Customer Expectations and Perceptions in Physical Fitness Service
A study in the context of Kerala, India

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Abstract

With modern lifestyle that reduces opportunities for physical activity, especially in city based life, the need for organized physical fitness services is on the rise. This is also becoming relevant with the spread of lifestyle diseases. To be a successful physical fitness service provider, an organization will have to understand the customer expectations as well as periodically assess customer satisfaction.

This paper, based on customer survey, makes an effort to understand the expectations of customers of a physical fitness centre in Kochi, in Kerala and where these customers are expecting improvement. Impact of demographic factors on satisfaction, and the areas where expectation perception gap is observed are identified.

Key words: Physical Fitness Service, Customer Satisfaction, Customer Expectations, Customer Perception

1. Introduction

The role the fitness industry plays in offering an environment where people can engage in physical activity is important for both individual and community wellbeing. Popular trade literature contends that the service environment of a fitness organization is a factor in member satisfaction and retention and also bottom line profitability (Gerson, 1999; McCarthy, 2004). Understanding the impact of the service environment in satisfying and retaining members is vital for fitness managers.

In order to compete, survive and prosper in the fitness industry, the service environment needs to be operating at a high level. Ultimately, the concern for all managers operating in the service sector is how the customer of their service interprets the worth of that service, and in the case of the fitness industry, the worth of the membership. People are becoming more conscious towards fitness. Exercise training has been shown to improve overall physical fitness and quality of life in older people with coronary artery disease. It is projected that Indian fitness industry will rise on the graph annually by 20% to 30%.

One element of differentiation available to fitness clubs is that of delivering exceptional levels of service quality. The constituents of service quality in the fitness industry have received relatively little research attention. As service quality plays an important role in differentiating between fitness clubs, this paper examines the development, delivery and measurement of service quality in a leading fitness club.

2. Objectives of the study

It is proposed to find out the factors health club customers consider important from the physical fitness service providers. Understanding customer expectations, perception of service received and to identify gaps and the areas of improvement in the fitness industry are the main objectives.
3. Theoretical Background

Service quality is determined by the differences between customers’ expectations of services provider's performance and their evaluation of the services they received. Service quality can be defined as the difference between customers' expectations of service performance prior to the service encounter and their perceptions of the service received. Several studies have been conducted to identify traditional service quality dimensions that contribute most significantly to relevant quality assessments in the traditional service environment. Darby and Karni (1973), defined "credence properties." (such as competence and security) as properties or characteristics that consumers often find extremely difficult to evaluate after their purchase. Therefore, Parasuraman, Zeithaml and Berry (1985) concluded that consumers typically rely on experience properties when evaluating service quality.

Chelladurai et al. (1987), developed the Scale of Attributes of Fitness Services (SAFS), a model which consists of five dimensions of fitness services that represent the members’ experience in a fitness organization: (1) primary core professional services (e.g., qualifications of those who test member fitness, number and variety of fitness classes, motivation provided by instructor); (2) primary core consumer services (e.g., number and variety of tournaments organized, price of renting courts, ease of reserving courts); (3) primary peripheral services (e.g., enthusiasm of receptionists, reputation of nursery staff, location of reception); (4) primary facilitating goods (e.g., club’s hours of operation, cleanliness of equipment, type of weight training equipment available); and (5) secondary consumer services and facilitating goods (e.g., dining area, price of drinks in bar, variety of the menu).

The SERVQUAL (Parasuraman et al.1988) model is very relevant in the context of understanding service quality in physical fitness services. Despite the difficulties inherent in delivering and measuring service quality, Berry et al. view high quality as one of the most significant sources of differentiation and competitive advantage in service organizations. In SERVQUAL, service quality is measured in terms of the gap between what the service should provide and the customer’s perception of what the service actually provides. It assumes that smaller the gap, the higher the quality of service. Brown and Bond (1995), contends that the “the gap model is one of the best received and most heuristically valuable contributions to the services literature” though Brown, Churchill, and Peter (1993), argue that because the SERVQUAL scales "scores" are really difference scores (perception scores minus expectation scores); problems of reliability, discriminant validity, and variance restrictions exist.

