process, which comprises, for example, the length and way the service is delivered to the customer. Services should offer value and satisfy the needs of target customers better than the firm's competition. (Wirtz and Lovelock, 2016, p. 69 – 70; Wirtz and Lovelock, 2018, p. 92 – 95)

3.1.2 Place

Service may be distributed physically, through electronic channels, or both. The distribution method strongly depends on the nature of the service. Generally, most of the information-based services may be distributed online or through electronic communication – however, it is necessary to distinguish whether it is delivering the core product or provision of supplementary services. While, for instance, the entire educational program, as the core product, may be provided online, the flight ticket bought online is only a supplementary service as the flight itself must be taken physically. In contrast, if the service must be

provided physically, it is necessary to distinguish whether the customers visit the service site or service providers go to the customer's site. (Wirtz and Lovelock, 2016, p. 70; Wirtz and Lovelock, 2018, p. 122)

In today's busy age, the relevance of time and speed of service performance is becoming increasingly important. Many customers are willing to pay more to save time. (Wirtz and Lovelock, 2016, p. 71) However, performance speed is not the only aspect that a service company should take into consideration. According to Wirtz and Lovelock (2018), when providing a service where the customer must come to the service site, its location requires an investment and long-term commitment to gain and retain loyal customers. (Wirtz and Lovelock, 2018, p. 127 – 28)

3.1.3 Price

When setting the price, service marketers should not only follow the price that target customers are able and willing to pay. There are other aspects that affect consumer behavior: travel costs to a service location, negative experiences and unwanted physical and mental effort, or time spent traveling. Therefore, it is essential to take these aspects into account when dealing with the pricing strategy. (Wirtz and Lovelock, 2016, p. 71 – 72)

As the service industry is highly dynamic, it also requires a dynamic pricing strategy. Every service provision acquires certain assets such as equipment or labor providing the service - however, when there is no demand, the firm does not create value from the assets. On the other hand, when demand exceeds capacity, there is a risk of losing the customers as they need to wait until later or use competitive services. Thus, it is key to use dynamic pricing strategies to match the dynamic demand by adjusting price levels according to place and time of delivery, capacity available, or customer segment. (Wirtz and Lovelock, 2016, p. 71 – 72)

According to Wirtz and Lovelock (2018), pricing strategy has three foundations:

- **Cost-Based Pricing:** Service providers usually have a higher ratio of fixed costs to variable costs than manufacturing companies. Therefore, it is convenient for service companies to choose activity-based costing, which more accurately allocates indirect costs. It is also necessary to set the price high enough to cover all incurred costs.
- **Value-Based Pricing:** Marketers must understand customer's perception of service value – its costs and benefits. The difference between all benefits and all costs is

called 'net value'—the greater the difference, the greater the net value. Service value may be further specified as a low price, quality received for the price paid, or whatever is wanted in a service.

- **Competition-Based Pricing:** When offering a service with no or little difference from the competitors, the decisive aspect is, in most cases, the lowest price. Therefore, companies with the lowest costs and prices have a huge competitive advantage. Price reduction, however, is not the solution to beat the competition as the business might be running at a loss. (Wirtz and Lovelock, 2018, p. 154 – 163)

3.1.4 Promotion

As services are intangible, it is not always easy to visualize them and make them tangible for the purpose of promotion. Firstly, it is necessary to realize what is the purpose of the marketing program and promotion. According to Wirtz and Lovelock (2016), there are three roles of effective marketing communication: *persuading target customers to buy the service product, providing needed information, and encouraging target customers to act*. To get the best results, service providers should inform the customers about the benefits of the service and when and where they can get those. Moreover, Wirtz and Lovelock (2018) came up with 'The Integrated Service Communication Model', which includes the '5 Ws' model representing the basis of marketing communication. The '5 Ws' are the following:

- **Who is our target audience?** There are three target audiences for marketing communication: the company's current customers, prospective customers, and target segments, and employees as a secondary audience.
- **What do we need to communicate and achieve?** There are two communication objectives – strategic and tactical. Strategic objectives are positioning and differentiation of the brand and service. On the other hand, tactical objectives include the pre-purchase stage (managing customer choice and search), service encounter stage (customer guiding throughout the service), and post-encounter stage (managing customer satisfaction and building loyalty).
- **How should we communicate this?** Promoting a service is not always easy for its intangibility. Thus, message decision and service-specific challenges of service communication will be discussed in more detail below.

- **Where should we communicate this?** There are three key sources for service communication mix. These are marketing communication channels including traditional and online media; service delivery channels comprising self-service delivery points, service outlets, and frontline employees. Messages from outside of the organization are the last key source of communication. These messages include social media, blogs, or word-of-mouth marketing.
- **When does the communication need to take place?** This comprises timing decisions, where it is essential to map the timing and use the media plan flowchart.

As it was already mentioned, services are intangible. This intangibility may be both mental and physical. While physical intangibility means that customers cannot experience the service by touch or other senses, mental intangibility represents a difficulty for customers to understand the service's value and benefits and visualize the experience before the purchase. Thus, the purpose of the service provider's marketing communication is to demonstrate its competencies and benefits using physical images and metaphors. There is also an importance of personal interaction of service employees, who help customers make choices, educate them on what to expect during and after service provision, and help the customers throughout the service process. By doing so, service companies become more appreciated, competent, and productive, resulting in cost reduction, and reducing the price that customers pay for the service. (Wirtz and Lovelock, 2016, p. 72 – 73; Wirtz and Lovelock, 2018, p. 196 – 97)

3.1.5 People

Despite a huge technological development, people are essential when delivering a service as there are still many services, which require direct interaction between the employees and customers. Therefore, the quality of service is highly determined by the company's personnel's behavior and quality, especially in services requiring high levels of customer contact. Service providers should work closely with the HR (Human Resources) department and focus on selecting, training, and motivating the employees. Moreover, employees need to have good technical and interpersonal skills. (Payne et al., 2011, p. 37; Wirtz and Lovelock, 2016, p. 76)

3.1.6 Process

Service delivery requires effectively designed and implemented service processes. Service's procedures, policies, and routines, which influence service delivery, may highly determine customer's perception of the service. When the service is done poorly, the process becomes ineffective, leading to wasted time and customer dissatisfaction. Frontline employees are affected too, as it leads to employee dissatisfaction and low productivity. To prevent low productivity and dissatisfaction, managers should carefully design service processes, implement thorough management of service quality, adopt standardized procedures, train employees more carefully, and automate some of the employees' tasks.

Service scholars claim that customers are often partial employees as they help service providers by telling them what their needs, wants, or ideas are like. Moreover, self-service, Internet, and smart machines involve even more of the customer's participation. Therefore, quality, and well-designed service processes are required to facilitate service delivery. (Payne et al., 2011, p. 37; Wirtz and Lovelock, 2016, p. 74 – 75)

3.1.7 Physical Environment

Since a service as a product is intangible, it is needed to focus on designing the physical environment to provide tangible proof of the service quality. The physical environment may include the appearance of buildings, interior furnishing, and equipment, staff member's uniforms, printed materials, or signs. This environment facilitates service delivery and provides guidance throughout the service process, but primarily, the environment impacts service productivity and customer satisfaction. (Wirtz and Lovelock, 2016, p. 75 – 76)

Even though the physical environment is considered the last element of the marketing mix, according to Payne et al. (2011), it is not the physical environment but the customer service. This element should help to build better and closer relationships with customers by differentiating the service itself and focusing on the customer's demand. (Payne et al., 2011, p. 37) Nevertheless, similar issues were discussed in the previous chapters. Thus, this may not be considered a separate element of the service marketing mix.

4 ANALYTICAL METHODS

Each company's marketing environment includes actors and outer marketing forces that affect the building and maintaining relationships with customers. Therefore, marketers' task is to collect information and develop insights about the marketing environment and study customer and competitor environments to adapt their strategies and seek out new opportunities. (Kotler and Armstrong, 2017, p. 92) Many analytical methods help develop insights about the company's marketing environment, and this chapter focuses on a few of them.

4.1 Macroenvironment Analysis

The marketing macroenvironment includes all external factors which affect the company. According to Blythe and Megicks (2010), external factors comprise the government, competitors, the industry structure, the technological environment, the ecology, and the economic situation. Similarly, Kotler and Armstrong (2017) claim that external factors include the demographic, economic, natural, technological, political, and cultural environment. A company's macroenvironment cannot be controlled or influenced. However, it may be predicted through skilled management. (Blythe and Megicks, 2010, p. 80; Kotler and Armstrong, 2017, p. 96)

4.1.1 PEST Analysis

PEST model is probably one of the best-known macroenvironment analyses. It consists of four factors, which affect the company from the outside: *political*, *economic*, *socio-cultural*, and *technological* factors. (Blythe and Megicks, 2010, p. 80 – 1)

Political factors: according to Kotler and Armstrong (2017), the political environment "consists of laws, government agencies, and pressure groups that influence or limit various organizations and individuals in a given society". (Kotler and Armstrong, 2017, p. 108) Government interventions may include changes in the taxation structure and legislation or increased help for some industry sectors. (Blythe and Megicks, 2010, p. 83) To ensure fair markets and encourage competition, it is advisable to have at least some regulation. Kotler and Armstrong (2017) describe three main purposes of government regulation. It serves to protect companies from unfair competition and consumers from unfair business practices. Regulating unfair business practices is needed as some companies mislead consumers in their advertising, make products of poor quality, or invade consumer privacy. The last

purpose is to protect society's interests and ensure that the company takes responsibility for its social costs. (Kotler and Armstrong, 2017, p. 109)

Economic factors: macroeconomics deals with overall demand in the economy, which is determined by the cost of imports and exports, the overall supply of money, or the average earnings of people in the country. It also deals with the cost of living, interest rates, or savings and borrowing patterns. Government is interested in growing demand as it increases wealth and revenue from taxation. Thus, they regulate the supply of money to have control over overall demand in the economy. (Kotler and Armstrong, 2017, p. 104; Blythe and Megicks, 2010, p. 85)

Socio-cultural factors: according to Blythe and Megicks (2010), socio-cultural factors comprise the following aspects: *demographic forces, culture, social responsibility and ethics, and consumerism*. As for demography, it deals with population structure, specifically with age, gender, education, wealth, income, race, or ethnicity. Birth and death rates or wealth distribution and concentration may mean new opportunities for marketers. As far as the culture is concerned, it comprises customs, religion, behaviors, beliefs, and language of a larger population group. The cultural aspect is essential, especially in international trade, to effectively communicate with the business partners and know the consumption patterns. Social responsibility and ethics affect companies as certain cultures have an idea of the proper company's behavior and ethical marketing. The last factor, consumerism, began to spread with the Internet's invention as shopping became easier and goods and services were more available. (Blythe and Megicks, 2010, 85 – 88)

Technological factors: the technical environment constantly changes, which brings new opportunities for marketers. In recent years, communication technology and electronics have been used increasingly. For instance, online marketing communication is almost a matter of course today. Nevertheless, this was not the case once. (Kotler and Armstrong, 2017, p. 106; Blythe and Megicks, 2010, 88)

4.2 Microenvironment Analysis

The company's microenvironment does not comprise only the company itself as other outer microenvironment actors make up the company's value delivery network. These actors are suppliers, competitors, marketing intermediaries, the public, and customers, who are considered the most important as the whole value delivery system aims to serve the customers and build strong relationships. (Kotler and Armstrong, 2017, p. 92 – 3)

4.2.1 Porter's Five Forces Model

Michael Porter identified five forces that have a huge impact on the company's profitability and determine market or market segment attractiveness. These forces are *competitors*, *potential entrants*, *buyers*, *suppliers*, and *substitutes*. Porter's model aims to explain how competitive advantage and competitive power arise because of these microenvironmental factors. (Blythe and Megicks, 2010, p. 81; Kotler and Keller, 2012, p. 232; Payne et al., 2011, p. 145)

Competitors: to succeed in the market, it is necessary to be aware of the company's position and understand its competitor's ambitions and strategies. (Payne et al., 2011, p. 145) In some industries, the competition may be fierce as there are aggressive competitors, high fixed costs, exit barriers, or declining segments. (Kotler and Keller, 2012, p. 232)

Potential entrants: foreign expanding companies or firms seeking to diversify in the segment may be considered potential entrants. As for the segment entry assessment, segments with high entry barriers and low exit barriers are considered the most attractive as few new companies can enter, while poor companies can easily exit. On the other hand, segments with low entry barriers and high exit barriers are the worst, resulting in chronic overcapacity and depressed earnings. (Blythe and Megicks, 2010, p. 81; Kotler and Keller, 2012, p. 232; Payne et al., 2011, p. 145)

Buyers: companies need to understand what forces influence customer's purchase decision-making. (Payne et al., 2011, p. 145) According to Kotler and Keller (2012), there is a risk of buyers' bargaining. This situation may occur when products are undifferentiated, represents a significant fraction of their costs, or when buyers are price sensitive. (Kotler and Keller, 2012, p. 232)

Suppliers: suppliers may be able to control the competition if they hold much of the industry's power. (Blythe and Megicks, 2010, p. 81) In some cases, suppliers can reduce the supplied quantity or raise prices. This may happen when suppliers are organized and concentrated, when there are not many substitutes, or when the supplied product is a necessary input. Using multiply suppliers or building win-win relationships is the best protection against abuse of power by suppliers. (Kotler and Keller, 2012, p. 232)

Substitutes: substitutes can limit profits and product prices. It can also cause an intensive competitive position. (Blythe and Megicks, 2010, p. 81; Kotler and Keller, 2012, p. 232)

4.3 Target Marketing

As companies cannot serve all customers in large and diverse markets, they should focus on those segments with the most significant satisfaction level. Target marketing contributes to more effective competitiveness as the right segment's identification and satisfaction are key to marketing success. Effective target marketing begins with proper market segmentation, continues with choosing the right target market, and ends with positioning the company against the competition by communicating the benefits of the company's offering. By doing this, the company may avoid chasing people who are not interested in the company's product or service, therefore, avoid wasting the company's resources. (Kotler and Keller, 2012, p. 213; Blythe and Megicks, 2010, p. 135)

4.3.1 Segmentation

Segmentation is the process of dividing a market into segments that consist of customers with common characteristics, needs, wants, or consumption patterns. Customers within the same segment should have their needs as similar as possible. (Kotler and Keller, 2012, p. 214; Wirtz and Lovelock, 2018, p. 68)

According to Kotler and Keller (2012) and Wirtz and Lovelock (2018), market segments are defined by geographic, demographic, psychographic, and behavioral characteristics. Geographic segmentation focuses on certain nations, states, regions, or cities. Demographic segmentation focuses on a wide range of variables such as age, family, gender, education, religion, race, income, social class, or nationality. This type of segmentation is favored as it is easy to measure, and the variables are often associated with customer's needs and wants. While psychographic uses psychology and demographics to divide customers into the segments according to their personality traits, values, or lifestyle, behavioral segmentation divides customers according to their attitude, knowledge, or response to the company's product. (Kotler and Keller, 2012, p. 214 – 227; Wirtz and Lovelock, 2018, p. 68)

On the other hand, according to Randazzo (2014), it is beneficial to divide customers into segments by spending as it has the greatest impact on the business. There are three customer categories: *key customers*, *underpotential customers*, and *nonusers*. (Randazzo, 2014, p. 29)

According to Blythe and Megicks (2010), market segmentation operates at four levels: *mass marketing*, *segmented markets*, *niche marketing*, and *micromarketing*. Mass marketing comprises products produced in vast quantities at very low prices. The disadvantage is that

only a few products are wanted by all customers, which leads to a significant price competition. Other segmentations identify groups of customers with similar needs, small segments with targeted products, and micromarketing, which adapts its products to the requirements of each customer. (Blythe and Megicks, 2010, p. 141 – 2)

After defining the market segment, it is necessary to understand the value required by customers, which comprises benefits acquired from the offer and the lifetime cost or convenience of a purchase given in exchange by the customer. (Payne et al., 2011, p. 14)

4.3.2 Targeting

Once the company has segmented its customers, it must decide which segments and how many are to be the target. According to Kotler and Keller (2012), market segments should be measurable, substantial, accessible, differentiable, and actionable so that the targeting was efficient. Segments should be large and profitable enough to it was worth preparing a tailored marketing program, they should be reached and served effectively and respond differently to divergent elements of the marketing mix and marketing programs. (Kotler and Keller, 2012, p. 231 – 2; Wirtz and Lovelock, 2018, p. 68)

According to Blythe and Megicks (2010), there are five possible market coverage strategies:

- **Full coverage:** company focuses on every possible segment of the market;
- **Selective specialization:** company selects niches that, however, are not closely related but they are profitable;
- **Market specialization:** the company produces everything that a particular group of customers' needs;
- **Product specialization:** company produces a wide range of a specific product type;
- **Product/market concentration:** the company takes over a small part of the market.

Choosing the right strategy and accessing the right market segment is probably the most important activity of each marketer. (Blythe and Megicks, 2010, 183)

4.3.3 Positioning

Positioning is the place that the company's offerings occupy in the consumers' minds and the process of creating a perception of the company in relation to its competitors. Besides, the company must differentiate its product or service from the competitors to create a unique

brand positioning. (Blythe and Megicks, 2010, p. 188; Kotler and Keller, 2012, p. 276; Wirtz and Lovelock, 2018, p. 68)

As positioning relates to competing brands, according to Kotler and Keller (2012), it is appropriate to create the 'competitive frame of reference' that defines brand competes and brands that should undertake the competitive analysis. Defining the frame should start with the identification of the company's competitors, followed by their analysis. (Kotler and Keller, 2012, p. 276 – 82)

Marketers aim to create a collective perception among the company's target segment. According to Blythe and Megicks (2010), every person has a so-called perceptual map that comprises information about the products they buy, consider their purchase, or never buy. Thus, positioning's task is to place the product at the appropriate point in the perceptual map related to competing products. (Blythe and Megicks, 2010, p. 188 – 9) A simple perceptual map is shown in Figure 1.

