

Chapter 1

Member retention from a customer's perspective

1.1 Introduction

Even though participating in a fitness program is something completely different than brushing your teeth, both are examples of behaviour, in fact health behaviour. Brushing keeps your teeth healthy and fitness keeps the vital organs healthy. Ask yourself; 'why are people consistent in brushing their teeth while they are often inconsistent when it comes to exercising or participating in fitness programs?' In this introductory chapter we will address the background and development of health behaviour in general and health behaviour in health clubs in particular. In this chapter we examine member retention from the perspective of the member.

1.2 Members perspective

This chapter highlights exercise as health behaviour because more and more fitness customers mention health related reasons to start exercising in health clubs. A recent study indicates that the most frequently cited reason for exercise is to improve their own health. Specifically looking at members, 84% of them find health, condition and exercise very important. This is expressed by customers in different ways, such as Petra, a fictional name for a customer who wishes to lose weight:

'I wanted my body to be in better shape and lose a few pounds, just to make me feel better, be healthier.....'

The focus of this chapter is the member's perspective. Health should be interpreted in a broad way, as evidenced by the quote. It involves various motives such as losing weight, getting in shape, improving fitness and feeling better. Even meeting others (the social component) is part of being healthy. In other words, health is a state of physical, mental and social well-being. We also give the term fitness a broad meaning. By this we mean all activities in the club, such as aerobics, steps, indoor cycling, bodypump and strength training, which contribute to the health and fitness of the customer.

When choosing a particular health club, customers give different reasons. In table 1.1 you will find some examples of clients' statements that are to be regarded as fitness related motives.

- *'It was conveniently close by... I don't feel like having to ride to get there... there's a very good one downtown but that is too far away for me, I don't feel like doing that.'*
- *'I need to feel comfortable, in a pleasant atmosphere, with nothing out of the ordinary'*
- *'I heard it was a good centre, and they had fairly new equipment'*
- *'The health club is known to be good'*
- *'You must not forget that we chose club Q together, and if the others went to another, then I would have probably joined them'*
- *'I was aware that it is a health club with proper supervision, and also that there are people available to supervise you personally...'*

Table 1.1: health club related motives, as expressed by customers

Really figuring out what the customer wants to achieve with his or her health is essential for member retention. Without an understanding of their inner reasons it is extremely difficult to guide members to a healthy behaviour. Therefore this book pays much attention to listening to and interviewing members. After all, you have two ears but only one mouth. For most of the members it is much better to actively listen to members than to be the one talking.

1.3 Exercise as health behaviour

It sounds so easy, "I'm going to start with fitness." But it's not that easy. And even harder to keep doing so. In everyday life you can find all sorts of situations where people have many things planned, but do not finish everything. This certainly also counts for changing their health behaviour.

There are all kinds of interesting insights when it comes to the relationship between exercise and health. In addition questions are asked such as 'why do people exercise?' and 'why don't they exercise?' It is not our intention to inform on health behaviour in the broadest sense. That is beyond the scope of this book. We are focussed on members who come to a health club to work on their health – condition, losing weight, getting in shape.

Exercise less, live longer?

For employees at health clubs it seems so obvious that exercise is healthy. From this perspective, anyone who takes health seriously should get enough exercise. Scientifically, it was not long ago that this was considered not obvious. Barely a hundred years ago, scientists thought that a lot of exercise led to premature death. They advocated the so-called Rate of Living theory. This theory stated that the life span of an organism depends on the amount of energy it has used during its life. An organism is born with a certain amount of energy and when it has been used, the organism dies. At least, that

Chapter 8

Management of member retention

8.1 Introduction

In this chapter, managing member retention is discussed. We pay attention to the analysis of the current situation and establishing goals regarding retention. Moreover, various instruments will be discussed and finally, we will pay ample attention to the possibilities for action.

8.2 Analysing the current situation

In section 2.5 we discussed the necessity of having insight into the various statistics of your health club so you can make the right choices with regard to strategies in the framework of member retention. Without measuring, it is very difficult to establish the right goals, employ the right instruments and choose the most effective actions. Unfortunately, the current situation in most health clubs is only minimally analysed. People often employ instruments and actions on the basis of tradition and not on the basis of recent figures. Traditionally speaking, people do fortunately look at the number of (new) members, the number of cancellations and the average membership duration, but these figures do not always give rise to other actions.

In the previous chapters, we explained that a thorough analysis is highly important. After all, you wouldn't want your GP to prescribe medication before he or she has examined you. Similarly, you cannot employ instruments before you know what the problem is. Therefore, we strongly recommend systematically keeping your statistics. This will not only yield the necessary information needed to successfully work on your member retention, but can also contribute to generating national statistics and benchmarks. This, in turn, can contribute to a further professionalization of the industry and better insights for banks and other financiers.

In addition to a thorough analysis at the club level, you should also, as we have described before, look at the effect on membership level. What is the number of new members, users and quitters at the level of the various memberships? Perhaps the most underestimated aspect of the retention analysis is looking at the individual (exercise) behaviour of the members.

While the retention analysis at the club level and the membership level may yield useful information and can clearly indicate how big the problem is, it will not yield the right information to supervise and aid your individual members in such a way that they will continue their membership. A properly functioning member tracking system is therefore essential. This does not necessarily have to be a software package, but it is important that you collect and analyse information on the individual behaviour of your member in some way. This will give the most direct input about actions you employ to improve member retention (for instance, think of following up on low-users and non-users).

When establishing a goal in a thorough and well-considered way, you take a myriad of factors into account. These factors have been listed in the overview in the table below, in questions.

Chapter 9

Member retention and quality management

9.1 Introduction

The customer's wishes are key and quality is what the customer thinks it is: these are common catchphrases about customer quality in health clubs. As the manager, you know that it is not merely the customer's opinion that matters. The company also has its own perspective. In this final chapter, we will explore the relationship between member retention and quality management. That is, in order to give member retention a permanent place within the health club, you need to include it in the general quality policy of the health club. The key to member retention eventually lies in a high level of quality. In the following pages, we will therefore pay attention to quality perspectives, a general quality model and a model for customer quality.

9.2 Quality perspectives

Quality is a versatile term and has various approaches. There is a multitude of quality models in which these approaches have been ordered in an insightful way. An example of this can be found in the table below. Four quality perspectives are distinguished in this model.

	Dimensions		Examples of some aspects
Internal quality	Product quality	Products are delivered in accordance with the specifications	Expert teacher Accessibility Affordability
	Process quality	Subsequently, products are delivered in accordance with the specifications in an efficient and effective way	Efficiency Effectiveness Working democratically
External quality	Customer quality	The product is attuned to the customer's expectations	Service-oriented Flexibility Reliability
	Societal quality	The product and production process meet the expectations of society	Pedagogical values Health effects Environmental effects

Table 9.1: four quality perspectives

Product quality

A few remarks on product quality. Health clubs offer various products and services that have specific characteristics, or criteria. For products, think of the quality of the fitness equipment and the facility in general. For service, think of the content of the service; for instance, a smiling reception employee, and the quality of the programs in particular. For example, the programs should meet a certain