

The ur umuc healthy fitness center analysis case study example

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



Introduction

This is a healthy fitness Centre that has been in existence since the 1980s as a Centre for martial and exercise (Stephen, 2013). For over twenty years now since its inception, the Centre has operated the same way with no major improvements in its equipment or embraced any new available technology. The Centre now being in the twenty first century and in an industry with high potential growth, there is great need for the business management to institute new mechanisms of operations if it's to continue surviving in the market for the foreseeable future. Therefore, this research paper puts forward the various mechanisms I would institute as a newly employed manager at the company.

Based on the available information, it is easier to analyze the Centre using porter`s five forces, to be able to restructure its processes and redesign its overall operational activities to give it a competitive advantage in the industry over other emerging business entities in the market.

Buyer's power-this is the capability of consumers to continue receiving and enjoying specific goods or services provided by their seller. For the Centre, the consumer's power is in jeopardy and hence high likelihood for dwindling buyer's power which is likely impact negatively on the operation performance of the business in terms of profit generation. However, regardless of its impact, this force isn't going to affect my mechanism as I'll be handling other forces that I'm certain will increase the consumer's power.

Supplier power- this is capability of suppliers to continue extending their services (equipment) to the business. Suppliers influence on the performance of the Centre is of no great significance since their corporation

and willingness to continue supplying materials is dependent on business operation activities and success. Therefore, it's quite evident that supplier's power won't affect my business strategy as its dependent on other business factors.

Threat of substitute services- this force identifies any potential effect that would result if similar services are provided in my area of operation.

(Baltzan, 2012, p. 24) argued that, " the threat of substitute products or services is high when there are many alternatives to a product or service and low when there are few alternatives from which to choose." This force can have a large negative impact on the Centre's operations and hence will be prioritized in my strategy. To overcome this, I will include other services e. g. children sporting equipment to attract all kinds of people who wish to be accompanied by their children.

Threat from new entrants-this is the force that explains the impact new similar service providers have on the business operations of the Centre. These will impact negatively on my strategy development agenda and thus will call for development of certain strategies that are aimed at elevating customer satisfaction to bring about customer retention through satisfaction and loyalty. Therefore, there is need to have entry barriers e. g. in terms of quality or even price that restricts and poses danger to new entrants into the industry or market

Rivalry among the existing competitors- this is the last force that defines the danger that is posed by similar business entities within the locality of the business operation area. This force has a negative impact on the business operation revenues by creating competition which for instance can trigger

price wars leading to decline of prices. To curb this, I will employ product or service differentiation strategy so that we can gain competitive advantage over other similar businesses in the industry.

Given Porter`s generic strategies, I would select the focus strategy to concentrate effort on the business development. This is because the time span since the inception of business suggests that facilities at the Centre would be obsolete. Therefore, to capitalize on the monopoly that the business already enjoys, I`ll endeavor to focus on the target market to gain further competitive advantage. Therefore, the focus strategy will enable the business to be more certain in its diverse activities and hence be able to focus effort on ensuring customer satisfaction, thus winning their trust or loyalty which is dominant factor to all other forces that have a negative impact.

The business strategic area that needs improvement is the technological area. Since its inception, no major technological adoption has been embraced as the business continues in its routine operations. I will first do an overhaul of all old equipment and then focus on improving the service Centre support. I will do this by creating a website where clients can post their feedback and ask queries. This website will also act as an online marketing tool for the business and its services and also present a platform for online registration of new consumers and this ultimately, will see the business increase its client base.

Conclusion

It's therefore, very vivid that I will adopt the focus strategy as my generic strategy, improve the technological area of business and ensure that the business has a website for the customer support as my process improvement area for the continued survival of the business. Therefore, a multiple strategy should be adopted for effectiveness and efficiency to be realized at the Healthy fitness Centre.

References

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