

# The Market Plan of Massey University Sport, Leisure & Cultural Services

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## INTRODUCTION

This paper proposes a marketing plan that seeks to address students' lack of awareness of the accessibility of Massey University Sport, Leisure & Cultural Services (MUSLCS) as the main problem of the organisation's management, and it offers suggestions where improvements can be made in this area. Its purpose is to increase student awareness and usage of Massey University Recreation Centre's (MURC) facilities and services, as an essentially student driven organisation.

MURC is a health and fitness centre available to service the needs of health-conscious individuals. Although academic staff and community members are welcome, this centre mainly has the needs of students in mind. It is handily located on the Palmerston North campus and offers facilities such as basketball/squash courts, and weight/ cardio rooms, to name but a few. There are also a number of programmes ranging from aerobics sessions to ski trips, and a ski hire shop within the complex, is a unique aspect of MURC. The centre exists as a non-profit-organisation and relies heavily – for funding – upon the compulsory students association fee that each Massey student pays (MUSA fee). This fee automatically entitles students to use the facilities at their leisure (although an additional \$30 a year must be paid for aerobics and cardio/ weights rooms usage). The problem is that not every student is aware of this entitlement.

## Section 1: Market Analysis

The objective of this paper is to create a marketing plan that increases student

awareness and usage of the facilities and services of MURC.

Market size refers to those who hold membership at MURC. MURC members consist of Massey University students (internal and extramural), Massey University staff and their families, and community residents. Massey University students are automatically members of MURC if they are members of MUSA, which is mainly composed of internal students. Additionally, those who wish to use the weight/cardio rooms and aerobics programme may do so at the additional cost of \$30 for the year. Other memberships are also offered at various prices. The market size is described as follows:

Massey internal student number on P.N. campus	8680
Massey student weight/cardio/aerobics members	2491
Staff & family members	457
Community members	698

An analysis of the marketing environment specific to sports and recreation facilities in New Zealand calls for an understanding of the country's current economic, socio-cultural, political, technological, and competitive conditions.

Economically, many sports and recreation facilities are finding it difficult to increase memberships due to recent inflation, rising unemployment, and decreased discretionary money. This can be seen in the fact that MURC's weight/cardio room and aerobics membership fee for Massey students has increased from \$20 in 2000, to \$30 in 2001.

Socio-cultural factors, such as an increased consciousness of the benefits of physical activity (e.g. for health and social interaction), are also important considerations when analysing the marketing environment of sports and recreation facilities. For example, sports and physical activities are more popular with men than women, and young people are more active than older adults. However, figures released from the MURC campus survey in 2000, showed that membership was equally divided between men and women. From a marketing perspective, it would be interesting to explore why, despite the above figures, more men don't participate in sports.

Further, from a political, or legal perspective, every New Zealander has the right to participate in some form of sport, or leisure activity, and it is government policy to promote access to such participation. The Hillary commission is an example of this initiative, thereby also facilitating a more positive marketing environment for sports.

Technologically speaking, fitness facilities are expected to adapt the latest equipments, such as weight training machines, computerised cycles, steppers, treadmills,

and stereo systems. MURC has a good range of equipment compared to other gym facilities in Manawatu.

From the perspective of competition, every internal student is automatically a member of MURC, so competitive factors to gain and maintain students' active usage of their memberships could be thought of as minimal. However, there are other fitness centres in Palmerston North. These fitness centres can affect student usage, and weight/cardio room and aerobics memberships. Additionally, alternative sports, which MURC does not provide, could be considered to be competitive factors.

The analysis of the market environment further calls for knowing the consumer. The consumer of MUSLCS can be categorised into several distinct groups:

- ◆ Student members:
  - Full-time and part-time;
  - Internal and extramural;
- ◆ Staff members (including their family);
- ◆ Community resident members;
- ◆ Casual visitors (students, staff & community).

Once the type of consumers has been established, SWOT analysis, a type of marketing analysis based on strengths, weaknesses, opportunities, and threats faced by any competing business in the market environment serves as a useful tool of evaluation. The following is a SWOT analysis of MUSLCS:

### **Strengths**

- Competitive membership prices (\$30 a year). Best value for students in the Manawatu region;
- Good range of facilities and programmes (See Section 5: Services);
- Campus location:
  - Easy for students to arrange usage between classes without the hassle of travel;
  - Isolated (has its own captive market as opposed to town recreation centres);
- Friendly and helpful staff;
- Large free parking right outside (gravel pit);
- Ski hire shop;
- Food items available for sale after workouts;
- Sky TV in lounge room and cardio room for entertainment.

