

A fitness center  
where every body  
benefits marketing  
essay



**ASSIGN  
BUSTER**

Entrepreneurship project that was assigned to us was to make a business plan of a new business venture. The report covers the core concepts that are involved in the making of and implementation of a new company's business plan. Identifying the opportunity and taking the initiative towards something novel and different, a new venture concept that I have decided is a fitness center.

This report contains about the company, identification of the target market, strategies to penetrate in the target market segmenting it to different locations, the industry analysis, marketing plan and positioning of the company, effective pricing strategy, how to promote it to clients through different strategies of advertising and promotion, the operational plan for the early stages of the company and the financial factors that are major challenges for the company

## **THE BUSINESS**

Our vision:

To make BODYFIT a place where every body benefits.

Mission statement:

Your fitness is our priority. We strive to provide you a safe, healthy and secure fitness environment. where customers can achieve their fitness goals. Our professional, expert and qualified staff is committed to the highest level dedication that ensures the satisfaction of customers' fitness with motivation and quality

Opportunity (potential business):

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We are going to launch new company in Islamabad, Pakistan which is basically a fitness center/club. In Islamabad, there are already few companies that are providing such services like FIT n FLEX, METAFITNOSIS, and FITNESS FIRST, ULTIMATE GYM etc. so there is a room for a new fitness center to establish and capture the market and response. As we have recently seen this trend that people are becoming conscious day by day about their health and fitness and they want such a place where they can get fitness under proper guidance from professionals. So by setting up our fitness center we can cater the needs of our customers by providing unique services under one roof, and get our market share in health industry.

## **MANAGEMENT STRUCTURE**

Board of Directors: initially the board of directors will be the inside investors who providing with the necessary funding and investment to the company.

Law firm:

Accounting firm: KPMG

Consulting firm:

The management team is very crucial for any business success. Our team consists of dedicated members who strive to achieve the maximum benefit for the organization and its customers. Of them MD will play vital role in management by using his expertise and knowledge in the smooth and efficient running of the organization. He would have to oversee and control all the major departments of the company.

## **COMPANY STRUCTURE & INTELLECTUAL PROPERTY**

The company would be established under the legal structure of: Private LTD Company. And the brand name would be protected through registering the company name so that it cannot be copied. As per requirement patents and copyrights would also be applied for.

The company will consist of the following departments and their duties would be as follows:-

### Management department

As our vision and mission statement, management departments' aim is to translate vision and mission in strategic manner to achieve the targets and goals. As this department is the backbone of any organization. The managing Director (MD) will control the structure of the organization.

### Finance department

To make the required statements and analysis such as Budgeting, Cash flow Profit and loss statement, Expense sheet, Project plan sheet, Financial analysis, Balance sheet etc

### HR department

Making necessary adjustments in terms of human resource such as training, hiring, recruiting, appraising, evaluating and compensation packages.

### Accounts department

Updating accounts on the daily basis and giving reports to the management.

Security department

Providing safe environment to the customers and management.

Maintenance department

Making sure that every machinery and equipment is in place and up and running.

Rules and regulations:

Necessary rules and regulations will be laid down to for adherence to company policies to provide members a safe, enjoyable, healthy and comfortable experience. The members and guest would have to sign the required documents before using the fitness center facilities.

And if some changes are made to the policies our members will be informed beforehand.

## **INDUSTRY ANALYSIS**

As also mentioned above that recent trend of people becoming conscious day by day about their health and fitness concerns. So this is a very good opportunity for us to enter into and start a fitness center. As this market is still in its growing stage there is a high chance of earning profit by providing these services to our customers. for this we also conducted a SWOT analysis of our project which is as follows.

## **SWOT analysis:**

### Strengths:

Friendly, safe and healthy environment.

International standard equipments from USA.

Professionally qualified and expert trainers.

Diversified and flexible training program tailored for each customer.

Separate timings for males and females, and Co facility for specific timings for couples only

### Weaknesses:

Less space for future project extension.

Limited number of members can be given membership due to less space.

Lack of Experience in this industry.

### Threats:

Established Competitor (FIT n FLEX, METAFITNOSIS)

Higher than expected Cost.

Contingencies.

Legal and Security Issues.

### Opportunities:

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Market is still not saturated which provides incentives to expansion.

Collaborate with well renowned fitness centers nationally and internationally.

## **Market segmentation and Target market**

Marketing segmentation will be done on the basis of

Geographical region

City = Islamabad

Area = E, F and G sectors

In future we plan to open our branch in Bahria town.

Demographic factors

Age = from 12-45 and above

Gender = male and female

Occupation= no restriction in terms of occupation we would be targeting everyone who can afford.

