

Perceived Service Quality and Satisfaction of a Fitness Club at Port Stephen, Australia

การรับรู้คุณภาพบริการ และความพึงพอใจของผู้ใช้บริการ ศูนย์ออกกำลังกายที่ พอร์ต สตีเฟน ประเทศออสเตรเลีย

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Abstract

This study aims to assess the service quality perceptions of the fitness members and their service satisfaction. 185 responses were received from 400 surveys, representing a response rate of 46%. The overall findings indicated that current fitness members perceived high levels of service quality and were satisfied with the services provided by the fitness center. The results tended to indicate that the fitness center was offering flexible services that satisfied the different tastes and expectations of each market segment. The fitness facility is offering and delivering satisfied services. Therefore, the fitness center has established the appropriate marketing mix for its services to meet its customer needs.

บทคัดย่อ

การศึกษานี้เพื่อประเมินการรับรู้คุณภาพการบริการและความพอใจในบริการของสมาชิกศูนย์ออกกำลังกาย ซึ่งมีผู้ตอบแบบสอบถาม 185 คนจากการส่งแบบสำรวจ 400 ฉบับ โดยอัตราการตอบกลับอยู่ที่ 46% จากการศึกษาครั้งนี้พบว่า สมาชิกในปัจจุบันมีการรับรู้ถึงคุณภาพการบริการในระดับที่สูง และมีความพึงพอใจในบริการที่ทางศูนย์ออกกำลังกายจัดให้ ผลวิจัยที่ได้มีแนวโน้มชี้ว่าศูนย์ออกกำลังกายได้เสนอบริการที่ปรับเปลี่ยนได้เพื่อสนองความพอใจในลักษณะที่แตกต่างกัน และให้เหมาะสมกับความคาดหวังของลูกค้าในแต่ละส่วนของตลาดด้วย ศูนย์ออกกำลังกายได้เสนอสิ่งอำนวยความสะดวกเพื่อสร้างความพอใจในการบริการ ดังนั้น ศูนย์ออกกำลังกายได้สร้างส่วนประสมทางการตลาดที่เหมาะสมสำหรับการบริการเพื่อตอบสนองความต้องการของลูกค้า

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Introduction

The service literature has evolved from the failure of product paradigms to transfer service industries. Since its inception, much effort has been devoted to the study of quality and satisfaction constructs. In service industries, customer satisfaction is influenced by the quality of interactions between customers and the personnel involved in the service contacts (Kotler, 1999). Direct measurement of service quality is difficult due to the inherent nature of services including intangibility, inseparability, variability, and perishability. However, studies have shown that the servicescape and service encounter influence a customer's perception of the quality attributed to a service provider (Brand, Cronin and Routledge, 1997).

A fitness center in Port Stephen, Australia is currently seeking to grow its revenue and to maximise market opportunities through longer-term relationships with existing members and new relationships with non-fitness members. To exploit opportunities within its market, the fitness centre is now seeking to understand current service quality perceptions and service satisfaction of existing members and to use the findings for a broader segment of the target demographic.

The purposes of this research are 1) to determine the service quality perceptions of the members of this fitness center and 2) to determine their evaluation of their service satisfaction. The potential segmentation and identification of trends within the target population will provide opportunities to further understand and ensure that members' needs will be met through a suitable marketing mix. This will result in sustainable longer-term relationships with members.

Literature Review

Health and Fitness Trend

More than a decade, health and fitness have been in researchers' interest. Some research revealed that people in Australia aged 15 years and over participated in at least one physical activity for exercise, recreation or sport, representing a participation rate of 77.8% (Australian Sports Commission, 2000). Although high rate of participation in health and fitness activities, people tended not to spend much money on it, they were more likely to participate in outdoor activities than going to the gyms or fitness centers (Dale and Ford, 2002; Finan, 2000; Rigby, 2001; Troy, 2002).

Service Literature

The service literature has evolved from the failure of product paradigms to transfer service industries. Since its inception, much effort has been devoted to the study of quality and

satisfaction constructs. However, service value remains a largely understudied topic (Brady and Robertson, 1999). Understanding customer perceptions of service and satisfaction are significant to behavioural outcomes and key to this study. Brand et al. (1997) identified three constructs playing a key role in service activity, namely, perceived service quality, perceived service value and satisfaction. Brady and Cronin (2001) recognised that much effort has been devoted to identifying and establishing links between the antecedents of intended consumer behaviour. This work has resulted in a better understanding of the interaction of the variables; service quality, service value, satisfaction and intentions.

