"FACTOR AFFECTING CUSTOMER LOYALTY TOWARDS A LOCAL FITNESS CENTER"

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Abstract: In Indian society awareness of healthy lifestyle continue to increase day by day. So, there should experience a strong growth in fitness industry and fitness centers, which has led to growing competition. Therefore, the fitness center highly motivated to focus on these business opportunities. Hence, it is important for organization to understand how to obtain customer loyalty and also how to satisfy consumers. It is very important for an organization to create the value for its customers because it is the customer who create the demand of the product or services in the market. So, the objective of this study is to explore the factor affecting customer loyalty towards a local fitness center on the basis of these factors **Customer satisfaction, Customer value, Physical Environment, Switching Cost, Customer Loyalty.** Data was collected through questionnaires distribution to local fitness centers in Jammu and analysis was performed using the factor analysis method in SPSS program. The items were measured on 5-point Likert scale ranging from strongly agree to strongly disagree.

Keywords - Customer satisfaction, Customer value, Physical Environment, Switching Cost, Customer Loyalty, Fitness Center.

I. INTRODUCTION

Nowadays, in India awareness of healthy lifestyle continue to increase. Daily routine helps to maintain healthy lifestyle, during the recent year, there should experience a strong growth in fitness industry and fitness centres, which has led to growing competition. Therefore, due to large fitness centre opened, the competition was not inevitable. So, by focusing on different core competencies the companies strive to differentiate from the other and for attract new customer finding new way. it makes fitness centre aggressively try to get the loyalty from customer. For long lasting relationship with the customer maintaining and the central idea of marketing is developing in order to strengthen the competitiveness of the company. Usually, the companies sell a membership to the customer with a convincing sales pitch in the acquisition process, but a separate retaining process is needed in order to keep the customer. If customer's needs fulfilled many other studies denote that customer loyalty will generated and obtain the superior values from what they spend. Customer are considered to be the most important aspects of the business. Survival of the business in terms of profitability and sustainability depends upon its customers. For the Long and Profitable survival of the business it is important to create the value for the customer and to cater the needs. It is very important for the company to attract the potential customer and retain the existing ones because it is the customer who create the demand of the product or services in the market. It is very important for the business to create the value for its customers to increase their satisfaction level with respect to product and organization. Satisfied customers have a higher probability of respect purchases and long-term relationship with the business which ultimately creates the customer loyalty. customer loyalty is considered one of the important intangible assets of the business for the formulation of any business strategy in the current competitive business scenario. David Aaker (1991) defined the customer loyalty in terms of switching of the customer to another brand or business. He defined customer loyalty as a reflection how likely a customer has a tendency to switch to competitor's product when there is a change in product price, product feature and distribution pattern of the product with in the market.

II. OBJECTIVE

To explore the factor affecting customer loyalty towards a local fitness center.

III. LITERATURE REVIEW

Customer loyalty is considered one of the important aspects of the business and the prime goal of the business (Reichheld and schefter, 2000). Customer loyalty gained huge popularity in the field of research of marketing theory, especially during mid-1990. The exploration of the customer loyalty turns into another hot discussion after customer satisfaction. The idea customer loyalty plagued many industries in the previous decade (Lewis, 1997). Loyalty is a extremely mind bogging issue that is worth examination since securing new customer is exorbitant (Reichheld, Markey Jr. Hopton, 2000). The expense of obtaining a new customer is considerably higher than keeping and retaining the existing customer (liver, 1999; Reichheld, Markey Jr, and Hopton, 2000). Thus, loyalty has turned into major source of potential income of the organization.Dick and Basu (1994) developed a conceptual framework regarding the different forms of loyalty on the basis of behaviour and attitude. The different categories of loyalty according to them are no loyalty, latent loyalty, spurious loyalty and true loyalty. They developed the model on the basis of two dimensions; relative attitude and repeat patronage

Hallowell (1996) described customer loyalty is not only a result of behaviour of the customer but also includes attitudinal aspects of the customer. Attitudinal aspects describe the beliefs and feelings of the customer toward the product or the service, organization or business, their attachment towards the product or the organization and what actually customer feels about the product or the organization

Customer value: - customer value is defined as the ratio between perceived benefits and perceived sacrifices (Payne and Holt, 2001). In customer sacrifices they include monetary payments and non-monetary sacrifices such as effort consumption, stress experienced by consumer and time consumption (Jain and Kumar, 2015). The customer has a "give" and "get" mentality the conceptual suggest. When organization understand customer's value this will help to attract and retain the customers and become the significant factor in the success of the service providers (Mathuramaytha & Ussahawanitchakit, 2008).

Customer satisfaction: - if we understand what makes customers satisfied or dissatisfied and this should a important factor to success in the service industries. If the products and services outcome is over their expectations than this show Customer will satisfy and not satisfy if the products and services outcome is below their expectations. This show how the organization successful build the relation with the customer. Therefore, the important key to get customer loyalty is discover and priority customer satisfaction. The higher of customer satisfaction is the bigger of product or service usage consumption.