## **Weaknesses**

- Poor awareness of automatic student membership (from MUSA levy);
- Lack of supervision inside training room;
- Alternative entrances could encourage use without membership (through social hall);
- Easy to bypass reception;
- Student membership is highly unlikely to be lifetime as most seek career opportunities outside Manawatu once study is completed;
- Limited budget;
- A lack of full-time trainers or reception staff;
- Programmes clash due to limited space.

## **Opportunities**

- Further development of the social league competition, and in doing so, making students aware of the facilities;
- Redevelopment will likely see potential members attracted to the new facilities;
- Liaisons with high performance labs (to give a new and more professional dimension to the service).

## **Threats**

- Other gym facilities in the region (e.g. Contours, Club 100, Palmy Gym);
- Alternative physical activities for health/ fitness outside the Massey location (e.g. swimming, walking, inline hockey, etc.);
- Massey University Management is able to cease funding of the MURC facility; this is outside the control of MULSCS Management Team;
- Drop in student numbers;
- Swing from full-time to part-time student;
- Overuse by community could affect student users;
- Social teams' competition payments not enforced.

As part of further evaluation, MULSCS has implemented a campus survey of students annually as a measure of general consumer satisfaction. This assessment tries to determine how their facilities are perceived and seeks to know where improvements can be made. The 2002 campus survey will be an ideal assessment tool in re-evaluating whether the marketing goals from this sport marketing plan have been reached.

As a final note under marketing environment, construction is currently under way to renovate and reposition facilities and services. (It has taken 15 years to get a new facility from MULSCS's own funding.)

## **Section 2: CONSUMER BENEFIT & MARKET**

Consumers that make use of the MURC facilities benefit in various ways. The facilities are used for the sake of health and fitness improvement, weight loss, body building, competitive sport training, social contacts, and so on. In each case the benefit to the consumer is quite evident.

Beyond the personal benefits, which each consumer receives, marketing segmenting further reveals certain generalities about the consumers. For example, it can be assumed that people who use the MURC facilities are conscious about health and (perhaps) appearance, and are fitness oriented. These people consist of Massey students, staff and their families, and community residents. For the sake of this paper's objective, however, this marketing plan will focus exclusively on Massey students as the main consumer. The following assumptions can be made about Massey students:

- Live in Palmerston North;
- Aged between 18-30;
- Complete their degrees in three-four years (which means most students lose their membership of the MURC beyond that time).

Furthermore, the Massey student population can be segmented into the following categories:

- ◆ Users - more likely aware of consumer benefits;
- ◆ Aware non-users - dislike sports, less active;
  - like sports and active, but perceive MURC as unattractive;
- ◆ Unaware non-users.

These segments make up the potential market size of MURC, which is limited by the actual number of Massey University internal students, who are entitled to MURC membership. These students can be described as follows:

Total	8680	100%
Full-time	6003	69%
Part-time	2677	31%
Female	4605	53%
Male	4075	47%

### **Section 3: MARKETING OBJECTIVES**

The marketing objectives, as outlined in this paper, are to increase student awareness and usage of their entitlement to the sport facilities in the following manner:

1. To increase Massey students' awareness of their automatic entitlement to the Massey University Recreation Centre. The current awareness of students is 57% (from MURC survey 2000). The target is to reach 80% awareness within 12 months.
2. To increase student usage of these facilities and services. According to the survey, 65% of students used the facilities and services more than once in the year 2000. The target is to raise this number to 80% within 12 months.
3. To increase the number of the weight/ cardio room and aerobics members. The current number of members is 2491 (on 03/09/01). The target is to raise this number to 3000 within 12 months.

### **Section 4: MARKETING STRATEGY**

Marketing strategy for MURC consists of the concepts of competition, market demand, desired image, promotion, and communication theme.

Competition is defined as any and all other fitness and health centres within Palmerston North with a recreation centre for weight/ cardio and aerobics members. These competitors are:

- Contours;
- Human Movements;
- New Body Fitness Centre;
- Palmy Gym;
- Club 100.

Moreover, alternative sports, which the Massey recreation centre does not provide (such as swimming, roller-blading, and roller hockey) might distract from the Massey recreation centre appeal.

