



**FACTORS AFFECTING THE CUSTOMER LOYALTY OF
FITNESS INDUSTRY: A CASE STUDY OF WILLSGYM
COMPANY IN CHINA**

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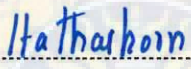
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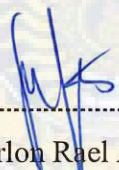
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ABSTRACT

Nowadays, awareness of a healthy lifestyle in China continues to increase. One way to have a healthy lifestyle is to have fitness. Therefore, due to the large fitness center opened, the competition was not inevitable. And how to keep customer loyalty is most important for those companies to survive.

This study will focus on analyzing customer loyalty of the fitness industry in China by research Chinese W GYM company which is the largest fitness company in China. The researcher found five variables that can affect customer loyalty to fitness. Data of this research will be collected through offline questionnaires in three Chinese W GYM fitness centers in Shanghai. The individual research was collected from 450 questionnaires, and the main purpose is analysis the relationship between customer loyalty and each variable.

The researcher found that all five variables have relationship with customer loyalty in the fitness industry. Eventually, this individual study is helpful for future study, and shows how to manage the relationship between company and customers and improve their loyalty.

Keywords: customer loyalty, healthy lifestyle, relationship with customers.

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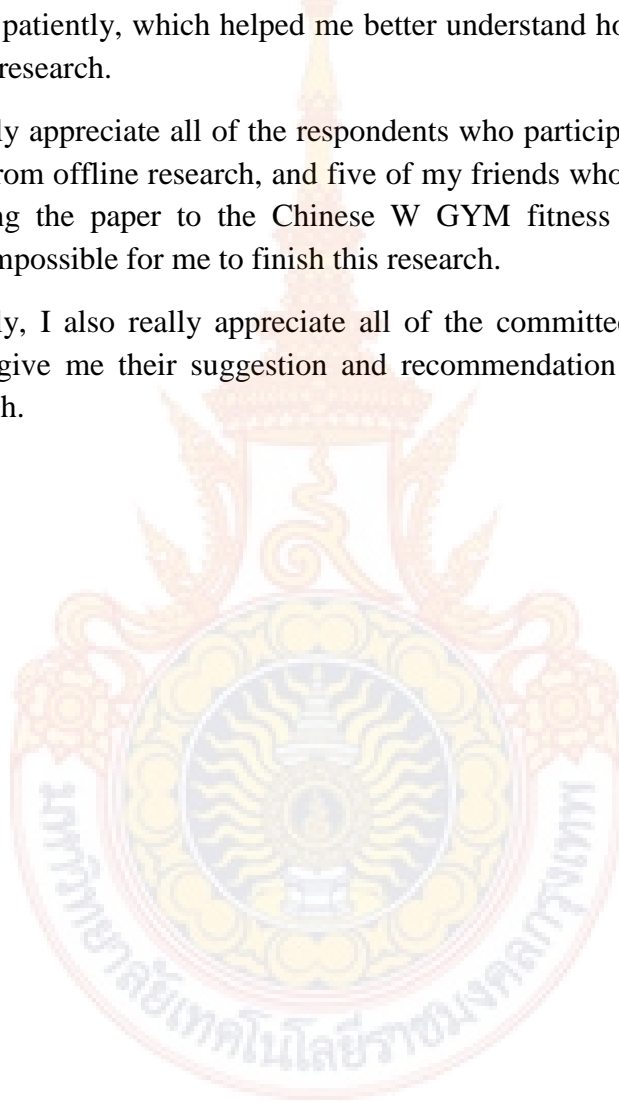
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Miss Zhan Yunru



PREFACE

In today's society, many people or companies tried to get good things from the gym market with the rapidly increasing. And there are many companies tried to find ways to get customer loyalty. In China, with the increase of population, the awareness of people in a healthy lifestyle is increasing. Having a healthy lifestyle is a way to fitness. So, competition is not inevitable as more people enter different types of gyms and the opening of huge fitness centers.

When the increase in the public causes demand for people's healthy lives, this will influence the fitness industry to develop rapidly and increase those industries growth Those fitness industries can provide people with all the indoor sports facilities, so people trust and believe that they are safe, convenient, and diverse.

Thus, it shows the importance of improving health in customer loyalty between the company's fitness. Similarly, the company's continued success is a matter of judgment whether to retain existing customers and make them loyal to its brand. Therefore, the research question discovered by the researchers is "What factors affect the customer loyalty of Chinese fitness clubs?"

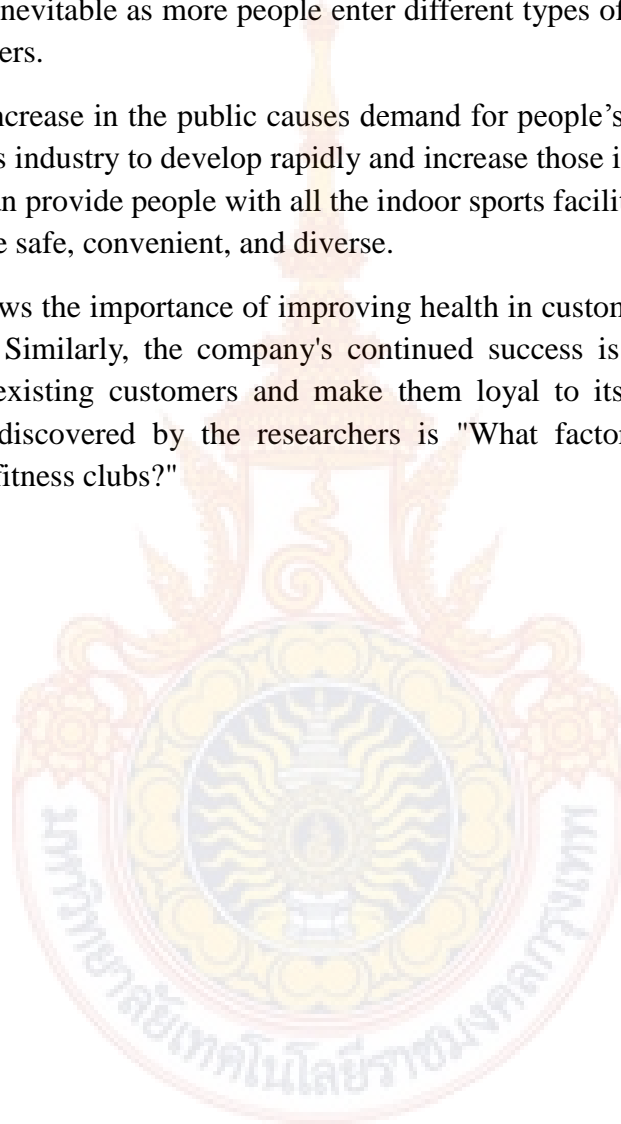
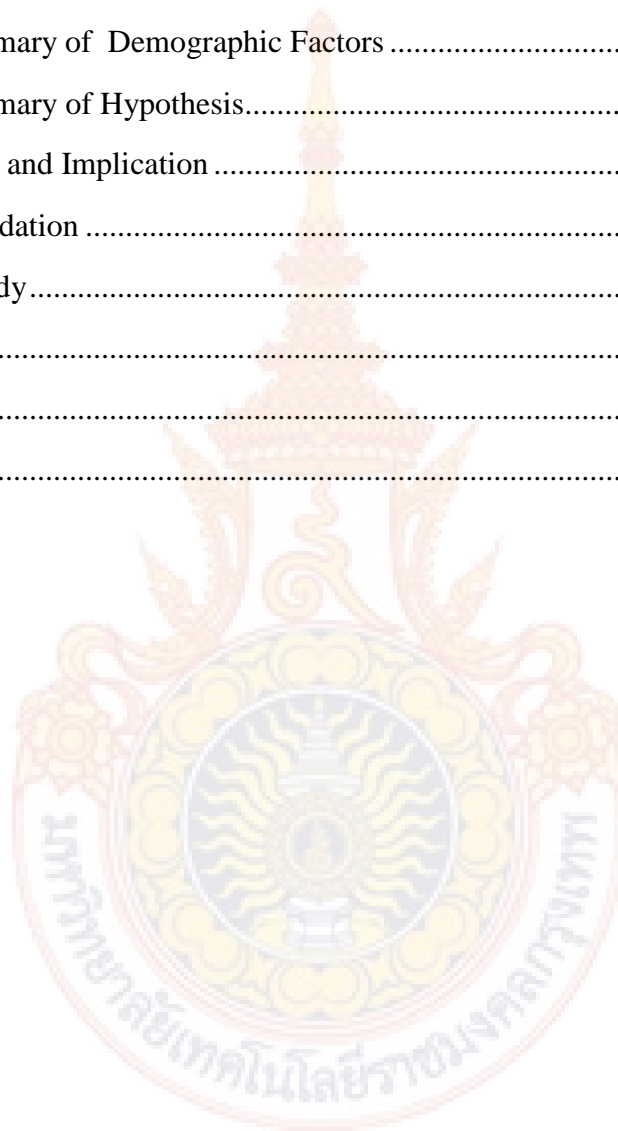


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CHAPTER 1

INTRODUCTION

1.1 The Statement of the Research Problem

In today's society, there are many people or companies tried to get good things from the gym market with the rapidly increasing. And there are many companies tried to find ways to get customer loyalty. Because companies can save more money, compare with getting new customers, if they have more loyal customers (Kavoosi, Reza and Abbas 2005).

In China, with the increase of population, the awareness of people in a healthy lifestyle is increasing. Having a healthy lifestyle is a way to fitness. So, competition is not inevitable as more people enter different types of gyms and the opening of huge fitness centers. This makes every gym do its best to gain customer loyalty and satisfaction, in other words, to attract more customers. In order to increase the company's competitiveness, following up and keeping long-term relationships with customers to maintain their loyalty is the central idea of marketing (Nguyen et al., 2013).