Customer Loyalty: - Deeply concerned in attracting potential customers and trying to maintain long-term relationship with their current customers is due to increased competition in the service industry. Furthermore, the company should be more sensitive for their existing customers and especially build relationship with the customer. One important way to win the competition is build and maintain customer loyalty. Customer loyalty variable can be measured by using commitment, repurchase, improving the amount of purchase and word-of-mouth or informing positive things to others (Sugiati et al., 2013).

Physical Environment: - In sport clubs or fitness centre physical environment is the one of the most influential factors leading to customer pleasure. Physical environment of fitness centre includes such as modernity and cleanliness of the sport venue, completeness the sports equipment's, and changing room, smell and temperature of the venues. Sports lovers always expect the convenience and comfort of exercising at a high level, it is important for the sport manager to plan, build, and renovate physical environment with in a period of rapid (Bester, 2012). It indicates, poor performance of the physical environment can be the negative effect for the company's economic situation (Bester, 2012.

Switching Cost: - Switching cost includes psychological cost when someone wants to change provider but, is not just financial costs (Kim et al., 2003). when someone wants to try new brands, the psychological cost associated with feelings of fear and security (Sharma, 2013). The psychological cost associated with feelings of fear and security

IV. METHOD AND ANALYSIS

Research Design: - the research method we can done is a quantitative descriptive approach that helps to collect data and information from respondents was entered, analysed, interpreted, reported, and the conclusions show and examined the relationship between variables based on the data obtained in the field.

Research location: - the research was conducted in Jammu region only.

Population, Samples unit and questionnaire: - In this we have taken two local fitness center of Jammu. The study was considered on 150 respondent who were the customer of the local fitness centre in Jammu. Therefore, the 75 respondents are form one fitness center and other 75 are from other fitness This primary data was collected by the method of questionnaires for the further analysis and Sampling unit should be local fitness centre of Jammu (Js studio gym and Gold fusion gym).

S no.	Name of the Fitness center	No. of people	
1	JS STUDIO	Male	66
		Female	9
		Total	75
2	GOLD FUSION	Male	57
		Female	18
		Total	75
	TOTAL	150	

Firstly, questionnaire was carefully developed, tested, debugged and then were administered on a large scale. Each question contributes to the research objective. Questionnaire is structured in that form so that a concrete, definite and predetermined questions come in a

form of statements. The questionnaire is in form of **Likert** scale which contains 5 response options which is from Strongly Agree to Strongly Disagree so that the research maker can get a true view of respondent's opinions and their level of agreement. The questions were limited in number also a simple, unbiased and direct technology was adopted.

V. RESULTS AND DISCUSSION

Customer loyalty is the act of choosing one company's products and services consistently over their competitors. When a customer is loyal to one company, they aren't easily swayed by price or availability. They would rather pay more and ensure the same quality service and product they know and love. So, our research in on customer loyalty in local fitness center of Jammu. By using factor analysis method that aims to find out the factor that are not important to calculate customer loyalty. Then the analysis results are obtained as follows: -

Factor analysis: - This study uses factor analysis by conducting the KMO test, Bartlett's Test, and MSA test, after obtaining a valid variable, then performs the factor extraction and factor rotation stages. For the last stage which is to name factors, naming factors that represent variables does not have rules that govern, names on factors that have been formed based on loading factors that are considered to represent variables of other factor members.

KMO, Bartlett's and MSA test diagram

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.894
Bartlett's Test of Sphericity	Approx. Chi-Square	2194.750
	df	253
	Sig.	.000

Based on above table, it is known that the KMO value has met the requirements of 0.894 which means> 0.05 with a significant value of Bartlett's 0.000 which means <0.05. the MSA test results revealed that there were 1 variable that did not meet the MSA values requirements because <0.05. From this data it is known that the KMO and MSA analysis processes must be carried out again in the same way but first delete the variables that do not meet the condition.

After the second KMO test on 22 variable's KMO value of 0.900 is obtained, which means> 0.05 with a significant value of Bartlett's 0.000, which means it has fulfilled the condition. This shows that these variables can be further analyzed by conducting a second MSA test. Based on the results of the second MSA analysis. it shows that all variables have fulfilled the MSA value condition> 0.5 So it shows that the 22 variables are sufficient for further analysis.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.900
Bartlett's Test of Sphericity	Approx. Chi-Square	2089.959
	df	231
	Sig.	.000

After done the KMO test and the MSA test, the next analysis to do is variable extraction. Extraction of variables into several groups of factors, using the PCA (Principal Component Analysis) method. The Value of total variance explained must be greater than one (> 1) and cumulative% is greater than 60%. In this research, the total variance value is explained: 1 = 9.342, 2 = 2.128, 3 = 1.525,   4 = 1.363, 5 = 1.018