SERVQUAL helps in identification of five gaps. The first four gaps emerge from an organization perspective and they in turn, contribute to another gap, gap 5, which is the discrepancy between customer's expected level of service and the perception of service actually delivered by the provider. This gap is a function of the other four gaps: i.e. Gap 5 = f (gaps 1, 2, 3, and 4). It is intended to measure Gap 5, which would help us in understanding customer requirements. The model is useful in assisting managers and staff to examine their own perceptions of quality and to recognize how much they really understand the perceptions of the customers.

A positive gap indicates that the club is providing more than what the customer expects. Thus the club should not allocate any more resources on attributes which the customer place less emphasis. A negative gap on the other hand signifies the attributes that the customer deems important and the club can devote more of its resources to those areas. This allows the management to take the appropriate steps to improve on those aspects.
4. Research Methodology

The study is based on customer survey of 108 respondents using a structured questionnaire. The hypotheses that were formulated for the purpose of the study include:

**H\textsubscript{A1}:** There is a significant difference in the perception about personal attention among different genders

**H\textsubscript{A2}:** There is a significant difference in the perception about timing among customers of different occupation

**H\textsubscript{A3}:** There is a significant difference in the perception level among the customers based on their gender on the service quality offered by the organization

**H\textsubscript{A4}:** There is a significant difference in the perception level among the customers based on their education on the service quality offered by the organization

5. Profile of Respondents

The study was conducted among customers of International Fitness System, Kochi, Kerala. The 108 respondents belonged to different age groups with break up as:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>up to 20 years</td>
<td>10</td>
</tr>
<tr>
<td>21-30 years</td>
<td>29</td>
</tr>
<tr>
<td>31-40 years</td>
<td>56</td>
</tr>
<tr>
<td>Above 40 years</td>
<td>13</td>
</tr>
</tbody>
</table>

Further, the gender break-up showed a substantial number of women taking part in physical fitness activities with 71 males and 37 females participating in the study. This shows more than one third of the customers were women which indicate a positive health consciousness among women.

Education level of the respondents was taken as a factor to be studied as it is expected that when a person is highly qualified, his expectation on service quality is also very high. The following table and figure shows the education wise classification of respondents. Only 7% of the participants had education below degree. The sample contained generally well educated respondents with majority having degree or above. The biggest group of respondents (78%) had income above Rs.25,000/- per month. Thus, in general the customers of the fitness centre can be considered as upper segments of the society with resultant higher expectations of service delivery.

There are various reasons for a person to join a health club. These reasons vary from person to person. Desire for physical fitness was cited as the most important reason for joining the centre (58%) followed by influence of friends (24%) and weight reduction (13%). The frequency of visiting health club indicates the member’s eagerness for physical fitness. 68% of the respondents were daily visitors while 30% attended on alternate days. Highest numbers of customers used to spend an average of one hour per visit.

6. Findings:
6.a Expectation v/s Perception

Table 1: Distribution of service quality values between customers expectation and perceptions of International Fitness System for the respondents. (n=108)

<table>
<thead>
<tr>
<th>No</th>
<th>STATEMENT</th>
<th>Expectation</th>
<th>Perception</th>
<th>Gap Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Overall environment of the club is clean and hygienic</td>
<td>4.53</td>
<td>3.88</td>
<td>-0.65</td>
</tr>
<tr>
<td>2</td>
<td>The club provides pleasant and soft music</td>
<td>3.69</td>
<td>4</td>
<td>0.31</td>
</tr>
<tr>
<td>3</td>
<td>Locker room in this club is safe and sufficient</td>
<td>4.51</td>
<td>3.28</td>
<td>-1.23</td>
</tr>
</tbody>
</table>
The restrooms and change rooms in this health club are comfortable 4.49 4.23 -0.26

Here there is a good system for documentation 4.5 4.24 -0.26

Timings of this health club is very suitable for me 4.59 3.51 -1.08

There is adequate time provided for me to work out 4.54 4.34 -0.2

The health club permits me to have the facility of any of its branches as convenient 4.97 4.58 -0.39

