IQRA National University

Department of Business Administration

PAPAER:

Integrated Marketing communications

Time Allowed: 3:00-07:00 PM

Instructions: Read the Following Case and Attempt the Questions Given in The End.

**Phase 2 Fitness Center**

Allen Goldschmidt loves exercise and fitness. At age 42 he survived a cardiac scare in which doctors first believed a heart attack had taken place. Even though subsequent tests determined such was not the case, Allen was told that being overweight and in poor physical condition might at some point lead to an actual episode. In response, he moved from a sedentary lifestyle to an activity-based approach to keeping trim and healthy. After several months of developing his own program with the help of a fitness trainer, an opportunity arose. Allen was able to purchase a fitness center from an individual who was moving out of town and wanted to sell as much of the business intact as possible. Allen and his trainer created a system that they named Phase 2. Their idea was that Phase 1 was an under-represented aspect of staying healthy: diet and lifestyle. They designed a pro- gram that encouraged members and visitors to eat right (low sugar, low salt, low fat, low calorie) but also to sleep in regular cycles and take steps to avoid the effects of stress, which can lead to other bad habits, such as alcohol abuse.

Phase 2 would be the fitness aspect. The center would provide both individual training and group activities including Zumba and other exercise programs. Customers could create individually tailored programs for special events, such as marathon training or getting into a smaller sized dress or suit for a class reunion. Group activities would stress socialization and having fun as parts of getting fit.

The building Allen purchased contained a walking track, a swimming pool, and a wide variety of exercise equipment including free weights, weight training machines, treadmills, and more specific devices such as Stairmasters. A dining area was added to serve snacks and light meals but also to provide a location for cooking classes to be taught by experts in quality nutrition.

Allen was aware of the competition in his area. A Gold’s Gym operated in the same city, as did a Curves, which focused on attracting women to a 30-minute workout program. He believed his combination of Phase 1 and Phase 2 would make it possible to stand out from the competition. He hired a local advertising and promotions company to help him find the right mix of people to become regular clients.

▴ The Phase 2 Fitness Center offered individually tailored exercise programs.

**Questions:**

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?
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?
3. Are there any business-to-business segmentation opportunities present? Why or why not?
4. What positioning approach would be most valuable to the Phase 2 Fitness Center? Defend your answer.
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.
6. What communication messages and strategies can Phase 2 Fitness Center use during COVID-19 to avoid losing their loyal consumers.

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