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9.342	42.463	42.463	9.342	42.463	42.463	5.325	24.204	24.204
2	2.128	9.671	52.134	2.128	9.671	52.134	3.921	17.822	42.026
3	1.525	6.931	59.065	1.525	6.931	59.065	3.474	15.791	57.817
4	1.363	6.193	65.259	1.363	6.193	65.259	1.437	6.532	64.350
5	1.018	4.628	69.886	1.018	4.628	69.886	1.218	5.537	69.886
6	.903	4.106	73.992						
7	.729	3.315	77.308						
8	.655	2.976	80.284						
9	.583	2.649	82.933						
10	.514	2.337	85.270						
11	.450	2.047	87.317						
12	.388	1.765	89.082						
13	.363	1.651	90.733						
14	.324	1.473	92.206						
15	.307	1.397	93.603						
16	.281	1.278	94.881						
17	.256	1.163	96.044						
18	.222	1.008	97.052						
19	.204	.928	97.980						
20	.166	.755	98.735						
21	.147	.669	99.403						
22	.131	.597	100.000						

Extraction Method: Principal Component Analysis.

while component 6 to 22 having values < 1, from 22 research variables, there were 5 factors, each of which had a total initial eigenvalue> 1 and got a value cumulative of 69.886%, having cumulative percentage> 60% .

Next do the factor rotation. By using varimax rotation, the results obtained are **Rotated Component Matrix** all variables have a factor loading value> 0.4, which means 22 variables are important to calculate customer loyalty.

	Rotated Component Matrix					
		Component				
		1	2	3	4	5
F1	The fitness center has a great ambience and suitable environment to work out.	.618	.572	.085	-.011	-.094
F2	The fitness center is less crowded.	.402	.367	.459	-.132	-.326
F3	The fitness center is properly equipped.	.674	.331	.341	.092	.053
F4	My friends accompany me to this center.	.363	.596	-.012	.393	-.055
F5	The membership fee is less as compared to the other fitness centers.	.149	.713	.122	.033	.269
F6	It costs me too much to switch to another fitness centers.	.023	.784	.208	-.137	.138
F7	The fitness center provides a facility to pay the fees in installments.	.164	.392	.637	.060	.343
F8	It would take a lot of time and effort changing another fitness centers.	.176	.694	.267	-.030	.238
F9	it would not be a hassle switching to a2ther fitness centers.	-.153	.064	-.133	.775	.121
F10	The location of the fitness center is suitable to me.	.363	.619	.014	-.023	-.137
F11	The fitness center has great basic facilities (e.g.- washroom, water cooler, changing room, parking, belt etc.).	.721	.253	.310	.007	-.128
F12	The fitness center provides a great training for cardio (strength training, endurance).	.522	.400	.407	-.171	.026

F13	The fitness center has friendly staff.	.303	.307	.130	.070	.782
F14	The fitness center has certified trainers.	.778	.100	.285	.018	.233
F15	The fitness center have Supplement store with genuine product.	.365	.213	.744	-.130	.156
F16	The fitness center offers 24-hour service.	.130	-.130	.499	.660	-.098
F17	The fitness center provides exclusive facilities (e.g.- spa, air conditioner, swimming pool, lockers etc).	.333	.057	.756	-.087	.107
F18	The fitness center's trainers are certified and provide a great service and motivation.	.834	.126	.309	.077	.142
F19	The fitness center staff help you to provide better nutrition plans.	.786	.141	.375	-.054	.113
F20	The fitness center takes regular feedback.	.179	.060	.785	.177	-.092
F21	My friends say positive things about this fitness center.	.464	.583	-.026	.287	.026
F22	My friends who are the customers of the center are satisfied and loyal.	.806	.272	.044	-.119	.165

From the factor loading values obtained, it can be seen the grouping of variables into each factor. The grouping of factors is divided into 5 factors with each variable as follows:

- Factor 1 consists of 8 variables, their name and factor loading value are F1(.618), F3(.674), F11(.721), F12(.522), F14(.778), F18(.834), F19(.786), F22(.806).
- Factor 2 consists of 5 variables, their name and factor loading value are F4(.596), F5(.713), F6(.784), F8(.694), F10(.619), F21(.583).
- Factor 3 consists of 6 variables their name and factor loading value are F2(.459), F7(.637), F15(.744), F17(.756), F20(.785)
- Factor 4 consists of 4 variables, their name and factor loading value are F9(.775), F16(.660).
- Factor 5 consists of 2 variables, their name and factor loading value are F13(.782).

The last stage is naming factors. There are no specific rules in naming factors so researchers give names to factors based on characteristics that match the variable otherwise the naming of factors is done by looking at the variables formed in one factor. The naming of factors is as follows:

Factor 1: - physical environment
Factor 2: - switching cost
Factor 3: - customer value
Factor 4: - customer loyalty
Factor 5: - customer satisfaction

VI. CONCLUSION

For long lasting relationship with the customer maintaining and the central idea of marketing is developing in order to strengthen the competitiveness of the company. Usually, the companies sell a membership to the customer with a convincing sales pitch in the acquisition process, but a separate retaining process is needed in order to keep the customer. Based on the results of the research that has been done; it can be concluded that there are 5 factors which contain 23 variable affecting customer loyalty towards a local fitness center. But there were 1 variable that did not valid or we can say that did not affecting customer loyalty and the variable is "The fitness center is spacious". So, at last rest of the 22 variables are affecting customer loyalty.

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