Another part of marketing strategy is defining and setting goals for market demand. Market demand falls under primary and secondary demand. With respect to its primary demand, MURC, on the one hand, intends to achieve an increase in student membership by expanding the total market (i.e. Promoting the awareness and usage of non-users into becoming members). On the other hand, with respect to its secondary demand, MURC manager Christine Scott specifically does not want a share of the existing market (i.e. Community members from other gyms to sign up for MURC). MURC management is content with the current membership of community users.

As yet another aspect of marketing strategy, MURC needs to outline and achieve its desired image. This can be outlined as follows:

- To be perceived as the most student oriented facility in Manawatu;
- A buzzing place to 'come and have a go' and hang out between classes;
- Qualified, helpful, easy-going staff.

Marketing strategy also requires promotion as part of its plan. MURC's promotional strategy will implement a pull-strategy for every potential member. (Attract new members by creating awareness of MURC's consumer benefits.) However, for students who are physically inactive and have no interest or motivation to engage in physical activity, a push-strategy should be adopted. (Encourage them to get involved with MURC for their physical, psychological well-being.)

As a final element of marketing strategy, a communication theme needs to be set up. This can be as follows:

- Provider of health and fitness services;
- Students' automatically entitled usage of MURC;
- Gym and aerobics membership is best value for money paid;
- Wide range of facility and programme selection;
- Ideal accessibility (on campus).

## Section 5: Elements of Marketing Mix

Elements of marketing mix for MURC are the services it provides, its brand name, the distribution of its services, pricing, consumer advertising, advertising strategy and promotion, the selling of services, public relations, and sponsorship.

The services of MURC refer to the facilities and programmes they provide to members for use. These are as follows:

Facilities	Programmes
- Sports hall / courts	- Aerobics programmes
- Weight training room	• Step athletic
- Cardio room	• Step 'n' pump
- Squash courts	• Pump it
- Cross training room	• Circuit action
- Dance / Dojo room	• Kick artz (Tai bo)
- Outdoors grounds	• Blitz 'n' sculpt
• Tennis / Netball courts	- Health & fitness
• Rugby fields	• Fitness testing
• Soccer fields	• Personal health & fitness programmes
• Streetball courts	• General nutrition & training advice
• Volleyball courts	• Massage
- Equipment hire	- Club & community development
- Hokowhitu recreation centre	- Ski 'n' sports shop
• Cardio equipment	- Recreation programmes
• Weight equipment	- Massey apparel & sportswear
• Dance room	- Social sports league
• Health & Fitness programmes	- Reception

In providing the above mentioned services, Massey University Recreation Centre (MURC) acts as a brand name. We have no control in changing the name but recognise that the name is very appropriate. It is located within Massey University and offers more than just gym facilities. It offers extensive programmes from aerobics to yoga, pottery sessions and social league competitions. It does indeed cater to the recreational needs of many.

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The service distribution of MURC does not take place through middle people. However, Massey University Management offers clubs, such as sport teams and ethnic groups, opportunities to use those services.

The price of such services is a part of students' fees, giving every Massey University student an automatic membership of MURC if he/she is a member of MUSA. This entitles students to use most of the facilities and services at no additional cost. The following figures give the amount of funding put forward to MUSLCS from the MUSA levy and is based on whether the student is full-time or part-time.

Full-time	\$29.00
Part-time 80-40 points	\$21.50
under 40 points	\$14.00

In addition to the above, those who wish to use the weight/ cardio rooms and aerobics programme, must pay \$30 for the year. (Casual rate for students is \$3.) Originally this price was \$20 a year, but the \$10 increase is due to the recent shift from full-time to part-time study. Despite this fee increase, there has actually been an increase in student usage. This price, therefore, suggests the fee is still reasonable.

### <Other Additional Fees>

- Fitness testing - \$10;
- Personal health & fitness programmes - \$10;
- Squash court - \$1 per 30 minutes;
- Climbing Wall - \$2 member, \$5 casual;
- Racquet hire - squash \$2, tennis/badminton/table tennis \$1.50;
- Recreation programmes – 42 programmes from Free to \$105 (2001 winter)  
i.e. Ski maintenance \$5, belly dancing (5 sessions) \$10, boxing (5 sessions) \$21, massage \$30, ski/snowboard trip \$80 / \$105, etc.

Consumer advertising must take the consumer, as well as other factors, into consideration. In this case, due to budget restraints and the condensed target audience (of students), the advertising campaign will be minimal. Up to this point, Chaff student magazine allocates 2 free pages of advertising a year, and printed advertising (fliers, programmes, posters) account for \$3000 a year. As well as that, Bank of New Zealand is

also generous in donating \$1500 towards advertising costs each year. In the past, Screen Vistas was an opportunity to market at movie cinemas. This is now not a priority as the emphasis is on reaching students, not community members. Therefore, the emphasis on meeting the objectives will lie in the strategic approach.

