

Customer Engagement at a Chosen Business Entity Focused on Sport

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Abstract: Nowadays, a strong competitive environment prevails, and businesses are forced to do their best to retain customers. Therefore, engagement marketing focuses not only on products or services offered but is characterized by building customer relationships via customer engagement. The research aims of this paper are to (1.) describe specific methods and tools used for customer engagement at a chosen sports club and (2.) find out customers' preferences in the context of customer engagement. A mixed research approach was applied to obtain data: a mix of qualitative content analysis and a quantitative online survey. As for research results, the following activities boosting customer engagement were detected firstly: (i.) sports club's profiles on social networks and its websites, (ii.) workshops, seminars, lectures, and courses, (iii.) special offers, promotions, and discounts, and (iv.) charity events and support towards the local community. Secondly, customers of the chosen sports club feel mostly engaged and appreciate activities organized by the sports club.

Keywords: engagement marketing, customer relationships, customer engagement, sports club, fitness club.

JEL Classification: M31, M37

1 Introduction

Nowadays, a strong competitive environment prevails, and businesses are forced to do their best to retain customers. Therefore, engagement marketing focuses not only on products or services offered but is characterized by building customer relationships via customer engagement which is based on relationship marketing. These two terms, i.e., "relationship marketing" and "customer engagement" are described in this section in detail.

1.1 Relationship marketing

Relationship marketing typically strives to retain customers rather than attract new ones, which it seeks to do by offering customer benefits. A long-term time horizon is pursued, and a strong emphasis is placed on customer service. Customer contact is frequent. Relationship marketing is usually contrasted with transactional marketing. Although it may seem that relationship marketing is a necessity nowadays, this is not always the case. (Šonková & Grabowska, 2015) Relationship marketing is mostly beneficial for such businesses entities that are service-oriented, i.e. where face-to-face interactions take place. On the other hand, consumer packaged goods retailers will focus and strategize based on transactional marketing, i.e. they will not place as much emphasis on customer retention. The reason for this is that mass contact, not proximate and unique contact with end customers, usually prevails there. (Grönroos, 1991) However, many retailers run loyalty programs these days. Thus, it may seem that they apply relationship marketing, nevertheless Wallström et al. (2024) point out that loyalty programs encourage more rational buying behavior, which means that loyalty programs may cause less customer loyalty, i.e. rather support the idea of transactional marketing. In general, transactional marketing can be used where customers are price sensitive, whereas relationship marketing is appropriate where customers are less price sensitive. (Grönroos, 1991)

1.2 Customer engagement

Customer engagement is seen as a part of relationship marketing. If business entities apply customer engagement activities, they can position themselves ahead of competitors. (van Tonder & Petzer, 2018)

Customer engagement theory describes the following five basic elements (van Tonder & Petzer, 2018):

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- Identification (how connected the customer is to a particular business entity and how intimate the relationship is),
- Enthusiasm (it is the degree to which customers are enthusiastic about their engagement),
- Attention (measures the level to which customers focus on the object of interest),
- Absorption (it is considered a progressive state of attention – customers are carried away by the business entity, they do not want to detach themselves from the business entity, as they feel a deep connection),
- Interaction (how consumers engage in online or offline activities that are not related to purchase).

The idea behind the concept of customer engagement is not focused on customer value as an equivalent of transactional value (e.g. monetary value of a purchase). Rather, customer engagement emphasizes that the value that customers deliver to the business entities is beyond the purchase. It draws on many other behaviors, which include word of mouth (customers refer a product or service to their friends, family), collaboration with other customers (assistance in buying a product or service), after-sales service (assistance in using it), co-creation (development of a new product or service). (Verhagen et al., 2015) Palmatier et al. (2018) state some examples of customer engagement activities, e.g., customer recommendations, customer conversations on social media about the brand (business entity), or customer feedback.

