Dimensions of Market Demand Associated with Private Taekwondo Schools in North America: Development of a Theoretical Framework

Min Kil Kim, University of Florida
May Kim, University of Florida
James J. Zhang and Yong Jae Ko, University of Florida (Advisors)

Session 33: Marketing Presentation (25-minute)  Saturday, June 2, 2007  4:00 PM - 4:25 PM

Since the introduction of martial arts into the United States, the sport of taekwondo has rapidly grown and developed (Ko, 2002). Taekwondo was first staged in the Olympic Games as one of the demonstration sports in the 24th Olympic Games in Seoul, Korea in 1988. It became an official Olympic medal sport at the 2000 Olympic Games in Sydney, Australia (World Taekwondo Federation, 2005). Presently, the World Taekwondo Federation has 179 member nations, with 60 million individuals learning taekwondo all over the world (Morrison, 2005). The elevated interest in this sport has increased the magnitude of taekwondo market and led to the realization throughout North America that taekwondo instruction can be a profitable business when managed properly. However, although the current trends of growth in the private taekwondo schools are generating new opportunities for taekwondo enthusiasts, rapid growth of the taekwondo schools has resulted in a highly competitive business environment in North America.

The operation of private taekwondo schools primarily relies on the revenue generated from membership fees. In order for the private taekwondo schools to survive and thrive, it is necessary to identify those market demand variables that affect current and potential members' decisions to attend private taekwondo schools. Previous researchers have stated that in-depth analysis of market demand for sports organizations would provide understanding of consumer expectation and formulate an effective marketing mix in a highly competitive marketplace (Greenstein & Marcum, 1981; Hansen & Gauthier, 1989; Schofield, 1983; Zhang, Pease, Hui, & Michaud, 1995; Zhang, Lam, Bennett, & Connaughton, 2003a; Zhang, Lam, & Connaughton, 2003b). Market demand is related to consumer expectations towards the attributes of the core product (Zhang et al., 2003b). Essentially, market demand is a cluster of pull factors associated with a sport product that an organization can offer to its new and returning consumers (Braunstein, Zhang, Trail, Gibson, 2005; Hansen & Gauthier, 1989; Schofield, 1983; Zhang et al., 1995). Previous market demand studies have primarily focused on professional and intercollegiate sports and found that three factors were integral to the decision making of consumers: Game Attractiveness (e.g., individual skills, presence of star players, team records, league standing, record-breaking performance, and closeness of competition), Schedule Convenience (e.g., game time, day of week, and weather), and Economic Consideration (e.g., ticket price, marketing promotions, availability of substitute forms of entertainment, television effect, and competition caused by other sport events) (e.g., Hansen & Gauthier, 1989; Schofield, 1983; Zhang et al., 1995, 2003a, 2003b). To date, no systematic studies have been conducted to investigate the market demand variables associated with private taekwondo schools in North America. Lack of studies in this area is likely due to the absence of a theoretical framework that can be utilized to guide empirical investigations.

Through a qualitative research process, the primary concern of this study was to develop a theoretical framework that encompasses fundamental and unique market demand dimensions and variables associated with the marketing of private taekwondo schools. The research procedures included a comprehensive review of literature, on-site observations of taekwondo school operations, interviews with taekwondo school master, administrators, and members, and test of content validity through a modified application of the Delphi technique. In particular, literature related to the concept of market demand (e.g., Braunstein et al., 2005; Hansen & Gauthier, 1989; Harris, 1973; Schofield, 1983; Zhang et al., 1995) and taekwondo program operations (e.g., Ko, 2002, 2003; Ko & Pastore, 1998) were critically analyzed.

Consequently, a preliminary theoretical framework for the study of market demand of private taekwondo schools has been developed, which includes six dimensions: Cultural Learning, Personal Benefits, Program Offerings, School Operation, Instruction Quality, and Economic Consideration. A set of representative indicators has been identified for each of the six dimensions: (a) Cultural Learning - teamwork/collectivism, ritual/ceremony, symbol/artifacts, language, respect, honor, dignity, humbleness, responsibility, and patience, (b) Personal Benefits - self-esteem, self-confidence, self-control, sportsmanship, discipline, leadership, independence, physical fitness, skill development, perseverance, stress release, reduction of aggression, and crime prevention skills, (c) Program Offering - taekwondo style, form emphasis, sparring emphasis, self-defense emphasis, belt promotion system, variety techniques, tournament participation opportunity, Dan certification, group activity, family program, special events, and demonstration team, (d) School Operation - physical environment, location, transportation service, class size, child care, operation time, and communication procedures, (e) Instruction Quality - expertise, attitude, behavior,
reputation/image, and number of instructors, and (f) Economic Consideration - membership fee, sales promotion, coupon, and payment method. This theoretical framework can be used to formulate assessment instruments and conduct empirical studies; meanwhile, it can also be used to guide the management and marketing of private taekwondo schools.