

GYM, HEALTH & FITONESS CLUBS IN CANADA

GoodLife Fitness – Phase 2



# **Define your Brand**

## **Mission Statement**

To enable anyone to have a healthy lifestyle by providing accessible fitness services through state-of-the-art health clubs and integrated online platforms.

## **Value Proposition**

World-class fitness services that can be accessed anytime from anywhere through the internet – provide opportunity for users to improve their physical and mental health through exercise and connecting with others.

## **Positioning Statement**

### **Product #1: GoodLife Forever**

For adults 65 years and above, GoodLife Forever is an ideal online fitness solution that provides scientifically proven methods of exercise that are conveniently accessible through the internet. A blend of carefully crafted recordings and live classes present opportunities to engage with others in fun activities that make a stronger you.

### **Product #2: GoodLife Kids**

For children between 6 and 12 years of age, GoodLife Kids is the gateway for developing a healthy lifestyle at an early age. Through online physical activities and exercises, we bring to our children the opportunity to have fun while exercising regularly for stronger, healthier and happier development.

# **Define 2 opportunities you will address with this marketing plan**

The marketing plans for our two products would address the following opportunities that were described in phase 1 of the project:

### **Opportunity #1: Canada’s aging population**

**Product: GoodLife Forever**

As stated earlier in our research, Canada’s aging population, their health challenges and above average purchasing power offer a profitable growth opportunity. Our target market – adults 65 years and above – is most vulnerable to health and mobility issues. There is an intrinsic need for accessible fitness services. Our product, GoodLife Forever, would feature low-intensity exercise techniques that have been scientifically proven to provide health benefits for this age group. These services would be delivered through internet-enabled platforms for convenience and much needed accessibility.

### **Opportunity #2: Prevalent child obesity**

**Product: GoodLife Kids**

In our prior research, we mentioned that child obesity is increasingly becoming a concern for children and their parents. The problem was exacerbated during the pandemic as school closures and lockdowns restricted children to their homes that significantly limited their physical activity. Everyone, including children, felt the need for physical training classes at home. Our product, GoodLife Kids, would leverage on our internet-based delivery channels to provide children with access to a variety of exercise routines and fun-filled activities, specifically designed for them by our expert trainers and creative team. Presently, there is no comparable product on the market. This should enable GoodLife Fitness to capture a large share of the market and capitalize on it: as discussed in our research, it is likely that brand exposure during childhood will lead to brand loyalty in adulthood. A large market share strengthened by customer loyalty shall enhance the customer lifetime value for GoodLife Fitness and provide an avenue for sustainable long-term growth.

# **Identify your Customers**

## **Describe the customer(s) you will target for each opportunity**

### **GoodLife Forever**

Geography: North Americans who don’t have gyms in conveniently reachable proximity.

Demography: Baby-boomers, over 65, retired, no family responsibilities, age-related conditions such as arthritis, obesity, heart disease, most are physically fragile.

Psychography: Health aware, social, optimistic, relaxed, believe in tradition and word of mouth.

Behaviour: Traditional, need the convenience of access and use, current users of a gym, will use GoodLife Forever 3-7 days a week, somewhat loyal to the brand.

### **GoodLife Kids**

**Parents (buyers)**

Geography: North American urban population.

Demography: Millennials or late generation X, middle class (50 -150k), majority of a group are females, have children, work in an office and/or from home, college/university degree.

Psychography: Success-driven, health-conscious, concerned about comfort, health, happiness, and safety for their children, appreciate educational components, values convenience, worry about the effectiveness of online fitness for kids.

Behaviour: Tight budget, tight on time and will be loyal if satisfied with the product, make decisions based on reviews, friends, social media groups and influencers.

**Children (users)**

Demography: Age 6-12, currently enrolled in school or homeschooled.

Psychography: Tech-savvy, some are tech addicts, like playing games, don’t understand the importance of fitness, social, opinionated, visual learners, low attention span.

Behavior: Use the app 3-7 times a week, loyal if friends participate.

## **Map your customer’s journey for each opportunity**

### **GoodLife Forever**

Need recognition**:** Health-conscious baby boomers seek different ways to improve their quality of life through fitness. Despite the government's lifting of COVID restrictions, there is still a risk of contracting the disease.

The importance of exercising regularly cannot be overstated. Virtual engagement in the comfort of your own home sounds appealing.

