

Marketing in sport recreation industry marketing essay

[Business](#), [Marketing](#)



1. 0 Introduction

This report has been undertaken as part of the ISRM Higher Professional Diploma in Sport and Recreational Management to both explore and assess marketing in the sports and recreational industry. The report will look at how the Sports section within the Directorate of Wellbeing Services considers both the use of their facilities and the way in which they can improve . i. e. by exploiting the information gathered from customer questionnaires and surveys, SWOT analysis, PEST analysis and SMART marketing objectives within the recommendations. It will further include a detailed marketing plan for a site that I have access to and have previously worked and will take into consideration both the social and economic aspects that need to be included when the plan is formed.

For assignment purposes the report will examine a customer satisfaction survey that took place at Halewood Leisure Centre in July 2010, and the recommendations and conclusions that are obtained via that survey.

2. 0 Overview

The Marketing and Promotion of Sport in Knowsley is an " in house" function initiated by site managers. Customer surveys are frequently carried out to collect and collate targeted user information, such as customer satisfaction, customer participation, distance travelled and non- user surveys. The survey results are essential to successful marketing and will assist managers decide upon which activities and areas need further advertising and promoting. The results will also highlight the possible Dogs (Pets) or Problem Children

(Question marks) within the organisation, activities may need to discontinue. However it should also be noted that some activities are seasonal and this can have a huge impact on the items that are to be promoted e. g. external 5-A-Side being more popular during summer months. Although Knowsley Active Gyms are considered to be a cash cow they also go through a 12 month life cycle i. e. people want to get fit before holidays and or after the Christmas period.

3. 0 Product Lifecycle

All products irrespective of size or success will follow a product life cycle; the cycle begins at the product's introduction. The way in which people are made aware of a particular product or the products uniqueness can identify if that product will be a success or a failure. If introduced and marketed correctly the product will experience a substantial level of growth. As the product begins to mature the selling opportunities level out or decline due to either new alternatives or because everyone who wants the product will have already purchased it, the decline suggests that the life cycle of the product has come to an end. Often products have a re-occurring life cycle, a good example being the Apple iPhone. Apple updates their phones as soon as the product life cycle begins to decline. The new revised product/model will either prolong the original lifecycle or begin a new lifecycle.

The Typical Product Lifecycle

4. 0 Ansoff's Matrix

Igor Ansoff developed a common tool to be used within the marketing strategy in 1957. This as does the Boston Matrix provides 4 main categories

with regards to strategic business options. Market Penetration - This involves increasing sales of an existing product and further invasion of the market by promotion of the product, or reduction in price to increase sales. Product Development - An organisation develops new products that are aimed at the existing market so that they will obtain more custom. Market Development - The organisation develops a way of selling existing products to new marketsDiversification - Moving away from supplying the customer with their normal product, to something completely new.

Igor Ansoff's Matrix

5.0 The Boston Matrix

Like Igor Ansoff's matrix, the Boston Matrix is a well-known marketing instrument which originated from the Boston Consulting Group in the early 1970s. The matrix is divided into four categories defined as Dogs, Cash Cows, Problem Children and Stars. It was developed to provide a simple method for helping businesses decide which parts of their business they should invest time, money, and effort in, it's also a good tool for thinking about where to apply other resources such as people, time and equipment.

Dogs This applies to products that are not generally successful. They will eat in to companies' resources but are often hard to eliminate due to political reasons.

Cash Cows This term applies to products that will never see a company have a huge income but they will keep the company ticking over by bringing in a regular income.

Problem Children These are products that absorb money from a company as they will cost the company money to advertise and market them. Basically the more you try to sell, the more it

will cost you. Stars These are obviously the products that will generate a good income. They must definitely be kept and marketed in such a way that you can build on this success. It is recommended that companies have if possible no, Dogs. Problem Children and Stars need to be kept stable and the income generated from the Cash Cows of the organisation should be utilised to convert problem children into Stars, which may if marketed correctly develop into Cash Cows. However some of the Problem Children may turn out to be Dogs, the contribution from the successful products will be relied upon heavily to compensate for the disappointments.

The attached Appendix A shows a financial breakdown of the income at Halewood Leisure Centre for the last financial year 2009/2010 and 2010/2011. The budget in Appendix A leads us to believe that the vending income and instructional classes at Halewood Leisure Centre are to be seen to be a cash cow whereas the gym is most definitely a star. Due to the decline of Swimming, discussed in section 9. 3 Social Environment swimming has fallen into the category of the problem child while both the sauna and sunbed section are considered to be dogs.