Psychographic

Values and Life Style

Achievers

Health conscious

Sporty

Party goers

Stylish

### **Identifying possible competitive advantages.**

As the Company is new in the market, with different features and attributes, so the management have identified that competitive advantage are its unique services, and good team.

## **MARKETING PLAN**

Actually marketing plan consists of all those items that create and increase the demand of its product.

## **PRODUCTS & SERVICES**

GYM WORKOUT BODYBUILDING:

COMBINED GYM.

We would be providing our members with top notch international standard, the very latest and advanced equipment, that will guarantee a comfortable and effective exercise experience.

A personal training program will also be offered to customers who require full attention from our expert trainers. State of the art Gym that will have around 90 plus machines.

Consisting of:-

1-Light weight area.



2-Heavy Weight area for professional and extensive body building program.

#### LADIES:

A separate area for ladies consisting of the equipment specially for their purpose. exclusive state of the art Gym.

1-Light weight area

Equipped with Biomechanical Machines.

2-Heavy Weight area (specifically for women)

Equipped with Heavy Machines for professionals

#### SWIM SCHOOL:

Private classes would be available at any level for adults as well as children.

Children must be at least 8 years old to participate in private lessons

Our pool would be a rectangle shaped pool with sun beds, a mini island, rockeries, waterfall etc

Temperature controlled water with standard filtering system.

#### MASSAGE SERVICES:

we would also be providing massage services to our market. Our dedicated staff is eager to graciously pamper you from the moment you arrive, stressed, until you depart, refreshed and re-energized.

## **PRICING**

The pricing strategy portion of the marketing plan involves determining how we will price our product or service; the price we charge has to be competitive but still allow us to make a reasonable profit. We would be charging different price depending on the package that the customer has opted for and the time period for which he/she wishes to join our fitness center. We set our prices by examining how much it costs us to produce the product or service and adding a fair price for the benefits that the client will enjoy.

### **Place:-**

We have bought a land in F-9 park which is an ideal location for our business. The place and the surrounding and the atmosphere provided in our club is perfect for our customers as it will be away from the noisy and busy area of the city.

### **PROMOTION:-**

Different mediums will be used to communicate to our market. The tools which we would be focusing on for launching our business would be advertising and public relation. Which will include.

**RADIO:** The reason for choosing radio is because of its large mass appeal and secondly it is less costly compared to television advertisement.

Newspaper and magazine

**Press relations:-**Creating and placing news worthy information in the news media to attract attention to a person, product or service.

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Public affairs:-Building and maintaining national or local community relations is called public affairs. Public relations are used to promote products.

We would be having our own website and company pages on social networking sites. To keep on informing our customers.

## **OPERATIONS PLAN**

Operational plan includes the day to day activities of our business and how we would be working towards providing the services to the customers. as already mentioned before we are providing fitness services to our customers in terms of gym, swimming and massage facilities.

We would be providing services ourselves and it won't be outsourced or contracted out to some other firm.

The location of our business is in sector F-9 of Islamabad.

As such we won't be requiring or needing a place to keep inventories as we primarily are providing services to our customers. However, we would be requiring some space for machinery that is out of order and for maintenance purposes.

We at BODYFIT will ensure that our members get high quality satisfied services. We will be regularly asking our members for feedback and ways to improve our services. We will make sure that our equipment is in the best possible condition while maintenance will be done frequently.

Rules and policies regarding the operations will be mentioned in the rules and regulations section which will be signed by each and every member before becoming a part of BODYFIT.

## **FINANCIAL PLANS**

In order to start the business we would be requiring fairly large amount of investment. For that purpose we have decided to split the investment in terms of loans and equity. 60% of the funding required will be attained through bank loan and the rest 40% will be financed by equity that is through shareholders.

Our main source of revenue will come in two ways. 60-70% of revenue will come through the monthly fees and membership fees from the customers. and remaining revenue will come from the consulting services that we will be giving in terms of personal training.

Salaries of staff and trainers and rent are the two major expenses while depreciation is another significant cost that will increase as the company develops.

Purchasing of fitness medical and office equipment is expensive constant replacement will be needed to minimize depreciation costs and maintain a competitive edge.

In order to maintain steady gross margins salaries and advertising expenses are not likely to increase within the first two years of operation.

The company would be frequently evaluating and assessing its financial position in terms of profit and loss statement, balance sheet and cash flow statements. And keep an eye on working capital so that the business is able to meet its short term financial obligations and smooth running of the business.

The most important financial indicators are net increase in cash and net income. Net increase from cash will represent the relationship between net income and net cash from operating activities. The greater the increase is the better it is for the company's level of financial strength at that point in time.