2019, 3(2): 248-258

ESHPA - Education, Sport, Health and Physical Activity

# Personal Interactions or Price on Fitness? The Key Elements to the Price-Quality Relationship

(S) ¿Interacciones personales o precio en fitness? Los elementos clave de la relación precio-calidad

Loureiro, Vânia Brandão<sup>1</sup>; Alves, Ana Ruivo<sup>2</sup> and Barbosa, Helena Ferreira<sup>3</sup>.

#### Resumen

**Introducción:** En nuestro mundo moderno, debido a un crecimiento exponencial en el sector de salud y fitness, los gestores son diariamente desafiados por la problemática de adquirir y preservar clientes. Varios son las estrategias y procedimientos que se pueden adoptar, pero es extremadamente importante comprender qué tipo de variables puede influir en el comportamiento de retención. **Objetivos:** El objetivo del estudio es analizar la influencia de las interacciones personales y el precio con la relación precio-calidad **Métodos:** Ciento setenta y dos adultos (mujeres, n = 110; hombres, n = 62) de un gimnasio Alentejo-Portugal, con edades de 37,5 ± 11,7 años, respondieron a un cuestionario en línea que consiste en preguntas sociodemográficas y de caracterización del consumidor. **Resultados y discusión:** Se verificó una correlación significativa entre la variable "relación precio-calidad" y las variables seleccionadas para la calidad y precio de las interacciones personales. Además, también se comprobó que las variables de calidad de interacciones personales fueron más valoradas que las variables de precio para los clientes. **Conclusiones:** Texto. El presente estudio consolida la necesidad de los gimnasios y centros de fitness en proporcionar un buen ambiente personal. Esta evidencia debe ser considerada importante para los gestores de gimnasios, a fin de desarrollar nuevas estrategias para la retención de clientes, así como para procesos de reclutamiento donde habilidades técnicas y habilidades de interacción deben ser privilegiadas.

Palabras clave: Clientes; gymnasios; Valor percibido; Calidad de servicio; Correlación

#### **Abstract**

Introduction: In a modern world, due to an exponential growth in the health and fitness sector, managers are daily challengedwith the problematic to acquire and preserve the customers. Several strategies and procedures could be adopted, but it is extremely important to understand what kind of variables can affect retention behaviour. *Aim*: The study purpose is to analyse the influence of personal interactions and price with the price-quality relationship. *Methods*: One hundred and seventy-two adults (female, n = 110; male, n = 62) of a health fitness club of Baixo Alentejo-Portugal, aged  $37.5 \pm 11.7$  years old, answered to an online questionnaire constituted by sociodemographic and characterization questions of the consumer. *Results & discussion*: A significant correlation between the "price-quality relationship" variable and selected variables to the personal interactions quality and price was verified. Furthermore, it was also shown that variables of personal interactions quality were most valued than the price variables for the customers. *Conclusions*: The present study consolidates the necessity of the health fitness clubs to provide a good personal environment. This evidence should be considered important to the health fitness club managers in order to development new strategies to preserve customers, as well to the recruitment processes where technical skills and interaction skills should be privilege.

Keywords: Customers; Health Fitness Clubs; Perceived Value; Service Quality; Correlation

Tipe: Original

Section: Physical activity and health

Author's number for correspondence: 1 - Sent: 07/03/20019; Accepted: 15/05/2019

<sup>1</sup>Department of Arts, Humanities and Sports, School of Education, Polytechnic Institute of Beja - Portugal – Loureiro, Vânia Brandão 1, vloureiro@ipbeja.pt, ORCID https://orcid.org/0000-0003-2458-30042

<sup>2</sup>Department of Arts, Humanities and Sports, School of Education, Polytechnic Institute of Beja - Portugal- Alves, Ana Ruivo2, ana.alves@ipbeja.pt, ORCID https//orcid.org/0000-0002-0145-2143

<sup>3</sup>Department of Arts, Humanities and Sports, School of Education, Polytechnic Institute of Beja - Portugal – Barbosa, Helena Ferreira3, helena.barbosa@ipbeja.pt, ORCID https://orcid.org/0000-0001-9235-3417



2019, 3(2): 248-258

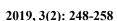
# (P) Interações pessoais ou preço no fitness? Os elementos chave na relação preço-qualidade