6. 0 Halewood Leisure Centre

Halewood Leisure Centre is a multi-purpose built facility offering an extensive programme of wet and dry activities. It is situated on the outskirts of the city of Liverpool, in Knowsley and within 2 miles of the M62 and M57 Motorways, as well as the main 'A' road connecting to the Runcorn Bridge and the Wirral. Whilst always offering facilities for local and regional community uses, Halewood Leisure Centre has had to become more

persistent in order to secure a reasonable share in the market, following its opening in 2002. The years following the 2002 opening have seen a wider and more varied programme of activities, reflecting the needs of the local communities. The gymnasium was then refurbished in December 2008, with 78 new state of the art cardiovascular machines. On a local level, new classes have been introduced such as martial arts clubs, a variety of aerobics classes such as Zumba and new holiday activities for children and sports coaching courses. Even with the introduction of these new activities, there is a requirement to continually analyse methods of both delivering and developing the new activities. Specifically there's a requirement to explain of the dynamics of ' what' is offered and ' to whom' and ' how'. This is the fundamental role of the Marketing Plan, which sets out to analyse the current ' product' and ' market', assess what gaps may exist, and ensure that the right services are being offered to the right people at the right time.

6. 1 Current Services and Products

6. 1. 0 Sports Hall

The Sports Hall has a wooden sprung floor and is marked for 4 badminton courts, 5 aside football, basketball, handball, netball, hockey and volleyball.

6. 1. 1 Active Fitness Suite

The Active Fitness Suite is a modern facility with over 78 stations, equipped with a range of resistance and computerised cardio-vascular equipment. Customers all receive inductions and can use the facility on a casual basis, or purchase a membership, Gold Card giving unlimited access or a silver card giving access at off peak times. Joint memberships are also available. In May

2005 Halewood Leisure Centre was accredited as an 'Inclusive Fitness Site'. The Inclusive Fitness Initiative (IFI) is a Sport England Lottery funded project that supports facilities to become inclusive, catering for the needs of disabled and non-disabled people alike. Inclusive Fitness Facilities improve fitness suites for disabled users in four key areas: Fitness equipment. Staff training. Marketing. Sports development. The introduction of some simple measures has improved the service offered to people immensely. Activities such as increasing the number of disabled parking bay, replacing locker key fobs with tactile numbers, providing information in alternative formats and training staff. Halewood Leisure Centre has updated its facilities to enable disabled users to exercise alongside non-disabled friends and families in a welcoming atmosphere.

6. 1. 2 Sauna/Steam Cabin

There is a modern sauna/steam facility, private changing facilities, showers and relaxation area. This facility offers male only, female only and is used by both casual users and those customers in possession of a Gold and Silver Cards.

6. 1. 3 Outdoor All-Weather Pitches

Halewood Leisure Centre has 2 synthetic floodlit 5 aside pitches that are available for block bookings and casual hire.

6. 1. 4 Swimming Pool

The swimming pool at Halewood Leisure Centre is a six-lane rectangular 25 x 12.5 metre deck level pool. The pool is equipped for lessons, swimming

galas and public swimming sessions. The centre also has a large pool inflatable that is extensively used for fun sessions and is available for hire for party bookings. The pool is also programmed for extensive school and club hire sessions.

6. 1. 5 Multi-Purpose Room

This area of the centre is programmed and used for a wide range of aerobic and martial art classes. Halewood Leisure Centre exercise and aerobic programme includes instructional classes in; Aerobics. Step Aerobics. Pilates. Kick Fit. Aqua- Aerobics. Tai Chi. Callanetics. Hips, Tums and Bums. Aero-Step. Tone and Trim. Yoga [beginner & advance classes]. Circuit Training. Body PumpAerobic Total Body workout. Keep Fit Clinic. The centre hosts a range of martial art clubs. These include; Ju Jitsu. Kick-Boxing. Karate. Children's Judo.

6. 1. 6 Studio cycling room

Formally utilised as a training room, however through customer questionnaires and surveys it was recognised that there was a greater need for both space and further programmed activities, Studio cycling commenced in February 2010.

6. 1. 7 Training Room (Extension 2009)

The training room is used to host training programmes by external sources and sessions organised through ' Knowsley Active Training'Johnson TrainingISRMPPro-FitActive Training NetworkASA

Junior Programme

Halewood Leisure Centre has core programme of junior activities combined with an organised school holiday programme. The junior core programme includes the following activities; Junior Shapers. Soccer Coaching. Pool Fun Sessions. Basketball. Netball Coaching. Dance Classes. Archery Instruction. Children's Judo. Karate. Ju Jitsu. Kick Boxing.

7. 0 Situational Analysis

This section of the plan will analyse ' where we are now' and includes the results of a recent survey of clients at Halewood Leisure Centre, an overview of the potential market, services and products and a list of potential competitors.