When the increase in the public causes demand for people's healthy lives, this will influence the fitness industry to develop rapidly and increase those industries growth Those fitness industries can provide people with all the indoor sports facilities, so people trust and believe that they are safe, convenient, and diverse. Jeng (2012) mentioned some relevant data shows the there are more than 30,000 fitness gyms in the United States were built and more than 38,000 gyms in Europe. Nowadays, In Taiwan, the number of fitness clubs is about 1,500. Chen (2012) shows that since 2007, the total number of fitness service companies, the turnover rate, and the average total number of employees in Taiwan have decreased.

Thus, it shows the importance of improving health in customer loyalty between the company's fitness. Similarly, the company's continued success is a matter of judgment whether to retain existing customers and make them loyal to its brand. (Dekimpe, 1997) Therefore, loyal customers support the business by buying more

goods and services, paying membership prices, and over time with positive brand reputation, introducing new referral relationships (Ganesh et al., 2000). More importantly, because attracting new customers costs five times as much as retaining old ones, it helps to stay loyal to the attractiveness of customers and increase profits (Edward and Sahadev, 2011; Reichheld and Schefter, 2000).

Based on the above information, it explains the overall background of this research. In this study, we will delve into the fitness industry determinants of customer loyalty. Analyzing the loyalty of customers in China Fitness may be an important topic in the fitness industry. Therefore, the following content will enable us to understand the details of the background of China Fitness. For this research, the problem of this subject is to find the relationship between the factors that influence the loyalty of customers in the Chinese fitness industry. Based on the above information, it is clear that the Chinese fitness industry is a huge potential for the industry. Customer loyalty is the main element in fitness companies dominant in the competition. In order to understand customer loyalty in the Chinese fitness industry, researchers can find some of the factors tested. This is considered for personal research company released a new policy to develop the right business and marketing strategies to build customer loyalty among potential customers is very important to the fitness industry. Therefore, the research question discovered by the researchers is "What factors affect the customer loyalty of Chinese fitness clubs?"

After conducted a research, the researchers found that there were some elements that influence the loyalty of customers in Chinese fitness clubs. These factors were related to customer loyalty. They were perceived value, perceived quality, brand image, the natural environment, and customer commitment. This research is focused on the perceived value of China's health club, the perceived relationship between quality, brand image, the physical environment, customer commitment and customer loyalty.

There are some significant ideas for this research. First of all, it can help China to better understand the health club factors that affect customer loyalty, so that they can make adjustments and plan better business operations. In addition, they can also use it to find possible problems in the club and then fix them. Clubs can build better relationships with customers based on these important factors to meet customer needs.

Second, For the Chinese fitness industry also has a good effect, can provide a reference for the fitness industry to promote the economic development of the fitness industry in China. Third, it helps clients build awareness of fitness has a positive effect. It provides Chinese customers with services, such as health care, body management, and food balance so that they understand what is most important to choose a fitness club.

1.2 Definition

Demographic factor A demographic section of the respondents was designed to recognize personal traits such as gender, age, education, marital status, and income using close-ended questions.

Customer In this research, the customer is defined as the customer of the fitness club in China who buy the service in the fitness club.

Fitness Industry The market of health & fitness industry that support exercise facilities, for example, losing weight, machines, exercise classes and also have other different services, such as facilities of health and beauty, health food and drink, sports' clothing and equipment which designed for users to maintain their physical health. Market sales are calculated according to membership fees paid to clubs.

Perceived value Zeithaml (1988) defined perceived value as the consumer's perception of utility in comparison to what is exchanged for a product or service.

Perceived quality Croin and Taylor (1991), Zeithaml (1987), and Teas (1991) defined perceived service quality as a customer's judgment of the overall excellence or superiority of certain service providers' performance.

Brand image Yuille and Catchpole (1977) found out that most of the process comes from ideas, emotion and consumption experiences with a company which is retrieved from memory, after that, transformed into mental images conceptualized image of corporation as an overall impression held in the minds of the public about a firm.

Physical environment is the physical infrastructure progression that has a major factor for the development of the physical environment (Bester, 2012).

Customer commitment The overall objective of creating customer value and strive to provide it better than competitors to achieve and maintain customer satisfaction (Schiffman & Kanuk, 2004).

Customer loyalty Customer loyalty can be considered as a commitment that comes from customers for a specific brand, product, and service firm despite the availability of alternate options (Shankar et al., 2003)

1.3 The Objectives of the Research Study

1.3.1 To study the customer loyalty of fitness clubs in China

1.3.2 To study the impacts of demographic factors including gender, status, age, education, income, and occupation towards marketing factors.

1.3.3 To study the impacts of demographic factors towards customer loyalty of fitness clubs in China

1.3.4 To study the impacts of marketing factors including perceived value, perceived quality, brand image, physical environment, customer commitment towards customer loyalty of fitness clubs in China

1.4 The Conceptual Framework (The Research Proposition)

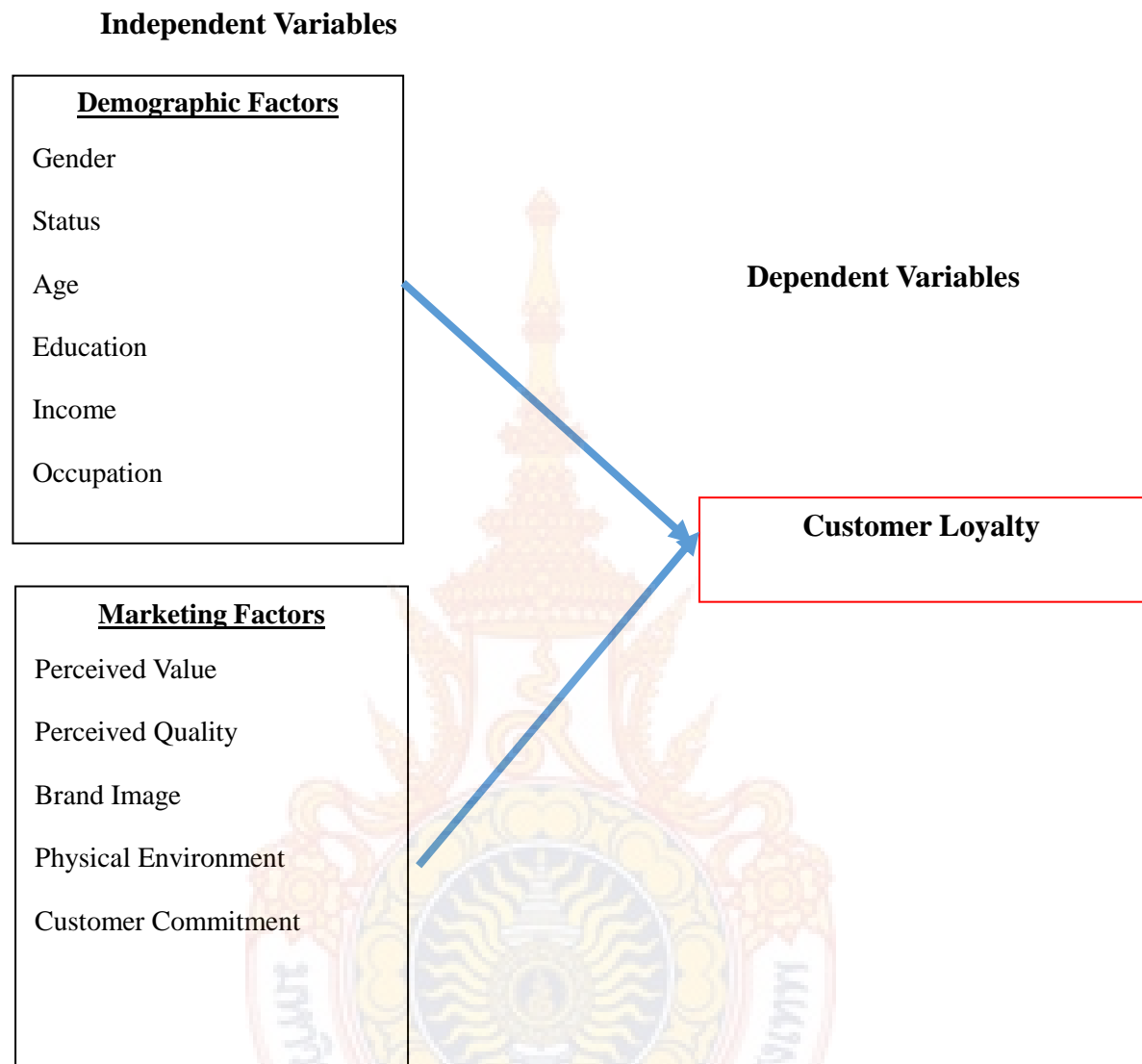


Figure 1.1 Conceptual Framework

1.5 The Hypothesis of the Research Study

- 1.5.1 To test the level of the customer loyalty of fitness clubs in China
- 1.5.2 To test the impact of demographic factors on marketing factors
- 1.5.3 To test the impacts of demographic towards customer loyalty of fitness

clubs in China

1.5.4 To test the impacts of marketing factors including perceived value, perceived quality, brand image, physical environment, customer commitment towards customer loyalty of fitness club in China

1.6 The Benefits of the Research Study

There are some significant ideas in this study. First, this article can help fitness clubs in China better understand the factors that can impact on customer loyalty so that they can make adjust and plan for better operation in their business. And they also can use this to find out the problem that the club may exist then fix it. The club can make a better relationship with their customers according to those important factors to catch the demand of customers. Second, it is also has a good impact on the Chinese fitness industry. It can help as a reference for the fitness industry to boost economic development of the Chinese fitness industry. Third, it has a positive impact on customers to help them build consciousness of fitness. It promotes health care, body management. and food balance to Chinese customers and makes them understand what is the most important for them when they choose a fitness club.

1.7 The Scope of Research Study

Individual research mainly focuses on factors that affect customer loyalty of the fitness club industry in China. The period of this study is from 1 March – 30 June 2021. The area of standing is Shanghai in mainland China.

1.8 The Limitation of Research Study

There are some limitations exist in this research. First, this research questionnaire is distributed in the market and needs to be collected within one month. The time-limited affects this research because research may not collect comprehensive data in a short time which will influence this research. So, the result may only apply for one year. Second, the place which is selected to collect data may not cover all different social levels of customers which will affect this research. And

the place which the researcher selected is in tier 1 city in China(Shanghai). Therefore, the results can be used to analyze similar markets, and data just can be useful for fitness clubs of tier 1 city in China according to consumption view and life view.