#### Resumo

Introdução: No nosso mundo moderno, devido a um crescimento exponencial no setor de saúde e fitness, os gestores são diariamente desafiados pela problemática de adquirir e preservar clientes. Várias são as estratégias e procedimentos que podem ser adotados, mas é extremamente importante compreender que tipo de variáveis pode influenciar o comportamento de retenção. Objectivos: O objetivo do estudo é analisar a influência das interações pessoais e preço com a relação preço-qualidade. Métodos: Cento e setenta e dois adultos (sexo feminino, n = 110; sexo masculino, n = 62) de um ginásio do Baixo Alentejo-Portugal, com idade de 37,5 ± 11,7 anos, responderam a um questionário online constituído por questões sociodemográficas e de caracterização do consumidor. Resultados e discussão: Foi verificada uma correlação significativa entre a variável "relação preço-qualidade" e as variáveis selecionadas para a qualidade e preço das interações pessoais. Além disso, foi também comprovado que as variáveis de qualidade de interações pessoais foram mais valorizadas do que as variáveis de preço para os clientes. Conclusões: O presente estudo consolida a necessidade dos ginásios e centros de fitness em proporcionar um bom ambiente pessoal. Esta evidência deve ser considerada importante para os gestores de ginásios, a fim de desenvolver novas estratégias para retenção de clientes, bem como para processos de recrutamento onde habilidades técnicas e habilidades de interação devem ser privilegiadas Palavras-chave: Clientes; Ginásios; Valor percebido; Qualidade de serviço; Correlação

#### Citar así:

Loureiro, V. B., Alves, A. R., & Barbosa, H. F. (2019). Personal Interactions or Price on Fitness? The Key Elements to the Price-Quality Relationship. *ESHPA - Education, Sport, Health and Physical Activity, 3*(2), 248-258. doi: http://hdl.handle.net/10481/56424



#### I. Introduction

Nowadays, in a saturated market, health fitness clubs are looking for strategies and effective methods to acquire and preserve customers. It is also assumed the customers' retention as a fundamental act to the profitability of the health fitness clubs, being related to the tendency to repurchase the product (Bodet, 2012; Watts, 2012). However, managers are daily confronted with an emerging difficulty to preserve the customers and, oftentimes, with no evident solution. Nevertheless, there are several strategies and procedures that can be adopted (Talley, 2008), but it is extremely important to understand what kind of variables can affect retention behavior (Gonçalves, Correia & Diniz, 2012). Several studies support the thoughtful of this problem through the influence of satisfaction (Barbosa et al., 2019; García-Fernández et al., 2018; Gonçalves & Diniz, 2015); the perception of attributes (Green, 2005; Grimaldi-Puyana et al., 2018); the expectations (Alexandris et al., 2004) and through the well-being (Kural, 2010).

Regarding the quality of the service, it is assumed as an evaluation or attitude towards a service (Parasuraman et al., 1988). However, its importance is no longer focused only on the products, but also on the services (Hooker et al., 2016). The customer will analyze the quality of the service according to its perception and consequent satisfaction (Chang et al., 2002). The quality's analysis proposed by Chang and Chelladurai (2003) is structured in three levels, including nine dimensions. At the input stage are included the management commitment to the service quality, service development and essential services. At the throughput stage are included the dimensions of the personal interactions with employees, interactions tasks with employees, physical environment, contact with other customers and service failures and recovery. Finally, at the output stage there is only one dimension, the perceived service quality.

The relationship and communication that the employees establish with the customers have an important role in the services and the evaluation of their quality (Howat et al., 2008). Furthermore, Afthinos et al. (2005) emphasize the attitudes and capacities of the services as most valued by customers. Caldeira (2006) also indicates human resources as a relevant component for customer retention.

Contact between the employee and the customer is one of the factors that most influences the perception of service quality, being demonstrated through empathy (Lehtinen & Lehtinen, 1991; Zeithaml et al., 1996).

Physical appearance, employee's willingness to help customers, provide prompt services, treat customers with courtesy and honesty, and try to satisfy customer wishes are important factors that most influence customers perception. The physical appearance component seems to be the least reasoned of the abovementioned factors, but it has a high impact on the way that the customers evaluate the fitness health club (Chang et al., 2002).



2019, 3(2): 248-258

The Brady and Cronin (2001) model of health-care service quality evaluation is based on three dimensions: physical quality, corporate quality, and interaction quality. This model was applied to the fitness industry, showing how the physical environment influences quality satisfaction. Moreover, this satisfaction influences word of mouth and commitment in turn (Alexandris et al., 2004).

