Integrated Marketing Communication

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**Final Term Exam**



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**Question #1**

**Explain each of the types of research presented in the chapter in terms of the Phase 2 Fitness Center. Which would you recommend? Why?**

**Answer:** Below are the three types of research methods used by Allen:

* **Consumer Oriented Research**

Consumer orientation to marketing research means making research activities pro-consumers rather than pro-manufacturer. It also means giving more importance to consumers and their satisfaction, expectations, needs, etc. and not merely to sales promotion and profit to the manufacturer.

Allen has identified the needs of the consumers on how to make an amalgamation of diet and exercise which would make the consumers live a healthy and stress-free life.

* **Product Specific Research**

Product specific research is the marketing research that provides information on the desired characteristics of a product or service**.**

Allen introduced different types of machines along with other diet-based plans to bring in some innovation and uniqueness to his product in order to attract customers.

* **Target Market Research**

Although some products might appeal to a large group of people, it doesn’t make sense to market to everyone. Using Target marketing research strategy, one will be able to more effectively market to customers while pinpointing their exact needs and reducing ancillary spend.

Allen hired a local advertising agency/team to do the work done for him in identifying the potential customers and do all the needful to turn them into regular customers.

In my opinion, the most important aspect which would make the idea stand out from its competitors would be the **product specific research**. Since there are other gyms also operating in this area, making his product stand out against its competitors in immensely important to lure the customers towards his gym. Furthermore, making a balance of exercise and diet and also providing facilities such as in house cooking which help prepare healthy and nutritional food which customers can consume after their workout to get the best possible results.

**Question #2**

**Discuss the potential consumer market segments that Phase 2 Fitness Center could serve using the information on consumer segmentation. Which segment or segments would you recommend? Why?**

**Answer:** The potential market segmentation that phase 2 could use would be based on **demographics** which would include gender of both sexes. It would also take into account income of the customers and it would attract high end customers as it is an elite sort of gym so the cost would be high hence relevant students and professionals would be included into its target market. The age group it could be targeting would be people in their mid-twenties to early forties. Furthermore, segmentation would be based on **psychographics** which would include the fitness enthusiasts and gym freaks and those looking to lead towards a healthy lifestyle. They would also include majorly the housemakers who want their families to have clean (health) food that can benefit from the cooking classes.

**Question #3**

**Are there any business-to-business segmentation opportunities present? Why or why not?**

**Answer:** Yes, definitely, there are a number of B2B segmentation opportunities for Allen’s venture some of which are given below:

1. Allen can design deals for the companies having offices in the close by vicinities. The employees as well as their families can have membership at discounted rates which will prove beneficial for both Allen and the employees as Allen’s customers will increase by a great deal.
2. The diet food that Allen is selling at his gym can be taken to offices and separate shelves can be designed for them in the canteens of various offices where people can enjoy the delicious yet healthy food in lunch hours. A portion of the profit has to be shared with the office canteens but it is still going to beneficial for Allen as his sales would spike up.
3. Allen can strike a deal with any specific bank such that if a customer pays through the debit/credit card of that bank, a specified amount of discount will be given to the customer which goes in the favor of both the bank and Allen.
4. A deal can be made with schools to bring their children for swimming as a physical activity once a week and the pool can be charged as a whole per hour from the school regardless of the number of children they bring. Snacks can also be offered to them to make the deal more lucrative. Schools will agree in morning time during which the pool is free any ways hence it will generate extra revenue for Allen.

**Question #4**

**What positioning approach would be most valuable to the Phase 2 Fitness Center? Defend your answer.**

**Answer:** There are a number of positioning approaches that many business uses according to its nature which are given below:

* Product Attributes (Unique selling point)
* Competitors
* Use or Application
* Price-Quality Relationship
* Product User
* Product Class
* Cultural Symbol

The most viable positioning approach would be its **product attributes** as Phase 2 has a USP (Unique Selling Point). A unique selling point is a factor that differentiates a product from its competitors, such as the lowest cost, the highest quality or the first-ever product of its kind. It includes combining of exercises along with diet under one roof which makes it stand out against its rival gyms operating in the same area. It could take advantage of its USP by advertising its product attributes and services provided in Phase 2 which include free weights along with all types of machines for exercise and fitness. It also has other USPs such as a walking track, a swimming pool along with cooking classes which would be taught by experts which would teach the customers how to eat good tasting but healthy food to optimize their wellbeing and lifestyle. It also offers specialized individually tailored exercise programs for individuals who want to avail it.

**Question #5**

**Explain the most viable marketing communications objectives for the opening of the Phase 2 Fitness Center. Then note how those objectives might change over time.**

**Answer:** The most viable communication objectives that Phase 2 could take into account would be **develop brand awareness.** Spreading awareness about the benefits of leading a healthy lifestyle by emphasizing that not only exercise but an amalgamation of exercise along with diet is the best approach towards leading a long and healthy life which Phase 2 would be providing. It would create success stories and users would blog about their experience which could be advertised to its advantage and spreading the word out that Phase 2 is the best option for all kinds of people who are either into fitness or gym freaks. Overtime the other gym might copy their USP and then Phase 2 would have to adapt with it by bringing in something new to still retain its market share and revenue but it would still have the advantage of being the first in market with their idea of bringing everything under one roof and would have already gained customer loyalty.

With the passage of time, the other gyms will also adopt the ways and ideas of Allen’s phase 2 and hence there will be no more unique selling point and no use of brand awareness. Allen than has to change his market communication objective from Brand awareness to **Increase in market share.** Allen has to device ways to retain his old customers and also bring in new customers in order for him to grow. He will always have the added benefit of being the first to introduce the phase 2 which will gain him some customer loyalty as well but still has to strive hard in order to stay in market and make profits.

**Question#6**

**What communication messages and strategies can Phase 2 Fitness Center use during COVID-19 to avoid losing their loyal consumers?**

**Answer:** Due to the current pandemic which has captured the entire globe called COVID-19, due to which all the gym facilities have been closed for an unspecified period of time, Allen would be faced with quite a lot of difficulties in order to retain its customer base. In order to counter that and retain its customers, Allen would have to come up with some different marketing communication strategies in order to retain its customers.

Allen can use the following strategies:

1. They can have online classes (for instance via zoom) where trainers will instruct the attendees emphasizing more on cardio and circuit training. The attendees will also be guided on how to build muscle using body weight. For those who cannot attend online classes due to some reason, workout plans can be shared with them via email to maintain their fitness routine.
2. The customers who availed the healthy (diet) food facility pre COVID-19 can be facilitated by delivering them their meals at their doorstep.
3. Allen has to give some sort of relief in gym fee as to keep the customers on board and keeping in view the dire situation.
4. Concern has to be shown from the gym’s end for instance by keeping and updating the record of body weights of the customers on regular basis and keeping them motivated about their physical fitness. This interaction can be done through creating WhatsApp groups.