



A Study on CRM Strategies adopted by health club operators

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ABSTRACT

This research paper presents the CRM strategies adopted by health club operators, keeping in view the increase in health centers and desire to get fit. The study focuses on understanding how perception, expectations, well-being, and satisfaction, needs and desires, influence retention in fitness clubs, to what extent these help in retention. And also focuses on the strategies already being used and the changes it requires to attain more success like big brands: gold gym, Fitness first, power house, Talwalkar's. Then the paper moves on to the different works done by the scholars in this field and analyses done by them in this field of research, The results indicate that fitness clubs should focus on club maintenance, offer suitable and modern facilities and equipment, and strive to cultivate strong customer relationships, in order to provide a pleasant experience to club members and increase the duration of their training sessions.

Key words: CRM strategies, fitness clubs, client retention, customer experience.

INTRODUCTION

The growing awareness of benefits of physical activity and of the relationship between physical inactivity and risk factors, has led to large involvement of people with fitness and wellness service, As result, there are around 24,000 gyms and studios in the country, out of which 95% are organized outlets and 5% are unorganized, including large and professional centers as well as small, community clubs with basic equipment.

On the one hand, the count of fitness centers has increased in recent years (talley,2008), but on other hand, this increase is not great to strength the business. Furthermore, a part of population who has never gone to a gym or health club (leisure-net solution,2005) and some of members who leave early, complicates the procession and retention of members. For McCarthy (2007), quitting is currently the major problem of the fitness industry, which

the author considers a triple loss: it represents a financial loss for club owners, an opportunity loss for club manager and an experiential failure for club members.

Since the year 1997, the term CRM has been pretty common and can also be classified as “a computer program, an information system, a key client management approach or even a philosophy”. Form the point of view of this article, “Customer Relationship Management is a diverse operation to create and to keep good relations with the client [Beliczyński 2006], nowadays supported by information technology tools that help to maintain contact with the client in a regular and systematic way.” Or it more like, business technique to build client locality between client and company. And if CRM is a statement between an organization and a client, then it is a way and requires a continuous contact and a long-term commitment. (stachowicz-Stanusch, Stachowicz 2002).

This article shows various CRM solutions used by a fitness club to ensure good and maintained client care. The main goal of the paper is to present, ‘how to apply CRM concept in this industry’ and ‘discuss its functions as well as its usefulness’.

OBJECTIVE OF THE STUDY

- To study the CRM strategies adopted by health club operators.
- To highlight the unique touch point to customize customer experience.
- To highlight the importance of data warehousing in customer retention.
- To study the role of strategic alliances, cutting edge technologies and customer locality programs in customer retention.

REVIEW OF LITERATURE

- (Aleksandra Leśniewska. et al., 2014) the purpose of this paper was to present two information system based on client relationship management in health clubs. The main understanding of this paper was IT solutions to CRM and client’s retention.
- (Aleksandra Ilna, 2015) the paper was helpful in providing most effective way of social media marketing that can be applied for customer loyalty and the main idea behind this was to create guidelines for the companies to build social bond and maintain communication and retention.
- (Diniz, et al., 2015) is his paper he stated importance of customer management and different strategies criteria, data analysis. It is a great read to understand the customer loyalty and client retention strategies.

SIGNIFICANCE AND IMPORTANCE

This study is significant because it fills the existing lacuna of connecting CRM with the recently growing business model of fitness/ health clubs. This study is important for research scholars, students, marketing professionals and brands that follow this model.

LIMITATION OF THE STUDY

The study is based on the secondary data obtained from articles, journals, research papers, websites etc. and this may act as a limitation to the study.

FINDIND AND SUGGESTION

The addiction for fitness is increasing day by day along with the craze to brands and getting best is also increasing, leading to high competition in fitness industry. Thus, it has become important for fitness operators to work harder on their CRM strategies. Some of the strategies adopted by them are:

- **CRM software:** it aggregates customer's information at a single location to provide easy access to information, such as contact, purchase history, and past contacts with customer service respectively. This data helps to interconnect with clients, foresee customer needs, recognize updates and track performance goals when it comes to sales. This software 's main task is to maintain interaction more efficient and productive for the clients. The automated procedures within a CRM module include sending sales team marketing material based on client's custom and access customer's desire to reduce the time it takes to fulfill a request, known as customer helpline.
- **CRM cloud solution:** it provides real time information to sales agents at the office and in field as long as a computer, smartphone, laptop connects to the internet. Such things boost approachability to customer's data and remove the complex installation process involved with other CRM products and software. The convenience of the convenience of this system has a tradeoff. In case, a company goes out of business, access to customer data may be compromised. The company might have adaptability issues when and if it migrates to different vendor for this kind of software. Also, 'cloud-based CRM program' are expensive than other in-house program.
- **CRM human management and artificial intelligence:** the software's related to CRM and are based on IT, are nothing if used without proper management and decision-making from humans. Adding, the best programs organize data in a way that humans can interpret readily and use to their advantage. For CRM to be successful, companies must learn to use useful information and must weed out any duplicate or incomplete records for best. Despite, the fact that human is important but the reliability on AI application is increasing and has shown more strength for near future. AI will reduce the hard work of maintaining data and sorting it out and will also increase the speed. Tangible AI applications for CRM, however, are in the early stages of adoption, although Salesforce and Microsoft have already started to integrate AI components into their existing CRM systems.

SUGGESTIONS

What all they have been using is helpful but still what we find is that, they need to make few changes and need to adopt some more strategies. The strategies they need to adopt are: (a) Develop a single member view- clients desire to be recognized as one across all touchpoints for a smooth case. Clients in these spaces are looking for personalized sessions, relevant suggestions and favourable recalls. This will lead to losing of bottleneck holding your fitness clubs back and use data to make a stronger member base. (b) develop an app- on an average human spend 15% of their waking hours on their phones, this will help to have one on one relation with client and club, ask them question and keep their daily track and congratulate them for their fitness results and offer them loyalty discounts and offers. (c)provide customize content- All of the technology consumers have at their ease today gives brand a change to reach members wherever they are with favourable content that keeps them busy and the company top of mind. (d) customized customer service- to have right strategy at right place is important for fitness clubs, to improve client experience. Since the technology is affecting the membership by online videos and virtual training. That is why it's important than ever to make sure that you provide an extraordinary in-gym or in-studio experience. Great customer service is measured the way your workers greet and onboard new clients, the services in your locker rooms, the waiting areas in your lobby and so much more. One of the most important aspects of extraordinary customer service is customization. Fitness clubs need to prioritize getting to know their members and show that they care by asking them how they liked a new class, or sending them greetings on their birthday. (e) Boost member referrals- A benefit that comes from upgrading the member experience is "happier and more loyal customers, and more loyal customers means a higher likelihood member will want to tell their friends about their experience". present clients are your best salespeople, and improved strategies can alleviate pain points here by making the process simpler for members to refer their friends, family and co-workers.

CONCLUSION

With the passage of time the count to fitness clubs are increasing, it might be of any for: gym, health clubs, dance, Zumba, etc. what we can see is that the area occupied by some big brands is way higher than the small or individual brands. Thus it has become much harder to maintain clients in a brand. With the increase in choices to the client, it has become important for fitness club operators to try harder to get loyalty and retention. The above findings and suggestions are made after studying all the aspects, with an aim to get successful CRM policy for the brand.