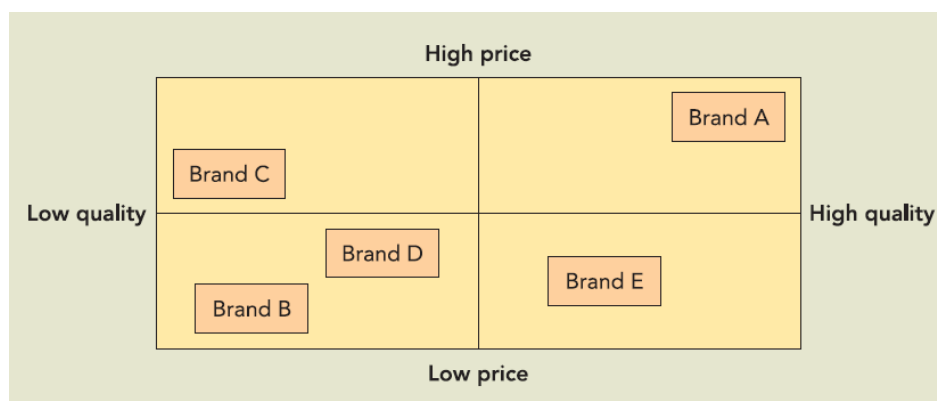


Figure 1: Simple perceptual map (Blythe and Megicks, 2010, p. 189)

A similar approach may be observed at Wirtz and Lovelock (2018). They consider perceptual maps to be a great tool helpful in visualization of the company's competitive positioning and mapping over time development and developing scenarios of potential competitor responses. (Wirtz and Lovelock, 2018, p. 76)

4.4 Benchmarking

Benchmarking is the process of "comparing the company's products and processes to those of competitors or leading firms in other industries to identify best practices and find ways to improve quality and performance". (Kotler and Armstrong, 2017, p. 546) To prepare an effective competitive strategy, it is essential to identify the highest standards for products,

services, or processes, compare them with the company's conditions, and improve to reach those standards. (Rostek, 2015, p. 33)

According to Rostek (2015), the benchmarking process consists of six stages. Firstly, it is necessary to plan and set the scope, goals, and measures of these goals in the benchmarking process. When the goals are planned properly, adequate data and information gathering follow. Then the gathered data are analyzed, and subsequent results are validated and verified. According to the analysis results, it is needed to plan changes, followed by their execution and implementation. The last step comprises reviewing results, evaluating the goals' achievement, and the need for another process iteration. However, this benchmarking process does not end with the sixth stage as the process is cyclical, and therefore, it usually returns to the first stage for the next iteration. This cyclicity contributes to the company's improvements and goals achievements. (Rostek, 2015, p. 35 – 36)

4.5 SWOT Analysis

Situational SWOT analysis comprises a critical view of the company's strengths and weaknesses and the market's opportunities and threats. (Randazzo, 2014, p. 33) This analysis is commonly seen as a key in the marketing strategy process as it brings together the internal as well as external evaluation of the company's conditions using data gained from the marketing audit. Regarding the internal and external data obtained, the company may try to convert weaknesses into strengths and threats into opportunities as strategizing is a key aspect of the marketer's task. (Blythe and Megicks, 2010, p. 130 – 1)

To create the list of internal and external data as specific as possible, it is appropriate to create a group of leaders from various company departments as they may provide different information. (Randazzo, 2014, p. 34) Moreover, according to Payne et al. (2011), it is appropriate to focus initially on each company's segment in particular when creating a SWOT analysis. While doing an audit on the overall company provides the generalities only, focusing on each segment or department of the company helps recognize the real factors driving the business. (Payne et al., 2011, 174)

4.5.1 Internal Analysis

Every business must evaluate its strengths and weaknesses. This might help not only to correct the weaknesses but also to find or develop new strengths. (Kotler and Keller, 2012, p. 50)

According to Payne et al. (2011), two areas should be considered when searching for the company's strengths and weaknesses. These areas are *operations and resources* carried out by the company and *own company*. Some of the concrete internal factors are listed in Table 1.

Own company	Operations and resources
Sales (total, by customer, or product)	Marketing objectives
Market shares	Marketing strategy
Profit margins	Structure of authorities and responsibilities
Marketing procedures	Information system
Marketing organization	Planning and control system
Sales/marketing control data	Profitability analysis, cost-effectiveness analysis
Marketing mix variables (selling, PR, advertising, people, distribution, etc.)	Functional efficiency

Table 1: Internal factors – (Payne et al., 2011, p. 173)

4.5.2 External Analysis

To be successful and earn profits, it is necessary not only to monitor the company's internal factors but also the external ones. It is necessary to track developments, new trends, and other related opportunities and threats and then develop and profit from the opportunities found. (Kotler and Keller, 2012, p. 48)

According to Payne et al. (2011), opportunities and threats may be divided into three areas: *business and economic environment*, *market environment*, and *competition*. Some of the external factors belonging to those areas are listed in Table 2.

Business and economic environment	
<i>Economic</i>	Inflation, unemployment, energy, materials availability
<i>Political</i>	Taxation, union legislation, nationalization
<i>Social and cultural</i>	Education, migration, religion, environment, lifestyle
<i>Technological</i>	Technology affecting the industry – e.g. new methods
<i>Intracompany</i>	Capital investment, closures, strikes
The market	
<i>Total market</i>	Size, trends, growth
<i>Market characteristics</i>	Prices, distribution, communication, developments, channels
Competition	Industry structure and profitability

Table 2: External factors – (Payne et al., 2011, 172)

4.6 Marketing Research

According to Burns and Veeck (2020), marketing research "is the process of designing, gathering, analyzing, and reporting information that may be used to solve a specific problem". It may solve problems such as price setting or selection of the most effective advertising media. (Burns and Veeck, 2020, p. 7) According to Blythe and Megicks (2010), marketing research may be primary, secondary, or done in the form of environmental scanning. Environmental scanning continuously monitors the key issues in a certain environment. While secondary research uses already published data, primary research is compiled to answer specific problems and gain data that cannot be gained from secondary research. Primary research may be qualitative or quantitative. (Blythe and Megicks, 2010, p. 92 – 3)

4.6.1 Quantitative research

Quantitative research consists of structured questions, usually with predetermined response options. Even though it is intended for a large number of respondents, it is less expensive than qualitative research intended for a small group of people. Quantitative research usually gets responses from a sizable sample of the population. (Burns and Veeck, 2020, p. 122) Probably the most common form of quantitative research is a questionnaire survey.

The questionnaire survey is popular for its flexibility as there are many possibilities of how to ask questions. It may be administered in person, by e-mail, phone, or online. Moreover, there are two types of questions that the researcher may use. Open-ended questions allow respondents to complete a sentence or answer in their own words completely. These questions are primarily used for exploratory research to determine the respondent's opinion as the questions do not measure how many people think in a certain way. On the other hand, close-ended questions may be designed in single or multiple-choice questions or scale questions. These types of questions are easier to interpret, but the disadvantage is that they limit respondents' answers. (Kotler and Keller, 2017, p. 139)

As questionnaires can be deceptively simple, they may cause some problems. The poorly constructed questionnaire can lead to a mistaken conclusion. Moreover, the questionnaire's design influence the collected data. Therefore, it is important to invest time and effort into questionnaire development. (Burns and Veeck, 2020, p. 203; Pingali, 2015, p. 72)

5 SUMMARY OF THE THEORETICAL PART

The goal of the theoretical part was to gain theoretical knowledge to create a marketing campaign for the fitness center. This knowledge was obtained from several literary sources.

The beginning of this part is devoted to the theory of marketing campaign, marketing communication, and marketing of services, including the marketing mix of services. Moreover, there is also a chapter concerning the impact of the coronavirus pandemic on contemporary marketing. The fourth chapter deals with analytical methods, namely PEST analysis, Porter's five forces model, target marketing, benchmarking, SWOT analysis, and marketing research.

For the purpose of the analytical part, the theoretical knowledge obtained from this part is to be used, especially knowledge related to PEST analysis, Porter's model of five forces, benchmarking, and SWOT analysis. Theoretical knowledge will also be used as the theoretical basis for analyzing the current marketing strategy of the fitness center and creating the qualitative and quantitative marketing research.

II. ANALYSIS

6 METHODOLOGY

Analysis of Current Marketing Strategy

As part of the fitness center analysis, the analysis of the current marketing strategy, which includes individual aspects of the extended marketing mix (7 P's), was performed. The analysis was performed by me, the author of this thesis, and the information contained in the marketing strategy analysis is obtained from the Box-Fit Gym fitness center website or their Facebook and Instagram pages, and from the in-depth interview with the fitness center owner.

Benchmarking

Individual aspects of the above mentioned marketing strategy were further used in comparing the fitness center with its competitors using the benchmarking method. Three competing fitness centers were selected for this method, whose individual aspects of the marketing mix were rated points on a scale from 1-5, where 1 is the lowest number of points and 5 is the highest one.

SWOT Analysis

Further, the SWOT analysis of internal and external factors was performed. Individual items of the analysis were rated points according to the degree of satisfaction or dissatisfaction. Each item was also assigned a weight of importance. By multiplying these weights by the point rating, the values of internal and external factors were calculated. The sum of these two values resulted in the balance of the SWOT analysis.

Quantitative research

Regarding the questionnaire survey, current loyal fitness center clients were approached to ascertain their satisfaction to avoid their fluctuation and develop possible improvements within the provided services. The questionnaire survey also aimed to determine whether current clients would return to the fitness center after its opening. As a result of the questionnaire, the experience of the loyal customers will be identified, on the basis of which the campaign to build and support the loyalty and gain new clients will be developed.

Based on the data collected, 54 respondents participated in the questionnaire survey, of which 51 respondents are current clients of the fitness center and 3 respondents who have not visited the fitness center yet. Still, they would like to become their clients after re-opening.

The questionnaire survey was conducted in the form of a structured online questionnaire created through the Google Forms platform. The questionnaire consisted of 14 questions, of which 4 were identification questions. It contained open-ended questions, where clients could express their opinion, as well as close-ended questions with a choice of one or more options, and one evaluation question concerning client satisfaction, where there was a possibility to evaluate on a scale of 1-5. The questionnaire can be seen in Appendix P I (Czech version) and in Appendix P II (English version). The questionnaire was published on the fitness center's Facebook page, and the data collection took place from April 2 to April 9, 2021.

Based on the questionnaire survey, following four hypotheses were identified:

- **H1: More than 60% of respondents rated the overall satisfaction in the fitness center as very satisfactory.**
- **H2: More than 80% of respondents will continue to attend the fitness center after its re-opening.**
- **H3: Is there a statistical dependence between the overall satisfaction and whether clients would switch to the competition?**
- **H4: Is there a statistical dependence between the period of fitness center attendance and whether clients will continue to attend the fitness center after its re-opening?**

The hypothesis H3 and H4 were assessed by the Pearson's chi-square test. The chi-square test was performed using MS Excel, where the observed and expected frequencies of the required data were defined. Subsequently, the P-value was calculated using the 'CHITEST' function, which confirmed or rejected the stated hypotheses.

The limit of the questionnaire survey can be considered addressing only a sample of the fitness center's clientele. In this case, it cannot be said whether there is a reluctance of the clients to complete the questionnaire or whether they merely failed to notice the shared questionnaire. Another limiting factor resulting from the examined sample may be an insufficient reading of the questions or its misinterpretation and subsequent distorted answer. The subsequent generalization of the results of the questionnaire survey or the chosen results analysis can be considered a limit too.

Qualitative research

The marketing research also included an in-depth interview with one of the fitness center owners, Ing. Jan Vašut. The interview took place on March 4 and lasted about 30 minutes. Within the interview, information that served to introduce the fitness center and analyze its current marketing strategy were obtained. I also asked the owner six questions regarding the current and future state of the fitness center, the English transcript of which can be seen in Chapter 14 In-Depth Interview.

7 INTRODUCTION OF FITNESS CENTER BOX-FIT GYM

Box-Fit Gym v.o.s. is a fitness center based in Rožnov pod Radhoštěm. It was established in September 2018 by two shareholders with no deposit obligation.

Fitness center provides quality fitness and martial arts equipment available for customers from 7:00 to 20:00 on workdays and from 9:00 to 12:00 at the weekends. Besides the 'open gym' possibility, the fitness center offers the following lessons and training:

- Circuit training;
- Individual training;
- Kickbox;
- HIIT (High Intensity Interval Training);
- CrossFit training;
- Self-defense and self-defense for kids.

According to the fitness center database, the fitness center has currently about 70 existing clients, most of whom belong to the 20 to 40 age group. These clients are mostly people who are interested in fitness and exercise in order to improve their physical condition and body shaping.

The Fitness center also offers the possibility to purchase many quality health and sports supplements and sports equipment. Even though these supplements and equipment may be purchased in the fitness center only, currently, an e-shop, where all these products can be purchased, is being launched. Its launch is scheduled for sometime this spring (spring 2021). The launch of the e-shop will also include a new website and logo design and graphic designs for gloves and clothes corresponding to the corporate design of the fitness center. It will be possible to purchase the gloves and clothes at the e-shop and the fitness center.

Figure 2 shows the fitness center's current logo, which is designed in black, white, and red colors. It consists of a 'Box-Fit Gym' inscription, an outline of a person in a hood, and there is a yin-yang symbol in the background. According to Experience Life (©2020), yin-yang, in connection with fitness, combines the focus of yin and the intensity of yang, which represents a variety of fitness center services.

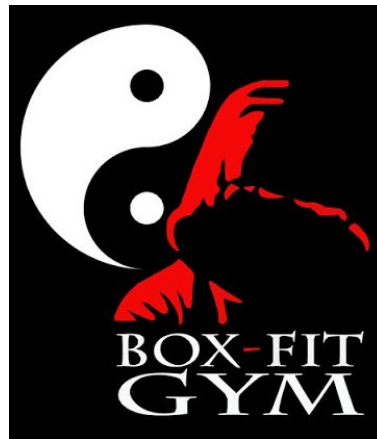


Figure 2: Logo (Box-Fit Gym, ©2021)

In addition to the logo, the fitness center also has its slogan: "Víceúčelový gym s osobním přístupem".

7.1 Coronavirus Pandemic Impact on Selected Fitness Center

Fitness centers have had to submit to several government restrictions over the past year. They have either had to be closed or operate under a restricted regime and adhere to strict hygiene measures. The fitness centers were closed for the first time between March 14 and May 11, 2020. A further closure followed in the autumn, namely from October 9 to December 2, and unfortunately, two weeks later, on December 18, the fitness centers closed again. This last closure lasts until now (March 2021). Therefore, converted to months, from March 2020 to March 2021, the fitness centers were closed for about six months.

To financially compensate for the loss of profit due to anti-pandemic measures, the government provides compensatory bonuses that should at least partially compensate entrepreneurs for the loss. The Box-Fit Gym only achieves the so-called 'COVID nájemné' bonus, which provides compensation in the form of 50% of the monthly rent. The fitness center is not entitled to any other compensation bonuses.

Table 3 shows a comparison of the fitness center's revenue in 2019 and 2020. As the fitness center has only been operating since September 2018, a gradual increase in revenue can be seen throughout 2019. Looking at the revenue from January and February 2020, more than double the increase compared to 2019 may be observed. However, this growth has been suspended due to anti-pandemic measures. The months affected by these measures are marked in bold. The most significant deficit can be seen in April 2020, when the fitness center even made no revenue, and in November. Revenue in the months when the fitness

center was closed is from selling health and sports supplements and sports equipment. This sale took place through the fitness center's issue counter.

	Revenue	
	2019	2020
January	47,062 CZK	85,337 CZK
February	32,084 CZK	74,100 CZK
March	66,505 CZK	65,876 CZK
April	44,438 CZK	0 CZK
May	47,453 CZK	71,723 CZK
June	43,131 CZK	101,727 CZK
July	43,012 CZK	68,519 CZK
August	26,532 CZK	72,878 CZK
September	43,309 CZK	97,726 CZK
October	48,013 CZK	33,711 CZK
November	98,547 CZK	10,818 CZK
December	96,963 CZK	65,356 CZK

Table 3: Revenue in 2019 and 2020 (own processing)

8 ANALYSIS OF CURRENT MARKETING STRATEGY

8.1 Product

Fitness center Box-Fit Gym offers the opportunity to work out in the gym using fitness and martial arts equipment.

Apart from this, the fitness center offers many group lessons and training, including circuit and CrossFit training, kickbox, and HIIT lessons. They also provide Reality Based Self Defense training intended for women, men, girls, boys from the age of 14, and self-defense training intended for kids between 6 to 13 years.

Contrary to group training, the fitness center also offers individual training with personal trainers, giving the client maximum care and supervision throughout the workout. The individual training intends to prevent incorrect exercise. It is suitable for beginners and clients dealing with certain difficulties and those who want to take their boundaries one step further. As every lesson is individual, the training plans are tailor-made for each client.

Besides exercise opportunities, they also offer the possibility to purchase vitamins, health and sports supplements, boxing bags, and other sports equipment such as bandages, rubber bands, or bottles and dumbbells.

8.2 Place

Box-Fit Gym is located at 2638/3 Svazarmovská street in Rožnov pod Radhoštěm with opening hours from 7:00 to 20:00 on workdays and from 9:00 to 12:00 at the weekends. This place is the only distribution channel where customers may go exercise and buy supplements and sports equipment. The Fitness center is located in a good strategic location near the bus and train station, shops, housing estate, and swimming pool. There are two high schools and an industrial area with many factories and offices nearby. Therefore, it is easily accessible not only for students but also for the workforce.

8.3 Price

Concerning prices, the fitness center offers the purchase of a single entry or season ticket. There are season tickets for either ten entries or unlimited entries (monthly or quarterly). Moreover, they offer reduced prices for students not only for single entries but also for season tickets. A complete price list may be seen in Table 4.

Lesson/entry type	Price
<i>Entrance fee for the fitness center</i>	
Single entry	85 CZK
Single entry – <i>student</i>	75 CZK
Season ticket for 10 entries	750 CZK
Season ticket for 10 entries – <i>student</i>	650 CZK
Monthly season ticket	950 CZK
Quarterly season ticket	2,250 CZK
<i>Lessons entrance fee</i>	
1 lesson	120 CZK
1 lesson – <i>student</i>	100 CZK
Season ticket for 10 lessons	1,050 CZK
Season ticket for 10 lessons – <i>student</i>	950 CZK
1 lesson of children self-defense	75 CZK
<i>Other entrance fees</i>	
Monthly season ticket to the fitness center + lessons	1,650 CZK
Monthly season ticket to the fitness center + lessons – <i>student</i>	1,485 CZK
Individual training	from 250 CZK
Pair individual training	from 350 CZK

Table 4: Price list (own processing)

The Fitness center has chosen a competition-based pricing strategy as there are more competitors with a similar offer in the fitness center vicinity. Their prices are among the lowest compared to competing fitness centers. Price comparison will be discussed in more detail in the chapter 10.5.2 Price.

8.4 Integrated Marketing Communication

As mentioned in the theoretical part, services are difficult to visualize before the purchase for their intangibility. Therefore, it is necessary to demonstrate the service's value and benefits and visualize the experience in advance. For this purpose, Facebook and Instagram pages are used as there are photos and videos from training, which may help demonstrate to customers what to expect from the fitness center's services.

8.4.1 Facebook

Facebook page is probably the most used tool of the fitness center's marketing communication. It serves primarily to inform clients about news, ongoing changes, or upcoming events. There are also photos and videos from training posted and information about opening hours, contact information, and Weblink. Posts are shared irregularly without any strategic planning. Currently, the page has 904 followers and 31 positive recommendations.

8.4.2 Instagram

Another marketing communication tool is the fitness center's Instagram page. On Instagram, there are slightly different posts than on the Facebook page. It contains posts regarding training photos, supplement and sports equipment offers, and a few information about the news and ongoing changes. Currently, the page has 486 followers and 36 posts.

8.4.3 Web

The Fitness center also has its website, where clients can find the information regarding the range of services provided, price list, photo gallery, the introduction of fitness center's coaches, and contact information. The website does not inform about the news, changes, or events like the above discussed social media pages, but its main purpose is to inform the lesson schedule. Moreover, there is a reservation system where clients can see the lesson schedule and each lesson's remaining capacity. It also enables the clients to book the training. The website's design corresponds with the logo as it is tuned to black, white, and red colors.