Customer engagement implies a process of using one's own resources and competencies for the benefit of another entity. For instance, customers may participate in spontaneous conversations. They are then judged to be highly engaged in the co-creation and experience. It means there is a transformation of customer roles. The customer is not perceived as a mere recipient of a product, but as a member of a voluntary community who participates in the activities of the business entity. (Verhagen et al., 2015)

With customer activity on social media, where it is also possible to connect with other existing or potential customers, the reach can be increased beyond what a business entity can generate (Harmeling et al., 2017). Customers use online social media platforms to offer and share various content, such as their opinions, experiences or videos. The most used and well-known social media include online social networks, blogs, discussion forums and other online communities. (Karlíček, 2016)

The research aims of this paper are to (1.) describe specific methods and tools used for customer engagement at a chosen business entity and (2.) find out customers' preferences in the context of customer engagement. The chosen business entity is a sports/fitness club "Harmony Sport & Relax Club" (hereafter simplified as a sports club), located in Písek, a South Bohemian city in the Czech Republic.

With respect to the research aims, the following research questions have been formulated:

1. What methods and tools of customer engagement are used at this sports club? (This is the sports club's point of view.)
2. What are customers' preferences in the context of customer engagement? (This is the customers' point of view.)

2 Methods

To reach both research aims, a mixed research approach was applied. Firstly, for description of specific methods and tools used for customer engagement, qualitative research in the form of content analysis was conducted: websites and profiles on social networks of the chosen sports club were analyzed. Secondly, for finding out customers' preferences, quantitative research in the form a survey, based on an online questionnaire, was carried out ($n = 201$; 71% women and 29% men; all the respondents were customers of the chosen sports club; data collection took place in February 2024). Data, collected via quantitative research, was analyzed statistically, when applicable. This paper presents only a part of the obtained results due to page limitation.

3 Research results

This chapter is structured to provide clear answers to the above formulated research questions.

3.1 Specific methods and tools used for customer engagement at the sports club

A range of methods and tools is applied at the sports club nowadays. These activities can be divided into four groups: (i.) sports club's profiles on social networks and its websites, (ii.) workshops, seminars, lectures and courses, (iii.) special offers, promotions and discounts, and (iv.) charity events and support towards the local community.

Ad (i.) Sports club's profiles on social networks and its websites – tips, pieces of advice (incl. recipes), contests, challenges, behind the scenes moments

There are countless activities within social networks that the sports club uses to engage customers. Specifically, the sports club is active on Facebook and Instagram. Very often used ways for stimulating customer engagement include discussions, polls, reactions or tagging customers. Customers can contribute through comments, likes, questions and discuss a particular post with others. The sports club usually submits questions like, "Are you coming to try it?", "Will you do it with us?", "Would you like to try it, too?" Customers can then respond and answer in any way they like.

In Instagram stories, it is possible to add some kind of a poll, quiz, response in the form of a scale, tagging, etc. In the case of a poll, customers can choose one of the options they identify with, in the case of a quiz, they guess the answer the sports club is asking or they express their level of enthusiasm through a scale. Customers are thus engaged, and the sports club sees customer activity, preferences or satisfaction on the post. For example, a quiz focusing on a new gym item looked like customers were choosing from a range of offered options about what should be new in the gym – they could choose a tank, a new carpet or a motorless treadmill.

The sports club also often involves customers through tagging. If they attend or participate in a workout or group class and the sports club team knows its customers, it can tag them specifically in a post. Subsequently, customers can also share that post or story on their profile, and they feel very engaged and appreciated.

There are also contests organized for customers. Engaged customers can try to compete under certain conditions and if they are lucky, they can win interesting prizes. The prizes are either in the form of an experience of some kind or prizes of monthly memberships, free entries, season passes or gift packages. For instance, there was a contest with the chance to win a new BMW X1 for the weekend. The only condition was to become a member by a certain date.

Nowadays, short videos from various events are a trend. If the sports club organizes an event, thematic lessons or other important or unusual events, it creates short video clips from these activities. Customers are included and can be tagged. These short video clips are also used for attracting potential customers to see what is happening at the sports club and the various events that can be attended at this sports club.

Various challenges were also run on the sports club's social media profiles. Their aim was to engage customers to take part in the challenges and share in completing them. For instance, there were cooking challenges. Here, customers were invited to share their favorite dish using a particular ingredient. Another challenge was to show the customers' fitness outfits. In this activity, customers were invited to post and show their favorite workout outfits.