CHAPTER 2

RELATED DOCUMENTS AND RESEARCH

The purpose of this chapter is to find out what each variable means. The variable found by researchers in previous studies is perceived value, perceived quality, brand image, physical environment, customer commitment, and customer loyalty. This chapter is divided into three sections.

2.1 The Concept of the Study

The market of health & fitness industry that supports exercise facilities, for example, losing weight, machines, exercise classes and also have other different services, such as facilities of health and beauty, health food and drink, sports' clothing, and equipment which designed for users to maintain their physical health. Market sales are calculated according to membership fees paid to clubs.

The Chinese market of health and fitness clubs is generated total sales of \$5,197.9m in 2015, reported an annual growth rate (CAGR) of 12.8% between 2010 and 2015. In China, the growth of the fitness industry has not been level with general growth overall due to high prices of real estate and the rather unrealistic demands that gyms were initially making in their business models. The performance of the Chinese market is expected to decelerate under an anticipated CAGR of 6.2% during a five-year period 2015 - 2020, that supposed to lead the market to a total value of \$7,018.0m in 2020.

During 2010, there were around 3,000 fitness places in China. Around 3,000,000 members are active. According to research, a whole year membership card fee usually charges from US\$ 91 to US\$ 762. Until today, most health and fitness place in China concentrate on 1st and 2nd-tier cities, only a few fitness clubs in 3rd-tier cities. However, the fitness industry in western China trend to be a rapid growth in recent years. Currently, commercial fitness occupies the Chinese market at 86% of the total number of fitness clubs. And hotel gyms occupy around 10% of the market.

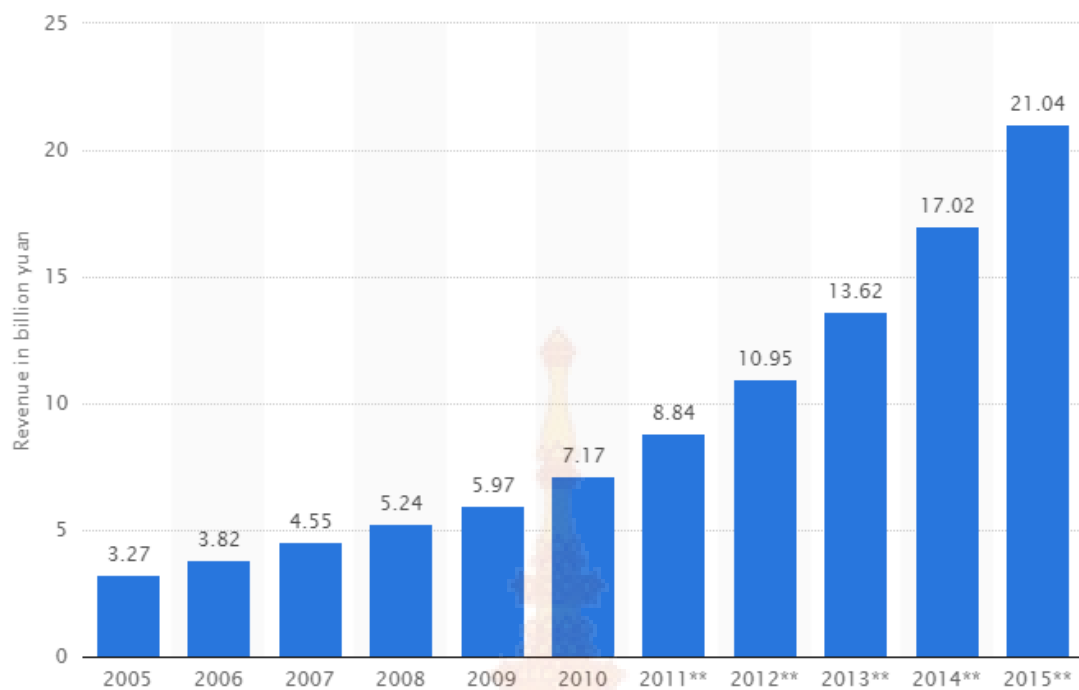


Figure 2.1 Revenue of Fitness Centers in China from 2005 to 2010.

Source: Bank of China

During the whole year 2015, the Chinese fitness industry tends to be very popular. The rise of square dancing has become a healthy lifestyle for elderly people after they retire. The Internet has changed the conception of fitness and pushed the development of the fitness industry. Due to a need, the Chinese fitness industry will be calculated by investors to be more than 200 billion in 2020. Chinese retirement system gives lots of urban residents lots of free time since they retire. In large and medium-sized cities of China, we can see that each street contains lots of small fitness outside door equipment, but not enough to reach the basic fitness demand of residents, especially for the elderly residents, because of the low equipment maintenance rate.

Health Clubs in 2009, US \$ mln						
City	Rank	US \$ mln	%Country	%Regio	%World	Cumul. %
New York (The United States)	1	4767.34	22.75	20.45	5.06	155205.06
Paris (France)	2	2144.83	70.30	9.27	2.27	155207.33
Los Angeles (The United States)	3	1725.78	8.23	7.40	1.83	155209.16
Chicago (The United States)	4	1586.34	7.57	6.81	1.68	155210.84
Shanghai (China)	5	1558.18	14.32	5.24	1.65	155212.50
Beijing (China)	6	1298.57	11.93	4.36	1.38	155213.87
London (The United Kingdom)	7	1116.09	35.03	4.82	1.18	155215.06

Figure 2.2 Beijing and Shanghai Take the World's No. 5 and No. 6 Health Club Market Potential/Latent Demand among All Cities Globally in 2009.

Source: The 2009 report on health clubs-world market segmentation by City, Philip.

Therefore, there is a large potential market growth for the Chinese fitness industry, and it is important to occupy the rapid growth market share by controlling customer loyalty for fitness companies.

As far as Willsgym Company Limited in Shanghai, China is concerned, it was founded in 1996. Now it already has 115 direct professional fitness clubs and more than 0.8 million members. As early as 1996, Willsgym took the lead in setting up clubs, leading the public to join the right fitness activities, and then establish a comprehensive concept of health, enjoy a pleasant and healthy life. Today, it has a nationwide 115 direct professional fitness club, and each club has complete facilities and a user-friendly design to attract more than 800,000 members.

Started in the fitness industry in Willsgym, in the 20 years of efforts to open up, not only to the public to provide a modern fitness environment and advanced fitness methods, but also strive to fitness through the core of the core concept of health to members. The hope that all members will change, have a healthy life for the personal experience and understanding in the daily work and life can really practice a healthy lifestyle. And all these good wishes are infiltrated into the specific services provided by Willsgym, in the design for the members of the various projects that

have been intended for consideration.

Willsgym is a well-known fitness club brand. More than 20 years of meticulous work, working hard, there are many people who love sports and become loyal sports fans, but also so many people eager to healthy life try to enter the ranks of fitness and eventually cultivate a good habit of fitness. The Willsgym is committed to becoming synonymous with community-based upscale fitness clubs. So far, Willsgym has been set to a number of noble living near the community, where the population is densely populated, people pursue high-quality modern life, Willsgym appearance really satisfies people's desire for a healthy life, to achieve the movement into the usual life possible.

There are three main brands in Willsgym that focus on common fitness. Kyoga is the first yoga living museum. The coach holds the International Yoga Alliance RTY200 & 500 mentor certification qualification, won the international yoga championship, star preferred personal trainer. Kyoga is also focused on doing authoritative yoga instructor training and aerial yoga research and development as well as international yoga masters.

2.2 Theories of the Study

This section will explain the meaning of each variable. The dependent variable is China's fitness industry mainly factors are the value of perceived, quality of perceived, brand image, physical environment, customer commitment, and customer loyalty.

2.2.1 The Demographic Factor

A demographic section of the respondents was designed to recognize the personal traits such as gender, age, education, marital status, and income using close-ended questions.

Gender demonstrates the data of one of the demographic factors, gender: Men and women, especially when social and cultural differences rather than biological ones are considered.

Status demonstrates the data of one of the demographic factors, marital status.

Age describes the age range of the respondents. Chronological age is defined as the number of years a person has lived.

Education level is mentioned, such as Bachelor's Degree, Master's Degree, and PhD's Degree. Education can promote learning and acquire knowledge, skills, values, beliefs and habits.

Income demonstrates the data of one of the demographic factors, income. Such as more than 9000 RMB income per month, 6000-9000 RMB per month, between 3000-6000RMB and less than 3000 RMB. Personal income refers to the total income received by an individual or family, including various sources of compensation such as wages, salaries, investments, and incentives.

Occupation is a person's role in society. A person may play a different role in one society, and those occupations decide their income and society level, which is important to one company.

2.2.2 The Marketing Factors

2.2.2.1 Perceived Value

Payne & Holt(2001) stated perceived value in the fitness industry is defined as the ratio of perceived benefits to perceived sacrifices. Customer sacrifice includes both monetary payments and non-monetary sacrifices, such as time, energy and stress experienced by the consumer. Conceptual Suggestions When a customer perceives CPV, the customer has a "give and take" mentality. Because of the customer perceived value and customer evaluation, the results of product service benefits and costs are very relevant.

Perceived value is defined by Zeithaml(1988) as consumers' perception of the utility exchanged with a product or service. Sirdeshmukh. (2002) mentioned that perceived value is a high-level objective to adjust the behavioral intention of loyalty to service providers. In addition, the perceived value identified by Josh (2011) is how much your customers are willing to pay for what you provide. The more potential customers believe your offer, the more likely they are to buy, will be willing to pay.

2.2.2.2 Perceived Quality

Croin and Taylor (1991), Zeithaml (1987), and Teas (1991) Perceived service quality is defined as the customer's judgment of the overall excellence or superiority of a service provider. Izogo (2015) defined perceived service quality from the perspective of management. He pointed out that "managing perceived service quality means that enterprises must match the expected service and perceived service so as to achieve consumer satisfaction". Therefore, perceived service quality is the key indicator of performance.