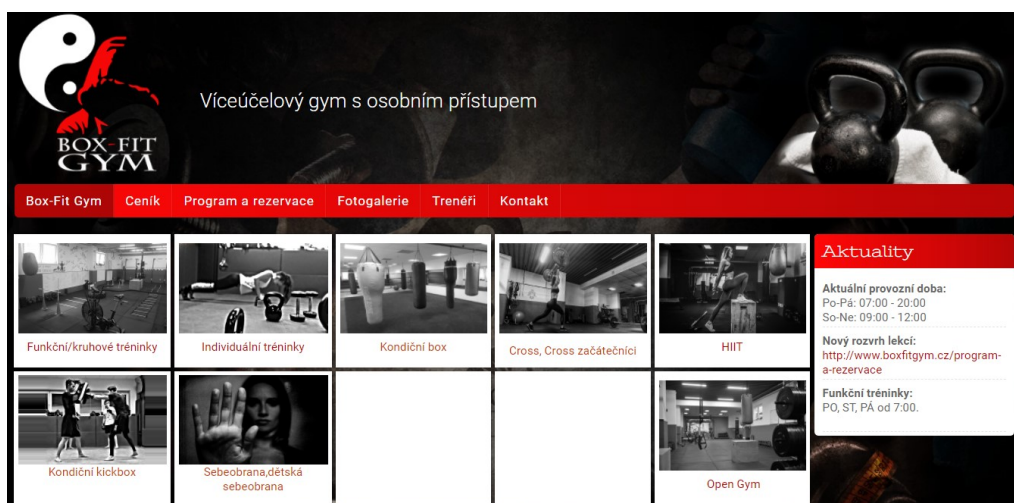


Figure 3: Website (Box-Fit Gym, ©2021)

Nevertheless, as mentioned in the fitness center's introduction, the fitness center addressed a graphic designer who is now working on a new website, logo, and e-shop design.

8.4.4 Events

Box-Fit Gym organized many events, including yoga workshops, different workout challenges, or a Christmas CrossFit party. One of the bigger events was called "Do formy za tři měsíce". It aimed to help the clients get in shape, teach the right technique of exercises, strengthen the body, and prepare healthy but still tasty food. For the price of 5,800 CZK, the program included measurement of body composition, theoretical support on nutrition and motion, eating and training plan, 36 training sessions under certified trainers' guidance, a three-month unlimited season ticket to the fitness center, and the whole-time online support. Six people attended this event, and unfortunately, it had to be interrupted for about a month due to government restrictions as the event started on March 1, 2020.

All fitness center events are promoted on their Facebook page, and some of them on Instagram as well.

8.4.5 Word-of-mouth Marketing

Since the fitness center's service provision is based mostly on a personal approach, word-of-mouth marketing may be considered of great importance. By approaching clients with willingness, helpfulness, and professionalism, they may pass their satisfaction with the service provided on to potential customers. Moreover, thanks to the significant use of social networks, people share reviews or post photos taken in the fitness center with reviews or recommendations.

8.4.6 Personal Selling

Personal selling may be considered a fitness center's marketing communication tool because almost all customer-service provider interactions are made directly in the fitness center. Thanks to this, it is possible to answer and explain all client's questions, ensure a personal approach to each client, or identify the business's shortcomings.

8.5 People

Having skilled and motivated personnel is a must when providing a service, as the communication takes place on a personal basis. Box-Fit Gym has four certified fitness coaches and one self-defense coach who has been granted accreditation by the Ministry of

Education, Youth, and Sports and has more than 25 years of experience in martial arts training and the Czech Armed Forces. Therefore, the fitness center's personnel may be considered skilled and professional enough to provide high-quality service.

8.6 Process

Emphasis on service delivery processes needs to be placed especially on the group and individual training. The communication between coach and client is extremely important as some clients require slower and calmer training because of their physical condition or health limitations, and some clients require challenging training. The whole process from reservation through the actual workout to its end must be done thoroughly and professionally. This would lead to the customer's satisfaction, repeated attendance of fitness center, and possible positive recommendations to potential customers.

8.7 Physical Environment

The fitness center's physical environment, specifically its interior design and equipment, is designed mainly in black, white, and red colors. This corresponds with the colors used in the logo and website design. All these aspects contribute to unified corporate design.

9 PEST ANALYSIS

The following chapter focuses on selected political, economic, socio-cultural, and technological factors of the macroeconomic environment, which impact the fitness center.

9.1 Political Factors

The services sector, which also includes fitness centers, has been affected by the coronavirus pandemic since March 2020. In this context, there are political factors that impact the fitness centers.

Probably the most fundamental political factor that has affected, and continues to affect, fitness centers have been government restrictions that prohibit the operation of fitness centers. As compensation, the government has set up several compensation programs to support entrepreneurs. Currently, if fitness centers meet the conditions, they can benefit from the following compensations:

- compensation of 500 CZK per day for sole traders and shareholders of small companies with the predominant business activity in closed economic areas – since February 1, 2021, this bonus has been increased to 1,000 CZK per day;
- the 'Antivirus' program, which provides employees of businesses that have been forcibly closed with 100% compensation of wages (maximum 50,000 CZK/month/employee);
- the 'COVID III' program, where the state guarantees the loans from private banks to entrepreneurs employing up to 500 people (the maximum guarantee period is three years, and the loan cannot exceed 50 million CZK);
- the 'COVID – Nájemné' program, which provides compensation in the amount of 50% of the monthly rent. (Česká komora fitness, ©2018)

Concerning the pandemic, the Ministry of Finance also deferred the tax obligation to those entrepreneurs whose activities were immediately restricted by government regulation. All payments of value-added tax, income taxes, and circulation tax due during the state of emergency, have been deferred. (Česká komora fitness, ©2018)

On July 1, 2020, a tax package, which extended the application of 10 % value-added tax to a wider range of services listed in Annex No. 2a to Value Added Tax Act No. 235/2004 Coll., entered into force. Added services include, for instance, accommodation services,

cultural events, or sports facilities – including fitness centers and gyms. Prior to this change, fitness centers were subjected to a 15 % value-added tax. (Finanční správa, © 2013 – 2021)

9.2 Economic Factors

Economic factors influence not only the behavior of the company but also the customer. The following economic factors were selected to evaluate the macroeconomic environment of the fitness center: the inflation rate, the unemployment rate, and the average gross monthly wage. The development of these economic factors from 2016 to 2020 can be seen in the graphs in Figures 4, 5, and 6.

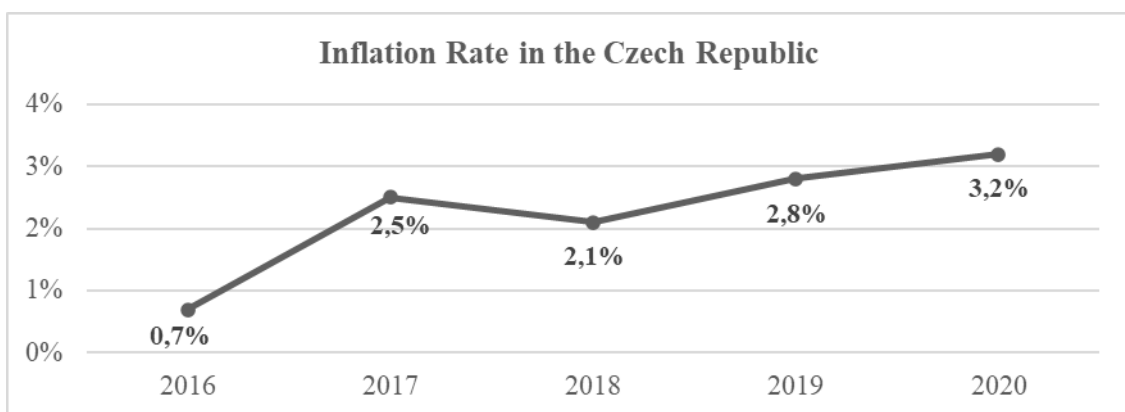


Figure 4: Inflation rate in the Czech Republic (Český statistický úřad, ©2021)

The graph shows that inflation in the Czech Republic has a growing trend. The average inflation rate for 2020 reached 3.2%. A slight decline can be seen since the end of 2020, with inflation slowing to 2.9% in February 2021. According to forecasts published by the Ministry of Finance, inflation is expected to continue to fall. The inflation rate is projected to ease to 1.9% in 2021. (Ministerstvo financí České republiky, ©2021)

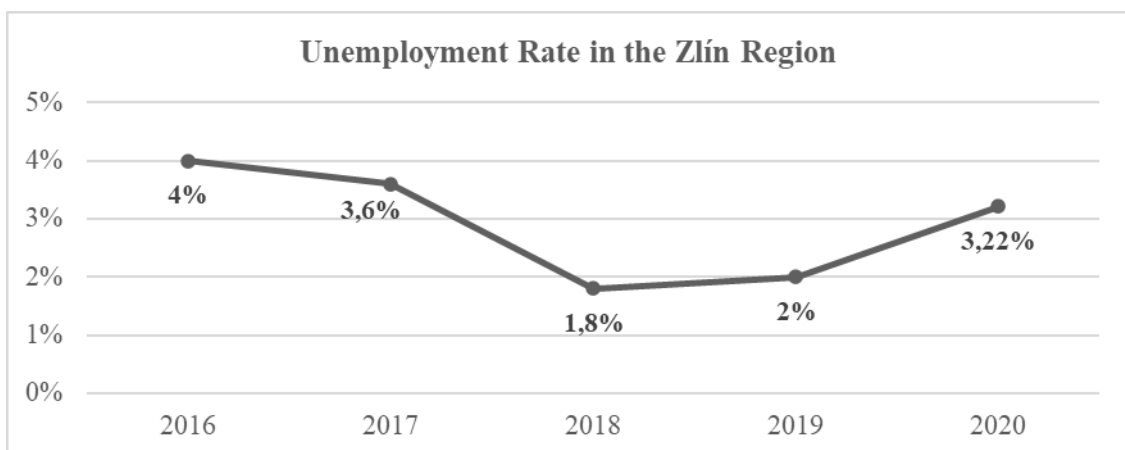


Figure 5: Unemployment rate in the Zlín region (Český statistický úřad, ©2021)

Regarding unemployment in the Zlín region, a growing trend can be seen. Unemployment is predicted to continue to rise due to the delayed effect of the economic downturn caused by the current pandemic situation.

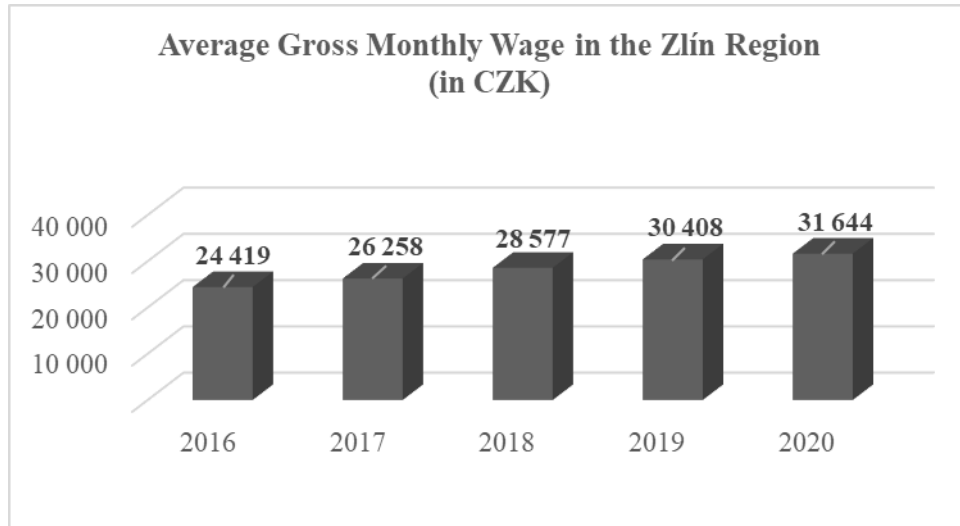


Figure 6: Average gross monthly wage in the Zlín region (Český statistický úřad, ©2021)
The graph, showing average monthly gross wages, shows the regular year-on-year growth of around 2,000 CZK.

Summarizing the economic factors mentioned above, one can see rising average wages on the one hand and rising inflation and unemployment on the other. Increasing people's income means that people can afford to buy more goods and services. However, other indicators must also be taken into consideration. On the contrary, rising inflation is causing rising prices for these goods and services, and rising unemployment results in more people with little or no income.

Regarding the fitness center, this means that people are receiving higher income and can thus invest more in leisure activities, such as visiting a fitness center. On the other hand, higher unemployment causes more people without a regular income from which they could afford to invest in non-essential goods and services. Besides, rising inflation increases the prices of goods and services, which would mean the fitness center needs to increase the prices of the services provided and the health and sports supplements and sports equipment they purchase from suppliers. This rise in prices, combined with rising unemployment, is not very favorable despite rising average wages. Nevertheless, predictions assume that inflation should ease this year, which would lead to a more favorable situation for the fitness center.

9.3 Socio-cultural Factors

The age structure of the population can be considered as a socio-cultural factor affecting the environment of the fitness center. Table 5 shows data obtained from the Czech Statistical Office on the age structure of the population of Rožnov pod Radhoštěm as of December 31, 2019.

Age group	Men	Women	Both	Age group	Men	Women	Both
0	90	78	168	50 – 54	529	556	1085
1 – 4	295	329	624	55 – 59	550	591	1141
5 – 9	404	340	744	60 – 64	464	554	1018
10 – 14	442	374	816	65 – 69	515	623	1138
15 – 19	340	310	650	70 – 74	466	587	1053
20 – 24	375	357	732	75 – 79	295	445	740
25 – 29	550	484	1034	80 – 84	129	278	407
30 – 34	544	522	1066	85 – 89	101	197	298
35 – 39	570	486	1056	90 – 94	30	87	117
40 – 44	602	632	1234	95+	3	10	13
45 – 49	633	631	1264	Total	7927	8471	16398

Table 5: Age structure of the population in Rožnov pod Radhoštěm (own processing)

The age groups of the population, which make up the majority of the fitness center's clients, are highlighted in yellow. It can be seen that the target group of the fitness center includes 3,888 inhabitants of Rožnov pod Radhoštěm, which makes up 23.71% of the total town's population.

The fitness industry has recently become increasingly popular. Despite the current unfavorable conditions, when fitness centers cannot provide their services, people's interest in a healthy lifestyle is not declining. People are also increasingly interested in healthy diets. There is a growing interest in organic food, zero-waste, packaging-free foods, and various nutritional supplements. CBD oils, for instance, are currently a trend among nutritional supplements to help improve mental well-being, improve sleep, and relieve pain. These benefits are particularly welcome at this time of the pandemic when more and more people suffer from mental health problems, depression, or insomnia. Adaptogens, being another trend, are plant extracts that improve mental health, performance, and regeneration. These adaptogen-containing nutritional supplements can provide benefits to fitness center clients

to better muscle regeneration and increase performance. As the Box-Fit Gym sells a variety of nutritional and health supplements, these new trends may be an opportunity to boost sales. The post-Christmas period, when people make new year's resolutions and try to lose weight gained during the Christmas holidays, can also be considered a social factor. During this period, fitness centers are seeing an increase in visitors. The same applies to the period in the run-up to summer when people strive to lose weight and gain muscles to look good in their swimwear. Unfortunately, thanks to the current situation, the fitness centers were closed after Christmas, which led to revenue loss from when the attendance of fitness centers is highest.

Due to the restrictions on the operation of fitness centers, it is now becoming a trend to move the fitness industry online. Fitness trainers provide online training or online nutritional advice. It is possible to participate in various webinars, exercise challenges, or work out according to videos. The already mentioned pandemic situation also contributes to the trend of online training. More and more people have mental health problems, anxiety, depression, and work from home, so they lack a certain regular regime and movement. Therefore, working out with the trainer online or according to the videos may improve their mental and physical health.

9.4 Technological Factors

Technology development has been advancing rapidly in recent years, whether it is new electronic devices, smart home technology, virtual reality, or artificial intelligence. The development of technology has also been reflected in the fitness industry, not least due to restrictions that have limited the operation of fitness centers.

Various fitness and wellness apps are becoming very popular these days. Fitness apps offer many exercise videos, tutorials, or even online lessons with fitness trainers. On the other hand, Wellness apps offer various meditation exercises or measurements of the length and quality of sleep.

Development of so-called wearable technology, which includes not only common fitness trackers or smartwatches collecting a huge amount of data ranging from step measurements, daily activity, calories burned to heart rate or heart health analysis, may be observed. High-tech clothing, which has similar functions as the already mentioned smartwatches, is

becoming the trend. Manufacturers offer, for instance, socks that measure distance traveled, including running speed, or a T-shirt that measures heart rate, steps, and cadence.

Smart technologies are also reflected in the field of exercise machines and sports equipment. Manufacturers have begun producing stationary bikes with monitors that stream live or recorded workouts, evoking the feeling of exercising in the fitness center. Another novelty is also a kettlebell with adjustable weight monitoring the intensity and length of exercise.

Online coaching and training are becoming even more popular these days. Modern technologies enable high-quality online transmission of both individual and group lessons. Online coaching can also increase the attractiveness of fitness as it becomes more accessible to a broader range of people or to those who are ashamed to work out in a fitness center in front of more people. Many fitness centers offer their instructional videos, online classes, or even apps.

10 PORTER'S FIVE FORCES

Five microenvironmental factors might have an impact on the fitness center's profitability and attractiveness. These are potential entrants, buyers, suppliers, substitutes, and competitors.

10.1 Potential Entrants

Establishing a new fitness center with a similar or even wider range of services could be considered the potential entrant. Furthermore, sports facilities providing self-defense courses or boxing and kickboxing lessons could be considered another potential entrant. Since Box-Fit Gym is the only facility providing these lessons, the entry of new competitors could be a threat to them. However, as far as entry barriers into the sector are concerned, it is currently less likely that a competitive fitness center or sports facility would be opened nearby, due to ongoing government restrictions and the precarious situation for the sector. A barrier may also be a higher initial investment in the equipment of the sports facility, which can be in the order of hundreds of thousands of Czech crowns.

As Box-Fit Gym also sells food supplements, vitamins, and sports supplements and equipment, opening a store offering such an assortment could also be the potential entrant. The new store could also pose a threat, as the sale of these supplements currently constitutes the fitness center's only income.

10.2 Buyers

As mentioned in the introduction of the analytical part, the fitness center has about 70 clients. Most of the clients are both men and women who belong to the 20 to 40 age group and are inhabitants of Rožnov pod Radhoštěm and its close surroundings. The fitness center's clients are interested in exercising in order to improve their physical condition and people for whom fitness became a part of their lifestyle. Most of the clients prefer attending some of the lessons and courses over the possibility to simply work out in the gym.

In the case of customers, there is a risk of switching to a competitive fitness center. The reason may be a better offer of lessons, better fitness center's availability and location, a more favorable price offer, or recommendations from acquaintances or friends.

10.3 Suppliers

In the case of suppliers of nutritional supplements and sports equipment, there is a risk of an increase in the prices of products sold. This would incur higher costs for the fitness center to purchase the products and force them to increase their selling price. If the price is too high, there is a risk that fitness center clients would not buy the products at the fitness center but would prefer, for instance, shopping online, where prices are often lower than in brick-and-mortar stores or directly in the fitness center.