Another way of customer engaging is bringing them advice, tips, recipes or interesting articles. Customers are engaged so that they can apply and take to heart any tips and advice, e.g., a tip on how to correctly execute an exercise technique such as a squat, push-up or plank variation. Or they can read an interesting article on a topic, such as why to have breakfast and exercise in the morning or how to stay motivated all year round. They can also try out different recipes at home for themselves that the sports club shares with its customers, e.g., till now published recipes described preparation of pumpkin salad, banana-nut cake or fit fruit dumplings.

The sports club also tries to engage customers through showcasing the club's background in the form of videos, posts and stories on its social media profiles. The emphasis is on drawing customers into the environment and background of the sports club. It brings all the latest news and previews of what changes are coming, the progress of classes, introductions of all the teachers and coaches – who is running what classes and when. In general, it focuses on letting customers see the current events in the sports club, what new things are coming up, how the new construction of the space is going on, what new things customers can find here, etc.

Ad (ii.) Workshops, seminars, lectures and courses, meeting with a selected company, thematic and extended lessons (not online)

Another tool for enhancing customer engagement is organizing workshops, seminars, lectures or courses. These activities are created and prepared by the sports club. Duration of these events depends on a particular topic. Some take one hour, other several hours or even several days. As for participation fees, workshops, seminars and lectures are usually free to club members – it is a part of their membership. Non-members have the option to attend for a fee only. So far, the following events have been held at the sports club: the Wim Hof Method workshop, focusing on deep fascial tissue relaxation, the Jumping know-how seminar explaining how to perform the jumping technique correctly, the Yoga Minimum seminar series (basic information on yoga practice), lectures on the topics of effective relaxation, defence against sub-winter fatigue, gaining muscle, fat burning, optimizing the working environment, myths and excesses in diet and exercise, etc. In addition, first aid and self-defense courses for women were prepared. Usually the topics are focused on healthy lifestyle, sports, muscularity, regeneration and health in general.

Furthermore, the sports club made it possible for its customers to meet with selected companies, e.g., with the Nutrend company. This is a company that focuses on sports nutrition. At the reception desk in the sports club, several products just from Nutrend can be purchased and therefore an opportunity was provided for customers to meet the Nutrend team. Tise meeting included product tasting, customer questions&answers and a reward for those attending in the form of a bar and a protein drink.

Other frequently used tools include thematic and extended lessons. These are usually themed around a holiday, a season, or a farewell to lecturers. Customers can participate by bringing some refreshments for the lesson, having a themed dress code, choosing their own songs, etc. Some lessons have also ended with a raffle for everyone involved. For instance, there have been organized Valentine's, May, St. Nicholas, Christmas or farewell lessons.

Ad (iii.) Special offers, promotions and discounts – focused on customers' wallets

Although customer engagement is focused on relationships going beyond pure transactions, still the financial issues need to be kept in mind – without them, enhancing and deepening customer relationships would be economical impossible. Therefore, there are activities focused on customers' wallets.

There are special offers, promotions and discounts for customers. These include, for example, promotions for group classes and wellness, discounted season passes, discounts on other services when purchasing a season pass, discounts during a holiday or month (e.g. discount for women on International Women's Day, discounts only in January), promotions in the form of purchasing a registration in a month and a subsequent bonus of one free personal training session, pre-Christmas promotions, Christmas discounts on products such as protein supplements, bars, vitamins, etc. These offers are seen as a step towards deepening customer relationships, with the sports club providing certain monetary benefits to its customers.

Ad (iv.) Charity events and support towards the local community

The sports club is also dedicated to voluntary charity events and support. Charity events consisted of organized events such as full day program to raise a sum of money and donate it to charitable, philanthropic purposes. There is usually a large turnout at these charity-oriented activities. It shows that customers of this sports club are not indifferent and are happy to get involved for a good cause. Conducting such charity fundraisers is certainly attractive to both current and potential customers. They see activity, interest, empathy and concern for others. An example of a charity was, for example, the bicycle cinema "North of the Sun". This was a group spinning lesson, where customers were shown an adventure documentary about two surfers who set out to catch waves further beyond the Arctic Circle, living off what they found. Money raised through this event was then donated to charity. In addition to standard admission, customers could add a voluntary admission fee.