Price perception is the customer's opinion regarding the cost-benefit of the monthly fee and the products marketed by the health fitness clubs (Ferrand et al., 2010). However, the price may not be in agreement with the value perceived by the customer (Ferreira, 2012). Jiang and Rosenbloom (2005) consider that price perception has a positive and direct influence on overall satisfaction and repurchase intention. The high price positively influences the perception of product quality and purchase intentions Tellis and Gaeth (1990). In the literature, there has been a progress as to understand the customers' behavior through the satisfaction, attributes perception, expectations, or even so through the well-being (Barbosa et al., 2019; García-Fernández et al., 2018; Grimaldi-Puyana et al., 2018; Alexandris et al., 2004; Kural, 2010); but little is known about the association between the personal interactions and price in order to explain the customer's overall satisfaction regarding the relationship of the price-quality (Kim et al., 2016).

#### I.1.Aims

The purpose of this study is to analyze the influence of personal interactions and price with the pricequality relationship.

#### II. Methods

**Participants** 

The sample consisted of 172 consumers of a health fitness club of Baixo Alentejo-Portugal (female, n = 110; male, n = 62), with a mean of  $37.5 \pm 11.7$  years old.

Instruments

It was applied a questionnaire, developed by Costa (2011) and validated to Portugal, constituted by sociodemographic and characterization questions of the customer. The 54 questions are organized into five factors: perception of the quality and image of the fitness studio; purchase intention and word of mouth

communication; complaint behavior, price sensitivity and the tendency to change the supplier; customer's price perception, and customer's overall satisfaction. All items were measured on a seven-point Likert scale, except for items that evaluate price perception in which 1 means "cheap" and 7 "expensive", 1 expresses the maximum disagreement or dissatisfaction and 7 expresses agreement or total satisfaction.

The data was collected through the implementation of an online questionnaire. The filling time was, on average, 10 minutes and the information provided by the customers was voluntary, being guaranteed their confidentiality.

In order to analyze the customer's overall satisfaction, concerning the price-quality relationship, a selection of items associated with quality service and price was performed (table 1).

-----Table 1-----

Statistical Analyses

Statistical analysis was performed using the software IBM® SPSS®, version 24.0. To verify the association between the price-quality relationship and the variables identified in table 1, a Spearman's rho correlation was performed. Statistical significance was set at  $p \le 0.05$ .

#### III. Results

A significant correlation between the "price-quality relationship" variable and selected variables to the personal interactions quality and price was verified (table 2).

----- Table 2 -----

Furthermore, it was also shown that variables of personal interactions quality were most valued than the price variables for the customers. The results reported that the customers applied more value to the employees' responsibility, followed the dynamism of the health fitness club, personalized service, pleasant service, and, finally, the employees' kindness.

With regard to the price variables, significant results with less powerful were reported. It was analyzed that the customers emphasize the cost/benefit relationship, followed the attractive price, price of the



2019, 3(2): 248-258

products/services, monthly membership fee evaluation, and, lastly, the price between health fitness club vs competing health fitness club.

#### IV. Discussion

The present study evidenced that both dimensions (personal interactions and price) are valued by the customers. However, personal interactions dimension is the most valued. This evidence is consistent with the results of previous studies (Afthinos et al., 2005; Brady & Cronin, 2001). Moreover, there is reported the important role of the human element on the quality of service delivery in different service industries studies (Gremler & Gwinner, 2000; Kim et al., 2016).

In this order, the present study shows that kindness, personalized service, pleasant service, responsibility and dynamism should be considered as fundamental characteristics of the employees. Furthermore, Afthinos et al. (2005) report that attitudes and capacities of the services are highlighted by costumers. The relationship that the employees establish with the costumers have an important role in the services and the evaluation of their quality Howat et al. (2008).

The dimension of the price even though reported significant differences, also showed less influence than personal interactions in customers regarding the price-quality relationship. In this dimension, the customers value more cost/benefit relationship. Ferrand et al. (2010) define price perception as the customer's perception associated to the cost-benefit of the monthly membership fee and health fitness club products. In the present study, with less relevance, there are variables as attractive price, price of the products/services, monthly membership fee. The price between health fitness club vs competing health fitness club even though is the last variable considered, cannot be neglected. In fact, several studies evidenced that customers who have a purchasing history with an organization remain with a brand and do not respond to competitor offers (McIlroy & Barret, 2000; Oliver, 1999; Zins, 2001). Moreover, the price can be an attribute with greater effect on the expectations in way that also suggest that the quality level is higher when the value to pay is higher too. However, there is a disagreement about the fact that customers considered price as a quality indicator (Robinson, 2006).