Fitness center's food and sports supplements and sports equipment suppliers are:

- GreenFood Nutrition (foods and food supplements from preeminent and fully-fledged raw materials, foods for vegetarians and vegans, gluten-free and lactose-free foods);
- Activlab (food supplements for athletes and active people such as proteins, fat burners, ionic beverages, vitamins, or minerals);
- Amix Nutrition (nutrition supplements, sports clothing, and equipment);
- PT SERVIS (sports and health nutrition, sports equipment, and fitness machines);
- Fightsport.cz (e-shop specialized in equipment and clothing for martial arts, boxing, and fitness);
- Power System (equipment for weightlifting, fitness, yoga, strength training, boxing, and martial arts).

10.4 Substitutes

Various fitness apps and online lessons and training used for exercise at home may be considered substitutes, replacing the fitness center's attendance. Outdoor workout sports grounds, which are very popular nowadays, can also be considered substitutes. The advantage of these substitutes is that they are, in most cases, completely free of charge, unlike a fitness center attendance.

In the case of substitutes, the risk stems from long-lasting government restrictions where fitness centers have been closed for a long time. People who exercise regularly have probably chosen a substitute either in the form of exercise at home or on the outdoor workout sports grounds. Therefore, there is a risk that if clients of fitness centers find these substitutes

similarly effective as a fitness center attendance, and they save money on season tickets, it is possible that they will not return to the fitness center once it reopens.

10.5 Competitors

There are three competitive fitness centers near the Box-Fit Gym. These are Fittsport, LIFT & FIT, and Body centrum. The competitive fitness centers are discussed in more details below.

10.5.1 Services Offer of Competitive Fitness Centers

Fittsport

Fitness center Fittsport, in addition to the classic gym, offers group and individual lessons. The group lessons include functional training, Power Plate, Jumping, spinning, yoga, BOSU (balance trainer), health exercises, TRX (Total Resistance Exercises), and exercises for pregnant women and children. Individual lessons take place under the guidance of a personal trainer dedicated to beginners and advanced athletes.

Besides the above-mentioned training possibilities, the fitness center offers an additional solarium, massage studio, and rehabilitation services. Rehabilitation exercises focus on back pain and scoliosis treatment and include fitness exercises for cardiac patients, seniors, pregnant women, and people with muscle disbalance or overweight. There is also the possibility of InBody measuring.

The fitness center is equipped with two gyms, a cardio zone, and a ricochet playground. One of the gyms is the so-called 'Lady gym', which is intended for women only. It also has its dressing room for women. Moreover, there is a fitness bar offering ionic and protein drinks, and there is a possibility to borrow a towel or shoes.

Fittsport has nine certified fitness coaches who have been granted accreditation by the Ministry of Education, Youth, and Sports and have many years of experience.

As with the fitness center Box-Fit Gym, reservations are to be made via the reservation system on the fitness center's website.

LIFT & FIT

Fitness center LIFT & FIT offers, besides the gym, group lessons, namely circular training, trampolines, functional training, salsa, Pilates, core courses, and individual strength and

conditioning training under the guidance of a personal trainer – world champion in Bikini Fitness Junior.

The Fitness center is equipped with a hall for strengthening and an aerobic hall with a cardio zone. The premises are equipped with quality fitness machines and other sports equipment. There is a fitness bar at the entrance where clients may use the opportunity to let the professional staff mix quality supplements for them.

Body centrum

Body centrum is the only fitness center, from the above mentioned, that does not offer a gym, but only provides group and individual lessons. As for the group lessons, the fitness center provides functional training, circular training, HIIT, and abdominal muscle training. The main focus of fitness coaches is on an individual. Coaches prefer an individual approach to each client, whether it concerns exercise or diet and lifestyle counseling.

The fitness center premises are newly built, and a large number of high-quality sports equipment can be found there.

Reservations are also to be made via the reservation system on the fitness center's website.

10.5.2 Price

The prices of each competing fitness center were compared with those of the Box-Fit Gym (when comparing, the individual prices and price packages of competing fitness centers were taken into consideration; therefore, it is not possible to compare the complete price list of the Box-Fit Gym with the prices of the competition). The comparison can be seen in Table 6.

	Box-Fit Gym	Fittsport	LIFT & FIT	Body centrum
<i>Single entry</i>	85 CZK	150 CZK 110 CZK (Fittsport card)	90 CZK	-
<i>Single entry - student</i>	75 CZK	90 CZK	75 CZK	-
<i>Monthly season ticket</i>	950 CZK	1,180 CZK (Fittsport card)	850 CZK	-
<i>Quarterly season ticket</i>	2,250 CZK	-	2,200 CZK	-
<i>1 lesson</i>	120 CZK	150 CZK 120 CZK (Fittsport card)	130 CZK	180 CZK
<i>1 lesson - student</i>	100 CZK	100 CZK	110 CZK	
<i>10 lessons</i>	1,050 CZK	-	-	1,600 CZK

Table 6: Price comparison (own processing)

Previously discussed competition-based pricing strategy may be observed in Table 6. It may be seen that Box-Fit Gym offers the lowest price in most cases. Moreover, it should be mentioned that individual entries to Box-Fit Gym and LIFT & FIT are not limited in time, while the Fittsport limits the gym entry to 2 hours for almost double the price.

Regarding student discounts, these are offered by all fitness centers except Body centrum, which offers only price packages for group lessons without any price advantages.

Fittsport offers, as the only fitness center, the possibility to get the 'Fittsport card' for a fee of 50 CZK. This card enables the clients to charge it for any amount of money to pay by the Fittsport card for any service they use. Moreover, every client, who owns this card, receives a discount on the services provided.

10.5.3 Place

All four fitness centers are located within a radius of about 1 kilometer. Their location may be observed in Figure 7.



Figure 7: Fitness centers location (own processing)

All fitness centers are located in a built-up area, close to housing estates and shops, except the Body centrum, which lies on the town's outskirts near the brewery and square. This may be a bit of a disadvantage because the brewery and square are often visited by tourists more than by the town's citizens. Therefore, the customers may prefer another fitness center as they are located in more accessible areas. As far as the visibility of the fitness center is concerned, it is impossible to tell which of the fitness centers is located at a more

advantageous location. The only fitness center with a more favorable location may be Fittsport because it is located at a visible place by the main road. In contrast, the other fitness centers are situated in not very visible places.

10.5.4 Comparison of Competitive Fitness Centers

When compared Box-Fit Gym's offer with other fitness centers' offers, there is a noticeable offer of Fittsport, which provides additional solarium, massage studio, and rehabilitation services. Moreover, as the only ones, they offer a lady gym and ricochet playground. Otherwise, the offer is usually the same or similar; all fitness centers have a group and individual lessons that do not significantly differ. Box-Fit Gym also offers kickboxing and self-defense lessons, which other fitness centers do not.

LIFT & FIT is the only fitness center without the possibility of reservation via the reservation system on the website.

In terms of price, the Box-Fit Gym is about the same level as LIFT & FIT and ranks among the cheaper ones. Fittsport, on the other hand, is the only fitness center that offers a Fittsport card, and the Body centrum is the only one not offering student discounts.

The competitive fitness centers described above will be further compared using the benchmarking method in the following Chapter 11.

11 BENCHMARKING

Seven benchmarking criteria, which correspond to the already discussed marketing mix, were chosen to compare the fitness centers. Each criterion is rated on a scale of 1 – 5, with 1 being the lowest number of points and 5 being the highest number of points.

The individual evaluation criteria are described in more detail in the following Tables 7 – 13.

Provided Services	
Points	Criteria
1	Gym possibility only
2	Group* and individual lessons only
3	Gym + group* and individual lessons
4	Gym + group** and individual lessons
5	Gym + group** and individual lessons + other services (massage, rehabilitation, etc.)

* Basic lessons only (e.g., functional, or circular training, core training)

** Extended lessons offer (e.g., yoga, Pilates, kickbox)

Table 7: Benchmarking criteria description – provided services (own processing)

Prices	
Points	Criteria
1	No student or customer discounts + 1 lesson for 150 – 200 CZK
2	No student or customer discounts + 1 lesson for 100 – 150 CZK
3	Student or customer discounts + 1 lesson for 150 – 200 CZK
4	Student or customer discounts + 1 lesson for 100 – 150 CZK
5	Student or customer discounts + 1 lesson for less than 100 CZK

Table 8: Benchmarking criteria description – prices (own processing)

Accessibility	
Points	Criteria
1	No nearby parking lot + poor bus or train accessibility
2	No nearby parking lot + good bus or train accessibility
3	Paid parking lot next to the fitness center + good bus or train accessibility
4	Parking lot next to the fitness center (free of charge) + good bus or train accessibility
5	Private parking + good bus or train accessibility

Table 9: Benchmarking criteria description – accessibility (own processing)

Promotion	
Points	Criteria
1	Social network pages without any post + average web design + different font types
2	Facebook with predominantly shared posts + disparate Instagram design + average web design + different font types
3	Facebook with shared and own posts + disparate Instagram design + average web design
4	Facebook with predominantly own posts + cohesive Instagram design + sophisticated web design
5	Facebook with predominantly own posts + cohesive Instagram design + sophisticated web design + interactive elements

Table 10: Benchmarking criteria description – promotion (own processing)

Personnel Qualification	
Points	Criteria
1	Unqualified personnel – knowledge from personal experience or other coaches
2	Knowledge gained from workshops or courses
3	Accredited fitness instructors (by the Ministry of Education, Youth, and Sports)
4	Accredited fitness instructors and nutritionists (by the Ministry of Education, Youth, and Sports)
5	Related university education

Table 11: Benchmarking criteria description – personnel qualification (own processing)

Additional Services	
Points	Criteria
1	No additional services
2	Online lessons reservation or fitness bar
3	Online lessons reservation + fitness bar
4	Online lessons reservation + fitness bar + nutritional counseling
5	Online lessons reservation + fitness bar + nutritional counseling + sports equipment* rental

* Sports equipment (e.g., towel, shoes, racket)

Table 12: Benchmarking criteria description – additional services (own processing)

Physical Environment and Equipment	
Points	Criteria
1	No equipment and fitness machines + obsolete environment + untidiness
2	Basic equipment (dumbbells, balls, etc.) and fitness machines + obsolete environment
3	Large fitness center equipment + obsolete environment
4	Large fitness center equipment + modern or renovated environment + tidiness
5	Large fitness center equipment + modern or renovated environment + tidiness + fitness bar

Table 13: Benchmarking criteria description – physical environment and equipment (own processing)

Individual fitness centers were, according to the criteria mentioned above, compared using the benchmarking method.

	Fitness Center			
	Box-Fit Gym	Fittsport	LIFT & FIT	Body centrum
Provided Services	4	5	4	2
Price	4	3	4	1
Accessibility	4	4	2	3
Promotion	3	2	4	5
Personnel Qualification	3	3	2	4
Additional Services	3	5	2	2
Physical Environment and Equipment	5	5	5	4
Total	26	27	23	21

Table 14: Benchmarking (own processing)

The benchmarking results show that the fitness center Fittsport ranked best. It may be seen from the point rating that Fittsport's competitive advantage over Box-Fit Gym is its services and additional services offered. On the other hand, as far as the promotion and price are concerned, Box-Fit Gym is ranked better, mainly due to a more cohesive website design and lower prices. Regarding other point ratings, Box-Fit Gym performs at the same level.

According to the point evaluation, fitness center LIFT & FIT is ranked third, and Body centrum is the last, especially due to the higher prices and no student or customer discounts. Compared to Box-Fit Gym, fitness centers' weaknesses are the provided services, additional services, and fitness center accessibility. On the other hand, what makes the competing fitness centers stand out compared to Box-Fit Gym is their promotion, mainly thanks to the cohesive Instagram design and sophisticated web design.

12 SWOT ANALYSIS

The SWOT analysis evaluates the strengths and weaknesses of the fitness center and its opportunities and threats. The analysis was performed based on data obtained from previous marketing strategy analysis, PEST analysis, Porter's five forces model, and benchmarking.

Strengths	<i>Weight</i>	<i>Evaluation</i>	<i>Score</i>
Accessible location	0.2	5	1
Low prices	0.25	5	1.25
Skilled personnel	0.25	5	1.25
Tidiness	0.2	3	0.6
Martial arts and self-defense	0.1	4	0.4
Total	1		4.5
Weaknesses	<i>Weight</i>	<i>Evaluation</i>	<i>Score</i>
Instagram and website design	0.5	-5	-2.5
Additional services offer	0.25	-4	-1
Fitness center equipment and premises	0.25	-2	-0.5
Total	1		-4
Opportunities	<i>Weight</i>	<i>Evaluation</i>	<i>Score</i>
Competitive price advantage	0.2	4	0.8
Value-added tax reduction	0.1	3	0.3
Inflation decline and gross wage growth	0.2	2	0.4
Increasing interest in nutrition and healthy lifestyle	0.2	5	1
Desire for weight loss	0.3	5	1.5
Total	1		4
Threats	<i>Weight</i>	<i>Evaluation</i>	<i>Score</i>
Government restrictions	0.3	-5	-1.5
Unemployment growth	0.15	-2	-0.3
Fitness industry shift online	0.2	-5	-1
Technology development	0.15	-4	-0.6
New fitness center opening	0.2	-4	-0.8
Total	1		-4.2

Internal	0.5
External	-0.2
Total	0.3

Table 15: SWOT analysis (own processing)

Note:

- *Strengths and opportunities: 1 = the least satisfaction; 5 = the highest satisfaction*
- *Weaknesses and threats: -1 = the least dissatisfaction; 5 = the highest dissatisfaction*

The balance of the SWOT analysis is not very favorable, despite its positive result. The resulting value of 0.3 means it is close to zero, which means that the fitness center needs to work on improvements.

A thorough insight into the SWOT analysis shows that the most significant improvement can be achieved in the internal part in the area of weaknesses. As the Instagram and website design was identified as the most unsatisfactory (value -5) and was assigned the highest weight – 50% share of importance in the weaknesses of the fitness center, it represents the biggest potential for improving the overall balance of the SWOT analysis. Therefore, the solution is to improve the design of Instagram posts and website design, which, however, is already being worked on by a graphic designer. Another weakness with the second-highest dissatisfaction (value 4), but with a smaller assigned weight (25%), is the offer of additional services. In this case, other services such as massage or wellness cannot be provided, both due to insufficient space and high demands on human capital, which results in additional costs. Therefore, it is possible to think of additional services such as towel rental or provision of in-body fat and muscle measurement.

The external part outcome of the SWOT analysis cannot be changed much in this case, but it is essential to identify these external factors. It is also appropriate to seek to exploit the opportunities to reduce threats and exploit the potential of these opportunities. In the case of the fitness center, it can be seen that the highest, 30% share of importance on opportunities has the desire for weight loss. This opportunity can be exploited, for example, by offering weight loss programs or individual weight loss plans and tailor-made training.

In conclusion, it is appropriate to use a mini-maxi strategy that maximizes opportunities to minimize weaknesses. Essentially, the strategy is looking for opportunities to overcome the weaknesses. In the case of the fitness center, it could be, for instance, the provision of the already mentioned additional services in the form of weight loss programs, thus exploiting the potential of people's desire for weight loss.

13 RESPONDENTS CHARACTERISTICS RESULTS OF QUESTIONNAIRE SURVEY

13.1 Basic Data on Respondents

Based on the data collected, 54 respondents participated in the questionnaire survey, of which 3 have not visited the fitness center yet. Still, they would like to become their clients after re-opening. These respondents (potential clients) were one woman over the age of 46 and two men – one aged 26-35 years and the other aged 36-45 years. All three potential clients heard of the fitness center through friends or family.

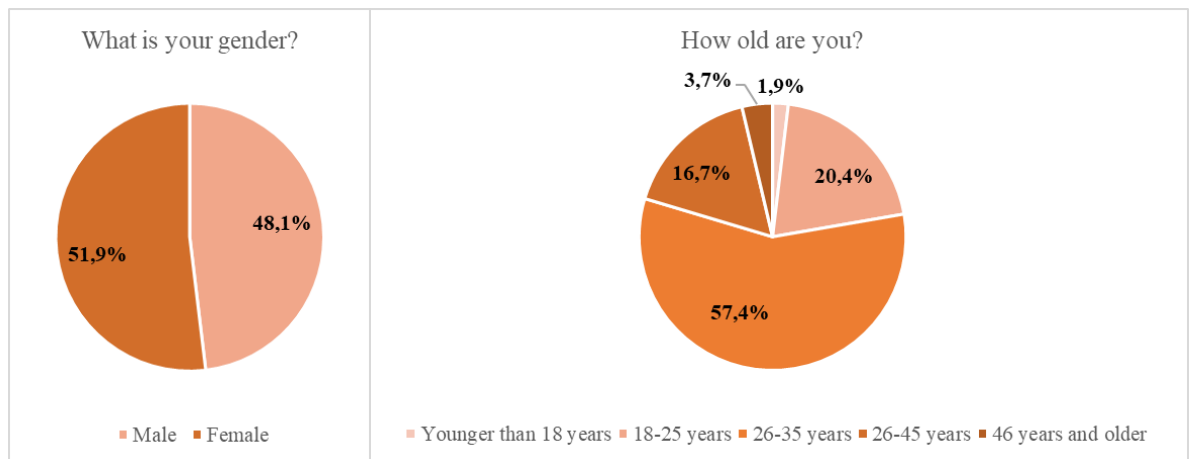


Figure 8: Gender and age of respondents (own processing)

Overall, 26 men (48.1%) and 28 women (51.9%) participated in the questionnaire survey. More than half of the respondents, specifically 31 (57.4%), are aged 26-35. Another 11 respondents (20.4%) are aged 18-25 years, 9 respondents (16.7%) are aged 36-45 years, 2 respondents (3.7%) are older than 46 years, and one respondent (1.9%) is younger than 18 years. Furthermore, 33 respondents (61.1%) stated that they have a sedentary job.

13.2 Interpretation of Questionnaire Survey Data

In addition to the identification questions mentioned above, the questionnaire also included eight close-ended and two open-ended questions, the results of which are interpreted below.

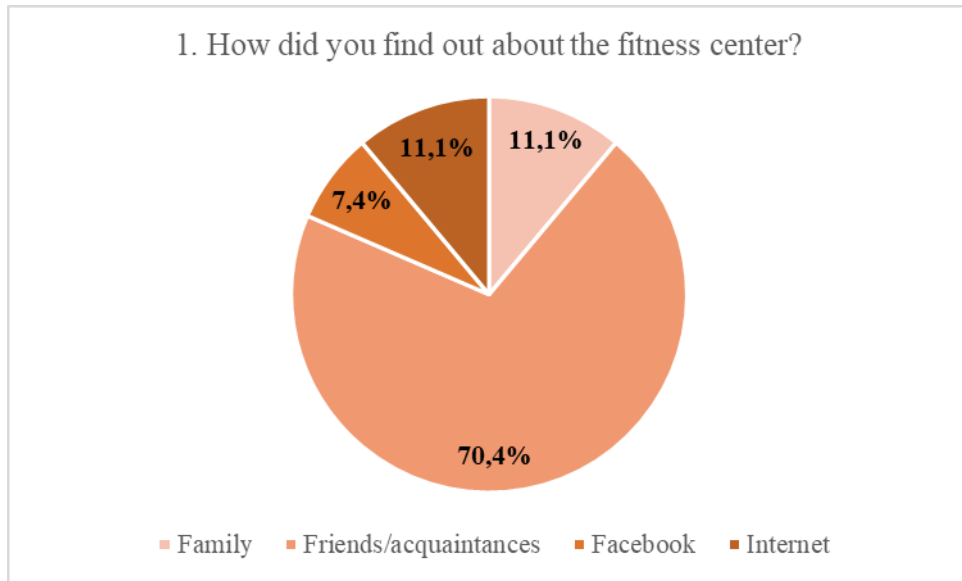


Figure 9: How did the respondents find out about the fitness center (own processing)
 The results show that 81.5% of respondents found out about the fitness center from their friends and acquaintances or family. Another 11.1% found out about it from the Internet, and 7.4% from the fitness center’s Facebook page. None of the respondents found out about the fitness center through the Instagram social network.