7. 1 Purpose

The purpose of the survey was to determine the main characteristics of the present users of Halewood Leisure Centre, why they visit the Centre and where they come from. The customer survey was conducted over a five day period in July 2010 and a total of 92 questionnaires were completed. A full set of tables showing the number and percentage of replies received to each question is shown, together with customer comments relating to satisfaction. A list of recent improvements noted by customers is listed and includes a wide range of suggestions for further improvements. (Appendix B)

7. 2 Summary of Findings

See Appendix C

7.3 Competitors

There are no direct competitors to Halewood Leisure Centre within walking distance, and therefore the Centre tends to 'corner the market' from the local surrounding communities. However, for those customers who are mobile, there are a number of leisure opportunities available within a relatively short traveling distance and time.

8.0 SWOT Analysis

The SWOT analysis was undertaken for Halewood Leisure Centre comparing, Liverpool Lifestyles, David Lloyd Speke, DW Widnes and Kingsway Widnes. Marketing material was readily available at David Lloyd and Halewood Leisure Centre and Liverpool Lifestyles. This could not be said for DW in Widnes only photocopies of timetable were available and they were only copied upon request. Appendix E

Halewood Leisure Centre

Strengths

Halewood Leisure Centre is part of a dynamic and committed Sports Service. It is easily accessible via road, and has a train station within close proximity. There are a large range of facilities on site. The existing Leisure Pass scheme will continue to make activities more accessible to traditional non-leisure centre users. There are plenty of car parking spaces. There is strong political support from elected members for providing and developing services. Halewood Leisure Centre is one of the leading Inclusive Fitness sites in the region. A Quest accredited site with an integrated management system in

place. MRM+2 computerised till system giving greater customer/user reports and information.

Weaknesses

As with all Centre's we have a relatively narrow customer base, most notably in the over 50's market, teenagers, the disabled and the unemployed.

Minimal outreach work has been undertaken within the local community.

Failure to produce a definitive promotional plan, directed at the lucrative fitness suite market.

Opportunities

Increasing public awareness of the benefits of health and fitness. Harness and improve advances in Information Technology [MRM+2]. Opportunities are available to network outreach and promotional work with other agencies e. g. Library Service, Youth and Community Service, Local Health Service, Education Department. (Appendix F) There are large potential markets for developing the excellent facilities and services of Halewood Leisure Centre. E. g. women, over 50's, unemployed and youth. Further develop and promote the popular GP referral scheme.

Threats

Increased participation in alternative leisure activities [e. g., computers, home exercise videos, TV, cinema, Ten Pin Bowling, etc.]. Ageing population with decrease in traditional Leisure Centre users. Increasing competition in health related leisure activities such as; aerobics, keep fit and dancing. Continued development and expansion of the private sector.

Summary

The results of this analysis can be summarised as followed: Halewood Leisure Centre has a strong competitive position in the local community. It must seize the opportunities that exist in the field of IT, in particular MRM+2 to get closer to the customer by obtaining more management information to enable better marketing and more tailored programming. However the real danger to the future success of any Leisure Centre in Halewood lies in its narrow customer base, in light of the ageing demographic profile of the Borough. Every effort must be made to ensure that the services provided are "relevant, affordable, and accessible" to the community in its broadest sense. In essence, the customer base must be both expanded and developed.

9. 0 Forecasting Change – PEST Analysis

Changes in the business environment create uncertainty but they also provide opportunities as well as threats. If changes are not recognised in advance, organisations can be dictated to by circumstances beyond their control, therefore, crucial to an organisation's survival and long-term success to undertake a general audit of environmental influences. It is possible to identify a broad framework to help with this audit. This framework categorises changes into four environmental headings, political, economic, social and technological, and is typically referred to as a PEST analysis.

9. 1 Political Environment

Two sources of influence on Halewood Leisure Centre, can be identified from an analysis of the political environment, the possible changes in local

government priorities. The affects of these can be summarised as follows:-

The Council's strategic priorities will continue to concentrate on the vulnerable and less able members of the community with the possibledanger that the traditional employed Leisure Centre user is no longer given the attention it has enjoyed. As Leisure Centres are not a statutory local authority service, it is possible that pressure will increase to reduce subsidies to Leisure Centres as resources are redistributed to statutory services.

9. 2 Economic Environment

Local Government has faced continued pressure to reduce spending and this position is unlikely to change in the foreseeable future. As for the distribution of income in the Borough, unemployment levels in Knowsley are high compared to the national average, with Knowsley recognised as having areas suffering deprivation. [See Halewood profile] Appendix DThe front page depicts a small map of Knowsley along with the tables. These show how the Super Output Areas in Halewood Area Forum fare in terms of deprivation. There are 99 Super Output Areas (SOAs) in Knowsley. These relatively small geographical areas are used to measure various datasets including the ' Revised Index of Deprivation 2009/2010'. The data sheet is made up of data taken from the 2009 census apart from the Education, Unemployment and Crime categories, which are more recent. The GCSE figures are a couple of months old and have been revised. Halewood Comprehensive: 50. 8% passing 5 GCSEs A*-CKnowsley: 44. 8%The Unemployment rate is for September 2009 – this changes every month. The unemployment rate has fluctuated between 3. 9 and 4. 0% over the past year anyway. The

population data on the sheet is taken from the 2009 census for the purposes of uniformity. The Unemployment data and Crime rates have been obtained from Merseyside Information Services data using official national data.

