

## CASE STUDY: WellWithin, October 2007

### Membership Retention in the Health and Fitness Industry

#### Client's Need:

WellWithin specialise in providing practical solutions for increasing effectiveness and well-being for individuals, teams and organisations across different sectors.

One sector of particular interest to WellWithin is the health and fitness industry. Rising concerns over poor membership retention rates across many health and fitness clubs is attracting research into how retention rates can be increased in order to increase the profitability of health and fitness clubs.

WellWithin considered that understanding membership retention necessitates taking an evidence-based, psychological approach in order to offer original, cutting-edge research and development for the health and fitness industry.

#### CP@W Response:

CP@W was invited to consult on the above need. Rather than simply respond with a consultancy proposal, CP@W's unique position within a University enabled them to recommend a match-funded PhD research project. From a business point of view this is incredible value-for-money in consultancy, providing 'academically credible' consultancy in addition to necessarily 'leading edge' thought on an existing business need.

The project is to be driven by two main objectives.

#### *Objective 1*

Identify psychological reasons behind members' decisions to cancel or switch their club membership including:

- satisfaction
- service quality
- attitudes and beliefs towards exercise
- involvement, commitment
- company identity and perceptions of 'fit'

#### *Objective 2*

Assess current attitudes towards the practice of relationship marketing across the health and fitness industry. Relationship marketing is the degree to which organizations strategically direct marketing efforts towards attracting, maintaining and strengthening relationships with customers.

A single case study design has been adopted for the research which will include data gathering methods such as interviewing and questionnaire distribution across a stratified sample of stakeholders, in order to collect information from members, ex-members, managers and employees of one of the largest fitness club operators in the UK.

The research findings will be used to develop tools and models for managing and improving membership retention rates of members in health and fitness clubs.