Therefore, it can be said that word-of-mouth is the most effective way of fitness center’s marketing communication and that the potential of social networks as a means of marketing communication is very little used.

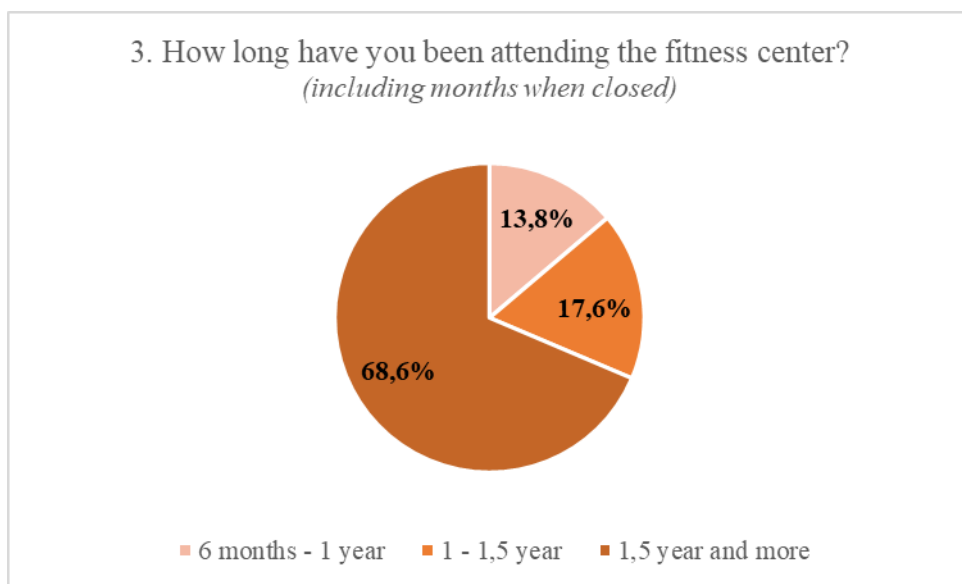


Figure 10: How long have the respondents been attending the fitness center (own processing)

Figure 10 shows that 68.6% of respondents have been attending the fitness center for more than 1.5 years, which increases the questionnaire data validity as long-term clients mostly filled out the questionnaire. Another 17.6% attend the fitness center for about 1-1.5 years, and the remaining 13.7% of respondents have been clients for six months to 1 year.

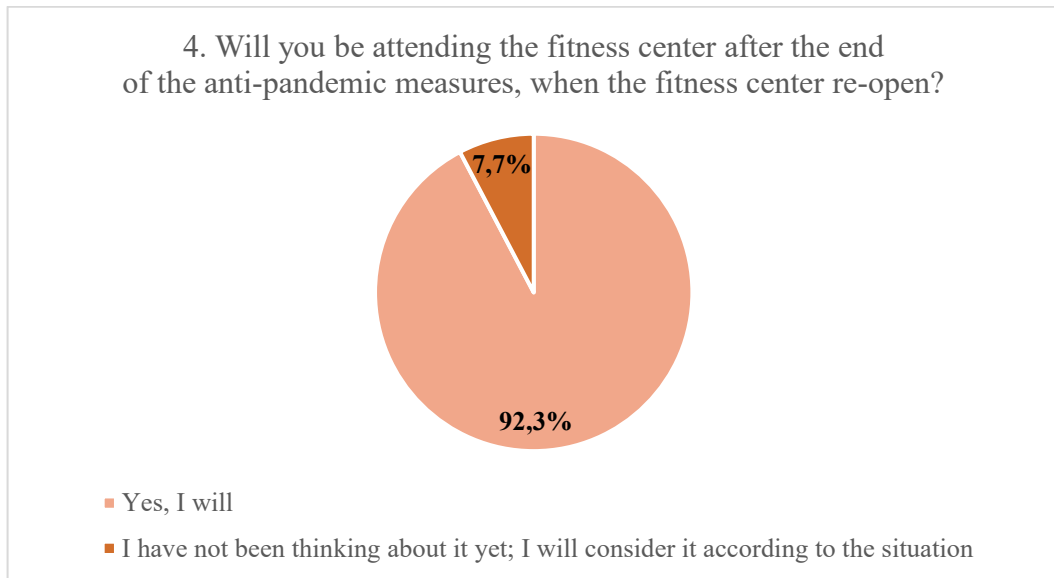


Figure 11: Attendance after the fitness center re-opening (own processing)

According to the questionnaire survey, 92.3% of respondents will continue to attend the fitness center after its re-opening. This fact is particularly pleasing for the fitness center owners, who are concerned that, due to the restrictions, they lose a significant part of their clientele.

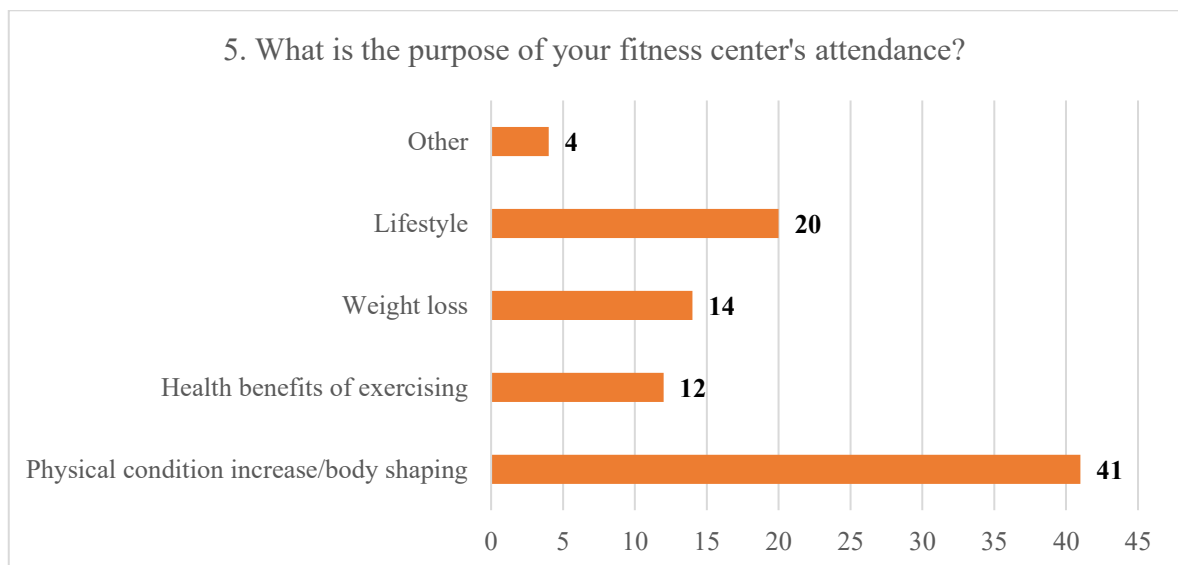


Figure 12: Purpose of the fitness center's attendance (own processing)

This question aimed to find out the reason for attending the fitness center. This question allowed for the selection of multiple answers. As can be seen in Figure 12, a total of 41 clients (comprising 78.8% of all respondents) attend the fitness center in order to increase their physical condition or body shaping. Another 20 respondents (38.5% of all respondents) stated that they consider exercise being their lifestyle. Further, 14 respondents (29.9%) exercise for weight loss, and 12 respondents (23.1%) exercise for its health benefits. The ‘other’ option was used by 4 respondents who stated that they simply enjoy exercising, and it is a form of therapy for them. They also visit the fitness center for the community, suggesting a friendly atmosphere in the fitness center.

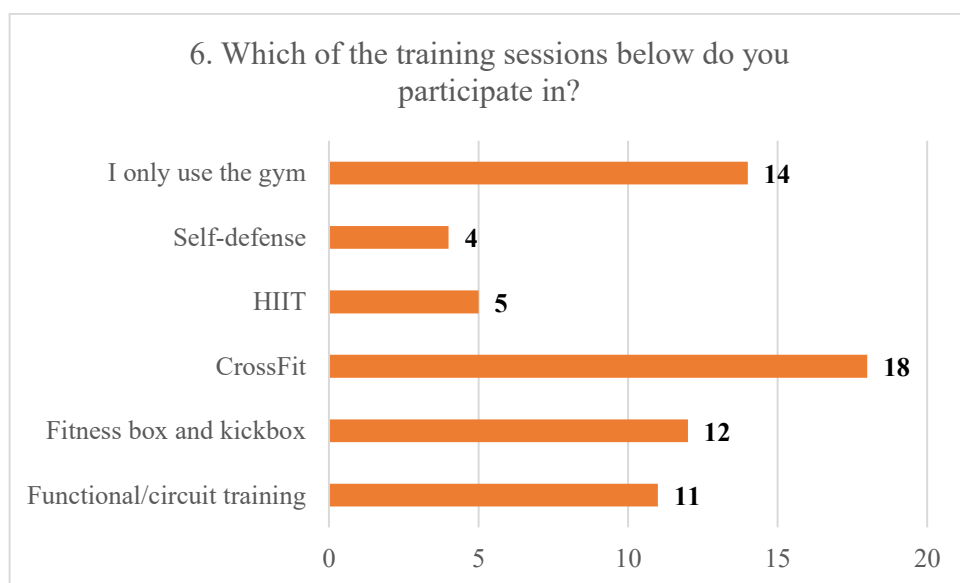


Figure 13: Training sessions participation (own processing)

The next question again allowed for multiple choices and was focused on the attendance of individual training or the gym. It can be seen that most clients, specifically 18 (35.3% of respondents), participated in CrossFit lessons. Further, 12 respondents (23.5%) participate in fitness boxing and kickboxing, 11 respondents (21.6%) participate in functional, and circuit training, 5 respondents (9.8%) attend HIIT lessons, and 4 respondents (7.8%) attend self-defense lessons. Besides, 14 respondents (27.5%) stated that they attend the fitness center to work out in the gym, of which 3 respondents stated that they attend some of the lessons in addition to exercising in the gym.

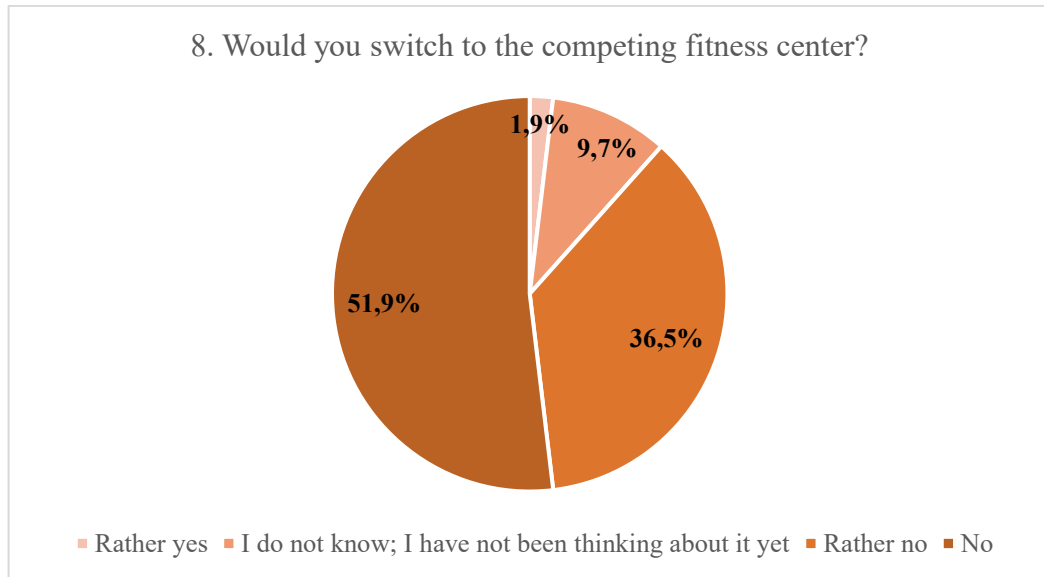


Figure 14: Switch to the competing fitness center (own processing)

When asked whether respondents would switch to the competing fitness center, 51.9% answered ‘no’, and 36.5% answered ‘rather no’. This fact suggests that 88.4% of respondents are unlikely to switch to the competition. Another 9.6% stated they do not know or have not been thinking about it yet, and the remaining 1.9% answered ‘rather yes’.

This question led to another question, the purpose of which was to ascertain the reason for the switching of clients to a competitive fitness center.

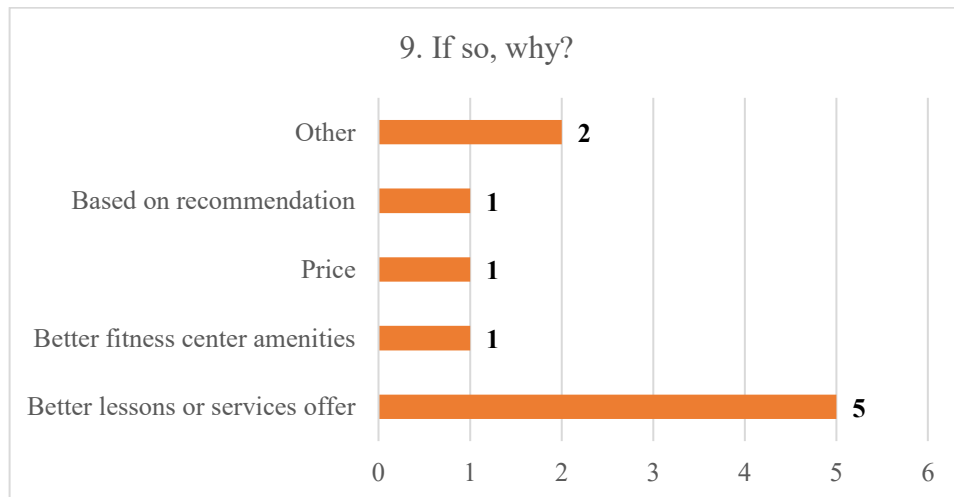


Figure 15: Purpose for switching to a competitive fitness center (own processing)

This question was answered by 10 respondents. As the most common reason for switching to competition, better lessons or services offer was chosen. This answer was chosen by 5 respondents, which made up 50% of those who answered this question. Other options, i.e., better amenities, price, and based on recommendations, were all chosen by one of the

respondents only. Two of the respondents also used ‘other’ possibility, where they stated that a nearer location of the fitness center and the need for change would cause the switch to the competition.

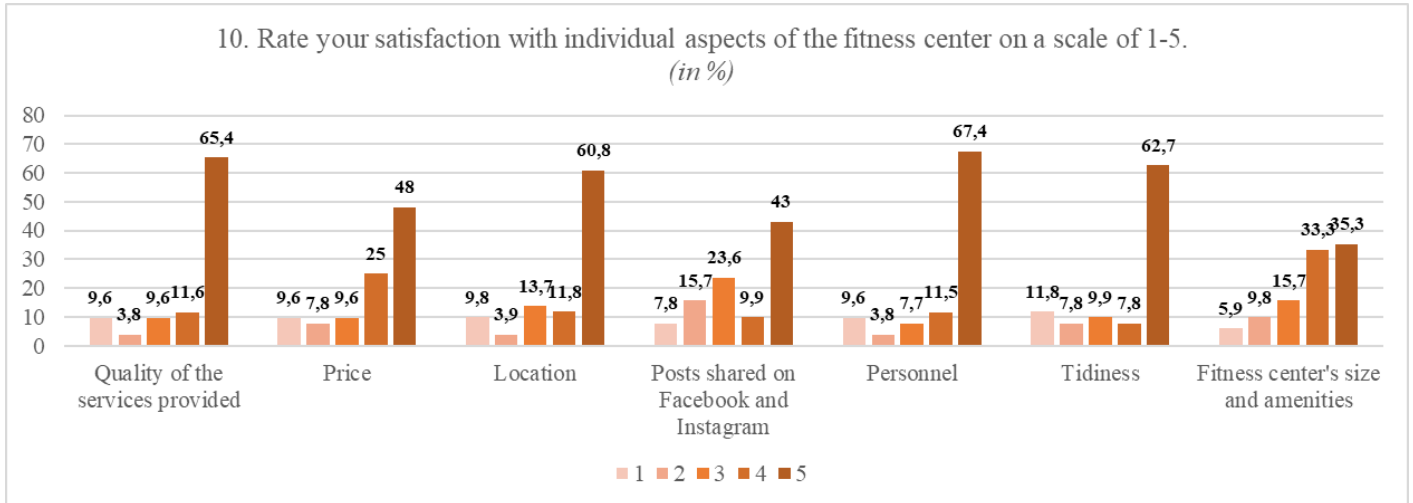


Figure 16: Respondent satisfaction (own processing)

The satisfaction rating shows that respondents are most satisfied with the personnel, quality of the services provided, tidiness, and fitness center location. All these aspects received the highest possible rating, i.e., 5 points, from more than 60% of respondents. The fitness center’s size and amenities received the highest rating from 35.3% of respondents and a rating of 4 from 33.3% of respondents, which can also be considered a satisfactory result. On the other hand, respondents are least satisfied with the posts on Facebook and Instagram, where only 43% of respondents rated 5 points, and only 9.9% rated 4 points. Fitness center prices were rated 5 points by only 48% of respondents even though the Box-Fit Gym has the lowest prices compared to the competition.

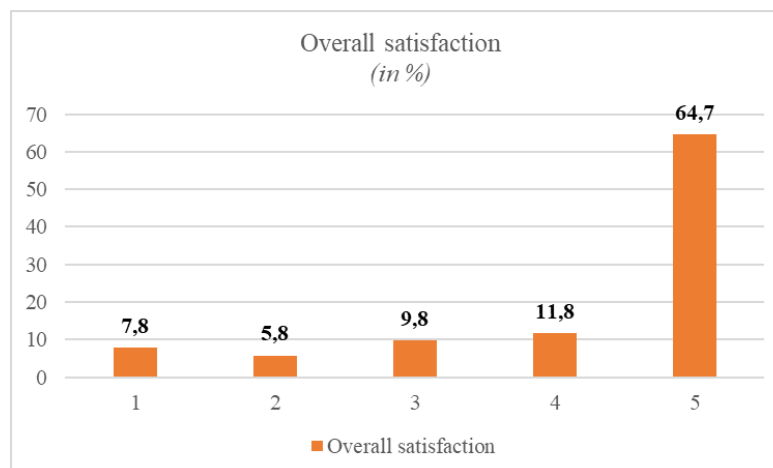


Figure 17: Overall satisfaction (own processing)

Regarding respondents' overall satisfaction with the fitness center, 64.7% of respondents rated this aspect with the highest number of points. The remaining ratings 1 – 4 were chosen in most cases by about 10% of respondents. Such an overall rating indicates a quite high client satisfaction.