#### V. Conclusions

The present study consolidates the necessity of the health fitness clubs to provide a good personal environment. This evidence should be considered essential to the health fitness club managers, as well to the recruitment processes where technical skills and interaction skills should be privilege. This fact is also extremely important for the fitness professionals in training, should be considered the integration into the

2019, 3(2): 248-258

curricular plans and, at the same time, the development in a context of initiation into professional practice must be encouraged.

### VI. Acknowledgements

The authors would like to thank the cooperation of the volunteer's customers that participate in the online questionnaire and to the health fitness club to encourage the present study in its customers.

#### VII. Conflict of interests

The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

### VIII. References

Afthinos, Y., Theodorakis, N. & Nassis, P. (2005). Customers expectations of service in Greek fitness centers: Gender, age, type of sport center, and motivations differences. *Managing Service Quality: An International Journal*, *15*(3), 245-258.

Alexandris, K., Zahariadis, P., Tsorbatzoudis, C. & Grouios, G. (2004). An empirical investigation of the relationships among service quality, customer satisfaction and psychological commitment in a health club context. *European Sport Management Quarterly*, 4(1), 36-52.

Barbosa, H. I., Loureiro, V., & Alves, A. (2019). Calidad y Satisfacción en Glimnasios y Health Clubs. Materiales para la Historia del Deporte, 18, 115-121.

Bodet, G. (2012). Loyalty in sport participation services: An examination of the mediating role of psychological commitment. *Journal of Sport Management*, 26(1), 30-42.



2019, 3(2): 248-258

- Brady, M., & Cronin Jr., J. (2001). Some new thoughts on conceptualizing perceived service quality:

  A hierarchical approach. *Journal of Marketing*, 65(3), 34-39.

  doi:https://doi.org/10.1509/jmkg.65.3.34.18334
- Caldeira, S. (2006). *Retenção de Clientes*. In A. Correia, A. Sacavém, C. Colaço (Eds.), Manual de Fitness & Marketing. Lisboa: Visão e Contextos.
- Chang, C., Chen, C. & Hsu, C. (2002). A Review of Service Quality in Corporate and Recreational Sport/Fitness Programs. *The Sport Journal*, 5(3).
- 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
- Costa, R. J. (2011). Determinantes da Lealdade do Cliente no Health & Fitness. (Master Thesis), Universidade Técnica de Lisboa, Lisboa. Retrieved from <a href="https://www.repository.utl.pt/">https://www.repository.utl.pt/</a>
- Ferrand, A., Robinson, L. and Valette-Florence, P. (2010). The Intention-to-Repurchase Paradox: A Case of the Health and Fitness Industry. J. Sport Manag., 24: 83-105.
- Ferreira, C. (2012). Um estudo sobre fidelização e retenção de clientes na área do fitness. (Master Thesis), Instituto Politécnico de Castelo Branco, Retrieved from <a href="https://repositorio.ipcb.pt/">https://repositorio.ipcb.pt/</a>
- García-Fernández, J., Gálvez-Ruíz, P., Fernández-Gavira, J., Vélez-Colón, L., Pitts, B. and Bernal-García, A. (2018). The effects of service convenience and perceived quality on perceived value, satisfaction and loyalty in low-cost fitness centers. Sport Manag Rev. 21(3): 250-262 doi: <a href="https://doi.org/10.1016/j.smr.2017.07.003">https://doi.org/10.1016/j.smr.2017.07.003</a>
- Gonçalves, C., Correia, A. and Diniz, A. (2012). Variáveis Internas e Externas ao Indivíduo que Influenciam o Comportamento de Retenção de Sócios no Fitness. Pod. Sport Lei. Tour. Rev., 1(2): 28-58. doi:10.5585/podium.v1i2.25

