Identifying Segments of Korean Fitness Club Members through Brand Associations

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The fitness industry is an important, but often overlooked, sector in the sport industry. In other words, there have been many contributions in the field of sports marketing, but few with respect to the fitness industry (Lagrosen & Lagrosen, 2007). Nevertheless, the fitness industry has been growing rapidly (Tawse and Keogh, 1998). Through the increasing number of fitness clubs and its growing membership base, the fitness club market has shown considerable growth in recent decades all over the world (Woo, 2009). In Korea, one of the well developed countries in Asia, the fitness industry has grown exponentially since hosting the 1988 Seoul Olympic Games (Chang & Chelladurai, 2003). What is more, the number of Korean fitness clubs increased from 3,924 in 2001 to 6,128 in 2010 (Korea Institute of Sport Science, 2001; 2010). However, approximately 45% of Koreans are not physically active, among the overall population, and only 12.2% of Koreans are members of commercial fitness clubs (Ministry of Culture, Sports and Tourism of Korea, 2010). This lack of use despite the growing number of fitness club options and participants desires to use them might be explained by a lack of knowledge as to what members think, know, and perceive about fitness club brands. The members’ opinions are very diverse, but the diversity of opinions might be similar or different depending on the members’ environment. As practitioners, it is possible to build appropriate marketing strategies based on the basic information of many consumer groups or target groups which have various features regarding participating in sports activity. Therefore, the purpose of this current study is to identify segments of fitness club members based on their brand associations and uncover the differences among the segments in Korea.

According to Aaker (1991) and Keller (1993), brand associations are defined as the thoughts and ideas that people have in their mind for a specific product or service. These associations include various forms such as tangible, intangible, functional, and experimental associations (Shocker, Srivastava, & Ruekert, 1994). Pertinent research on brand associations is essential for practitioners to manage brand efficiently (Kapferer, 1997). Market segmentation has been used for several decades (Wedel & Kamakura, 1998), and it takes into account information such as demographics, economic status, personality, pattern of money usage, time, product for life quality, expected benefits from service or products, and attitude toward marketing tool and method (Beane & Ennis, 1987; Dickson & Ginter, 1987; Tynan & Drayton, 1987; Wind, 1978). According to Ross (2007), sport-related services have unique features that pose confrontations to brand managing, and recollections of the brand might influence both consumers’ attitude and behaviors. As aforementioned, unique features of sport service cause segmenting based on the attitude, customers actively involved in helping to create service product (Lovelock, 1996). That is, consumers’ perceptions of service impact service satisfaction, quality, and loyalty (Browns, Fisk, & Bitner, 1994).

To collect data, this current study employed members of five multipurpose fitness clubs that were 18 years of age or older in two large cities in Korea. The total sample size was 219 and a paper based survey was utilized. The survey questionnaire consisted of 45 items measuring ten brand associations, exercise patterns, and demographic information using a 5-point Likert scale based on the previous literature (Alexandris et al., 2008; Gladden & Funk, 2002; Lassar et al., 1995; Trail & James, 2001). Based on the recommendation of Brislin (1986), two bilingual sport management scholars translated the survey items from English into Korean to employ the same meanings for Korean respondents. The reliability (Cronbach’s alpha) of each subscale was measured and the validity of each construct was also determined based on the correlation result. To analyze the data, first, a cluster analysis method was employed to identify homogeneous groups within the set of data. Based on the suggestions by Punj and Stewart (1983), a two stage cluster analysis (i.e., hierarchical and non-hierarchical) was also conducted. Additionally, a One-way ANOVA was conducted to determine which brand associations influenced clustering. Lastly, to extract meaningful variables that have differences among clusters for demographic information and exercise patterns, cross tabulation analysis (chi-square) was conducted.
The results indicated that the three cluster method chosen contained an appropriate number of clusters. Then, the procedure of K-means was utilized by specifying the number of clusters that was desired (three clusters). Cluster One has 106 samples (48.4%), Cluster Two has 32 samples (14.6%), and Cluster Three has 81 samples (37%). Also, the ANOVA results show that ten brand association factors contributed to clustering results. Regarding the comparison of the mean scores across the three clusters, respondents comprising ‘Cluster Three’ had the highest mean score for brand association except for the location among clusters. This means that an individual who is included in ‘Cluster Three’ has more positive opinions about their fitness club than the other two clusters. To find a difference among the clustering groups for demographic characteristics and exercise patterns, a chi-square analysis was conducted. Regarding the demographic information found, the results show that age and marital status have significant difference among clusters. Also, among the exercise pattern variables, the routine of exercise (preferable exercise type; i.e., cardio, strength, both) variable was extracted as a variable that has a meaningful difference among clustered groups.

This study is the first to employ the clustering method in the context of fitness brand association, a method that has been utilized in other fields frequently (Bass, Pessemier, & Tigert, 1969; Fleming, Strong, & Ashton, 1998; Gupta & Huefner, 1972; Ogles & Masters, 2003). Ross (2007) employed the method to identify segments in the sports spectator group based on brand perception. The chi-square analysis which indicated age and marital status was different from each cluster and this result is totally different from Ross’s (2007) sports fan brand association cluster analysis. His research indicated that there were no significant differences between clusters regarding the demographic information of marital status and age. One potential explanation for this difference is that there might be a difference between participatory sports and spectator sports. Ross (2007) argued that the fans who attend the sports tended to have a purpose of status rather than interest in the game. Those fans could show off their wealth by purchasing expensive seats, consuming a lot at concessions, and buying items from a souvenir shop because there are various price ranges of products when attending a game. On the other hand, the price variety doesn’t exist when participating in exercise and enjoying the services in a fitness club. To enjoy exercise, age and marital status could be considered because of how it reflects the reality of their health condition, the way they use their time, and even personal interest in their external appearance. Additionally, most people focus on cardio exercise or cardio & strength exercise rather than strength exercise only. One possible explanation about this fining is because of the atmosphere in Korean society. In Korea, appearance has become one of the important elements in society and Koreans tend to try developing their appearance and body shape continuously (Ministry of Culture, Sports and Tourism of Korea, 2010). Therefore, the implication for practitioners in the field is that various programs seriously considering age, life style, and purpose of exercise should be developed. To be specific, depending on the age of the member, the time they have available to devote exercise might be different, so practitioners should plan to make a program that has various time durations, numbers of sets, etc. Also, with consideration to marital status, the program should be operated in a way that married members can enjoy exercise with their spouses and that single members can enjoy the same services without moments of awkward silence during their exercise time.