As already mentioned, in addition to close-ended questions, the questionnaire also contained two following open-ended questions:

- *Would you be interested in workouts other than those provided by the fitness center? If so, which ones?*
- *Is there anything you miss or would change at the fitness center?*

Regarding the wider range of training sessions, respondents indicated an interest in BJJ (Brazilian jiu-jitsu) and MMA (Mixed Martial Arts) lessons, weightlifting, and training with babysitting provided. The issue was commented on by 5 respondents (9.8%), of which 2 agreed that they would be interested in BJJ lessons.

When asked whether the respondents would change something or lack something in the fitness center, the most common request was for greater equipment in terms of machines, trapeze, weights, but also for more space and a more spacious women's changing room. There was also a proposal for boxing training in earlier hours and a notice on a missing cleaning lady. In this case, the issue was commented on by 7 respondents (13.7%), each of them coming up with a different proposal.

13.3 Hypotheses

H1: More than 60% of respondents rated the overall satisfaction in the fitness center as very satisfactory.

The following table shows the absolute and relative frequency of the overall satisfaction.

Overall satisfaction	Absolute frequency	Relative frequency
1	4	7.8%
2	3	5.8%
3	5	9.8%
4	6	11.8%
5	33	64.7%
Total	51	100%

Table 16: Hypothesis H1 – overall satisfaction (own processing)

Table 16 shows that the H1 hypothesis was confirmed based on the questionnaire survey, as 64.7% of respondents consider overall satisfaction as very satisfactory.

H2: More than 80% of respondents will continue to attend the fitness center after its re-opening.

The following Table 17 shows the absolute and relative frequency of responses to whether respondents will continue to attend the fitness center after re-opening.

Fitness center attendance	Absolute frequency	Relative frequency
Yes, I will	47	92.3%
I do not know	4	7.7%
Total	51	100%

Table 17: Hypothesis H2 – fitness center attendance (own processing)

Based on the questionnaire survey, the H2 hypothesis was confirmed, as 92.3% of respondents stated that they would continue to attend the fitness center.

H3: Is there a statistical dependence between the overall satisfaction and whether clients would switch to the competition?

H₀: Whether clients would switch to competition is not statistically dependent on their overall satisfaction.

H_A: Whether clients would switch to competition is statistically dependent on their overall satisfaction.

The table below shows the observed frequencies resulting from the questionnaire survey – for the test, individual rating points were merged into two groups. The expected frequencies necessary for the test calculation are given in brackets.

	Satisfaction 1 - 3	Satisfaction 4 - 5	Total
Rather yes	1 (0.509804)	1 (1.490196)	2
I do not know	1 (1.27451)	4 (3.72549)	5
Rather no	6 (4.843137)	13 (14.15686)	19
No	5 (6.372549)	20 (18.62745)	25
Total	13	38	51

Significance of chi-square test: **0.687**

$p = 0.687 > 0.05$

Table 18: Hypothesis H3 – chi-square test (own processing)

Based on the performed chi-square test, it can be seen that the significance of 0.687 is higher than the critical value at the significance level of 0.05. Based on this result, the null hypothesis cannot, therefore, be rejected.

The chi-square test confirmed the H_0 hypothesis: **Whether clients would switch to competition is not statistically dependent on their overall satisfaction.**

H4: Is there a statistical dependence between the period of fitness center attendance and whether clients will continue to attend the fitness center after its re-opening?

H_0 : Whether clients will continue to attend the fitness center after its re-opening is not statistically dependent on the period of fitness center attendance.

H_A : Whether clients will continue to attend the fitness center after its re-opening is statistically dependent on the period of fitness center attendance.

	Yes	I do not know	Total
6 months - 1 year	6 (6.45098)	1 (0.54902)	7
1 - 1,5 year	9 (9.215686)	1 (0.784314)	10
1,5 year and more	32 (31.33)	2 (2.666667)	34
Total	47	4	51

Significance of chi-square test: **0.724**

$p = 0.724 > 0.05$

Table 19: Hypothesis H4 – chi-square test (own processing)

Based on the performed chi-square test, it can be seen that the significance of 0.724 is higher than the critical value at the significance level of 0.05. Based on this result, the null hypothesis cannot, therefore, be rejected.

The chi-square test confirmed the H_0 hypothesis: **Whether clients will continue to attend the fitness center after its re-opening is not statistically dependent on the period of fitness center attendance.**

14 IN-DEPTH INTERVIEW

Within the qualitative marketing research, an in-depth interview with the owner of the fitness center was conducted. In addition to information regarding the current fitness center situation and its marketing strategy, I asked the following six questions.

Q1: Do you use social networks (Facebook and Instagram) as a marketing tool or an information channel to communicate important information or news?

A1: Social networks serve us as an information channel. Our clients are, in most cases, people who heard of us from someone or came on a recommendation. That is why we do not think of social networks as a marketing tool.

Q2: Do you maintain contact with your clients during the current restrictions, at least through these social networks?

A2: Of course, we try to occasionally interact through social networks because we are concerned that clients will not return to us after all these restrictions end. But as I said, since we use social networks more as an information channel, contributions are not so frequent and interesting in terms of content.

Q3: Are you in any way involved with the fitness center when its operation is not allowed?

A3: Well, the only activity we are currently running is the sale of nutritional supplements and sports equipment through the issue counter. As part of this, we also reached out to programmer Petr Mikulka and graphic designer Žaneta Bulavová, who are now working on creating an e-shop and new website and fitness center logo. For now, it is a big investment for us, given that we have essentially no income, but we believe that this risk will pay off.

Q4: Nowadays, much of the fitness industry is moving online. Have you ever considered this possibility not only in connection with ongoing restrictions? For example, in the form of online lessons?

A4: We have been considering this possibility, but unfortunately, due to our lesson offer, we cannot fully provide this option as there is a need to use some of the equipment in most cases. The only options are HIIT lessons or circuit training in some limited mode, but we do not consider it an entirely adequate replacement. That is why we rejected this possibility.

Q5: Do you think that once the fitness centers reopen, all of your clients will return to you?

A5: We are very worried about that. We hope that most of your clients will return to us because we maintain friendly relations with all of them, but whether they will return unfortunately also depends on their financial situation, which has affected many people in this pandemic period.

Q6: Let's say that all or at least most of your existing clients will return when the fitness center reopens. What do you think the spare capacity of the fitness center is? How many new clients could the fitness center handle?

A6: As for the capacity of the gym, it is almost free. With the fitness center operating seven days a week and basically from morning to evening, the gym is usually very little crowded. This is worse for lessons, as the number of people per lesson is limited. Of course, it would depend on which lesson the client would like to attend, how often and so on. However, in case of great interest, one can think of increasing the number of lessons. But, to answer the question, considering the current lesson schedule, or rather the one that was set when the fitness center was in operation, the capacity of gaining new clients is around 20 people.

The interview showed that the fitness center does not exploit the potential of social networks as a marketing tool. It is the combination of social networks and marketing that could be an opportunity for the fitness center in the future. Nevertheless, the main finding resulting from the in-depth interview is that the fitness center owner is concerned that they will lose a large number of their clients after several months of closed fitness centers. This is also the main incentive for creation a marketing campaign aimed at building the loyalty with existing clients. In addition, the fitness center was also found to have sufficient capacity to gain new clients.

15 CONCLUSION BASED ON ANALYZES

Based on the analyzes of the fitness center, obvious shortcomings, which would be appropriate to focus on and improve, were found. Despite the overall satisfaction of the fitness center's clients and the fact that 92.3% of the surveyed clients confirmed that they would continue to attend the fitness center after its re-opening, concerns about the decreased attendance prevail. These fears about the future are the main reason for creating a marketing campaign.

Clearly, social networks may be considered the biggest shortcoming of the fitness center. This can be seen in the benchmarking results and the results of the SWOT analysis and questionnaire survey, where the Facebook and Instagram posts had the lowest rating in terms of satisfaction evaluation. Moreover, only 7.4% of respondents said that they heard of the fitness center from their Facebook page and none of the respondents heard of it from Instagram. This fact is also confirmed by an in-depth interview with the fitness center owner, who confirmed that they use social networks exclusively to communicate information rather than for promotion. In most cases, the fitness center uses word-of-mouth marketing for its promotion. However, it would be helpful to exploit the potential of social networks when its popularity is growing and focus on both the design and content of shared posts and their promotional purpose. Within Instagram, it would be advisable, for instance, to adopt its own fitness center hashtag or to tag its account on the clients' photos and to tag the location as well to raise the awareness of the fitness center.

Another shortcoming may also be the smaller range of lessons offer. This resulted from both the benchmarking and the questionnaire survey. When asked, what would be the reason for switching to competition, the most common answer was a better lesson or service offer. Respondents were interested, for instance, in BJJ or MMA lessons. In this case, further quantitative research would be necessary to be done, for example, through a Facebook survey, to see if there is sufficient interest in these lessons, and it would be profitable for the fitness center. Moreover, the SWOT analysis shows that it would be appropriate to take advantage of opportunities to eliminate weaknesses in the form of additional services implementation such as, for instance, rental of towels or in-body fat and muscle measurement. Insufficient additional services also resulted from benchmarking.

The last shortcoming that emerged from the SWOT analysis, benchmarking, and questionnaire survey is the small equipment and space of the fitness center. Interviewed

clients would welcome both more equipment and a more spacious changing room and overall fitness center spaces. Investing in equipment and premises enlarging is, in this case, for the fitness center owners to consider given their current financial situation. The limitation is the current situation, where the fitness center has only minimal income and also the investment in creating an e-shop and a new website.

In the context of the sale of nutritional supplements, it would be appropriate to consider the product range extension, which resulted from the SWOT and PEST analysis. The SWOT analysis showed that there is an opportunity of growing interest in nutritional supplements and healthy lifestyle, while in the PEST analysis, some supplements, which are growing in popularity nowadays, such as the CBD oils, were mentioned. Therefore, it is advisable to consider expanding the range, given that the fitness center will have its e-shop.

The recommendation resulting from the questionnaire survey may also be to focus the marketing campaign on emphasizing the health benefits of exercise. As the survey showed, only 23.1% of respondents, of which 83% have a sedentary job, exercise for its health benefits. Since the fitness center is located in close proximity to an industrial area with a large number of companies and employees, the positive impact of exercise on physical and mental health can be highlighted as part of the promotion.

16 PROJECT OF MARKETING CAMPAIGN FOR FITNESS CENTER BOX-FIT GYM

The goal of the project part is to create a marketing campaign for fitness center Box-Fit Gym. The main incentive for creating the campaign was mainly the fitness center owner's concern about the decrease in attendance and the loss of clientele due to government restrictions. The findings and recommendations resulting from previous analyzes were used to create the campaign.

Individual project activities will be detailed and subsequently subjected to time, cost, and risk analysis.

16.1 Project Objective

The goal of the marketing campaign is to build and support the loyalty of existing clients, raise awareness of the fitness center, and subsequently gain new clients.

The analysis has shown that word-of-mouth marketing is the most effective marketing communication tool in the case of the fitness center. It is definitely advisable to continue and support this marketing communication. On the other hand, marketing communication via social media has proven to be inefficiently used. Thus, it is necessary to make it more effective and realize its potential. Moreover, according to the analysis results, it is appropriate to focus on the design of Instagram posts. It, therefore, follows that it is appropriate to use the already mentioned word-of-mouth marketing and promotion via social media to raise awareness and attract new clients. It is also advisable to use sales promotion, especially to build the loyalty of existing clients.

The marketing campaign is to target the inhabitants of Rožnov pod Radhoštěm and its surroundings. It will target both men and women, especially between the ages of 18 and 45, as the questionnaire survey results showed that this age group made up 94.6% of respondents. Such age interface is also determined due to the planned use of social networks, whose users most often belong to this age group. As far as the psychographic segmentation is concerned, it is advisable to emphasize the health benefits of exercise in the campaign, as this is the least frequent reason for fitness center attendance. In the vicinity of the fitness center, there is an industrial area with both employees who have a sedentary job and may suffer, for instance, from back pain or mental health problems, and manual workers, who may also suffer from health problems due to the strenuous work.

16.2 Project Action Plans

The project of the marketing campaign itself consists of four action plans. The first action plan introduces sales promotion during the summer months when attendance at fitness centers is generally lower. Sales promotion will be introduced in the form of free lessons, with the purchase of a season ticket for 10 lessons or a quarterly season ticket. The second action plan focuses on feed and overall appearance improvement of the posts shared on Instagram. Further, the third action plan is focused on creating a contest for fitness center clients. The last action plan comprises the open days organization, where visitors (potential clients) will be able to work out in the gym or participate in some of the lessons offered for free.

	Activity	Main Objective	Secondary Objective
Action plan 1	Sales promotion	Build the loyalty of existing clients	Motivation to increase fitness center attendance during the summer months
Action plan 2	Instagram account posts	Attract new clients	Increasing the reach of the account with regular and integrated posts
Action plan 3	Instagram competition	Build the loyalty of existing clients	Raise awareness and gain new clients by sharing competition photos
Action plan 4	Open Days	Raise awareness and gain new clients	Build the loyalty of existing clients

Table 20: Project activities (own processing)

The individual action plans will be described in more detail in the following three sub-chapters and will then be subjected to time, cost, and risk analysis.

16.2.1 Action Plan 1

A sales promotion campaign will be introduced during July, where clients receive free lessons when purchasing a season ticket anytime during this month. The fitness center currently offers the following types of season tickets: a season ticket for 10 gym entrances or lessons, a monthly season ticket for gym entry and a combined season ticket for gym entry and lessons, and a quarterly season ticket for gym entry only. For sales promotion purposes, a season ticket for 10 entries or lessons and a quarterly season ticket were selected, the benefits of which can be seen in Table 21.

Season ticket for 10 entries	2 free entries
Season ticket for 10 lessons	2 free entries
Quarterly season ticket for gym entry	5 free entries or 2 weeks free

Table 21: Sales promotion (own processing)

While for a 10-entry season ticket, the option of 2 free entries is chosen, there are two options for the quarterly season ticket. Clients can choose either 5 free entries or unlimited 14-day free entry, depending on what is more advantageous given the frequency of the fitness center attendance. The benefits for all three season tickets are chosen at about 20% of their selling price.

Summer months generally belong to those with lower attendance at fitness centers. Therefore, that is why July was chosen for the campaign realization. Thus, the sales promotion will serve both to increase the attendance of the fitness center during the summer months and build the loyalty of existing clients.

Sales promotion will be promoted through Facebook posts and Instagram stories. The campaign will also be brought to the attention at the fitness center reception, through a posted leaflet, and through fitness center staff, who will point the campaign out to the clients.

16.2.2 Action Plan 2

Within the project activity focused on the Instagram social network, two aspects should be focused on. The first aspect is the focus on the appearance and content of Instagram posts and the second aspect is the visibility of the fitness center through Instagram.

As for the post-sharing on Instagram, it is advisable to focus on the content and appearance of Instagram posts, as this aspect was assessed as a weakness not only by the questionnaire survey respondents but also by comparison with competing fitness centers. This activity will be part of the marketing campaign. However, in this case, it is necessary to focus on shared posts in the long term and not only within the marketing campaign. Therefore, it will be appropriate to develop a strategy for post-sharing, both in terms of time (regular sharing, for instance, once a week) and content and appearance. A comprehensive and aesthetically modified feed becomes more attractive for users, resulting in an increasing number of followers and likes, thereby increasing the account's reach. Despite this, the chances that the Instagram account will reach more people, and thus potential clients of the fitness center, increase.

As the fitness center also offers the sale of a large number of nutritional and sports supplements and sports equipment, it offers the possibility of creating a concept of sharing photos from lessons and fitness center premises, interlaced with photographs of the just mentioned supplements and equipment. For instance, it is possible to share photos of products with a caption that includes a product review or healthy recipes containing the products sold. It is also necessary to match the colors so that the posts have a coherent appearance. On the other hand, it is advisable to share news and important information through Instagram stories only and keep them permanently in the highlighted stories located in the account header. Figure 18 shows a post-sharing proposal, with a photo of the current account appearance on the left and an innovative appearance described above on the right.

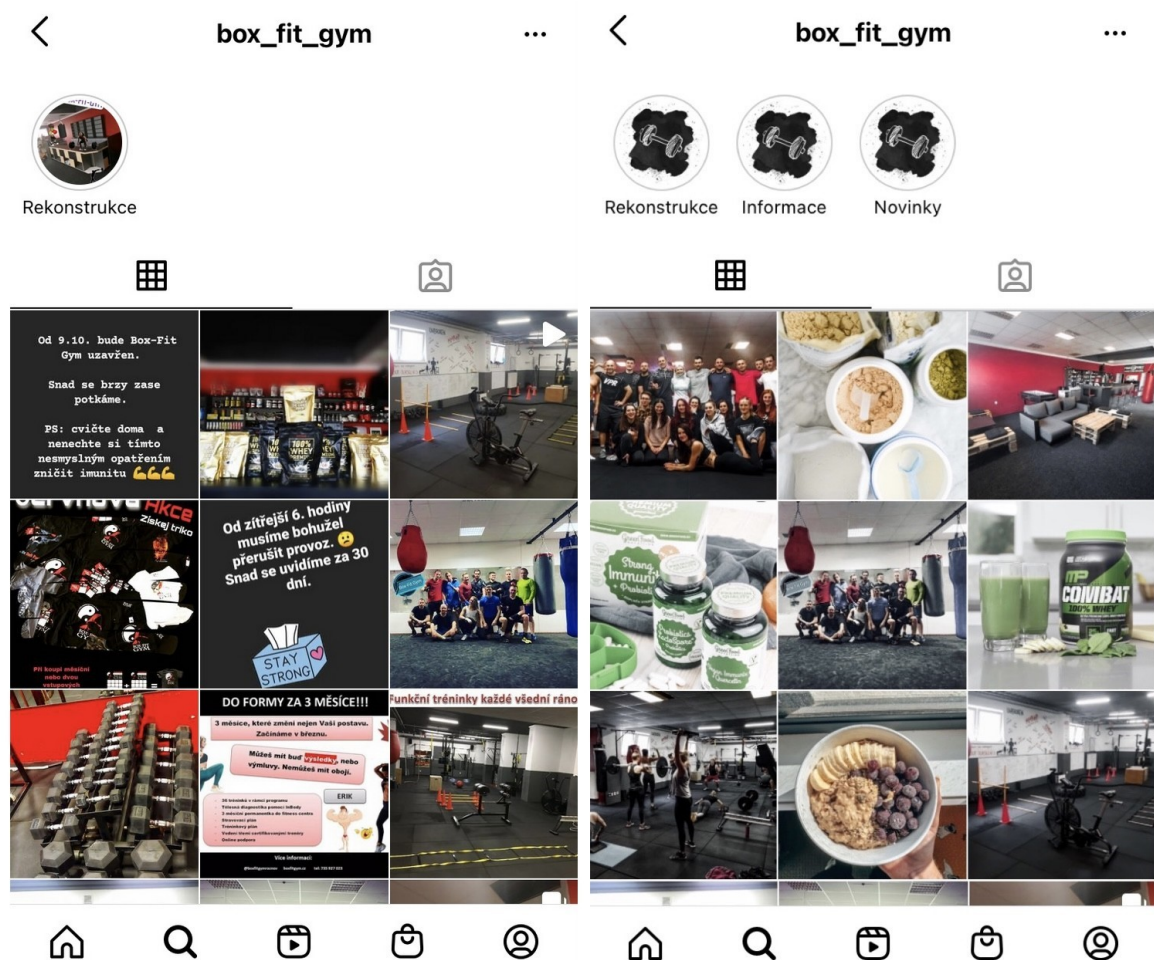


Figure 18: Instagram feed proposal (own processing)

16.2.3 Action Plan 3

The second aspect, concerning the Instagram, that needs to be focused on as part of the campaign is the visibility of the fitness center on Instagram. For this purpose, the creation of an Instagram contest will be used, the aim of which is also to increase the fitness center's

attendance during the summer months and to motivate existing clients to continue to attend the fitness center.