# SHPA Ins. Igart, Bushi

# ESHPA - Education, Sport, Health and Physical Activity

2019, 3(2): 248-258

- Gonçalves, C. and Diniz, A. (2015). Analysis of member retention in fitness through satisfaction, attributes perception, expectations and well-being. Revista Portuguesa de Marketing, 38(34): 65-76.
- Green, B. C. (2005). Building sport programs to optimize athlete recruitment, retention and transition: Toward a normative theory of sport development. J. Sport Manag., 19(3): 233–253.
- Gremler, D. D. and Gwinner, K. P. (2000). Customer-Employee Rapport in Service Relationships. J. Serv. Res., 3(1): 82–104. doi:https://doi.org/10.1177/109467050031006
- Grimaldi-Puyana, M., Sanchez-Oliver, A. J. and García, J. (2018). Management Organizations of Spanish Gyms. Apunts. Educacion Fisica y Deportes, 3(133): 7-19. doi:http://dx.doi.org/10.5672/apunts.2014-0983.cat.(2018/3).133.01
- Hooker, S. A., Ross, K. M., Ranby, K. W., Masters, K. S., Peters, J. C. and Hill, J. O. (2016). Identifying groups at risk for 1-year membership termination from a fitness center at enrollment. Prev. Med. Rep., 4: 563-568. doi:10.1016/j.pmedr.2016.10.016
- Howat, G., Crilley, G. and McGrath, R. (2008). A focused service quality, benefits, overall satisfaction and loyalty model for public aquatic centres. Manag. Leisure, 13 (3-4): 139-161.
- Jiang, P. and Rosenbloom, B. (2005). Customer intention to return online: price perception, attribute-level performance, and satisfaction unfolding over time. Eur. J. Mark., 39(1-2), 150-174. https://doi.org/10.1108/03090560510572061.
- Kim, K. T., Bae, J., Kim, J. and Lee, S. (2016). The Servicescape in the Fitness Center: Measuring Fitness Center's Services. Int. J. Sport Manag. Recrea. Tour., 21: 1-20. doi:10.5199/ijsmart-1791-874X-21a
- Kural, R. (2010). Changing spaces for sports, Sport Society., 13(2): 300-313. doi:10.1080/17430430903523002



2019, 3(2): 248-258

- Lehtinen, U. and Lehtinen, J. R. (1991). Two Approaches to Service Quality Dimensions. Service Industries Journal, 11(3): 287-303. doi:10.1080/02642069100000047
- McIlroy, A. and Barnett, S. (2000). Building customer relationships: Do loyalty cards work? Manag. Serv. Qual., 10: 347–355.
- Oliver, R. (1999). Whence customer loyalty? J. Mark., 63: 33-44.
- Parasuraman, A., Berry, L. L. and Zeithaml, V. A. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. J. Retailing, 64(1): 12-40.
- Talley, M. (2008). Customer retention: A manager's perspective. In B. Oakley & M. Rhys (Eds.), The sport and fitness sector: An introduction. London Routledge.
- Tellis, G. J. and Gaeth, G. J. (1990). Best Value, Price-Seeking, and Price Aversion: The Impact of Information and Learning on Consumer Choices. J. Mark., 54(2):34-45.
- Watts, H. (2012). A Psychological Approach to Predicting Membership Retention in the Fitness Industry. (Doctoral Thesis), University of Worcester. Retrieved from: https://eprints.worc.ac.uk/2337/1/Helen%20Watts%20Thesis.pdf
- Zeithaml, V., Berry, L. L. and Parasuraman, A. (1996). The behavioral consequences of service quality. J. Mark., 60: 31-46.
- Zins, A. H. (2001). Relative attitudes and commitment in customer loyalty models. J. Serv. Indus. Manag., 12 (3): 269-294.

# **Tables**

Table 1. Items and variables associated to the personal interactions and price.

Question	Variable	Dimension	
Is it the <b>kindness</b> a feature of the health fitness club?	Kindness		
Is it the service provided by the health fitness club <b>personalized</b> ?	Personalized service		
Is it the reception of the health fitness club able to provide a <b>pleasant service</b> ?	Pleasant service	Personal interactions	
Are the employees of the health fitness club <b>responsible</b> ?	Employees responsibility		
Is it the <b>dynamism</b> a concept that distinguishes the health fitness club?	Dynamism		
I acquire services to a competing health fitness club that offers more attractive prices.	Attractive price		
I will not pay more in my health fitness club than in a competing health	Health fitness		
fitness club to have the same benefits.	club vs		
	Competing health		
	fitness club	Price	
How do you classify the <b>monthly membership fee</b> of the health fitness club?	Monthly membership fee	riice	
How do you consider the <b>prices of the products</b> / <b>services</b> in the health	Price of the		
fitness club?	products/services		
How do you <b>analyze the prices</b> at the health fitness club, given the <b>advantages</b> of being a member?	Cost/Benefit		

Table 2. Items and variables associated to the personal interactions and price.

Variable	Correlation	p-value
Kindness	.387**	.000
Personalized service	.458**	.000
Pleasant service	.412**	.000
Employees responsibility	.550**	.000
Dynamism	.486**	.000
Attractive price	274**	.000
Health fitness club vs Competing health fitness club	165*	.030
Monthly membership fee	254**	.001
Price of the products/services	261**	.001
Cost/Benefit	314**	.000

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed); \*. Correlation is significant at the 0.05 level (2-tailed).