Jin and Yong (2005) claimed that perceived quality is a key factor in consumer decision making; As a result, consumers compare the quality of alternatives within a category in relation to price . According to Davis et al. (2003), perceived quality is directly related to the reputation of the firm making the product. However, the national quality research center. Perceived quality is defined as the degree to which products or services provide critical customer requirements and the reliability of these requirements. Aaker (1991) and Zeithaml (1988) mentioned that perceived quality is not the actual quality of the brand or product, but an entity or a service for consumers in the overall judgment of excellence or advantage.

2.2.2.3 Brand Image

MacInnis and Price (1987) described a company's brand image as the result of a process. Yuille and Catchpole (1977) found that the process comes from the thoughts, feelings, and consumption experience of the enterprise, which are retrieved from the memory and transformed into psychological images, conceptualizing the corporate image into the general impression of the enterprise in the public mind; Then Barich and Kotler (1991) added that this is the result of a process, beginning with the idea of a company, the feeling, and the consumer experience, from memory retrieval and converted into a mental image. Nguyen and Leblanc (2001) argued that brand image is associated with the physical properties and behavior of companies, such as company name, architecture, the types of products/services, as well as everyone who interacts with corporate customers conveys the quality of the impression. Fishbein and Ajzen (1975) argued that attitudes and behavior intention on the function, behavior intention can predict behavior. Therefore, Johnson et al. (2001) concluded that brand

image, as a kind of attitude, will inevitably influence the behavioral intention, such as customer loyalty.

2.2.2.4 Physical Environment

Deniz (2006) stated that the physical environment is one of the most influential factors in contributing to the pleasure of customers at a sports club or fitness Centre. Bradley (1999) mentioned the physical environment as a factor contributing to the quality of service along with other factors. Bester (2012) mentioned that the progress of physical infrastructure is a major factor in the development of the physical environment by sports. The physical environment of the fitness center includes the modernization and completeness of the sports equipment, the cleanliness of the sports area, the changing rooms of the sports arena, the smell, and the temperature. Sports lovers always expect a high level of convenience and comfort in sports, which is important for sports administrators to plan, build and update the sports environment during a period of rapid development.

2.2.2.5 Customer Commitment

Pritchard and Howard (1999), Kanter (1968), and Becker (1960) divided the definition of commitment into sociological and psychological parts. From a sociological point of view, commitment is viewed as a social factor that constrains or commits individuals to concerted action. From a psychological point of view, commitment is defined as those behavioral tendencies that determine or perceive, fix or deceive a person. Morgan and Hunt (1994) defined customer commitment as an abiding willingness to establish and maintain a relationship. And Geyskens et al. (1996) defined concept, namely the consumer to maintain, not terminate a relationship of beliefs may produce functional and emotional benefits. These two definitions have emphasized the need to maintain the existing market relations, but Geyskens et al. (1996) the definition of the supported, is more suitable for our purpose in this article, the definition of commitment because it reflects the impact and sustainable ingredients. Beatty and Kahle (1988) reiterated that commitment can be considered as a means of emotion, the development of a brand before consumers consider become loyal.

To conclude, customer commitment means the overall objective of creating customer value and striving to provide it better than competitor service and maintain customer satisfaction.

2.2.2.6 Customer Loyalty

Oliver (1997) defines customer loyalty as a deep-rooted commitment to continuously re-purchase or re-visit a preferred product/service in the future, resulting in repeated purchases of the same brand or set of brands, despite the possibility that situational influences and marketing efforts may lead to switching behavior. Later on, according to Oliver's (1999) and Hur's (2010) study in the field of telecom, customer loyalty refers to the preferred telecommunications service providers continuing to repurchase (or continued support behavior) without considering other options and/or induce customer conversion marketing efforts.

According to Stotlar's (1999) research, the dropout rate of health clubs in the United States is as high as 54%. In fact, many studies have also shown that attracting new customers costs is to persuade existing customers to buy 5 to 8 times. Avourdiadou and Theodorakis (2014) pointed out that it is important for health clubs to retain their existing customers. They also raise the importance of improving customer loyalty. In fact, many past studies have clearly pointed out the impact of increasing customer loyalty on financial metrics, such as cash flow, market share, and profitability.

Laukkanen (2012) mentioned a positive correlation between customer satisfaction and customer loyalty because happy customers always preferred brands to meet their requirements. Loyal customers only buy products or services from one company, and they are not willing to change their preferences to choose a competitive company. Brand loyalty stems from a consistent effort to offer the same product each time with the same success rate. The organization pays special attention to customer service and maintains its existing base by increasing customer loyalty. Often, they offer loyalty programs and customer rewards to their most loyal customers as a way of thanking them for coming back.

Due to the above theories, the conceptual framework is derived from four main research models. The first study model was made by Wiyadi (2010), which

was about “analysis of the effect of attitude toward work, organization commitment on job satisfaction”. The second study model was made by Netemeyer (2004), which is about “work conflict with job satisfaction”. The third study model was made by Christen et al. (2006), which is about “job performance and job satisfaction”. The fourth study model was made by Chandrasekar (2011), which is about “relationship between environment of working and satisfaction in job”. The following part introduces the details.

To conclude, customer loyalty can be considered a commitment that come from customers for a specific brand, product, and service firm despite the availability of alternate options.

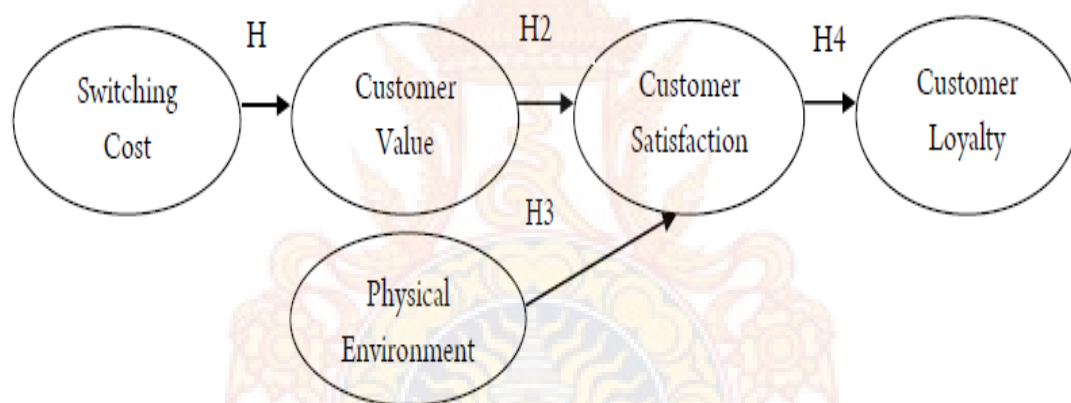


Figure 2.3 Factors Affect to the Customer Loyalty of Fitness Centers

According to Suwono and Sihombing (2015), they were used to estimate customer loyalty including switching cost, customer value, environment of physical, and satisfaction of the customer. Hypotheses of this research prove switching costs and customer value, customer value and customer satisfaction, the relationship between customer satisfaction and customer loyalty. Finally, prove that customer perceived value and customer loyalty there is a significant correlation. It still proves that the physical environment and there is a significant relationship between the loyalty of the customer.

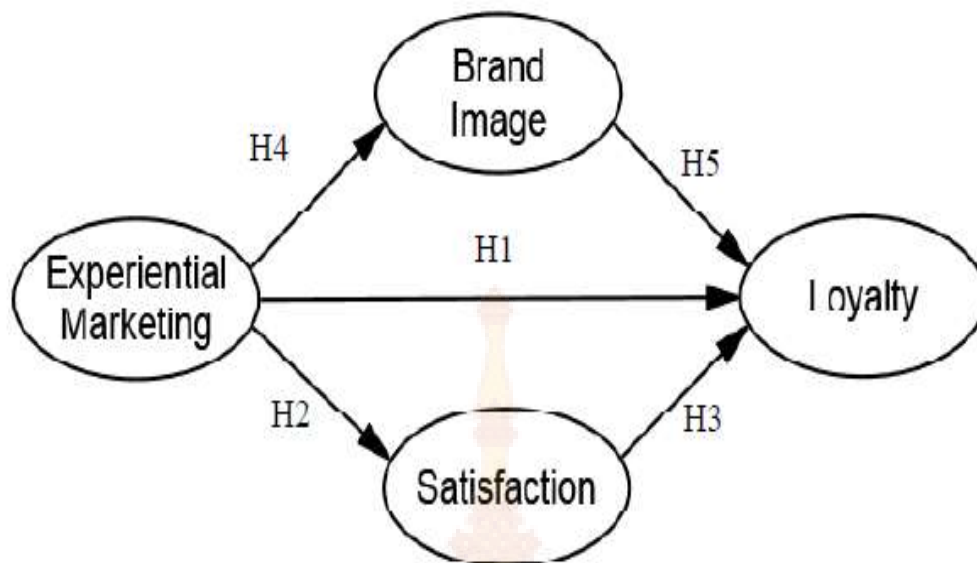


Figure 2.4 Factors Impact on Customer Loyalty

According to Chao (2015), the study main survey is to testing how it is connecting among the marketing of experiments, satisfaction, brand image, and also loyalty. As a result, it shows that during the operation of fitness clubs in China, customers' subjective perception on brand image and satisfaction were very important. On the other hand, results that comes from this survey also indicated that marketing of experiments has a positive influence on brand image. Finally, experiential marketing plays an important role in building brand image for fitness clubs and gyms. In conclusion, brand image and customer loyalty have a significant relationship.