Perceived Service Quality

Perceived service quality is a measure of the gap between consumers' expectation of service and perceptions of the service actually delivered (Kotler, 1999). Customers always assess the services they experienced by comparing them with whatever they expected or wished to receive, the difference between expected quality and experienced quality.

In the past, many studies were conducted on the relationship between service quality and purchase intention (e.g. Cronin and Taylor, 1992; Parasuraman Zeithaml and Berry 1985; Zeithaml, Berry and Parasuraman, 1996). A customer's assessment of service quality directly affects the relationship with the company (Zeithaml et al., 1996), in another word, when service quality assessments are high and the customer's behavioural intentions are favourable, that consequently strengthening the relationship with the company. Moreover, favourable behaviour is indicated "when customers praise the firm to others, express preference over other companies, increase the volume of their purchases, or agreeably pay a premium price" (Zeithaml et al., 1996).

Satisfaction

Lovelock, Patterson and Walker (2001) describe satisfaction as a consumer's "post purchase evaluation of the overall service experience (process and outcome). It is an affective state in which the consumer's needs, desires and expectations during the course of the service experience have been met or exceeded". Customer satisfaction is an important topic area for this research study because of its relationship with customer perceptions, evaluation of performance, value and ultimately outcome behaviours.

In service industries, customer satisfaction and loyalty is influenced by the quality of interactions between customers and the personnel involved in the contact services (Kotler, 1999). Direct measurement of service quality is difficult due to the inherent nature of services including their intangibility, inseparability, variability, and perishability. Perceived service

quality is different from satisfaction, although they are similar concepts. Perceived service quality is closely aligned and influences satisfaction, formed over a multitude of service encounters, whereas satisfaction results from an individual or infrequent encounter.

Zeithaml et al. (1996) determined that customer satisfaction and/or service quality perceptions positively affect intention to praise the firm, repeat behaviour or repurchase. Cronin and Taylor (1992) also found a positive correlation with service quality and customer satisfaction.

Methodology

The questionnaire was used to obtain information about the members and their service quality perceptions and satisfaction of fitness members. 185 responses were received from 400 surveys, representing a response rate of 46%. The response rate is consistent with the target population demographics, indicating the sample was valid and providing confidence that an appropriate sample was measured. In that, the findings of this survey can be applied to the greater target market in the Port Stephens demographic.

The established scales were used where possible or adapted to use. A three-item bipolar interval scale was used for overall service quality. The co-efficient alpha estimate for the scale was 0.95. Customer satisfaction was measured using a three-item bipolar adjective interval scale adapted from Brady and Cronin (2001). The coefficient alpha estimate for the scale was 0.92.

Findings and Discussions

Profile of Respondents

24% of respondents were male and 76% female. Four age ranges were sampled, distributed in the following ratios: less than 18 years old (5.4%), 18-39 years old (46.5%), 40 – 59 years old (34.6%) and 60 and older years old (13.5%). This was consistent with industry trends that showed the 18 – 39 year bracket to be actively involved in gym participation, and also supported the membership penetration and target market of this fitness center. The majority of respondents (39.5%) were family households, followed by couples (26.5%), then single person households (12.4%). The income group lied in the range of \$16K to \$31K, and showed a positive skew, indicating that most members were in lower income groups. 78% of all respondents earned less than \$31K and 53% of casual members who participated in this survey earned less than \$16K per annum.

Objective 1: To determine fitness members perceptions of service quality

HYPOTHESES 1: THE OVERALL PERCEIVED SERVICE QUALITY OF FITNESS MEMBERS IS NEGATIVE.

Table 1: The questions were used to assess perceived service quality.