Search for information**:** Many seniors are current customers of GoodLife fitness, so they find information about GoodLife Forever in the GoodLife newsletter. Another way to discover the app is through articles in magazines and Facebook advertisements. Seniors ask their friends their opinions because they want people to perceive the choice as a really good one. They will research on mobile or call to be sure that the virtual program is safe to use.

Alternative evaluation**:** Seniors choose an app based on such factors as the brand's reputation, specific condition-oriented set of exercises, accessibility (font size, contrast, button size), simplicity of use, and a reasonable price. Videos demonstrating how the app works and instructions on how to install it helps narrow down the choices.

Competitive fitness apps like Peloton are well designed, but they don't offer specific scientifically proven exercises for seniors.

Purchase decision**:** Purchase decisions are influenced by the availability of personal assistance on-site, an enthusiastic tone, clear instructions, and phone and email support.

### **GoodLife Kids**

Need recognition: Parents understand the importance of fitness for their kids' physical and mental health. Parents who lack time consider different ways to provide regular fitness activities for their children. They search for ways to engage their children in fitness at home. One of the solutions is an online fitness app designed with the child in mind.

Search for information: Parents want to find the best for their children and believe they control the situation. On the other hand, they have a budget. So, they will search intensely.

GoodLife is a strong fitness brand in Canada, so parents will be searching for information on the Goodlife Fitness site. Alternatively, parents will search the web through search engines, ask in parents’ groups on social media and talk about it with their friends.

Alternative evaluation: Child safety, child engagement (game-like experience), compatibility with different devices (Smart TV, iPad, Desktop) and price are considerable factors in decision making. Other points might be the ease of use, the ability to see child statistics, and the availability of a trial period.

While Peloton offers an enjoyable virtual fitness experience, it is adult-oriented and pricey. LA Fitness and Anytime fitness apps do not provide consistent fitness programs through their apps.

Purchase decision: An easy-to-understand agreement and multiple payment options speed up the purchase decision for parents. Social proof evidence such as newsletters about how happy kids in the virtual GoodLife Kid community is also a nudge.

# **Create your Action Plan/Marketing Mix**

# **GoodLife Forever**

## **Product**

The first product we will be creating will be called GoodLife Forever. It will be an online fitness service, which will target older adults above the age of 65. This will be ideal for those individuals who are not able to go to the gym, or simply feel more comfortable being at home. The service will provide different workout videos that will all consist of low impact movements. Customers will have the choice of following along with the recordings, or, joining live classes. Live classes will be available during different time slots; 6 to 8 am, 3 to 5 pm, and 7 to 9 pm. They will be able to interact with other seniors and their personal trainers/ instructors. This will allow our customers to socialize while still being in the comfort of their own home. The service will have features such as workout completion trackers and a tutorial that will teach seniors everything they need to know about the application. The introduction of this product will increase the company’s product mix breadth, as we are targeting a brand-new segment of consumers, with a brand-new service.

## **Price**

Customers are crucial when discussing the pricing for this service. The fitness industry can often neglect seniors. Therefore, it was very important for us to create a product that doesn’t intimidate customers, while also being accessible. GoodLife Forever will also consist of a monthly membership of $29.99. This is because it not only provides a workout platform, but also an outlet for seniors to socialize and meet new people.

In terms of competitors, we can argue that there are only a handful of them, making it an oligopoly market. This is because even though there are many online fitness services out there, there are not many which directly target seniors. Therefore, it is important for us to create a service directly for them, which will make them feel encouraged and included.

## **Place**

This service will also take on direct distribution. There will be a separate app named GoodLife Forever that will also be available on all major streaming platforms, such as Apple and Android devices and Smart Tv’s. If customers need help signing up, they can call a GoodLife representative to guide them through the process.

## **Promotion**

In order to motivate seniors to stay active, there will be contests that will allow them to win prizes. For instance, there will be monthly challenges that will consist of completing as many workout videos as possible. Whoever meets the given target, will receive a resistance band or a yoga mat (for instance). The challenge will only apply for those who attend the live classes, so we can fairly count who truly completed the workouts. The application will automatically take attendance of those present during the live classes. The prizes will be shipped directly to the consumer’s homes.