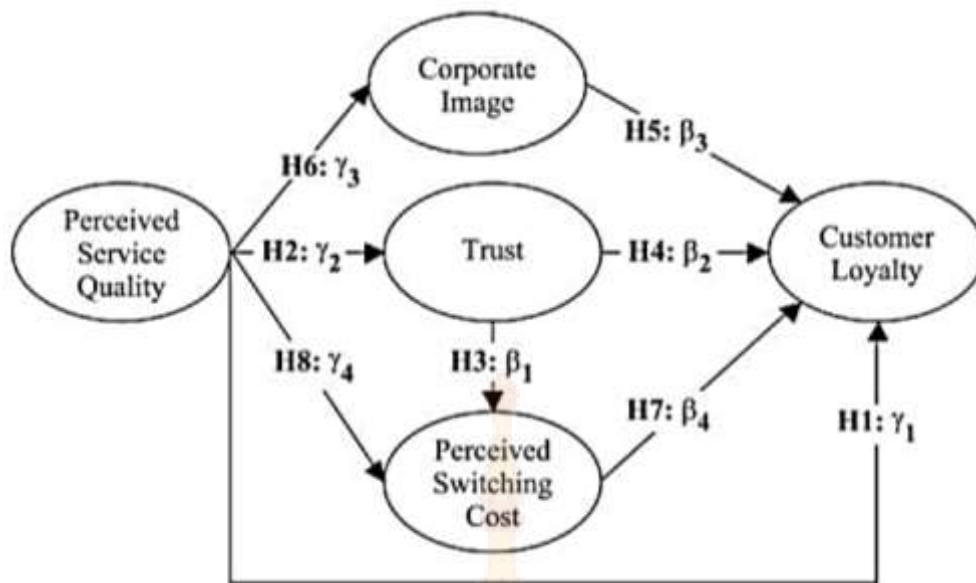


Figure 2.5 The Proposed Model of the Analysis of Antecedents of Customer Loyalty in the Turkish Mobile Telecommunication Market

As Aydin (2005) stated in this research, the results showed that the quality of perceived service can be considered as a significant positive connection to customer loyalty. However, although brand image affects customer loyalty positively, this influence isn't statistically significant, so it may need more information and further study to prove.

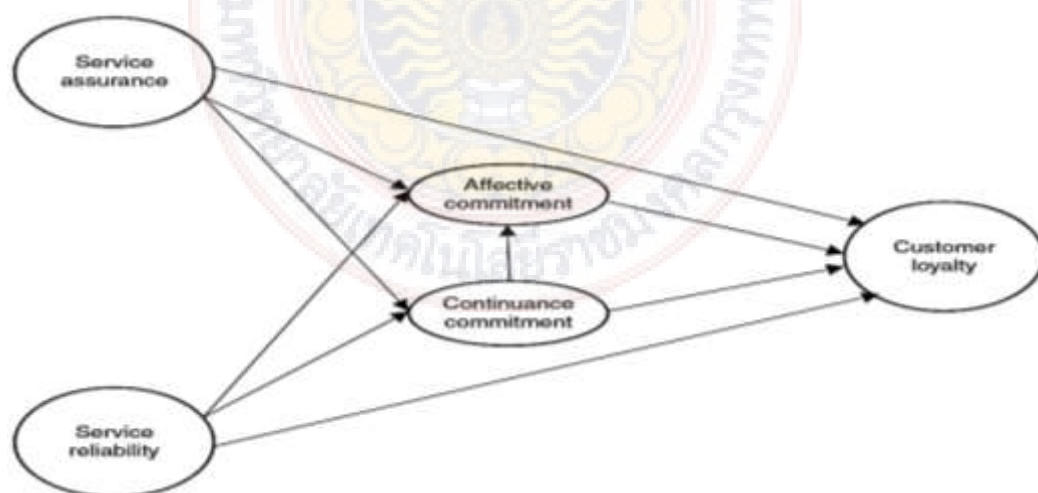


Figure 2.6 Conceptual Model of Customer Loyalty

According to Izogo (2017), the main testing reason of this study was to know how companies can use two different service qualities to influence customer loyalty through customer commitment which we called service assurance and service reliability. The reliability of the service is defined as the direct predictor of customer loyalty, but not service guarantees. Affective commitment has a direct positive influence on customer loyalty. As a result, there is a significant impact between customer commitment and customer loyalty.

2.3 The Empirical Studies

This section details the relationships between the different variables, dependent variables and independent variables. All the details are shown from previous research. The following parts will explain the relationship between customer loyalty of the fitness industry in China and perceived value, perceived quality, brand image, physical environment, and customer commitment.

Lim (2006) mentioned that perceived value is another factor that many companies pay attention to in order to retain customers and is introduced as one of the most important factors in the decision-making process of customers. The concept of value can also be complex, with different meanings and interpretations depending on the situation. The most widely accepted definition is the ratio of quality to price. The interpretation of customer value varies from person to person, so enterprise marketing must find the value of target customers and pay attention to it.

Dodds and Monroe (1985) pointed out that the perceived value and consumer's purchase intention have more direct contact. In addition, the higher the perceived service performance level, the higher the level of perceived value. According to Schiffman and Kanuk (2004), the overall goal of consistently delivering value to customers more effectively than competitors is to have and maintain highly satisfied customers.

Kavoosi and Saghaei (2005) pointed out that in today's competitive market, organizations and businesses are struggling to gain relative to the competitor's unique advantages, in order to obtain the privileged position. On the other hand, customers are looking for potential suppliers who can provide better goods and services. Due to the relatively uniform product quality supplied by many suppliers, most customers

have a variety of choices when purchasing the goods and services they need. Therefore, customers look for characteristics and factors that can help them identify the best supplier.

Berry (1998), stated service quality has become an important differentiation and many service organizations led by powerful competitive weapons. Leading service organizations try to maintain a high quality of service in order to achieve customer loyalty. So the service organization's long-term success in the market is due to its ability to increase and keep the number of loyal customers.

Friedman and Lessig (1987) mentioned that brand image refers to consumers, thoughts, feelings, and evaluation of products. When consumers purchase a product, they can directly reflect all the information related to the brand, as well as the recognition of the brand, so as to derive the quality of the product and then stimulate their purchase behavior. For company, the brand image can be used to distinguish between each company to provide a variety of products and services. Ulusua(2011) pointed out that the key to brand research is to find or develop a strong image and then use the subsequent brand communication to enhance it. Therefore, brand image is a key factor in establishing the relationship between enterprises and consumers. Therefore, there is a certain relationship between brand image and customer loyalty.

Miles et al., 2012; Jen, et al. (2013) referred to the physical environment for the formation of customer loyalty was very important. When the customer is satisfied, the choice of the fitness center will be supported. Therefore, it is not important for managers to know what customers want and what they want. High maintenance of the physical environment should always be planned to maintain customer satisfaction and recommend the fitness center to friends and family. Therefore, some researchers believe that the physical environment has a significant impact on customer loyalty.

According to Ren-Fang Chao (2012), He tried to analyze the relationship between brand image and customer loyalty. The satisfaction questionnaire is based on the scale developed by Eggert and Ulaga (2002) and is adjusted as needed. The loyalty questionnaire is based on a scale developed by Chaudhuri and Holbrook (2001) and is adjusted as needed. We used a seven-point Richter scale, which included "strongly disagree," "disagree," "somewhat disagree," "neither agree nor disagree," "somewhat agree," "agree," and "strongly agree," with scores ranging from 1 to 7.

A total of 370 questionnaires were sent out, of which 341 were valid. After

eliminating the invalid questionnaires, the recovery rate was 92.16%. Among the respondents, 58.06 percent were male and 41.94 percent were female. In terms of age distribution, 43.70% were aged between 18 and 25, 39.30% were aged between 26 and 35, 10.56% were aged between 36 and 45, and 6.45% were aged over 46. This suggests that the consumers of health clubs tend to be young. Finally, the results showed that there is a significant correlation between brand image and loyalty of the customer.

According to Fatemeh Shiri (2015), he tried to prove that perceived quality and perceived value can impact on customer loyalty. The research method is descriptive and relevant. Statistical society includes all women and tabriz, aerobic fitness club in the club for at least six months of exercise. According to the latest statistics, there were 1,500 female clients who visited the Youth and Sports Office of the Insurance Department in 2014. According to Morgan and Hunt (1994), 383 aerobics and health clubs were randomly selected throughout the city. Researchers designed a questionnaire using the Likert scale (Likert scale), option for 1-5, from grade 1 to grade 5. Some research results showed that 8% of the 20 years, 34.4% were aged 21 to 30 years, 28.6% were aged 31 to 40 years, 14.6% were aged 41 to 50 years, 10.4% were aged 51 to 60 years, and 3.1% were aged 60 years. Perceived quality and customer loyalty, perceived value and customer loyalty are significantly related.

According to Suwono (2015), he tried to find the relationship between the physical environment and customer loyalty. The data was collected by sending questionnaires to students at Tangerang Private University. Then SPSS software was used for multiple regression analysis of the data. Of the 200 questionnaires distributed, 150 were available for further analysis. The other 50 questionnaires could not be used because the answers were incomplete or because the respondents did not have experience at a fitness center but did not specifically target celebrity workouts. The effective response rate of this study was 75%. This study was based on five Likert scales. The choices are Strongly Agree, Agree, No Opinion, Disagree, and Strongly Disagree with Points, which were 5,4,3,3,2,1 respectively. The results showed that there was a certain relationship between physical environment and customer loyalty.

Kuikka and Laukkanen (2012) found a relationship between customer commitment and customer loyalty. The second wave of contacts with respondents was

data generated from a sample of 450 mobile telecom service users conveniently recruited in the southeastern Nigerian city of Abakaliki. Although convenient sampling techniques were used, sampling elements were also deliberately plotted to ensure that only those who could provide the necessary responses were included in the sample. All were measured on a five-point Likert scale with $\frac{1}{4}$ $\frac{1}{4}$ "strongly agree" and "strongly disagree" on one extreme. After the reliability test, one-way analysis of variance (ANOVA), and SPSS analysis, they found that there was a significant relationship between customer commitment and customer loyalty.



CHAPTER 3

RESEARCH METHODOLOGY

Based on previous research results in the field, this chapter develops research programs combined with the pressure situation. There are four parts. The first one is to introduce previous theoretical frameworks, and they give the ideas from other researchers. Next, talk about the new conceptual framework, which has six relative factors, such as perceived value, perceived quality, brand image, physical environment, customer commitment, and customer loyalty. Meanwhile the third one shows research hypotheses, and the last one gives the analysis of variables.