<i>Please rank the following questions relate to your perceptions of the overall quality of the fitness facilities and services, based on a series of adjectives. (Please select one answer that best reflects your comments of the quality of the fitness, from one (1) to seven (7) for each option)</i>								
Inferior	1	2	3	4	5	6	7	Superior
Low quality	1	2	3	4	5	6	7	High quality
Low standard	1	2	3	4	5	6	7	High standard

Table 1 represented the assessment of Hypothesis 1, the overall perceived service quality. The value ranged from nine to 21. The means ranged from 18.3 with standard deviation of 2.3. The t-value was statistically significant 43.495, with p-value at 0.00(<0.05), using a test value of 10.5. As the t-value was greater than 10.5, the findings disproved and supported the hypothesis that fitness members overall perceived service quality was positive. These scale items had excellent internal consistency, evidenced by the reliability coefficient alpha of 0.892.

Objective 2: To determine the satisfaction levels of fitness members

HYPOTHESIS 2: FITNESS MEMBERS ARE NOT SATISFIED

Table 2: The assessment of recent satisfaction levels of fitness members.

<i>Please rank the following questions relate to your today's experience, how satisfied are you with the visit to the fitness centre? (Please select one answer, from one (1) to seven (7) for each option)</i>								
Displeased	1	2	3	4	5	6	7	Pleased
Unhappy	1	2	3	4	5	6	7	Happy
Disappointed	1	2	3	4	5	6	7	Delighted

Table 2 represented the assessment of Hypothesis 2, level of recent satisfaction. 165 valid entries were received for the satisfaction based on recent experience. The three satisfaction components were summed to compute an overall satisfaction rating. The values ranged from nine to 21, with a mean of 18.78 and a standard deviation of 2.46. The t-value (43.208) was statistically significant with p-value of 0.00(<0.05), using a test value of 10.5. As the t-value was greater than 10.5, it disproved and supported the hypothesis that fitness members were satisfied based on recent experience. The scale showed excellent internal consistency, evidenced by the reliability coefficient alpha of 0.923.

Table 3 The assessment of longer-term satisfaction levels of fitness members.

<i>Taking into account your previous experiences with the fitness centre, indicate your degree of satisfaction for each of the following: (Please select one answer, from one (1) to seven (7) for each option)</i>								
Displeased	1	2	3	4	5	6	7	Pleased
Unhappy	1	2	3	4	5	6	7	Happy
Disappointed	1	2	3	4	5	6	7	Delighted

Table 3 represented long-term experiences, where 164 valid entries were received for the satisfaction. The three satisfaction components were summed to compute an overall satisfaction rating. The values ranged from nine to 21, with a mean of 18.51 and a standard deviation of 2.71. The t-value (37.832) was statistically significant with p-value of 0.00(<0.05), using a test value of 10.5. As the t-value was greater than 10.5, it disproved and supported the hypothesis that fitness members were satisfied with the fitness center based on longer-term experiences. The scale showed excellent internal consistency, evidenced by the reliability coefficient alpha of 0.862.

These findings indicated there was no difference between recent and longer-term satisfaction outcomes of fitness members. The overall findings also indicated that current fitness members perceived high levels of service quality and were satisfied with the services provided by the fitness center.

The description of the target population via a demographic analysis has revealed some interesting implications for the fitness management team. The fitness center is offering flexible services that satisfy the different tastes and expectations of each market segment.

The perceived service quality of the fitness center is high. In addition, the satisfaction levels of its members across the operational areas of the gym are high. Based on these findings, investment in new equipment is not considered to be important at this point of time. Members are satisfied with the range of classes, ranking this as the most important outcome attending the gym. Maintaining the skills and expertise of staff is also a necessary requirement, not only from a professional perspective, but based on customer responses, it is a key driver of satisfaction. Operating hours also appear as an extremely important item, which members consider to be of high level of importance. Therefore, the fitness management should investigate alternatives to ensure gym operating hours are convenient for the target market.

Overall the survey findings are extremely supportive of that the fitness facility is offering and delivering satisfied services strategy that really consistent with the expectations and satisfaction of its customers. It indicates that the fitness center has established the appropriate marketing mix for its product and is actively delivering this to meet customer needs.

Some limitations to this study include sample size and target sample. Sample size is a crucial element that impacts the amount of data, data analyses, and accuracy of result. Because of limited human resources and time, the sample size is much smaller compared to formal research organizations. The target population demographic is heavily weighted towards the female gender. Although the sample is representative of the current target population, it may introduce bias into membership growth strategies. Gender bias became evident in ranking the importance of service quality dimensions. The chosen scale precluded further analysis of this characteristic.

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