Case study on sports connection plc

Business

There are five different Sports Connection clubs In the Liverpool. In order to attract more customers, these clubs provide variable offers and frequently change their strategy to the customers at every month.

For these reasons, as the chain of the health club operating, the sport connection Pl recently evaluates the effects of various elements of their marketing strategy and gives four questions to answer. According to the Sports connection clubs, there are rough two market strategies.

One of them is Referral Programmer, which means company will award the new member ho bringing other new members. Another one called deadline effect. It is quite different with Referral Programmer, through the changing the price to attract customers. The club would make new members understand that new offer will Increase the price or reduce the free time, and the club would continuously have the special offer to the customers.

There are many variables, including price, national disposable personal income and free time, effect the new membership and make the club gain more economic profit.

This essay would like to use the linear regression and statistical analysis to give the solutions and advise. In order to give the Classification Discussed research to answer the questions, this report will be divided into three significant parts, which are basic linear regression, time effect and further research. 2. Basic Linear Regression To discuss the relation between the new membership and other variables, It Is necessary to delved It into two specific parts; statement of the theory and model specification. 2.

N order to modeling the regression model, firstly, it is necessary to calculate the total amount of the sales (Q), and take Q as the dependent variable in the model. For a pendent variable Q and independent variables, the model will be regarded as the directly solution of the basic linear regression. Then, it is necessary to express the variables as some That can be using P stand for price, and TFH represent the Time Free. M stand for the Referral programmer and L stand for the Renewal Price.

Number of special Offers can be expressed by N. Finally, Income can be represented by Y.

In this model, the dependent variable Is Q and other variable are Independent variables In terms of an equation that Is linear In Its parameter. To use the view to develop this line model, as can be seen the data figured out owe e Statutes R-squares Is u 2Y6Y23, tens under Is nearly to u Ana Tanat means new membership is not very relevant with the price, time free and income. It also can be found on the graph below, the Actual line has the different fluctuation with the fitted line.

It is quite important to find that the coefficients and proportion of the Referral Programmer and Special Offers are bigger than other variables'. In this model, this situation represent Referral programmer and special offer are the most efficient variables to affect the new membership and through the analyses data. With he changing of these two variables, the total sales will be get increasing or decreasing, and other factors won't affect the new membership like too much.

Dependent Variable