# **GoodLife Kids**

## **Product**

Our Second product will be an online fitness service named GoodLife Kids, which targets young children, specifically from the ages 6 to 12 years old. The service will consist of an application which provides different videos, under different categories that young children can follow along to, in order to increase their physical activity. Since the target segment is quite young, the videos will consist of high energy movements (jumping and skipping, for instance). Nonetheless, there will also be low intensity videos as well. The idea behind the application is to provide a healthy activity for young children that involves minimal support and guidance from parents. The service will have features such as workout completion trackers and a tutorial that will teach children everything they need to know about the application, in order to use it by themselves.

## **Price**

The pricing for this service will consist of a monthly membership of $12.99. When we take the five C’s into consideration, customers are one of the most important attributes to examine. Since this is a service for young children, it means that the purchasing power is in the hands of the parents. It is important for us to make this service as affordable as possible, since parents may have more than one child they must budget for, among other living expenses.

Competition is another important factor to consider for pricing. The online fitness market can be described as a monopolistic competition. There are many of them out there and this is why it is important to stand out to parents by using a value-based method. Parents will want to buy the monthly service because they will have a healthy distraction for their children that requires minimal equipment for only $12.99 a month.

## **Place**

The placement for GoodLife Kids will also be direct distribution. This is because there will be no intermediaries between the buyer and the seller. Consumers will be able to download the application in the comfort of their home, sign up directly through the app, as well as, enter their payment method information.

## **Promotion**

Since the pricing for this service will consist of a monthly membership, the promotions cannot be as simple as a coupon. Instead, the service will offer a promotion for those who “refer a friend”. Each customer will be provided with a code they can give to their friends who would like to join the service. It will provide each person with $1 off their next subscription payment. There will be restrictions on how many times someone can use the code. Therefore, if they refer 13 people, they will receive a free monthly subscription.

# **Evaluation**

## **How will you measure the effectiveness of your marketing activities (be specific on the metrics)?**

### **GoodLife Forever**

The 65 years and above target market is mature and saturated. The strategic objective for the product is to deepen our market penetration.

Market share will be an appropriate metric to measure the success of our marketing campaign. To compute market share, we will take our sales as a percentage of the total market sales in the year.

We believe our product addresses the needs of the target segment very well and will receive a strong positive response. We estimate that it will enable us to expand our market share by 15%. Therefore, we will compare our market shares at the beginning and end of the campaign – if the increase is at least 15%, the campaign will be considered successful.

### **GoodLife Kids**

The strategic objectives that we want to achieve with this product are to quickly expand into this new market segment, capture as much of the market share as we can, and solidify our market leadership position before competitors can respond with similar offerings.

The metric we will use to measure the effectiveness of our marketing activities will again be market share. Since we are the first in the market to offer such as a product, we expect to initially have the entire share of the market. In case competitors are able to offer competing products within a year of launch, our goal is to have at least 80% share at the end of the campaign. So, at the end of the campaign we will take our sales as a percentage of the total market sales to see if it is at least 80%. If it is, the campaign will be considered successful.

## **How will you adjust to improve?**

The success of the marketing campaign depends on the response received from the market. An underwhelming response would require revisiting the marketing plan in order to pinpoint problem areas. On the other hand, an overwhelming response does not necessarily indicate success – target metrics may have been underestimated. Nevertheless, there is always room for improvement, especially considering the dynamic nature of markets.

Once the product is launched, we will receive actual data that will give us a more realistic picture and better understanding of the market. We will regularly gather and analyze user feedback and modify our offerings accordingly. Our digital platform will be particularly advantageous as it will speed up this process dramatically, enabling us to be more responsive to market needs. For example, through the feedback feature in our app, we may receive demand for live classes between 10-12am. Being able to offer an additional time slot in a short time will enhance the user’s customer service experience. Similarly, with the launch of new digital products, we expect that technical issues will inevitably arise. It is critical that such problems are identified and resolved promptly, as it will mean disruption of service –products being unavailable for use – and significant customer dissatisfaction. Though customer support is available – through app, phone, and email – we may further reduce response and customer wait times by introducing additional channels of communication, such as webchat, Facebook, WhatsApp and Zoom. For instance, a customer can instantly make a complaint through WhatsApp by posting a screenshot of the problem that will help our technical team to quickly diagnose and resolve glitches. If the matter gets more complicated, a Zoom meeting may be initiated – the screen sharing feature will facilitate quick troubleshooting.

Customer excellence will be a key for our marketing strategy. It will enable us to differentiate our products from the competition. Therefore, our emphasis will be on continuously improving customer’s experience – responding to their needs immediately and ensuring accessibility to our fitness services, which is aligned with our mission.