The contest will last for one month, during which people will post photos taken at the fitness center on their Instagram account. The conditions for participating in the contest are as follows:

- A particular hashtag, which must be placed in a contest photo caption, will be invented for the purpose of the contest (for instance, #boxfitroznov);
- The fitness center account and its location will be tagged in the contest photo.

The contest will be evaluated at the end of the month. The first three clients, whose photos receive the most likes, will be the winners. These winners of the contest will receive a voucher to the fitness center worth 1,500 CZK, 1,000 CZK, and 500 CZK, which they may use for lessons, gym entry, nutritional supplements, and other products that can be purchased in the fitness center. It is assumed that the contestants will share the photo to get as many likes as possible, thereby increasing the awareness of the fitness center.

The contest will again be promoted on Facebook and Instagram and by posting a leaflet at the fitness center reception.

16.2.4 Action Plan 4

The last content of the marketing campaign is to create a two-day event, 'Dny otevřeného gyму'. This event will take place on Friday from 9:00 to 19:00 and on Saturday from 9:00 to 12:00 to adjust the event to more visitors within their time available. The essence of the event is the opportunity to work out for free in the gym or to try some of the lessons offered. Throughout the event, three trainers will be available to assist in the exercise, answer questions from visitors, and guide them through the fitness center.

Both paid and unpaid forms of online promotion will be used to promote the event, as will offline promotion.

As for online promotion, the event will be promoted on the fitness center's Facebook and Instagram pages. For the purpose of the online promotion, a banner, the main message of which will be the slogan 'Cvičením k fyzickému a duševnímu zdraví', will be created. The choice of the slogan is based on the recommendations resulting from the analysis as it showed that only 23.1% of questionnaire survey respondents exercise for its health benefits. Based on this, it is advisable to exploit the potential of health benefits of exercising to

promote the event, also due to the growing popularity of healthy lifestyle and health care. The possible banner design can be seen in Figure 19.



Figure 19: Open Days banner (own processing)

The event 'Dny otevřeného gymu' will be promoted on the fitness center's Facebook and Instagram pages. On Instagram, the event will be promoted through Instagram stories, where the event invitation will be shared several times. As for the Facebook page, the event with an invitation to the open days, where the details of the whole event will be published, will be created. This event will also be shared several times to maximize its reach. The great potential of this unpaid form of promotion is that the fitness center's Facebook page is followed by about 900 people. Given that the clientele of the fitness center does not make up even quarter of these followers, there is a high probability that the page is followed by people who might like to attend the fitness center but have not attended it yet. Therefore, creating such an event and its sharing among potential clients can be considered an effective way of promotion.

However, in order to maximize the reach of the event promotion, paid 10-day promotion of the event on Facebook will also be used. This promotion will target people who have probably never heard of the fitness center and, therefore, increase awareness of the fitness center. The promotion details and statistics can be seen in Table 22.

Length	10 days
Target segment	Men and women
	18 - 45 years
	Rožnov pod Radhoštěm + radius of 20 km
Daily reach	2,000 – 5,700 people
Budget	1,000 CZK

Table 22: Facebook paid promotion details (Facebook, ©2021; own processing)

Another means of promotion will be word-of-mouth marketing, as the performed analyzes showed that this promotion method had been the most effective so far. Moreover, this form of promotion will be combined with sales promotion, which will support the effectiveness of word-of-mouth marketing. As part of this promotion, leaflets, where the client fill in his or her name, will be offered at the fitness center's reception. If the client finds a friend, acquaintance, or family member who comes to the open days and proves oneself with a leaflet with the client's name, the client will receive a voucher for a lesson or free entrance to the gym. In addition, if the open days' visitor buys a season ticket on that day, he will receive the first lesson or gym entrance for free. This form of sales promotion serves to motivate the event participants to become the fitness center's clients.

16.3 Time Analysis

The sales promotion and Instagram contest are planned for the summer months, mainly to increase attendance in these months. The last part of the project, the open days, is headed for September. This is mainly due to the fact that, unlike the previous two action plans, it is a two-day event. If this event is also planned for the summer months, there is a greater risk that more people will be on holiday at the time of the planned event, for example, so that they will not be able to participate. Therefore, the event was planned for September, when there is likely to be a greater chance of higher attendance, even with regard to the coming winter and increasing interest in indoor physical activities.

Unfortunately, the whole project can only be planned for months. Still, it is impossible to determine the exact year of the project implementation due to the constantly changing government restrictions. Therefore, to determine the year of project implementation, it is necessary to consider the current situation and forecast the development of restrictions and measures.

Table 23 shows the distribution of individual project activities into months.

	June	July	August	September
Strategy elaboration of the Instagram post-sharing concept	x			
Launching a strategic post-sharing	x			
Creating a leaflet for sales promotion	x			
Sales promotion announcement on Facebook and Instagram	x			
Launching and running sales promotion		x		
Preparation of Instagram contest concept		x		
Creating a leaflet for the contest				
Contest announcement on Facebook and Instagram				
Launching and running the Instagram contest			x	
Creating an advertising banner for open days			x	
Creating a leaflet for open days intended for fitness center's clients			x	
Launching a leaflet distribution			x	
Creating a Facebook event on open days			x	
Contest evaluation				x
Launching and running paid advertisement on Facebook				x
Ongoing open days				x

Table 23: Time analysis (own processing)

The time analysis is performed using the CPM (Critical Path Method) method, which is done using the QM for Windows program. The critical path method is one of the essential methods of network analysis and coordinates individual, consecutive activities in the most efficient way.

In the following table, there are all the activities needed to the project implementation, including their duration in days. The table also serve as an input for calculating the critical path in QM for Windows.

Activity	Activity description	Duration (in days)	Predecessor
A	Strategy elaboration of the Instagram post-sharing concept	2	
B	Launching a strategic post-sharing	1	A
C	Creating a leaflet for sales promotion	1	B
D	Sales promotion announcement on Facebook and Instagram	1	B
E	Launching and running sales promotion	31	C, D
F	Preparation of Instagram contest concept	3	C, D
G	Creating a leaflet for contest	1	F
H	Contest announcement on Facebook and Instagram	1	F
I	Launching and running Instagram contest	31	E, F, G, H
J	Creating an advertising banner for open days	2	E
K	Creating a leaflet for open days intended for fitness center's clients	1	J
L	Launching a leaflet distribution	1	J
M	Creating a Facebook event on open days	1	K, L
N	Contest evaluation	1	I, J, K, L, M
O	Launching and running paid promotion of the event on Facebook	10	N
P	Ongoing open days	2	O

Table 24: Project activities input for CPM (own processing)

Activity	Activity time	Early Start	Early Finish	Late Start	Late Finish	Slack
Project	79					
A	2	0	2	0	2	0
B	1	2	3	2	3	0
C	1	3	4	3	4	0
D	1	3	4	3	4	0
E	31	4	35	4	35	0
F	3	4	7	31	34	27
G	1	7	8	34	35	27
H	1	7	8	34	35	27
I	31	35	66	35	66	0
J	2	35	37	62	64	27
K	1	37	38	64	65	27
L	1	37	38	64	65	27
M	1	38	39	65	66	27
N	1	66	67	66	67	0
O	10	67	77	67	77	0
P	2	77	79	77	79	0

Figure 20: Critical path performer in QM for Windows (QM for Windows)

As a result, the shortest possible time of project implementation is 79 days. The analysis results in the following critical path: **A→B→C→D→E→I→N→O→P**. The critical path contains 9 activities, the delay of which would cause the delay of the entire project.

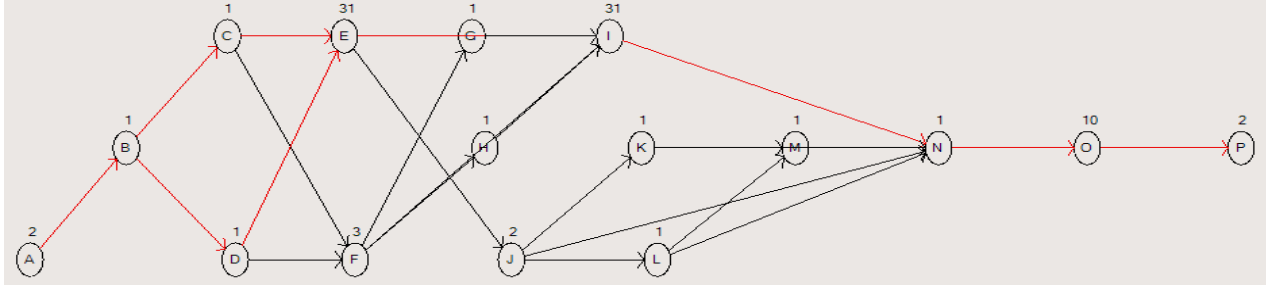


Figure 21: Time analysis - Precedence graph (QM for Windows)

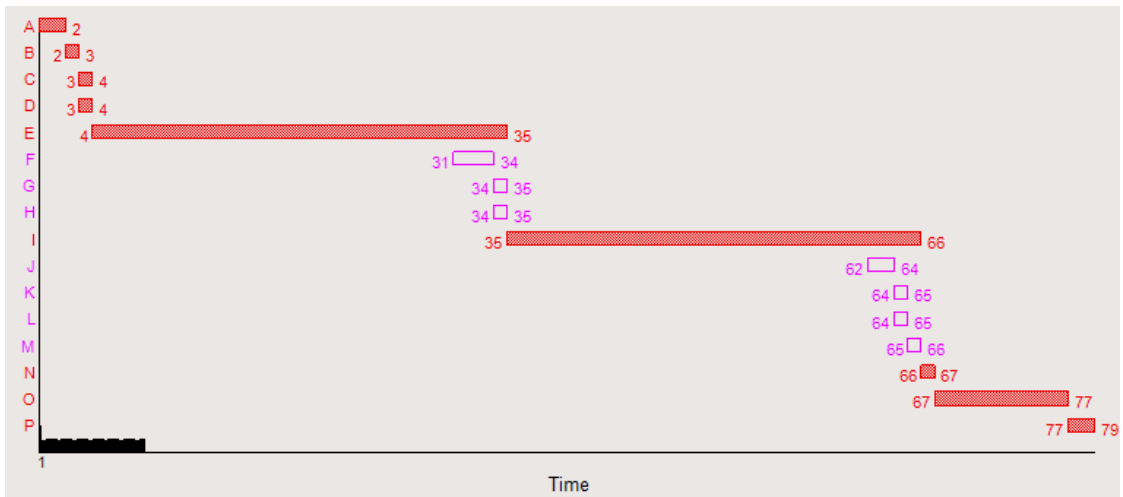


Figure 22: Time analysis - Gantt chart (QM for Windows)

16.4 Cost Analysis

Sales promotion	
Promotion on Facebook and Instagram + leaflet posted at the reception	0 CZK
Instagram contest	
Promotion on Facebook and Instagram + leaflet posted at the reception	0 CZK
Vouchers	3,000 CZK
Open days	
Promotion on Facebook and Instagram + leaflets for clients	0 CZK
Paid promotion of the event on Facebook	1,000 CZK
Trainers (3 trainers * 13 hours * 120 CZK/hour)	4,680 CZK
Total costs (rounded up to the whole crowns)	8,680 CZK

Table 25: Cost analysis (own processing)

The goal is to create a marketing campaign project with the lowest possible costs for its realization and with a set budget of a maximum of 10,000 CZK. This is mainly due to government restrictions that have left the fitness center with almost no income. In addition, the fitness center recently invested about 70,000 CZK in creating an e-shop and a new web design and logo, making it impossible to afford a further major investment in the marketing campaign.

The cost analysis of the entire campaign can be seen in Table 25. Three items can be seen at zero costs due to the fact that these comprises unpaid posts on Facebook and Instagram and the leaflets printing using a printer in the fitness center.

Concerning the open days event, the costs of trainers' assistance throughout the event are listed. The starting point for calculating these costs was the approximate hourly rate of the trainers. According to the information provided by the fitness center's owner, each of the trainers receives 30 – 35 CZK per lesson per person. An average of about 7 people attend lessons, which means that the average hourly rate of the trainer is 210 – 245 CZK. Since the open days' visitors may try some of the lessons, and the fact that it is not a full-fledged training, a roughly half rate of 120 CZK per hour has been set.

The total cost of the marketing campaign is 8,680 CZK. The budget is thus fulfilled plus there is a reserve for the possible unexpected expenses.

16.5 Risk Analysis

The risk analysis deals with the potential risks that may arise in connection with the project. The analysis identified seven risk areas. For each of them, risk probability and risk impact on the project were determined. The product of these two values represents the resulting risk value.

The following values were determined for the risk assessment:

- **0.3** – low-risk probability and low-risk impact;
- **0.6** – medium-risk probability and medium-risk impact;
- **0.9** – high-risk probability and high-risk impact.

Risk analysis aims to identify potential risks. By identifying them, these risks can be prepared for, increasing the chance of their elimination if these risks arise. Therefore, it is necessary to focus primarily on risks with a high impact and probability.

Risk	Source of risk	Risk probability			Risk impact			Risk value
		Low	Mid	High	Low	Mid	High	
		0.3	0.6	0.9	0.3	0.6	0.9	
Inappropriate project scheduling	In the summer months, people will prefer outdoor activities instead of fitness centrum attendance; ongoing government restrictions.	x				x		0.18
Low contest participation	Lack of contest awareness.	x			x			0.09
Low open days attendance	Lack of awareness; disinterest of potential clients; inappropriate activity scheduling.		x			x		0.36
Inappropriately chosen promotion	Insufficient targeting; poorly chosen marketing communication tool; people's lack of interest in Facebook ads (they overlook them).	x					x	0.27
Lack of funds	Unexpected expenses.	x				x		0.18
Low project efficiency	Just a few or no new clients; failure to retain existing clients; low increase in fitness center awareness.		x			x		0.36
Cost increase	Huge cost increase due to free entries and lessons offered within the sales promotion.		x				x	0.54

Table 26: Risk analysis (own processing)

The analysis results show that the highest risk to the project is represented by the cost increases related to the free entries and lessons offered within the sales promotion. If only a

few clients took advantage of the sales promotion and the fitness center attendance did not increase, it would lead to low project efficiency. Therefore, this would result in the fitness center providing a large number of free lessons at the expense of the paid ones. However, if the sales promotion were efficient, a large number of season tickets would be purchased, and a new clientele would be gained, the costs of free lessons would be partially covered by the proceeds of higher season ticket sales.

The medium risk for the project is represented mainly by the low attendance of the open days, poorly chosen promotion, and the low overall efficiency of the project. In essence, the three risks are interrelated. For example, poorly chosen promotion of the project can lead to little awareness of individual activities (i.e., the mentioned open days) and, consequently, little efficiency of the whole project, as poor promotion addresses only a small number of people. However, in the case of poorly chosen promotion, even though there is a higher risk value due to the high impact of this aspect on the project, the risk probability is low.

Low-risk aspects include inappropriate project scheduling, low contest participation, and the lack of funds. The low risk is identified mainly because the risks can be prevented by consistent planning. In the case of low contest participation, the low risk is identified mainly due to the relatively high prize, which could motivate many people to participate in the contest.

16.5.1 Risk Elimination Suggestions

When a project is implemented, there are certain risks that need to be identified during its realization. For each risk, appropriate measures must be taken to eliminate it or at least mitigate its impact. By conducting a risk analysis and identifying suggestions to eliminate these risks, failure of the campaign or financial loss can be avoided.

Suggestions for eliminating individual risks are formulated in Table 27.

Risk	Risk elimination
Inappropriate project scheduling	It is advisable to check the time schedule before the actual project implementation or to set time reserves. Concerning government restrictions, the situation needs to be thoroughly assessed whether there is a risk of re-closing fitness centers. If there is such a risk, it is advisable to consider postponing the project implementation.
Low contest participation	In addition to the use of promotion on social networks, customer motivation can also be used through the fitness center personnel to inform clients about the contest and encourage them to participate.
Low open days attendance	Before starting the event, it is advisable to monitor the number of people who have confirmed their participation in the created Facebook event. In addition, care must also be taken to the event promotion through the fitness center personnel and inform as many people as possible about the event.
Inappropriately chosen promotion	It is appropriate to evaluate the reach and effectiveness of the promotion during the running of the first action plan. If it turns out that the chosen marketing communication channel is not effective enough, it is appropriate to consider using another form of promotion for the other project action plans.
Lack of funds	Before the actual project implementation, it is necessary to analyze the current financial situation of the fitness center. Furthermore, it is necessary to create a financial reserve in case of unexpected expenses. Provided that the fitness center would not have sufficient financial reserve, consideration should be given to the campaign implementation postponing or its adjustment to cost reduction.
Low project efficiency	The individual project activities need to be thoroughly promoted. Above all, the personal approach of the fitness center personnel should be taken into account, especially on the open days. If potential clients see the personal and friendly personnel attitude, they are more likely to become fitness center clients. The same applies to the promotion of other project activities through the personnel.
Cost increase	The progress of the sales promotion should be closely monitored. Suppose the activity is not efficient enough and there is little interest in it. In that case, consideration should be given to early termination or modification of the activity to avoid high cost increases.

Table 27: Risk elimination (own processing)

16.6 Project Verification

After the project completion, the fitness center should carry out a post-project review of the campaign's effectiveness. In this post-project section, it is appropriate to assess whether the campaign has been a benefit for the fitness center. Whether the financial and time effort put into the project has helped raise awareness of the fitness center, gain new clients, and prevent the loss of the existing clients.

The following indicators can be used for the post-project review purpose:

- Facebook – number of new followers of the fitness center Facebook page, increased activity in posts (more comments and likes), analysis of results and metrics of paid promotion of the event on Facebook;
- Instagram – number of new followers, an increasing number of comments or likes, analysis of interaction, reach, and other account statistics via Instagram Insights;
- Season tickets – monitoring the number of season tickets sold, and if possible, comparison with previous years to see whether there has been an increase in sales;
- Observation – since the fitness center is relatively small and the personnel knows most of their clientele, it is advisable to monitor how many new people begin to attend the fitness center.

17 PROJECT SUMMARY

The project's main objective was to develop a marketing campaign, which would result in both building the loyalty of existing clients and an increase in awareness of the fitness center with the subsequent gain of new clients. The project was developed based on performed analyzes, especially based on marketing strategy analysis, benchmarking, questionnaire survey, and in-depth interview.