Another charity event was a charity marathon for a girl whose name was Anna, who suffered from the rare Phelan-McDermid syndrome (damage to chromosome 22). For one whole month, a cash box was available at the reception, to which customers could make any financial donation. Then, on the last day of the month, the charity marathon for Anna was held. This event included a program of group classes throughout the day, a program in the gym and a program on the squash courts. Customers could choose from any activity: either attend selected group lessons, or go to the gym, where there was an accompanying program, or enjoy the program on the squash courts, where it was possible to play squash or badminton with a licensed instructor. For all customers, there was an additional voluntary entrance fee. The whole day was exclusively directed to charitable purposes. At the end of this marathon, there was also ceremony of handing over the cash box.

3.2 Customers' preferences in the context of customer engagement at the sports club

Customer preferences were collected through an online questionnaire as described above in Section 2. The questionnaire itself contained a set of questions that found out details on customers' preferences; however, page limitation of this paper does not allow to present all the results obtained. For simplicity and better understanding by respondents, the term "being engaged" was replaced with "being involved" in the question formulations.

Respondents were asked if they felt involved in the sports club activities: 20 respondents (i.e. 10%) definitely felt involved, and 132 respondents (66%) rather felt involved. Therefore, it can be inferred that 152 respondents (76%) in total felt involved. On the other hand, there were also respondents who rather or definitely did not feel involved (49 respondents in total; 24%). In the context of customer satisfaction, the following hypothesis was statistically tested: "More than 50% of respondents who are satisfied with the company's services feel involved." This hypothesis was confirmed ($\chi^2 = 56.1798$; p-value < 0.001). In fact, 78% of satisfied respondents also felt to be involved.

Furthermore, respondents were asked whether they participated in a variety of sports club' activities, and were also asked to rate these activities on a scale of 1 to 5 (where 1 = the worst, 5 = the best rating). On the basis of the average values of the rated activities, it was found that thematic and extended group lessons come out with the best average, followed by demonstrations of what happens in the sports club, further special offers, promotions and discounts are appreciated, and social media profiles are highly interesting for respondents. Details are presented in Table 1.

Table 1 The sports club's activities supporting customer engagement and their rating

Activities	Mean
Thematic and extended lessons	4.37
News and demonstrations of what happens in the sports club, behind the scenes moments	4.07
Special offers, promotions and discounts	4.01
The sports club's social media profiles (discussions, polls, reactions, tagging, etc.)	4.00
Contests	3.81
Challenges, pieces of advice (incl. recipes), tips, articles	3.63
Workshops, seminars, courses, lectures	3.62
Charity events and support	3.54
Events organized by the sports club	3.52
Meeting with companies	3.38

Source: Own processing / Note: Means were calculated from the ratings given from 1 to 5, where 1 = the worst and 5 = the best rating.

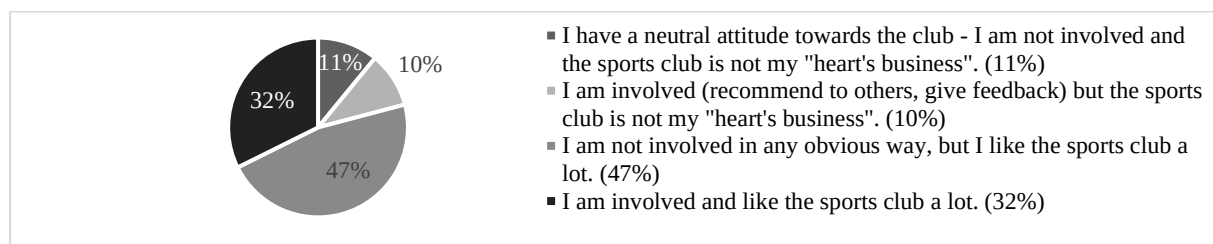
Subsequently, respondents were also asked how they would like to be more engaged. It was found that 63 respondents (31%) wanted more prize contests, while 61 respondents (30%) wanted training camps organized by the club, and 60 respondents (30%) wanted more member benefits. Additionally, 50 respondents (25%) would like to be involved in creating items with the sports club logo (e.g., t-shirts), and 44 respondents (22%) would like to be involved in selecting new machines in the gym. Besides this, respondents were directly asked if they would be interested in, for example, some multi-day activities organized by the club. The results show that 119 respondents (59%) were interested. In the context of membership type (i.e., annual membership vs. monthly membership vs. season tickets vs. one-time entrance fee for non-members vs. use of the MultiSport card for admission, which is one of the frequent employee benefits), the following hypothesis was statistically tested: "There is a connection between type of membership and interest in multi-day activities." This hypothesis was confirmed ($\chi^2 = 20.3040$; df = 4; p-value < 0.001). Namely, club members are more interested in multi-day activities.