3.1 The Research Population

According to Easton and McColl (1997), defined target population refers to a set of individuals on whom this research is interested in doing research. The population factor is the individual procedure of measurement; So the population is thought of as the set of all the elements that we want to make some inferences about. In this research, the target population is Willsgym fitness club's members in Shanghai, China. The target population of this study consists of all customers who had or have an experience in Willsgym fitness clubs. This target population will help this research to find the relationship between perceived value, perceived quality, brand image, physical environment, customer commitment, and customer loyalty of the fitness industry.

3.2 The Research Sampling Methods

This research explains the respondents and the sampling procedures used in this study. Collecting samples from customers helped this research find answers to the following questions - What is the target population? What is the sample size? Who are the respondents? How to calculate sample size? From this, the population was described. The questionnaire help this research to find answers for finding the relationship between perceived value, perceived quality, brand image, physical environment, customer commitment and customer loyalty towards fitness clubs.

After identifying the target population, this research now tries to find the sample size required for the study. Malthotra (2004) suggested that the sample size is affected by similar studies and related topics of the average sample size of earlier research. In order to get good and approximately very good results, the researcher designed to use a sample size of 450 samples. Ren-Fang Chao (2012) studied about customer loyalty and brand image. The sample size for this study is 370. Furthermore, Morgan (2015) studied factors affecting customer loyalty for the fitness industry. A total of 383 participants answered all the questions included in the survey. They collected data from 500 respondents. In order to get good and approximately very good results, we design to use a sample size of 450 samples.

Sampling is defined as a process that is used in statistical analysis. The methodology used for sample is come from a big population. According to the various research studies, all of them used simple random sampling and systematic sampling.

The research of this study focuses on non-probability sampling, because the probability of choosing a sampling unit is random. The selection of sampling units is due to either intuitive judgment or researcher knowledge. So, based on previous studies, to Multi-Stage Sampling: quota sampling and convenience sampling, all of the sampling ways are explained with following, and then, the researcher decided to use convenience sampling way to collect data, because it is the most convenient way.

Three sampling methods were used by previous researchers, which were purposive sampling, quota sampling, and convenience sampling, all of the sampling ways were explained by following, and then the researcher decided to use the convenience sampling way to collect data because it is the tmost convenient way.

In this study, the researcher wants to figure out the characteristics of members of the Willsgym fitness club in Shanghai, China. In order to get the data from customers. The researcher chooses to collect data from three different areas of Willsgym fitness centers in Shanghai. The three best Willsgym fitness centers in Shanghai, China are as follows:

Table 3.1 Purposive sampling

1	Willsgym Jinmao
2	Willsgym Wandu
3	Willsgym Lujiazui

The above three positions are the top three best centers of Willsgym fitness company. They have best sales and largest amount customer which can help us better understand our research.

Quota sampling is defined as a non-probability sampling technique, which means the assembled sample has the same percentage of individuals for the entire population with respect to known characteristics, traits or focused phenomenon. According to the sample size using references from previous research, the sample size of this study is 450. Since there are three research clubs, the research will collect 150 respondents from each fitness center. The allocation of the number of respondents is mentioned in the table as follows totaling 450 respondents.

Table 3.2 Quota Sampling

Top Five Shopping Mall in Bangkok	Number of respondents
Willsgym jinmao	150
Willsgym wandu	150
Willsgym lujiazui	150
Total	450

Notes: N=450

Step 3: Convenience Sampling

Some researchers stated that convenience sampling could be considered as non-probability sampling in which samples are drawn at the convenience of the researcher. And other researchers added that the idea is that the individuals interviewed and defined the target population with regard to the characteristic being studied. There will be 450 respondents from 3 Willsgym fitness centers in Shanghai, China, who are available and willing to fill the questionnaire.

3.3 The Research Variables

Perceived value is defined by Zeithaml (1988) as consumers' perception of the utility exchanged with a product or service.

Perceived quality Zeithaml Croin and Taylor (1991), (1987) and Teas (1991) defined perceived service quality for the customer for some service providers the judgment of the overall performance of excellence or superiority

Brand image Catchpole (1977) found that most of the process comes from the thoughts, emotions, and consumption experiences of the company, retrieved from memory, and then converted into psychological images, conceptualizing the company image, that is, the overall impression of the company in the public mind

Physical environment Physical infrastructure progression the sportisa major factor for the development of the physical environment (Bester, 2012).

Customer commitment The overall goal of creating customer value and striving to provide better service than competitors in order to achieve and maintain customer satisfaction (Schiffman & Kanuk, 2004).

Customer loyalty can be regarded as a customer of a specific brand, products, and services company a commitment, although there are other options (Shankar et al., 2003)

3.4 The Data Collection

For this research, primary and secondary data were used. Zikmund (2003) stated that primary data refers to the data that is directly collected and analysed especially for the research project. Primary data is the data that can be obtained

directly by a researcher for a particular research project. In this research, the primary data can be collected through distributing questionnaires to the members of top fitness clubs in China.

Secondary data are collected by others, not specifically toward this research question at hand. For this research, the researcher will collect data from lots of source, such as Emerald, textbooks, and websites. These references will provide a strong base to be able to relate all the secondary data to this study.

3.5 The Research Instruments

In order to collect data and information from the respondents, the researcher uses a questionnaire. This research questionnaire is composed of 24 questions. This research questionnaire will be separated into two parts.

3.6 The Questionnaire Design

The research questionnaire will be the screening information of asking the respondents had or have experience in fitness clubs. The first part is for demographic information. A demographic section of the respondents was designed to recognize the personal traits, such as gender, age, education, marital status, and income using closed-ended questions. The second part is measuring variables. The researcher would like to identify the relationship between independent variables and customer loyalty, such as perceived value, perceived quality, brand image, physical environment, customer commitment. This part is composed of 15 questions. The researcher design a five-point Likert Scale for this part. Likert (1932) summarized the principle of critical attitudes by inquiring people to answer a series of statements. The scale used in the quantitative research form was made on the basis of the Likert scale, which is divided in to five-point Likert scale, which is 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, and 5 = strongly agree (Likert, 1932).

3.7 The Reliabilities and Validity Analysis of the Questionnaires

Table 3.3 The Reliabilities and Validity Analysis of the Questionnaires

Variable	Alpha Test	Number of Questions
Perceived value	.722	3
Perceived quality	.735	3
Brand image	.629	3
Physical environment	.764	3
Customer commitment	.670	3
Customer loyalty	.730	3

According to the analysis data from table 3.7, it indicates that all of the variables are consistent and reliable to apply for a research instrument for this study because all alpha values are greater than 0.6. All questions are reliable to apply to collect the data from the target population.

The reliability of this research of each variable is tested by using Cronbach's alpha test. Reliability assessment was based on Cronbach's alpha. An instrument is said to exhibit good reliability if it has a minimum α score of 60 percent and composite reliability of 70 percent or over (Bagozzi and Yi, 1988). According to Nunally (1978), Cronbach value higher than 0.6 is considered to exhibit internal consistency. If questions' result of each variable is more than 0.6 or equal to 0.6, it proved all problems are considered as consistent and reliable to apply as the research instrument. However, if some questions' result of variable is less than 0.6, it means that these questions should be adjusted or used Cronbach's Alpha to make them more reliable.

3.8 The Research Analysis

Descriptive study is applied for describing the characteristics of a population or

phenomenon being studied. It can figure out what leads to the occurrence of the characteristics but it cannot find out how it happens (Shields, Patricia, and Tajalli, 2006). For our research, a dependent variable is customer loyalty, while independent variables are perceived value, perceived quality, brand image, physical environment, and customer commitment.

The researcher chose a survey technique to collect the data from respondents. The survey is a research technique in which researchers make use of questionnaires to obtain facts, opinions, and attitudes of the respondents (Daniel and Gates, 1999).

In order to collect the data, the researcher designed a questionnaire and distributed it to the respondents who do fitness in Willsgym fitness club in Shanghai, China. There are more than 20 fitness centers of Willsgym in Shanghai. The questionnaire for the survey contained four parts. The first part includes screening information. The second part is about five measuring variables, namely perceived value, perceived quality, brand image, physical environment, and customer commitment. The third part is about the dependent variable: customer loyalty, and the final part is related to the demographic factors, including gender, age, education, marital status, and income. With the help of questionnaires, the respondents will be able to describe their attitude and view about customer loyalty of the fitness club.

3.9 The Research Statistics

In this research, most data analysis is used in the Statistical Package for the Social Sciences (SPSS). It can be considered as a famous statistical software in the world. The data analysis of this study includes two parts, the first one is descriptive analysis, and the second one is inferential analysis.

Descriptive Statistics Researcher collects respondents' data, and next does descriptive analysis. It is a process of changing the data into graphs for easy explanation and summarizing information. The general information calculated includes means, frequency, and percentage.

Inferential Statistics Researcher collects geographic data, and the next step is inferential analysis. According to Zikmund (2003), defined it as judgment to explain every hypothesis. The researcher finally used Pearson's Correlation to summarize data.

CHAPTER 4

DATA ANALYSIS RESULTS

In chapter four, it presents the results for answering the research questions and research hypothesis, including two parts. First, is the descriptive analysis for demographics. The researcher will apply Crabach's Coefficient Alpha to testing the reliability of each variable in the questionnaire. The second one is an inferential analysis by using Pearson's Coefficient Correlation.

4.1 Descriptive analysis for Demographic Factors

Table 4.1 The Analysis of gender level by using frequency and percentage

GENDER					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	313	69.6	69.6	69.6
	Female	137	30.4	30.4	100.0
	Total	450	100.0	100.0	

Notes: N=450

According to Table 4.1, it demonstrates the data of one of the demographic factors, gender: male and female. The table clearly shows that among 450 respondents, 313 people were male representing 69.6%, and 137 people were female representing 30.4%. Therefore, we can conclude that more Male respondents participated in Willsgym fitness clubs.