Within the project part, individual action plans of the marketing campaign were designed based on the analysis results, and the main and secondary objectives were also identified for each of the action plans. The campaign project consists of four consecutive action plans. The first is the introduction of sales promotion, which aims primarily to build the loyalty of existing clients and motivate them to attend the fitness center in the summer months. The second action plan is the suggestion to focus on the appearance of the Instagram profile and shared posts to look more unified. This aspect would thus contribute to a better presentation of the fitness center itself. The third action plan is the organization of the Instagram contest, which also serves to build the loyalty of existing clients and raise awareness of the fitness center by having clients share their competitive photos. Finally, the last action plan is to organize the open-days event for clients to exercise for free and look through the fitness center. The objective of this activity is primarily to acquire new clients but also to build the loyalty of existing ones. Each of the action plans contained both a description of the activity and the promotion chosen.

In conclusion, the entire project was subjected to time, cost, and risk analysis. For the time analysis, using the CPM method, it was determined that the shortest possible project implementation time is 79 days. Then, the approximate costs of project implementation in the amount of 8,680 CZK were determined using cost analysis. Finally, risk analysis identified risks that could negatively affect the project implementation. Further, suggestions for the individual risks' elimination were also determined.

Lastly, a post-project review of the entire campaign effectiveness was proposed.

CONCLUSION

The current pandemic situation, the development of trends in the fitness industry, and the growing demands of clients require quick responses to the constantly changing environment. In particular, concerns about the situation following the end of government restrictions were the main incentive for the marketing campaign creation. The goal of the thesis was to create a marketing campaign project to build the loyalty of existing clients, raise awareness of the fitness center, and subsequently gain new clients.

Based on the performed analysis, several shortcomings, which should be eliminated, were identified. The biggest shortcomings were found in the use of social networks, which are used primarily as a tool for communicating information or news concerning the fitness center, but their marketing potential is not exploited. Further shortcomings stemming from the analysis are the insufficiently large fitness center premises, its equipment, and the smaller range of lessons offered. The conclusions drawn from the analysis of the fitness center served as a basis for the development of the marketing campaign project. Primarily, the results of the questionnaire survey were used to learn from loyal clients to attract future clients.

Within the practical part, the marketing campaign project consisting of four action plans was developed. Two action plans, namely sales promotion and Instagram contest, were designed to build the loyalty of existing clients and increase fitness center attendance during the summer months, as it is common knowledge that fitness center attendance is lower at this time. Another action plan was to focus on developing a strategy for sharing and the appearance of Instagram posts, which would help improve the fitness center's image and possibly gain new clients. The last proposed action plan is the organization of an open day event. The event was scheduled for September, as clients' interest in visiting fitness centers grows again in the autumn months and there is also a greater chance that potential clients will be able to attend the event, as people often go on holiday in the summer months. All action plans were subsequently subjected to cost, time, and risk analysis.

The personal benefit of this project was mainly the application of theoretical knowledge to practical use to design the most efficient marketing campaign with the lowest possible costs for its implementation. However, it should be added that the marketing campaign implementation is just the beginning, and the fitness center should continue to devote itself to promoting and ensuring the clients' satisfaction even after the campaign consistently.

BIBLIOGRAPHY

Bibliographic Sources

BLYTHE, Jim and Phil MEGICKS, 2010. *Marketing Planning: Strategy, environment and context*. Harlow: Pearson Education Limited, 289 p. ISBN 978-0-273-72471-1.

BURNS, Alvin C. and Ann VEECK, 2020. *Marketing Research*. 9th Edition. New York: Pearson Education, 527 p. ISBN 9780134895126.

DIETRICH, Gini and Geoff LIVINGSTON, 2012. *Marketing in the Round: How to Develop an Integrated Marketing Campaign in the Digital Era*. Indianapolis: Que Publishing, 224 p. ISBN 978-07897-4917-8.

KAŠÍK, Milan a Karel HAVLÍČEK, 2015. *Marketing při utváření podnikové strategie*. 3., aktualizované vydání. Praha: Vysoká škola finanční a správní, 274 s. ISBN 978-80-7408-100-2.

KOTLER, Philip and Gary ARMSTRONG, 2017. *Principles of Marketing*. 17th Edition. Boston: Pearson, 736 p. ISBN 978-1-292-22017-8.

KOTLER, Philip and Kevin Lane KELLER, 2012. *Marketing Management*. 14th Edition. Upper Saddle River, N.J.: Prentice Hall, 657 p. ISBN 01-321-0292-7.

PAYNE, Adrian, Malcolm MCDONALD and Pennie FROW, 2011. *Marketing Plans for Services: A Complete Guide*. 3rd Edition. Chichester: John Wiley & Sons Ltd, 513 p. ISBN 978-1-119-95186-5.

RAHMAN, Muhammad Sabbir, Mahmud Habib ZAMAN and Md Afnan HOSSAIN, 2019. *Service Marketing Strategies for Small and Medium Enterprises: Emerging Research and Opportunities*. Hersey PA: IGI Global, 171 p. ISBN 9781522578925.

RANDAZZO, Gary W, 2014. *Developing Successful Marketing Strategies*. New York: Business Expert Press, 168 p. ISBN 978-1-60649-961-0.

ROSTEK, Katarzyna, 2015. *Benchmarking Collaborative Networks: A Key to SME Competitiveness*. New York: Springer International Publishing, 169 p. ISBN 978-3-319-16736-7.

VENUGOPAL, Pingali, 2014. *Marketing Research: A User's Perspective*. New Delhi: McGraw Hill Education (India) Private Limited, 280 p. ISBN 978-93-392-1913-0.

VYSEKALOVÁ, Jitka a Jiří MIKEŠ, 2010. *Reklama: jak dělat reklamu*. 3., aktualizované a doplněné vydání. Praha: Grada, 208 s. ISBN 978-80-247-3492-7.

WILSON, Alan, Valarie ZEITHAML, Mary Jo BITNER and Dwayne D. GREMLER, 2016. *Services Marketing: Integrating Customer Focus Across the Firm*. 3rd Edition. Berkshire: McGraw-Hill Education, 960 p. ISBN 9780077169312.

WIRTZ, Jochen and Christopher LOVELOCK, 2018. *Essentials of Services Marketing*. 3rd Edition. Harlow: Pearson Education Limited, 705 p. ISBN 978-1-292-08995-9.

WIRTZ, Jochen and Christopher LOVELOCK, 2016. *Services Marketing: People, Technology, Strategy*. 8th Edition. New Jersey: World Scientific Publishing, 1239 p. ISBN 9781944659004.

Electronic Sources

Besteto, ©2021. *Trendy v (online) marketingu pro rok 2021: online nákupy a memečka* [online]. [cit. 2021-02-06]. Available from: <https://www.besteto.cz/trendy-v-marketingu-2021>.

Body centrum Rožnov, ©2021. [cit. 2021-02-16]. Available from: <https://www.bodycentrumroznov.cz/>.

Box-Fit Gym, ©2021. [cit. 2021-02-13]. Available from: <http://www.boxfitgym.cz/>.

Česká komora fitness, ©2018. *Aktuální informační servis COVID-19* [online]. [cit. 2021-03-16]. Available from: <https://komorafitness.cz/covid/>.

Český statistický úřad, ©2021. *Statistiky* [online]. [cit. 2021-03-17]. Available from: <https://www.czso.cz/csu/xz/statistiky>.

Deloitte, ©2021. *Changing consumer, digital marketing and impact of Covid-19* [online]. [cit. 2021-02-06]. Available from: <https://www2.deloitte.com/si/en/pages/strategy-operations/articles/changing-consumer-digital-marketing-impact-Covid-19.html>.

Experience Life, ©2020. *What You Need to Know About Yin-Yang Fitness* [online]. [cit. 2021-02-13]. Available from: <https://experiencelife.com/article/yin-yang-fitness-the-best-of-both-worlds/>.

Finanční správa, ©2013 – 2021. *Informace GFŘ ke změnám sazeb DPH od 1. 7. 2020* [online]. [cit. 2021-03-11]. Available from:

https://www.financnisprava.cz/assets/cs/prilohy/d-seznam-dani/38742-INFORMACE_sazby_DPH_covid2020.pdf.

Fittsport, ©2021. [cit. 2021-02-16]. Available from: <http://fittsport.cz/>.

Lift & Fit, ©2021. [cit. 2021-02-16]. Available from: <http://www.liftandfit.cz/>.

Ministerstvo financí České republiky, ©2021. *Makroekonomická predikce – leden 2021* [online]. [cit. 2021-03-17]. Available from: <https://www.mfcr.cz/cs/verejny-sektor/makroekonomika/makroekonomicka-predikce/2021/makroekonomicka-predikce-leden-2021-40599>.

SmartBrief, ©2021. *4 major trends for digital marketing in 2021* [online]. [cit. 2021-02-06]. Available from: <https://www.smartbrief.com/original/2020/12/4-major-trends-digital-marketing-2021>.

LIST OF ABBREVIATIONS

BJJ Brazilian Jiu Jitsu

BOSU Both Sides Up (balance trainer)

CPM Critical Path Method

CRM Corporate Social Responsibility

HIIT High Intensity Interval Training

HR Human Resources

i.e. “that is”

MMA Mixed Martial Arts

PR Public Relations

TRX Total Resistance Exercises

LIST OF FIGURES

Figure 1: Simple perceptual map (Blythe and Megicks, 2010, p. 189)	31
Figure 2: Logo (Box-Fit Gym, ©2021)	41
Figure 3: Website (Box-Fit Gym, ©2021).....	45
Figure 4: Inflation rate in the Czech Republic (Český statistický úřad, ©2021).....	49
Figure 5: Unemployment rate in the Zlín region (Český statistický úřad, ©2021)	49
Figure 6: Average gross monthly wage in the Zlín region (Český statistický úřad, ©2021)	50
Figure 7: Fitness centers location (own processing).....	58
Figure 8: Gender and age of respondents (own processing).....	66
Figure 9: How did the respondents find out about the fitness center (own processing).....	67
Figure 10: How long have the respondents been attending the fitness center (own processing)	67
Figure 11: Attendance after the fitness center re-opening (own processing)	68
Figure 12: Purpose of the fitness center's attendance (own processing)	68
Figure 13: Training sessions participation (own processing)	69
Figure 14: Switch to the competing fitness center (own processing).....	70
Figure 15: Purpose for switching to a competitive fitness center (own processing)	70
Figure 16: Respondent satisfaction (own processing)	71
Figure 17: Overall satisfaction (own processing)	71
Figure 18: Instagram feed proposal (own processing).....	82
Figure 19: Open Days banner (own processing)	84
Figure 20: Critical path performer in QM for Windows (QM for Windows)	87
Figure 21: Time analysis - Precedence graph (QM for Windows).....	88
Figure 22: Time analysis - Gantt chart (QM for Windows)	88

LIST OF TABLES

Table 1: Internal factors – (Payne et al., 2011, p. 173).....	33
Table 2: External factors – (Payne et al., 2011, 172).....	33
Table 3: Revenue in 2019 and 2020 (own processing).....	42
Table 4: Price list (own processing)	44
Table 5: Age structure of the population in Rožnov pod Radhoštěm (own processing)	51
Table 6: Price comparison (own processing).....	57
Table 7: Benchmarking criteria description – provided services (own processing).....	60
Table 8: Benchmarking criteria description – prices (own processing)	60
Table 9: Benchmarking criteria description – accessibility (own processing)	60
Table 10: Benchmarking criteria description – promotion (own processing)	61
Table 11: Benchmarking criteria description – personnel qualification (own processing) .	61
Table 12: Benchmarking criteria description – additional services (own processing)	61
Table 13: Benchmarking criteria description – physical environment and equipment (own processing).....	62
Table 14: Benchmarking (own processing)	62
Table 15: SWOT analysis (own processing)	64
Table 16: Hypothesis H1 – overall satisfaction (own processing)	72
Table 17: Hypothesis H2 – fitness center attendance (own processing)	73
Table 18: Hypothesis H3 – chi-square test (own processing)	73
Table 19: Hypothesis H4 – chi-square test (own processing)	74
Table 20: Project activities (own processing).....	80
Table 21: Sales promotion (own processing)	81
Table 22: Facebook paid promotion details (Facebook, ©2021; own processing)	85
Table 23: Time analysis (own processing)	86
Table 24: Project activities input for CPM (own processing)	87
Table 25: Cost analysis (own processing)	88
Table 26: Risk analysis (own processing)	90
Table 27: Risk elimination (own processing).....	92

APPENDICES

Appendix P I: Questionnaire Survey in Czech

Appendix P II: Questionnaire Survey in English

APPENDIX P I: QUESTIONNAIRE SURVEY IN CZECH

Dobrý den,

jmenuji se Martina Vokáčová a jsem studentkou 2. ročníku navazujícího magisterského oboru Management a marketing – specializace Design management na Univerzitě Tomáše Bati ve Zlíně. Chtěla bych Vás požádat o vyplnění krátkého dotazníku, který je součástí mé diplomové práce zaměřené na vytvoření marketingové kampaně fitness centra Box-Fit Gym. Všechny odpovědi jsou anonymní a výsledky budou využity pouze v rámci mé diplomové práce.

Předem děkuji za Vaši ochotu a čas.

1. **Odkud jste se o fitness centru dozvěděl/a?**
 - Rodina
 - Přátelé/známí
 - Facebook
 - Instagram
 - Internet
2. **Jste stávajícím klientem fitness centra?**
 - Ano
 - Nejsm, ale chci se klientem stát
3. **Jak dlouho navštěvujete fitness centrum?** *(včetně měsíců, kdy bylo zavřeno)*
 - 6 měsíců – 1 rok
 - 1 rok – 1,5 roku
 - 1,5 roku a více
4. **Budete fitness centrum navštěvovat i po skončení protipandemických opatření, kdy se fitness centra opět otevřou?**
 - Ano
 - Nevím, nepřemýšlel/a jsem o tom; zvážím podle situace
 - Ne
5. **Za jakým účelem navštěvujete fitness centrum?** *(výběr více odpovědí)*
 - Zvýšení fyzické kondice/formování postavy
 - Zdravotní benefity cvičení
 - Hubnutí
 - Životní styl
 - Jiné:
6. **Kterých z níže uvedených tréninků se účastníte?** *(výběr více možností)*
 - Funkční/kruhové tréninky
 - Kondiční box
 - CrossFit
 - HIIT
 - Kondiční kickbox
 - Sebeobrana
 - Neúčastním se tréninků, chodím si pouze zacvičit
7. **Měl/a byste zájem o jiné tréninky než ty, které fitness centrum poskytuje? Pokud ano, o jaké?**
 - *Otevřená otázka*

8. Přešel/a byste ke konkurenci?

- Ano
- Spíše ano
- Nevím, nepřemýšlel/a jsem nad tím
- Spíše ne
- Ne

9. Pokud ano, proč? (výběr více možností)

- Lepší nabídka lekcí či služeb
- Lepší vybavenost fitness centra
- Cena
- Na základě doporučení
- Jiná:

10. Ohodnoťte vaši spokojenost s jednotlivými aspekty fitness centra na škále 1-5 (1 = velmi nespokojen/a; 5 = velmi spokojen/a):

- Kvalita poskytovaných služeb	1	2	3	4	5
- Cena	1	2	3	4	5
- Lokalita	1	2	3	4	5
- Příspěvky na Facebooku a Instagramu	1	2	3	4	5
- Personál	1	2	3	4	5
- Čistota	1	2	3	4	5
- Velikost a vybavení fitness centra	1	2	3	4	5
- Celková spokojenost	1	2	3	4	5

11. Je něco, co vám ve fitness centru chybí nebo byste změnil/a?

- *Otevřená otázka*

12. Máte sedavé zaměstnání?

- Ano
- Ne

13. Jaké je vaše pohlaví?

- Muž
- Žena

14. Jaký je váš věk?

- Méně než 18 let
- 18–25 let
- 26–35 let
- 36–45 let
- 46 a více

Ještě jednou děkuji za Váš čas a vyplnění dotazníku.

APPENDIX P II: QUESTIONNAIRE SURVEY IN ENGLISH

Hello,

my name is Martina Vokáčová, and I am a student of the 2nd year of the follow-up master's degree in Management and Marketing – Specialization Design Management at Tomas Bata University in Zlín. I would like to ask you to fill out a short questionnaire, which is a part of my master's thesis aimed at creating a marketing campaign for fitness center Box-Fit Gym. All the answers are anonymous, and the results are to be used in my thesis only.

Thank you in advance for your willingness and time

1. **How did you find out about the fitness center?**
 - Family
 - Friends/acquaintances
 - Facebook
 - Instagram
 - Internet
2. **Are you a current fitness center's client?**
 - Yes, I am
 - No, I am not, but I would like to be one
3. **How long have you been attending the fitness center? (including months when closed)**
 - 6 months – 1 year
 - 1 – 1,5 year
 - 1,5 year and more
4. **Will you be attending the fitness center after the end of the anti-pandemic measures, when the fitness centers reopen?**
 - Yes, I will
 - I have not been thinking about it yet; I will consider it according to the situation
 - No, I will not
5. **What is the purpose of your fitness center's attendance? (multiple choice answers)**
 - Physical condition increase/body shaping
 - Health benefits of exercising
 - Weight loss
 - Lifestyle
 - Other:
6. **Which of the training sessions below do you participate in? (multiple choice answers)**
 - Functional/circuit training
 - Fitness box and kickbox
 - CrossFit
 - HIIT
 - Self-defense
 - I do not participate in any training session, I only use the gym
7. **Would you be interested in workouts other than those provided by the fitness center? If so, which ones?**
 - *Open-ended question*

- 8. Would you switch to the competing fitness center?**
- Yes, I would
 - Rather yes
 - I do not know, I have not been thinking about it yet
 - Rather no
 - No
- 9. If so, why? (multiple choice answers)**
- Better lessons or services offer
 - Better fitness center amenities
 - Price
 - Based on recommendation
 - Other:
- 10. Rate your satisfaction with individual aspects of the fitness center on a scale of 1-5 (1 = very dissatisfied; 5 = very satisfied):**
- | | | | | | |
|--|---|---|---|---|---|
| - Quality of the services provided | 1 | 2 | 3 | 4 | 5 |
| - Price | 1 | 2 | 3 | 4 | 5 |
| - Location | 1 | 2 | 3 | 4 | 5 |
| - Posts shared on Facebook and Instagram | 1 | 2 | 3 | 4 | 5 |
| - Personnel | 1 | 2 | 3 | 4 | 5 |
| - Tidiness | 1 | 2 | 3 | 4 | 5 |
| - Fitness center's size and amenities | 1 | 2 | 3 | 4 | 5 |
| - Overall satisfaction | 1 | 2 | 3 | 4 | 5 |
- 11. Is there anything you miss or would change at the fitness center?**
- *Open-ended question*
- 12. Do you have a sedentary job?**
- Yes, I do
 - No, I do not
- 13. What is your gender?**
- Male
 - Female
- 14. How old are you?**
- Younger than 18 years
 - 18-25 years
 - 26-35 years
 - 36-45 years
 - 46 years and older

Thank you again for your time and for filling out the questionnaire.