In terms of the social media environment, 81% of respondents (163 respondents) follow the sports club on social media. Specifically, the activities and various information that are posted by the sports club are followed by the respondents on the social platform Instagram (75%), followed by the sports club's website (46%), and finally on the social platform Facebook (21%). It was revealed that the most frequent customer engagement is on the social platform Instagram, which is explained by its popularity by the analyzed sports club's customers. The most common ways customers engage on social media are: 'liking' posts shared by the sports club, reacting to stories, answering questions, completing polls or tagging the club. On the other hand, respondents have the fewest interactions with the club on the

Facebook platform. There are still many respondents who do not engage in any visible way and are purely in an observer position.

Respondents were also asked to self-evaluate their level of engagement towards the sports club. There were the following four statements from which respondents were asked to choose the only one that best described them: 'I have a neutral attitude towards the club – I am not involved and the sports club is not my "heart's business"' / 'I am involved (recommend to others, give feedback) but the sports club is not my "heart's business"' / 'I am not involved in any obvious way but I like the sports club a lot' / 'I am involved and I like the sports club a lot'. Obtained results are presented in Figure 1. It is worth noting that 79% of respondents like the sports club a lot, regardless they are involved or not.

Figure 1 Respondents' self-evaluation of their level of engagement towards the sports club



Source: Own processing / Note: For simplicity and better understanding by respondents, the term "being engaged" has been replaced with "being involved" in all the presented statements.

Based on these findings, it is possible to apply theories by Chen et al. (2019) and Sashi (2012) and deduce the following conclusions:

- The sports club is attended by 32% of emotionally engaged customers who are both fully committed and deeply connected to the club,
- 11% of customers are non-engaged, due to their neutral attitude – they are neither emotionally attached to the sports club nor show strong signs of involvement, hence, they are referred to as indifferent customers,
- 10% of customers show a low emotional attachment but they engage,
- 47% of customers have a strong relationship with the sports club, but at the same time they do not engage in any distinct way and at a higher level – such customers are perceived as enthusiastic and satisfied customers and may emerge in the future as fans of the sports club.

4 Conclusions

The research aims of this paper were to (1.) describe specific methods and tools used for customer engagement at a chosen sports/fitness club "Harmony Sport & Relax Club", located in Písek, a South Bohemian city in the Czech Republic, (2.) find out customers' preferences in the context of customer engagement.

As for the first research aim, the following activities boosting customer engagement were detected: (i.) sports club's profiles on social networks and its websites – discussions, polls, tagging customers, quizzes, videos, tips, pieces of advice (incl. recipes), contests, challenges, behind the scenes moments, (ii.) workshops, seminars, lectures, and courses, meeting with a selected company, thematic and extended lessons, (iii.) special offers, promotions, and discounts – it is because still the financial issues need to be kept in mind; otherwise it would be economically impossible to enhance and deepen customer relationships, and (iv.) charity events and support towards the local community.

As for the second research aim, customers of the chosen sports club felt mostly engaged and appreciated activities organized by the sports club. In fact, 78% of satisfied respondents also felt to be engaged (resp. to be involved – this term has been used in the questionnaire for simplicity and better understanding of respondents). Respondents also expressed their interest in being more engaged – specifically, they prefer prize contests, training camps organized by the club, member benefits, creating items with the sports club logo, and selecting new machines in the gym. Furthermore, 81% of respondents follow the sports club on social media – they like posts shared by the sports club, react to stories, answer questions, complete polls, or tag the club.

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