9. 3 Social Environment

Knowsley saw the number of retired persons decrease by around 5, 000 between 2001 and 2009, these, together with a high proportion of single parents who by their nature have little money to spend on leisure activities. Leisure Centres and Swimming Pools across the country have had to contend with a loss of interest by the 10-14 age group, a core user group for pools. Children it seems have transferred their attentions to television, video, computer games. Those who do choose to participate in sport, however, have come to expect more from their local authority Leisure Centre, putting ever-increasing pressure on them to match the private sector in terms of new facilities and equipment to keep up with the latest fashion crazes in sport. If the facilities fail to make the grade, there are plenty of home fitness videos and relatively inexpensive fitness equipment for home use on the market to provide them with an alternative route to satisfying their need.

9. 4 Technological Environment

The technological environment is responding rapidly to the boom in health and fitness in the following areas:-The Leisure Industry has woken up to the benefit of installing computerised management information systems in order to monitor customer usage and usage trends for different activities. The current MRM+2 system provides the facility both direct mail and database marketing. The industry has seen a rapid acceleration in the design and

supplementary features of cardio vascular equipment. It is imperative that we maintain high quality and state-of-the-art equipment in all areas of the operation not just the gym's but also after school clubs. Equipment such as sports walls (ZigZag) and electronic dance mats. The most important technological development for Halewood Leisure Centre is to harness the field of Information Technology. MRM+2 offers the opportunity of getting closer to the customer by building up detailed user information to enable better marketing and more tailored programming. Technological developments have a premium price and this type of equipment needs to be frequently renewed and upgraded.

10. 0 Recommendations and SMART Marketing Objectives

SMART Objectives

Setting SMART objectives are important in any business they focus on specific, realistic business goals over a quantifiable period of time. It can also be a useful tool to motivate staff to accomplish those objectives.

The SMART acronym stands for:

1. Specific – Identify what you want to achieve. 2. Measurable –Be able to quantify your goals and objectives 3. Achievable - Are the objectives set, possible or even feasible? 4. Realistic – Can the goals or objective be reasonably met. 5. Time –When do you want to accomplish the set goals?

SMART Marketing Objectives Diagram

The recommendations from within the marketing plan suggest two main objectives,

To broaden the customer base of Halewood Leisure Centre

To increase Leisure Pass usage by 2010. To develop the excellent 'Inclusive Fitness' programme and increase the customer base by 20% by January 2011. To introduce a co-ordinated approach to aerobics/keep fit classes. Monitor attendances and replace dated, less well attended classes with new vibrant aerobic type activities by April 2012. To extend the successful 'Hustle' initiative by introducing and establishing another two sessions per week by August 2011. Highlighting to young people the importance of a healthy and more positive lifestyle and taking that message to the schools. Establish a twelve month outreach programme for the Active gyms by March 2011, offering free come and try vouchers to new prospective customers.

To increase use by existing customers

Introduce a customer retention strategy for both gyms by March 2010. Incorporating regular fitness testing and reward schemes for gym members who take out and renew gold and silver card memberships. Extend and re-market the popular GP referral scheme. Produce a programme based leaflet advertising the range of activities and services available in Halewood Leisure Centre.

Critical Success Factors

While the strategies for achieving these objectives are quite different, consideration must be given to a number of key issues which will affect their success. These are given below as the Critical Success Factors for the Halewood Leisure Centre Marketing Plan: To provide an environment which encourages use and return visits, the Leisure Centre environment should

appeal to all age ranges, be safe, and be conducive to the purposes for which people visit Leisure Centres. To invest in new technology to keep pace with modern developments and to ensure the provision of an efficient and effective service. To undertake market research and make good use of all available management information in order to understand the market, plan developments and promotional activities, and monitor and evaluate results. To offer a service that is customer focused and responds to known needs and expectations and is affordable to its surrounding community.

11. 0 Conclusion

Knowsley Borough Council led the way compared to other local authorities sectors; in particular Halewood Leisure Centre had both a robust and comprehensive marketing and promotional background. It supplied its customers with up to date leaflets including, activity programme, price list, and opening times via a limited budget. David Lloyd demonstrated a greater level of advertising influence, having the ability to advertise in both local and national press and radio. The greater advertising budget generated by perhaps their unique selling point and targeted market i. e. employed adult.

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