Table 4.2 The Analysis of Age by using frequency and percentage

AGE					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 21 years old	54	12.0	12.0	12.0
	21-30 years old	190	42.2	42.2	54.2
	31-40 years old	124	27.6	27.6	81.8
	41-50 years old	56	12.4	12.4	94.2
	More than 51 years old	26	5.8	5.8	100.0
	Total	450	100.0	100.0	

Notes: N=450

Table 4.2 describes the age range of the respondents. The majority of respondents were aged between 21-30 years, which accounted for 190 people (42.2%), followed by 124 people who were between 31-40 years old (27.6%) and 54 respondents who were less than 21 years old, 56 respondents between 41-50 years, only 26 respondents more than 51 years old. Therefore, the main customers of willsgym are between 21-40 years old.

Table 4.3 The Analysis of highest education level by frequency and percentage

EDUCATION					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Lower than Bachelor's Degree	112	24.9	24.9	24.9
	Bachelor's Degree	102	22.7	22.7	47.6
	Master's Degree	112	24.9	24.9	72.4
	Higher than Master's Degree	124	27.6	27.6	100.0
	Total	450	100.0	100.0	

Notes: N=450

According to table 4.3, the education level is mentioned. The table clearly shows that the highest percentage of respondents was 27.6% (124) people of higher than Master Degree, 24.9% (112) people of Undergraduate level and 24.9% (112) people of Master's Degree respectively, 22.7% (102) people of Bachelor's Degree. Therefore, the willsgym's customers are at Ph.D Degree.

Table 4.4 The Analysis of marital status by using frequency and percentage

MARITAL					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Singal	205	45.6	45.6	45.6
	Married	245	54.4	54.4	100.0
	Total	450	100.0	100.0	

Notes: N=450

According to Table 4.4, it demonstrates the data of one of the demographic factors, marital status. The table clearly shows that the highest percentage of respondents was 54.4% (245) married people and 45.6% (205) single people respectively.

Table 4.5 The Analysis of income by using frequency and percentage

INCOME					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 3000 RMB	54	12.0	12.0	12.0
	3000-6000 RMB	104	23.1	23.1	35.1
	6000-9000 RMB	117	26.0	26.0	61.1
	More than 9000 RMB	175	38.9	38.9	100.0
	Total	450	100.0	100.0	

Notes: N=450

According to Table 4.5, it demonstrates the data of one of the demographic factors, income. The table clearly shows that the highest percentage of respondents was 8.9% (175) people with more than 9000 RMB income per month and 26% (117) people earning 6000-9000 RMB per month. 23.1% (104) respondents earn between 3000-6000RMB and only 12% (54) people earn less than 3000 RMB are probably students.

Table 4.6 The Analysis of demographic summary by using frequency and percentage

Variable	Variable Frequency (f)	Percentage (%)
1. Gender		
-Male	313	69.6
-Female	137	30.4
2. Age		
-less than 21	54	12.0
-21-30	190	42.2
-31-40	124	27.6
-41-50	56	12.4
-more than 50	26	5.8
3. Education level		
-Undergraduate	112	24.9
-Bachelor	102	22.7
-Master	112	24.9

Variable	Variable Frequency (f)	Percentage (%)
-PhD	124	27.6
4. Marital status		
-Single	205	45.6
-Married	245	54.4
5. Income		
-Less than 3000 RMB	54	12.0
-3000-6000 RMB	104	23.1
-6001-9000 RMB	117	26.0
-More than 9000 RMB	175	38.9
Total	450	100

Notes: N=450

4.2 Mean and Standard Deviation

Table 4.7 Customers' perception of perceived value are analyzed by using mean and standard deviation

Variable	Mean	Standard deviation
Perceived value		
1.1 By doing fitness in fitness club, I am getting my money's worth.	4.94	.288
1.2. The price of fitness club is reasonable.	4.92	.311
1.3 I would like to buy member card for fitness in fitness club.	4.96	.197

Notes: N=450

Based on the result from table 4.7, the mean is between 4.92 and 4.96. The highest mean is “I would like to buy member card for fitness in a fitness club.” which is equal to 4.96. The lowest mean is “the price of fitness club is reasonable” equal to 4.92.

For standard deviation, the lowest standard deviation is “I would like to buy member card for fitness in a fitness club” which is equal to .197. The highest standard deviation is “the price of fitness club is reasonable” which is equal to .311.

Table 4.8 Customers’ perception of perceived quality are analyzed by using mean and standard deviation

Variable	Mean	Standard deviation
Perceived quality		
2.1 I am satisfied with service quality of fitness club.	4.93	.257
2.2 The staff of fitness club treat me friendly	4.92	.281
2.3 I like to follow exercise program of fitness club better I fitness by myself.	4.97	.168

Notes: N=450

Based on the result from table 4.8, the mean is between 4.92 and 4.97. The highest mean is “I like to follow the exercise program of the fitness club better I fitness by myself” equal 4.97. And the lowest mean is “The staff of the fitness club treat me friendly” 4.92.

For standard deviation, the lowest standard deviation is “I like to follow the exercise program of the fitness club better I fitness by myself” which is equal to .168 and the highest standard deviation is “The staff of fitness club treat me friendly”

which is equal to .281.

Table 4.9 Customers' perception of brand image are analyzed by using mean and standard deviation

Variable	Mean	Standard deviation
Brand image		
3.1 fitness in this club because of its famous' brand.	4.93	.254
3.2 I fitness in this club,because I trust them.	4.95	.211
3.3 I will consider its brand when I decided to fitness in club.	4.96	.196

Notes: N=450

Based on the results from table 4.9, the mean is between 4.93 and 4.96. The highest mean is "I will consider its brand when I decide on fitness in the club." which is equal to 4.96. The lowest mean is "fitness in this club because of its famous brand" which is equal to 4.93.

For standard deviation, the lowest standard deviation is "I will consider its brand when I decide to fitness in a club." which is equal to .196 and the highest standard deviation is "fitness in this club because of its famous brand" which is equal to 0.254.

Table 4.10 Customers' perception of physical environment are analyzed by using mean and standard deviation

Variable	Mean	Standard deviation
Physical environment		
4.1 I am very concerned about the environment of my fitness place	4.90	.297
4.2 The equipment of fitness is most important factor.	4.91	.360
4.3 A good and high quality physical environment makes me more active for fitness.	4.92	.314

Notes: N=450

Based on the result from table 4.10, the mean is between 4.90 and 4.92. The highest mean are "A good and high quality physical environment makes me more active for fitness" which are equal to 4.92. The lowest mean is "I am very concerned about the environment of my fitness place" which is equal to 4.90.

For standard deviation, the lowest standard deviation is "I am very concerned about the environment of my fitness place" equal to .297. The highest standard deviation is "The equipment of fitness is the most important factor." which is equal to .360.

Table 4.11 Customers' perception of customer commitment are analyzed by using mean and standard deviation

Variable	Mean	Standard deviation
Customer commitment		
5.1 I feel full of energy when i am in fitness club	4.91	.348
5.2 I can finish more exercise when i am in fitness club	4.93	.294
5.3 I would like spend more time in fitness club when i am free.	4.96	.217

Notes: N=450

Based on the result from table 4.11, the mean is between 4.91 and 4.96. The highest mean is “I would like to spend more time in a fitness club when i am free” which is equal to 4.96 and the lowest mean is “I feel full of energy when i am in fitness club” which is equal to 4.91.

Due to standard deviation, the lowest standard deviation is “I would like to spend more time in a fitness club when i am free.” which is equal to .217 and the highest standard deviation is “ I feel full of energy when i am in a fitness club” which is equal to 0.348.

Table 4.12 Customers' perception of customer loyalty are analyzed by using mean and standard deviation

Variable	Mean	Standard deviation
Customer loyalty		
6.1 I will continue to do exercise in this club.	4.94	.234
6.2 I also recommend my friends to do exercise in this fitness club	4.97	.174
6.3 I never think about change the fitness club	4.98	.132

Notes: N=450

Based on the results from table 4.12, the mean is between 4.94 and 4.98. The highest mean is "I never think about changing the fitness club." which is equal to 4.98. The lowest mean is "I will continue to do exercise in this club" which is equal to 4.94.

Due to standard deviation, the lowest standard deviation is "I never think about changing the fitness club" which is equal to .132 and the highest standard deviation is "I will continue to do exercise in this club" which is equal to .234.

4.3 Reliability Analysis of Research Instrument

The reliability of this research of each variable is tested by using Cronbach's alpha test. Reliability assessment was based on Cronbach's alpha. An instrument is said to exhibit good reliability if it has a minimum α score of 60 percent and composite reliability of 70 percent or over (Bagozzi and Yi, 1988).

Table 4.13 The Summary of Reliability

Variable	Alpha Test
Perceived value	.722
Perceived quality	.735
Brand image	.629
Physical environment	.764
Customer commitment	.670
Customer loyalty	.730

Notes: N=450

According to the analysis data from table 4.13, it indicates that all of the variables are consistent and reliable to apply for a research instrument for this study because all alpha values are greater than 0.6. All questions are reliable to apply to collect the data from the target population.

In this research, the result of the first independent variable is Perceived Value. After SPSS calculation, the number came out at 0.722, which is higher than 0.6. Hence, this first independent variable is considered to be very reliable and read for the next part of the analysis. And then, in the following parts, other variables results are bought higher than 0.6, that means all of the independent variables and dependent variable are reliable enough to do the following research.

4.4 Hypothesis Testing

4.4.1: Hypothesis 1

H10: Perceived value has no correlation relationship with customer loyalty of the fitness industry in China.

H1a: Perceived value has a significant correlation relationship with customer loyalty of the fitness industry in China.

Table 4.14 The analysis of the relationship between perceived value and customer loyalty by using Pearson correlation (Bivariate)

Correlations			
		PV	CL
PV	Pearson Correlation	1	.785**
	Sig. (2-tailed)		.000
	N	450	450
CL	Pearson Correlation	.785**	1
	Sig. (2-tailed)	.000	
	N	450	450
**. Correlation is significant at the 0.01 level (2-tailed).			

Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

Notes: N=450

The above table, the significance is 0.000 that is less than 0.05 ($0.000 < 0.05$). It explained that the null hypothesis was rejected. Thus, we accept the hypothesis: there is a significant correlation relationship between perceived value and customer loyalty at 0.05 significant level (2 tailed significant level).

Correlation coefficient is equal to 0.785, which means there is a strong relationship between perceived value and customer loyalty.

4.4.2 Hypothesis 2

H2₀: Perceived quality has no significant correlation relationship with customer loyalty of the fitness industry in China.

H2_a: Perceived quality has a significant correlation relationship with customer loyalty of the fitness industry in China.

Table 4.15 The analysis of the relationship between perceived quality and customer loyalty by using Pearson correlation (Bivariate)

Correlations			
		PQ	CL
PQ	Pearson Correlation	1	.861 ^{**}
	Sig. (2-tailed)		.000
	N	450	450
CL	Pearson Correlation	.861 ^{**}	1
	Sig. (2-tailed)	.000	
	N	450	450
**. Correlation is significant at the 0.01 level (2-tailed).			

Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

Notes: N=450

In table above, the significance is equal to 0.000, which is less than 0.05 ($0.00 < 0.05$). It explained that the null hypothesis was rejected. Thus, we accept the hypothesis: there is a statistically significant relationship between perceived quality and customer loyalty at 0.05 significant level (2 tailed significant level).

The correlation coefficient is 0.861, which means that there is a strong relationship between perceived quality and customer loyalty.

4.4.3: Hypothesis 3

H3o: Brand image has no correlation relationship with customer loyalty of the fitness industry in China.

H3a: Brand image has a significant correlation relationship with customer loyalty of the fitness industry in China.

Table 4.16 The analysis of the relationship between brand image and customer loyalty by using Pearson correlation (Bivariate)

Correlations			
		BI	CL
BI	Pearson Correlation	1	.734**
	Sig. (2-tailed)		.000
	N	450	450
CL	Pearson Correlation	.734**	1
	Sig. (2-tailed)	.000	
	N	450	450
**. Correlation is significant at the 0.01 level (2-tailed).			

Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

Notes: N=450

In Table above, the significance is equal to 0.000, which is less than 0.05 ($0.00 < 0.05$). It means that the null hypothesis was rejected. Thus, we accept the hypothesis: there is a statistically significant relationship between brand image and customer loyalty at 0.05 significance level (2 tailed significance level).

The correlation coefficient is equal to 0.734, which means that there is a strong relationship between brand image.

4.4.4: Hypothesis 4

H4o: Physical environment has no statistically significant relationship with customer loyalty of fitness industry in China.

H4a: Physical environment has a statistically significant relationship with customer loyalty of fitness industry in China.

Table 4.17 The analysis of the relationship between physical environment and customer loyalty by using Pearson correlation (Bivariate)

Correlations			
		PE	CL
PE	Pearson Correlation	1	.603**
	Sig. (2-tailed)		.000
	N	450	450
CL	Pearson Correlation	.603**	1
	Sig. (2-tailed)	.000	
	N	450	450
**. Correlation is significant at the 0.01 level (2-tailed).			

Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

Notes: N=450

As Shown in Table above, the significance is equal to 0.000, which is less than 0.05 (0.001<0.05). It means that the null hypothesis was rejected. Thus, we accept the hypothesis: there is a statistically significant relationship between physical environment and customer loyalty at 0.05 significance level (2 tailed significance level).

The correlation coefficient (r) is equal to 0.603, which means that there is a strong relationship between physical environment and customer loyalty.

4.4.5: Hypothesis 5

H5o: Customer commitment has no correlation relationship with customer loyalty of the fitness industry in China.

H5a: Customer commitment has a significant correlation relationship with customer loyalty of the fitness industry in China.

Table 4.18 The analysis of the relationship between customer commitment and customer loyalty by using Pearson correlation (Bivariate)

Correlations			
		CC	CL
CC	Pearson Correlation	1	.552**
	Sig. (2-tailed)		.000
	N	450	450
CL	Pearson Correlation	.552**	1
	Sig. (2-tailed)	.000	
	N	450	450
**. Correlation is significant at the 0.01 level (2-tailed).			

Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

Notes: N=450

From table above, the significance is equal to 0.000, which is less than 0.05 ($0.000 < 0.05$). It proved that the null hypothesis was rejected. Thus, we accept the hypothesis: there is a statistically significant relationship between customer commitment and customer loyalty at 0.05 significance level (2 tailed significance level).

The correlation coefficient (r) is equal to 0.552, which means that there is a relationship between customer commitment and customer loyalty and can conclude that two variables move in the same direction.

Table 4.19 Summary of Hypothesis Testing

Hypothesis	Statistical Test	Significant value (alpha)	Correlation Coefficient	Result
H1_a: Perceived value has a statistical significant relationship with customer loyalty of fitness industry in China.	Pearson's Correlation	0.000	0.785	Hypothesis 1 is rejected since the is less than 0.05
H2_a Perceived quality has a statistical significant relationship with customer loyalty of fitness industry in China.	Pearson's Correlation	0.000	0.861	Hypothesis 2 is rejected since the is less than 0.05
H3_a: Brand image has a statistical significant relationship with customer loyalty of fitness industry in China.	Pearson's Correlation	0.000	0.734	Hypothesis 3 is rejected since the is less than 0.05

Hypothesis	Statistical Test	Significant value (alpha)	Correlation Coefficient	Result
H4_a: Physical environment has a statistical significant relationship with customer loyalty of fitness industry in China.	Pearson's Correlation	0.000	0.603	Hypothesis 4 is rejected since the is less than 0.05
H5_a: Customer commitment has a statistical significant relationship with customer loyalty of fitness industry in China.	Pearson's Correlation	0.000	0.552	Hypothesis 5 is rejected since the is less than 0.05

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of Finding

5.1.1 Summary of Demographic Factors

Fitness club research collected a total of 450 reliable questionnaires, which included 313 male respondents and 137 female respondents that arise from three various scope of a location by Willsgym company. 69.6 percent of respondents were males, and more than 60 percent of respondents' age were 21 to 40 years old. The 21 to 30 years old respondents were the main group of this research. The education level for 124 respondents was Ph.D., which held 27.6 percent of total respondents. The income for most of the respondents per month was more than 9000 RMB, and there were 175 of them, which held 38.9 percent of the total respondents.

5.1.2 Summary of Hypothesis

This individual research included five hypotheses. The researcher used questionnaires as an instrument to obtain useful information for this study based on the information collected from 450 respondents who are members of Willsgym company. For research, a total of five null hypotheses has been rejected. The results of the test are supported by SPSS software.

5.2 Conclusion and Implication

This research bear happens proven the friendship middle from two points five liberated variables and buyer of goods dependability of good condition club fashionable China. The theory happens about the connection middle from two points services dependability and seen profit, seen kind, brand concept, concerning the body atmosphere and services assurance. Finally, establish facts that all theories exist with meaningful equations.

5.3 Recommendation

The researcher wants to make some suggestions for Willsgym company and other fitness companies in China.

First, Willsgym appropriateness association concedes possibility care nearly concerning the body surroundings for exercise, cause it happens more alert affects services dependability. Therefore, keep the room clean, make the air fresh, and maintain the equipment termly.

Second, Willsgym and all fitness companies also should care more about the program of fitness classes. They should concede the possibility of planning a systematic schedule for various good condition programs to answer various necessities

Third, we found that the company earned a lot of profit from the business but still lack of investment in improving the service quality. Therefore, the company should care more about services than profit by paying more attention to customer services and provide high-quality fitness equipment for customers.

5.4 Future Study

For future studies, other researchers should focus on these three areas, which are listed below:

Firstly, researchers should add more questions to the questionnaire to better understand the opinion and experiences of respondents.

Secondly, researchers should increase the sample size for collecting the data needed for further analysis.

Finally, researchers should look for other variables in the fitness industry, such as service quality, service performance, cost, employee turnover, etc., for their future studies.

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APPENDICES

Questionnaire

Part -1: Demographic information

1. Gender

- ☐ Male
- ☐ Female

2. Marital Status

- ☐ Single
- ☐ Married
- ☐ Divorce/Separate

3. Age

- ☐ Less than 20 years old
- ☐ 20 - 30 years old
- ☐ 31- 40 years old
- ☐ 41- 50 years old
- ☐ More than 50 years old

4. Education

- ☐ Lower than Bachelor's Degree
- ☐ Bachelor's Degree
- ☐ Master's Degree
- ☐ Higher than Master's Degree

5. Income (monthly)

- ☐ Blow 3000 RMB

☐30001RMB-6000 RMB

☐60001RMB-9000 RMB

☐ More than 9000 RMB

6. Occupation

☐Student

☐Business Owner

☐Employees

☐Commissioner / enterprises

☐Unemployment

Part -2: Please write a ‘√’ in the box to show you agree or disagree with the following statements

1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, 5 = strongly agree.

Marketing Factors	1	2	3	4	5
7. Perceived Value					
7.1 By doing fitness in fitness club, I am getting my money's worth.					
7..2. The price of fitness club is reasonable.					
7.3 I would like to buy member card for fitness in fitness club.					
8. Perceived quality					
8.1 I am satisfied with service quality of fitness club.					
8.2 The staff of fitness club treat me friendly					
8.3 I like to follow exercise program of fitness club better I fitness by					

myself.						
9. Brand image						
9.1 fitness in this club because of its famous' brand.						
9.2 I fitness in this club,because I trust them.						
9.3 I will consider its brand when I decided to fitness in club.						
10. Physical environment						
10.1 I am very concerned about the environment of my fitness place						
10.2 The equipment of fitness is most important factor.						
10.3 A good and high quality physical environment makes me more active for fitness.						
11. Customer commitment						
11.1 I feel full of energy when i am in fitness club						
11.2 I can finish more exercise when i am in fitness club						
11.3 I would like spend more time in fitness club when i am free.						
12. Customer loyalty						
12.1 I will continue to do exercise in this club.						
12.2I also recommend my friends to do exercise in this fitness club						
12.3 I never think about change the fitness club						

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