Equipments here are well maintained. 4.39 3.79 -0.6

Club provides a variety of machines 3.54 4.25 0.71

Staff here are well qualified and trained 4.33 4.34 0.01

I get good amount of personal attention 4.58 3.94 -0.64

Club takes effort in providing diet and nutritional advice. 4.58 4.12 -0.46

Club’s charges are reasonable for the services it provides me 4.78 4.07 -0.71

Note: Gap-mean score is defined as: Gap-mean = Perception Mean – Expectation Mean

**Interpretation:**

Table 1 shows the expectation, perception and gaps mean regarding the service quality received by members in the fitness centre. The results show that members had relatively high expectation (4.97), with regard to “The health club permits me to have the facility of any of its branches as convenient to me”. However, relatively low expectation scores (3.54) and (3.69) regarding variety of machines and music provided in the gym.

The largest gap scores were found for “Locker room in this club is safe and sufficient” (gap score = -1.23) and next for “Timings of this health club is very suitable for me” (gap score = -1.08). It indicates that locker rooms and timing of the health club are not according to the customer’s expectation.

The most important prompting factor to join a health club was found to be the desire for physical fitness and friends’ influence is found to have significant impact. 68 percent of the respondents spend 1 hour daily whereas 31 percent exercises for 30 minutes. Only 5 per cent exercise for more than 1 hour. This can help in planning the equipment for the future. 30 percent of respondents joined gym only during last 6 months, which indicates that the health club is able to attract new members.

The study identified some factors that cause dislike of the facility such as: 60 per cent of the respondents do not like the lounges of the gym and 30 per cent find the non availability of professional aerobic trainers as disliking factor. These are areas of improvement for the service provider.

**6.b Hypotheses testing**

The hypotheses in this study to find out the perceptional differences of different groups are tested using independent sample t-test and ANOVA.

**H₀₁:** There is no significant difference in the perception about personal attention among customers of different gender.

The significance value obtained, 0.118 is greater than 0.05. Hence we cannot reject the null hypothesis at 5 per cent level of significance and conclude that there is no significant difference in the perception about personal attention among male and female customers.
H₀₂: There is no significant difference in the perception about timing among customers of different occupation.
The significance value 0.304 obtained by test is greater than 0.05. Hence we cannot reject the null hypothesis at 5 per cent level of significance and conclude that there is no significant difference in perception about timing among the customers based on their occupation.

H₀₃: There is no significant difference in the perception level among the customers based on their gender on the service quality offered by the organization.
The significance value obtained is 0.492 which is greater than 0.05. Hence we cannot reject the null hypothesis at 5 per cent level of significance and conclude that there is no significant difference between the opinions of male and female customers regarding the overall perception of service provided.

H₀₄: There is no significant difference in the perception level among the customers based on their education on the service quality offered by the organization.
The significance level value is 0.109. Hence we conclude that there is no significant difference in the perception level among the customers based on their education.

7. Conclusion

The key to successful service quality management is to strengthen the relationships with clients and employees. The study of the service quality measurement with regard to physical fitness services at International Fitness System is relevant to the organization as it gives an insight into the way in which the customers regard the services provided by the organization. The level of satisfaction on different parameters of service quality provides the organization an opportunity to improve their offered services. Fitness centres will have to implement long-term human resource strategies to recruit, train and develop qualified employees. In turn, this may require additional investment in terms of time and training costs. The findings of this study have shown that such an investment is critical in fulfilling customer’s expectations, and ensuring customer satisfaction.

Significant opportunities exist to increase revenues beyond those generated by the sale of membership plans and receipt of monthly dues like integrating personal training, private label nutritional products, and weight management program etc into its core fitness center operations.

8. Limitations and potential for future research

The study took respondents from a leading fitness centre for understanding customer expectations and perceptions considering the wide facilities available with them. Other providers may differ in offers and hence generalization may be difficult. It is a possibility to study services offered by different organizations and identify common parameters and improvement areas.

References:


