

FINANCIAL SATISFACTION ACHIEVED FROM OFFERED SERVICES: THE CASE OF FITNESS TRAINERS

Marcin KOMAŃDA

Opole University of Technology, Faculty of Economics and Management; m.komanda@po.edu.pl,
ORCID: 0000-0003-1695-2949

Purpose: An analysis was conducted regarding fitness trainers' opinions on factors related to the profitability of rendered services. Answers to two research questions were sought: a) Is it possible to group respondents based on their opinions on the level of satisfaction from the achieved revenue and the profit margin on a standard service? b) Is there a relationship between respondents' assignment to a specific group and the fact of conducting an additional business activity (not related to the fitness sector)?

Design/methodology/approach: The study was based on the use of a structured questionnaire. The five-point scale and nominal variants of answers were used for the quantitative analysis of collected data. With regard to the nature of the surveyed subjects, non-representative sampling in the form of a snowball method was used.

Findings: The results obtained reveal that, among trainers expressing satisfaction from the achieved revenue and the profit margin on a standard service, dominates the group of those, who do not conduct additional business activity and, conversely, among trainers expressing indecision and lack of satisfaction dominates the group of persons, who conduct such business activity.

Research limitations/implications: The main research limitation derives from the sampling method – findings cannot be generalized on the whole population of fitness trainers. However, the obtained results shed new light on the conditions of conducting business activity by fitness trainers and formulate further research questions.

Originality/value: Fitness trainers (especially those who conduct business activity) are not a popular topic of scientific work in this industry (the subject of fitness clubs dominates).

Keywords: fitness industry, trainer, financial satisfaction, services.

Category of the paper: research paper.

1. Introduction

The issue of the fitness industry constitutes a subject of interest of both scientific publications on management and professional reports dedicated to the entities of economic practice. It provides a particular opportunity to follow, in parallel, the development of practice in this industry, as well as the shaping of theoretical descriptions of aspects related to the management of entities operating within its framework. The results of the latest studies concerning the most significant market trends, conducted among the practitioners of the industry, also indicate that the industry itself cannot be treated in a homogeneous manner; the issues that shape it are diverse as well. Among the most important global development trends in the fitness industry, the following ones are indicated: the application of mobile solutions, types of training, form of training (individual/group), supporting weight loss, treatment/rehabilitation activities, lifestyle and health promotion, certification of fitness trainers, physical activities for the elderly and children and – finally – the measurement of physical activity results (Thompson, 2019). Whereas, among the European trends that shape this industry, the issue of personal training is regarded as the most significant one (Batrakoulis, 2019).

The conducted analysis of English literature for the years 2000-2016 reveals, however, that the main research issues that shape the scientific discourse within the scope of the subject area of fitness industry are as follows: service quality, customer service, brand management, lifestyle and financial analysis (Komańda, 2019). Deepened and latest studies of the literature make it possible to specify that the issues related to customers may be developed by the matters concerning behaviors, customer satisfaction and loyalty, whereas the problem of functioning of entities that offer services in this industry may be analyzed through the dimensions/essence of the very fitness services or other innovations and conducted organizational activities (Miragaia, and Constantino, 2019). Developmental tendencies of the fitness industry also result in the requirement of co-creation of values and experiences between customers and suppliers, as well as taking into consideration customer's aspirations in the service project (Polyakova, and Mirza, 2016). This, again, means that the entities operating in the fitness industry have to be held responsible for diversified customers' needs, which requires from them to make decisions and take actions related to shaping a competitive position (Dabija, Abrudan, and Postelnicu, 2015), which then translate into the matters related to both organizational and financial grounds (Swaid, Khanfar, and Loudon, 2019).

Thus, the findings presented above make reasonable the research task related to the description of financial issues of running business in the fitness industry. The focus on the subject of fitness trainers is a desired prospect of research tasks as well (in particular, in the light of market trends). The purpose of this paper is, therefore, the recognition of financial satisfaction achieved from services offered by the fitness trainers.

2. Main business challenges in the fitness industry

The key aspect for the entities operating in the fitness industry is to ensure appropriate customer service quality. The problem may be considered in various ways – in literature, one may come across dissimilar lists of factors which, according to the authors, influence the quality of the offered services and customer service itself (Chang, and Chelladurai, 2003). These factors, however, may be represented by two groups, the first of which is connected with experience and professional competences of the personnel that serves the customers, as well as the form of the offer itself, related to, above all, the type of activities (available workouts) and available schedule of these activities. The second is a group of factors connected with the so-called physical environment, that is the place where the offered activities take place (it concerns technical equipment, the one of sport nature, as well as that, which constitutes a sanitary facility or a place of additional activity related to, for example, spending time and activity (Yildiz, 2011)).

Therefore, building a competitive position by entities operating in the fitness industry requires, above all, increasing the level of customer satisfaction with the offered services (Cheng, Hsu, and Huang, 2012). This pursuit needs to take into consideration contemporary social conditionings of consumption. These conditionings are, above all, related to the treatment of the very act of consumption as a form of integration between individual persons, source of pleasure, self-satisfaction and differentiation between those, who use products or services (Rzemieniak, 2018). These tendencies have their reflection in, among other things, premises of undertaking physical activity by particular persons, the choice of the form of activity, as well as the perception of developmental tendencies in the industry itself, which, as mentioned before, are different and concern many aspects of physical activity and behaviors of prospective customers (Rafałko, 2019).

The pursuit of increasing the service quality and customer service level in the context of developing a competitive position requires business entities to undertake innovative activity. These innovations may concern infrastructure used while providing services, as well as everything that is connected with the relationships between trainers and their customers. It is argued, in the literature, that innovations in the fitness industry are a necessary aspect, which translates into the profitability of the entities (Chiu, Lee and Lin, 2011). However, it is worth emphasizing, that the pursuit of innovation within the scope of technical equipment, essential for the provision of services in the fitness industry, that is related to investment decisions (with regard to their physical and moral wear) may cause inability to obtain positive financial result. It may be assumed, that it is a feature of mature markets of a relatively high-level of saturation, where the standard of provided services, with regard to the infrastructure used, is high, and there is a need for its continuous maintenance or development (Breesch, Vos, and Scheerder, 2015).

This problem makes the issue of the relation between price and quality important for the services in the fitness industry. This relation also constitutes the basis for decisions made not only by customers while choosing an offer, but also by the entities rendering these services in their business intentions (Afthinos, Theodorakis, and Nassis, 2005). It is emphasized, that the decision on providing fitness services by an entity, whether the activity is based on a low- or a high-cost model, becomes crucial. It is also possible for the entity to diversify its offer on the basis of both models (Brown, 2015). The choice between two discussed models is significant for the entities that operate in the fitness industry, since, depending on the adopted solutions, not only should they apply diverse solutions within the scope of marketing orientation (Iwankiewicz-Rak, and Rak, 2017), but also innovations within the scope of marketing resources. The issues related to price setting and application of a system of discounts may be regarded as such kind of innovation as well (Andruszkiewicz, and Schulz, 2018). It is also possible for the entities rendering services in the fitness industry to undertake cooperation in order to adjust the offer and quality of provided services to customers' expectations (Bernat, 2019), which makes it possible to spread possible costs of differentiation towards competitors, as well as the risk related to it (Stosik, 2018).

3. Methodology

The subject of the study was the group of fitness trainers conducting their own registered business activity. Fitness trainers seldomly become the subject of a study – those mostly concern fitness clubs. Also, in many cases, there is no differentiation between trainers employed full-time by a fitness club and those, who are entrepreneurs in the light of the regulations. Paying attention to the activity of fitness trainers, instead of focusing only on fitness clubs, is justified by the developmental trends of the branch, among which the increasing role of personal trainings is presented (Thompson, 2019, and Batrakoulis, 2019) – the trend is also presented in the context of the Polish market (*Fitness industry in Poland 2019 ...*).

Finding respondents for the purposes of the study turned out problematic. The difficulties resulted from three facts. First of all, many trainers, available from the point of view of the person conducting the study, perform their duties in clubs, remaining in certain forms of employment, so they were not the addressees of the study. Secondly, there is a lack of an appropriate item in the Polish register of business activities, which would make it possible to clearly identify the mentioned type of business activity. The Polish Classification of Business Activities in section P – Education, chapter 85, code 85.51 (in particular 85.51.Z) only describes the so-called “sport and recreation education services” and it does not encompass only the fitness industry issue. Thirdly, as the initial talks conducted with the trainers pointed out, they frequently decide to register a business activity that indicates a broader scope of business

activity, which additionally negatively influences the possibility for identification according to the register.

With regard to the presented obstacles in reaching prospective respondents, a decision was made to apply a non-probability sampling in the form of a snowball method (trainers for the purposes of the study were obtained through recommendation of other persons participating in it). Finally, a total of 76 persons from the territory of Poland participated in the study. The respondents filled out a paper survey by answering the questions in person (PSAQ – Paper Self-Administered Questionnaires). The presented variants of answers assumed a nominal or interval form (five-point scale).

The respondents represented mainly the Silesian Voivodeship (68 persons; 89.5%). Among the participants, the majority was men (43 persons, 56.6%), whereas women constituted 43.4% (33 persons).

The intention of the analysis of data collected in the research was to provide answers to two main research questions:

1. Is it possible to group the respondents based on their opinions on the level of satisfaction from the achieved revenue and the profit margin on a standard service?
2. Is there a relationship between respondents' assignment to a specific group and the fact of conducting an additional business activity (not related to the fitness sector)?

It should be emphasized, that the validity of the first research question mainly results from a different context of assessment of revenue and the price margin on a provided service, which is manifested in the trainers' attitude. The revenue expressed by the service price is frequently referred by the trainers to the level of prices in the market (they make comparisons with their competitors, as well as with the dominant market practice related to price setting). The profit margin (the revenue minus direct expenses) is, in turn, mainly assessed in the context of necessity to ensure the standard of the provided service (Komańda, 2016). The set of these expenses, as well as their amount, may vary depending of the form of service, its subject, cooperation between the trainer and other entities and, finally, the place of service provision (e.g. exercises in a rented gym vs. the fresh air). It is also a new way of presenting the problem, since, until now, studies conducted within the scope of financial issues of trainers' activity were related to the amount of monthly remuneration depending on the form of cooperation with a fitness club (Mączka, 2016). Question number 2 should, however, be treated as an attempt to determine the conditioning of the issues presented in question no. 1 via a control variable. The issue results from the mentioned tendency to determine the subject of business activity by some trainers.

4. Results

The descriptive statistics for the respondents' answers to the question regarding the level of satisfaction look as follows (five-point scale):

- revenue achieved on a standard service provided: mean 3.88; standard deviation 0.783; minimum 1 (*not satisfying*); maximum 5 (*satisfying*); mode 4 (*rather satisfying*); median 4 (*rather satisfying*);
- profit margin on a standard service provided: mean 3.76; standard deviation 0.831; minimum 2 (*rather not satisfying*); maximum 5 (*satisfying*); mode 4 (*rather satisfying*); median 4 (*rather satisfying*).

The Cronbach's Alpha reliability coefficient for the respondents' answers to the above questions equals 0.819. It is indicative of a high level of conformity of the respondents' answers. Figure 1 presents the distribution of answers to these two questions.

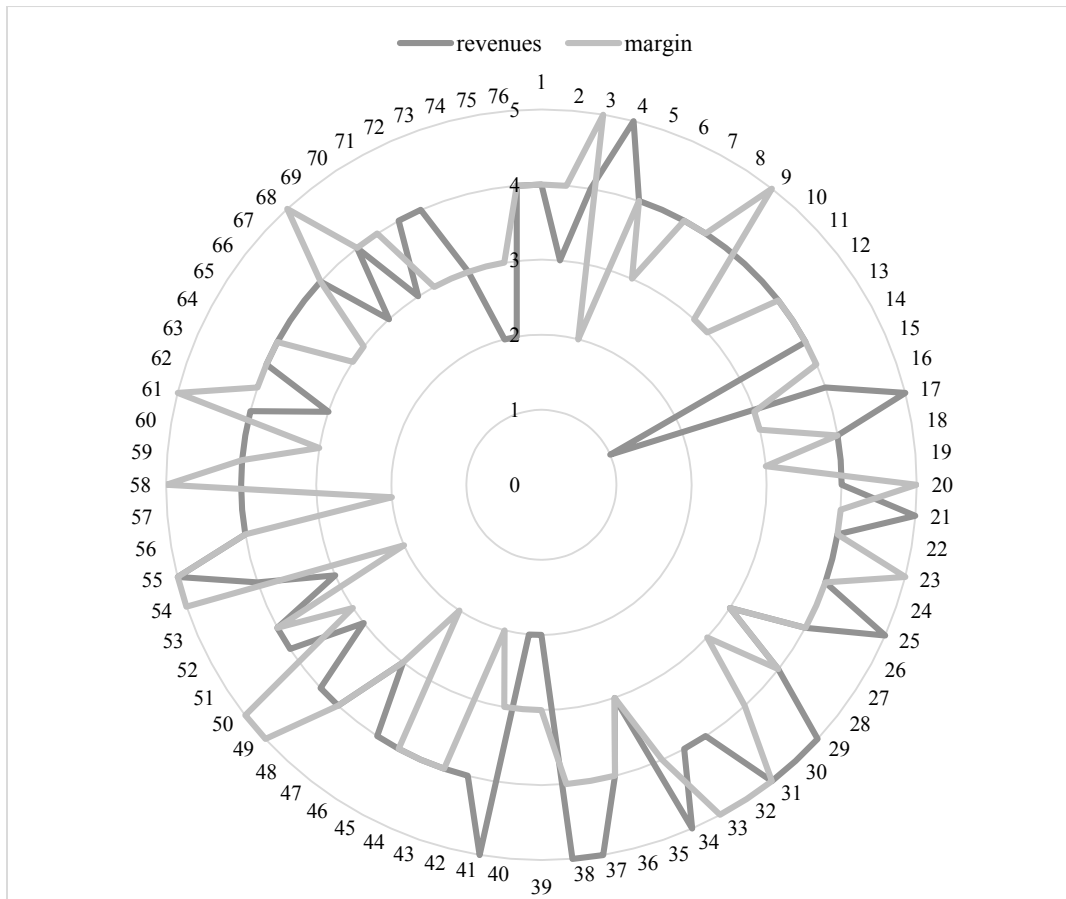


Figure 1. Respondents' answers regarding their opinion on the level of satisfaction with the achieved revenue and the profit margin on a standard service.

In order to assume an attitude towards the first of the posed research questions, with regard to the nature of data collected from the respondents (interval variables), as well as the sample size ($n = 76$), a two-step grouping method was applied. The variant of grouping respondents based on their opinions on the level of satisfaction from the achieved revenue and the profit

margin on a standard service was obtained, which reached a satisfying value of cohesion and separation (the so-called Silhouette value) that, in this case, amounted to 0.7. The value lies in the range from -1 to 1 (Liu et al., 2005) and values close to 1 indicate a strong evidence for the clustering structure (Rousseeuw, 1987); the assumed limit value of this rate equals 0.5 (Kisielińska, 2009). The results of the obtained grouping are given in table below (Table 1).

Table 1.
Results of grouping

Group	1	2	3	4
Size	38.2%; n = 29	26.3%; n = 20	15.8%; n = 12	19.7%; n = 15
Satisfaction with the achieved revenue	Rather satisfying (4) 100%	Rather satisfying (4) 100%	Satisfying (5) 100%	Hard to say (3) 66.7%
Satisfaction with the profit margin	Rather satisfying (4) 100%	Hard to say (3) 65%	Satisfying (5) 58.3%	Hard to say (3) 60%

In the obtained grouping, the variable “satisfaction with the achieved revenue” as a predicate obtained the validity equal to 1.00, whereas the variable “satisfaction with the profit margin” obtained the validity equal to 0.66. It should be noticed that, in the designated groups, the answers that express relative satisfaction or indecisiveness dominate. The relationship between the size of the largest and the smallest group equals 2.42.

Statistically significant relationship between the assignment of the respondents to a specific group and the fact of combining business activity in the fitness industry with other economic areas was determined. In this case, the Cramer’s V measure amounted to 0.335 ($p = 0.036$; $p \leq 0.05$), which is indicative of a weaker, but distinct relationship between these variables. Table 2 presents the distribution of data for these two variables.

Table 2.
Diversification of business activity by trainers and assignment to designated groups

Variables	Variant	Combining business activity in various economic areas		Total
		Yes	No	
Number of a group in a two-step grouping	1	8	21	29
	2	13	7	20
	3	7	5	12
	4	9	6	15
Total		37	39	76

It should be noticed that, in the largest group of respondents (group 1), the vast majority does not conduct additional business activity in other economic area (72.41%). In the remaining groups, the majority of respondents indicated that they conduct such business activity (group 3 – 58.33%, group 4 – 60%, group 2 – 65%). However, it is worth analyzing the results by combining all the groups. Groups 1 and 3 refer to the respondents who are satisfied with the level of revenue and the profit margin on a standard service. In case of these two groups, a total of 63.41% of the respondents does not conduct business activity in other economic sectors. Whereas in groups 2 and 4 (the respondents who, while answering the questions, expressed

their indecisiveness or dissatisfaction) dominated the trainers who conduct such additional business activity (a total of 62.86%).

5. Conclusions

Making generalizations on the basis of results of the study conducted among fitness trainers who run registered business activity is burdened with significant risk. Due to a small sample size, as well as the applied sampling method, the results should only be interpreted in the context of the studied group of respondents. However, the results make it possible to properly design a representative study within this scope and formulate further questions, the answers to which should be sought in the course of the future potential research.

Firstly, it is worth explaining thoroughly the relationships between the trainers' perception of the level of satisfaction with the revenue for the provided service and the profit margin on it. These were the revenues that reached higher value as a predicate in the conducted grouping procedure, which may be indicative of a significant role of fitness trainer's positioning towards the competition. The analysis of this issue may include, above all, such issues as trainers' market experience, winning and keeping clients and, as a result, through the combination with the profit margin, also the issue of a standard offer directed towards clients.

Secondly, with regard to the remark made, it is, therefore, necessary to explain why, in case of undecided or unsatisfied trainers, the majority consists of persons who conduct additional business activity unrelated to the fitness industry (and, conversely, why among the respondents, who do not conduct additional business activity, the majority are those who express their satisfaction with the achieved revenue and the profit margin). In this case, it is important to explain whether this relative dissatisfaction with financial issues connected with the fitness industry leads trainers to diversify the subject of business activity, or the extension of the subject of business activity leads them to express a less favorable assessment of satisfaction with the financial issues of the activity conducted in the fitness industry.

References

1. Afthinos, Y., Theodorakis, N.D., and Nassis, P. (2005). Customers' expectations of service in Greek fitness centers: gender, age, type of sport center, and motivation differences. *Managing Service Quality: An International Journal*, 15(3), 245-258. doi: 10.1108/09604520510597809.
2. Andruszkiewicz, K., and Schulz M. (2018). Zasoby marketingowe jako fundament potencjału i aktywności innowacyjnej polskich przedsiębiorstw przemysłowych. *Organizacja i Zarządzanie. Zeszyty Naukowe Politechniki Śląskiej*, 129, 15-28. doi: 10.29119/1641-3466.2018.129.1.
3. Batrakoulis, A. (2019). European survey of fitness trends for 2020. *ACSM's Health & Fitness Journal*, 23(6), 28-35. doi: 10.1249/FIT.0000000000000523.
4. Bernat, P. (2019). Coopetition of services and the development strategy for competitive industries. *Scientific Papers of Silesian University of Technology. Organization and Management Series*, 138, 21-31. doi: 10.29119/1641-3466.2019.138.2.
5. Breesch, D., Vos, S., and Scheerder, J. (2015). The financial viability of the fitness industry in Belgium. *Sport, Business and Management: An International Journal*, 5(4), 365-385. doi: 10.1108/SBM-12-2012-0052.
6. Brown, Z. (2015). *Challenging Times Ahead for fitness clubs*. Retrieved from <http://www.slideshare.net/ZachBrown6/2015-fitness-club-market-analysis-44931297>, 29.08.2016.
7. Chang, K., and Chelladurai, P. (2003). System-based quality dimensions in fitness services: development of the scale of quality. *The Service Industries Journal*, 23(5), 65-83. doi: 10.1080/02642060308565624.
8. Cheng, K.M., Hsu, Ch.H., and Huang, Ch.H. (2012). A study on the application of 6-Sigma on the enhancement of service quality of fitness club. *Quality & Quantity*, 46(2), 705-713. doi: 10.1007/s11135-010-9424-7.
9. Chiu, W.Y., Lee, Y.D., and Lin, T.Y. (2011). Innovative services in fitness clubs: personal trainer competency needs analysis. *International Journal of Organizational Innovation*, 3(3), 317-328.
10. Dabija, D.C., Abrudan, I.N., and Postelnicu, C. (2015). *Competitive strategies of fitness gyms in international business environment. Empirical findings through observation*. Retrieved from https://www.researchgate.net/publication/307167389_Competitive_strategies_of_fitness_gyms_in_international_business_environment_Empirical_findings_through_observation, 22.02.2020.
11. *Fitness industry in Poland 2019 – presentation for journalists [Rynek fitness w Polsce 2019 – prezentacja dla dziennikarzy]*. Available online <https://www.slideshare.net/DeloittePolska/rynek-fitness-w-polsce-2019-prezentacja-dla-dziennikarzy>, 11.04.2020.

12. Iwankiewicz-Rak, B., and Rak, A. (2017). Usługi rekreacyjne fitness—cechy usług jako wartości dla klienta. *Marketing i Zarządzanie*, 2(48), 347-355.
13. Kisielińska, J. (2009). Bezwzorcowca klasyfikacja obiektów w ekonomice rolnictwa. *Zeszyty Naukowe Szkoły Głównej Gospodarstwa Wiejskiego w Warszawie. Problemy Rolnictwa Światowego*, 8(23), 104-115.
14. Komańda, M. (2016). Personal Trainer in the Fitness Industry in Poland. Exemplification of Business Model Components and Exploration of Domains of Innovativeness: Results of Preliminary Studies. In: I. Simberova, O. Zizlavsky and F. Milichovsky (Eds.), *Smart and Efficient Economy: Preparation for the Future Innovative Economy. 21st International Scientific Conference Economics and Management (ICEM 2016)*. Proceedings of Selected Papers (pp. 557-563). Brno: University of Technology.
15. Komańda, M. (2019). *Wykorzystanie mediów społecznościowych w perspektywie modelu biznesu trenera z branży fitness* [The use of social media in the perspective of the business model of a trainer from the fitness industry]. Katowice: Uniwersytet Ekonomiczny.
16. Liu, Y., Özyer, T., Alhajj, R. and Barker, K. (2005). Integrating Multi-objective Genetic Algorithm and Validity Analysis for Locating and Ranking Alternative Clustering. *Informatica*, 29(1), 33-40.
17. Mączka, T. (2016). *Zarobki trenerów personalnych w Polsce 2016*. Retrieved from <http://sekretytrenaera.pl/wp-content/uploads/2016/11/Zarobki-trener%C3%B3w-personalnych-w-Polsce-2016.pdf>, 14.06.2018.
18. Miragaia, D.A.M., and Constantino, M.S. (2019). Topics and research trends of health clubs management: will innovation be part of the fitness industry research interests? *International Journal of Sport Management and Marketing*, 19(1-2), 129-146.
19. Polyakova, O., and Mirza, M.T. (2016). Service quality models in the context of the fitness industry. *Sport, Business and Management: An International Journal*, 6(3), 360-382. doi: 10.1108/SBM-04-2014-0015.
20. Rafałko, S. (2019). Współczesny marketing w branży fitness. In: J. Batorski, and I. Perechuda (Eds.), *Młodzi o sporcie 2019. Sportowe zarządzanie* (pp. 125-134). Kraków: Uniwersytet Jagielloński. Instytut Przedsiębiorczości.
21. Rousseeuw, P.J. (1987). Silhouettes: a Graphical Aid to the Interpretation and Validation of Cluster Analysis. *Journal of Computational and Applied Mathematics*, 20, 53-65.
22. Rzemieniak, M. (2018). New tendencies in consumer behaviour – a marketing perspective, *Organizacja i Zarządzanie. Zeszyty Naukowe Politechniki Śląskiej*, 120, 163-169. doi: 10.29119/1641-3466.2018.120.13.
23. Stosik, A. (2018). Współdziałanie międzyorganizacyjne na rynku usług fitness. *Management Forum*, 6(2), 34-37.
24. Swaid, S.A., Khanfar, N.M., and Loudon, D. (2019). Developing a competitive marketing strategy: the case of a complete fitness gym. *Competition Forum*, 17(2), 258-266.

25. Thompson, W.R. (2019). Worldwide survey of fitness trends for 2020. *ACSM's Health & Fitness Journal*, 23(6), 10-18. doi: 10.1249/FIT.0000000000000526.
26. Yildiz, S.M. (2011). An importance-performance analysis of fitness center service quality: empirical results from fitness centers in Turkey. *African Journal of Business Management*, 5(16), 7031-7041. doi: 10.5897/AJBM11.674.