The approach will take into account three consumer segments:

- unaware sports enthusiastic students;
- students who use other facilities;
- students who dislike sports and physical activity.

In order to approach and attract the above groups, an advertising strategy needs to be implemented. Four campaigns will run. Two one-week campaigns on the first week of semesters one and two, and two three-day campaigns on the first week after each mid-semester break.

The one-week campaign will see the setting up of stands in the library, commercial complex, the foyer of major lecture theatres, and on club's day. The stands will contain pamphlets and brochures detailing programmes, services and facilities that are available. On club's day, staff will be on-hand to answer any queries and give further details about what is offered. Flyer drops in University car parks is an option as well. The objectives will be

- To make students aware of their entitlements (gained through the MUSA levy);
- To encourage them to take advantage of their membership.

The targets will be all students (with an emphasis on unaware students). The timing will be the first week of semester one and two. The selling line will be 'Some of your MUSA levy goes to the gym. Why don't you go too?'

The three-day campaign will run during a busy time, when students have multiple assignments and academic deadlines. Once again, stands will be used to provide the same print media, but the approach will be more balance-oriented in terms of looking after body and mind. The objectives of this campaign will be to encourage students to make time for rest from studies, and to keep fit and avoid stress by keeping a 'balance'. Targets will be students who dislike sports and physical activity. The timing will be the first week after each mid-semester break. The selling line will be 'Physical work refreshes and invigorates you.' and 'Have a break, have a fit crack.' (a take on Kit Kat confectionary advertising).

Consumer promotion will basically consist of membership promotion. All training

room members go into the draw to win a training session with the All Blacks. Two or three All Black members will demonstrate their own personal weight training to the winners at the MURC's training room. The objective is to attract more weight/ cardio room and aerobics members. The targets are students who use other facilities. The timing will coincide with the All Blacks using the Adidas Institute of Rugby. (Advertise promotion a month earlier.) The selling line will be 'Wanna train with the All Blacks? Gotta be a member first!!' The costs will be negotiated with All Blacks management to provide them with the opportunity to enhance their PR criteria without any financial costs for MUSLCS.

The objective of this marketing plan is not to sell a 'product' in terms of tangible units which customers take home to use. Rather, the extent to which 'selling' is relevant in this marketing plan should be seen in customer services and the general appearance of the facilities.

Consumers must be treated as important and employed staff are perhaps the first factor consumers use to decide the quality of MURC. Friendly and helpful traits are desirable when looking to employ new staff (reception or trainers). As well as that, trainers should be certified professionals, so a sense of credibility and qualification is given to the organisation.

Facilities should be well maintained as well. The saying, 'first impressions last' must be adopted because the general consumer is initially attracted from outside. Maintenance and repairs such as painting should have emphasis placed where necessary because the image of professionalism should be promoted.

Although there will be no 'true' public relations work in that the whole community is involved (due to the target being primarily students), the skills of public relations will still be used. Staff members will visit hostels to promote MURC open days, where competitions and fun events will be provided with a free BBQ. The objective of this is to stimulate involvement from first year students, and in doing so, initiate long-term membership until their studies are completed at Massey University. The targets are first year students. The timing is the beginning of semesters one and two. The cost is time taken to prepare open days. In addition,

- Financial costs: 80 × loaves of bread at \$1.90 each = \$152  
1000 × sausages at \$0.40 each = \$400  
20 × tomato sauce cans at \$2.50 each = \$50  


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Total = \$602

With regard to sponsorship as a marketing tool, MUSLCS objectives and budget suggest that sponsoring an event is out of its league. On the other hand, there lies potential for gaining sponsorship through the new all-weather athletics track. Here, for example, signage around the fence could be a large and enticing promotional tool for local businesses to sponsor MURC and advertise themselves. Revenue from an initiative such as this could assist in maintenance and re-development costs of facilities and services.

### **Section 6: AUDIT ACTIVITIES**

Two types of audit activities are to be implemented to measure the success of the three objectives outlined in this marketing plan.

First, objectives one and two will be assessed by figures from MURC's annual campus survey. This will best indicate whether the targets have been reached or not within the specified time. These figures are only the best estimates of the actual figures because difficulties lie in attaining them.

Secondly, the third objective can be measured by actual MURC records of weight/ cardio room and aerobics member numbers.

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