

MARKETING MANAGEMENT IN RECREATIONAL ORGANISATIONS

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Abstract. *The aim of the paper is to analyse selected aspects of marketing activities of recreational organizations from the Silesian Voivodship. The following research problems were diagnosed: analysis of the marketing structure, directions of activity and development as well as the meaning and motives of applying marketing in the surveyed recreational organizations functioning in the Silesian Voivodship. The results of the research presented in this paper and the considerations based on them allow formulating a general conclusion that profit and non-profit organizations operate in the common market of recreational services, both have a similar phase of the organization's life cycle, pursue similar recreational goals, offer similar services and direct them to the same clients, but the nature of ownership and the organizational and legal form determine the marketing concept model in these organizations.*

Keywords: *innovations, management, recreational services, Silesian Voivodship*

Introduction

Modern societies associate themselves more and more with values such as: health, attractive appearance or physical condition. The dynamic growth of organizations providing recreational services in Poland (i.e. fitness clubs, gyms, CrossFit rooms, etc.) is the answer to the growing interest in recreational activities. Poland is currently considered one of the most promising fitness markets in Europe. According to the Europe Active report, in 2016, there were as many as 100 fitness clubs in various countries in different sizes and with different service standards (Andruszkiewicz, 2015). Increasing competition in the recreational services market forces these organizations to apply the concept of marketing. Thanks to the application of this concept, organizations are able to

adapt to the ongoing changes in the market, be successful and develop over a long period of time (N.A, 2017).

In this article, as data collecting tool questionnaires were used. The questions were answered by persons who acted as managers in the clubs studied. The questionnaire consisted of 11 questions, including 4 closed questions, 1 open question and 6 semi-closed questions.

The aim of the paper is to analyse selected aspects of marketing actions of recreational organizations from the Silesian Voivodship. The following research problems were diagnosed: analysis of the marketing structure, directions of activity and development as well as the meaning and motives of using marketing of recreational organizations functioning in the Silesian Voivodship. The analysis and inference were based on the results of the authors' research, and a study was conducted on a group of 63 selected recreational organizations operating in the Silesian Voivodship in 2018.

Literature review

The sports and recreational service can be defined as any activity - profit or non-profit - carried out with a view to satisfying human needs in the area of: somatic development, maintenance and improvement of health, rehabilitation and physical activity, prestige and recognition as sports achievements, group stay and common experiencing emotions, actively spending free time in connection with physical exertion, perfecting the silhouette, beauty of movement, etc. (Sznajder, 2008). The wider concept than the service is a sport and recreational product, defined as a composition of services and material goods, the latter playing a complementary role (Perechuda, 2003). Physical recreation services are provided by non-profit organizations (public and non-governmental organizations) and profit organizations (business organizations) (see fig. 1).

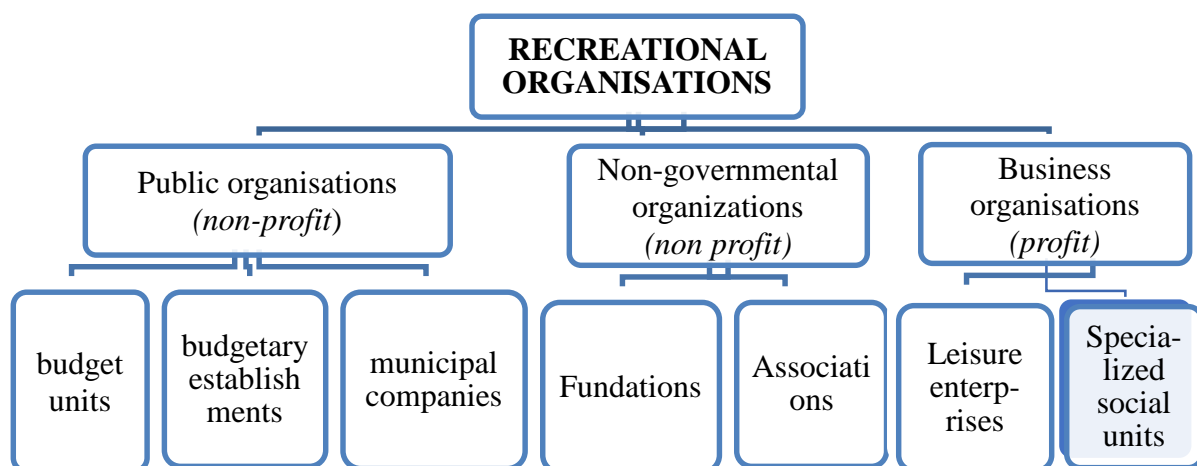


Figure 1 *Classification of recreational organizations* (own elaboration)

Examples of public organizations are: municipal or district centres, sports and recreation centres, cultural centres, youth palaces, Jordanian gardens, zones of family activity, and parks, including water parks, amusement parks, theme parks and skate parks. Non-governmental organizations are, for example: sports clubs, boy-scouts, religious associations of physical culture and physical culture associations, associations activating physically disabled persons and foundations active in the field of recreation.

The second group of organizations providing recreational services are business organizations (profit organisations). The most popular form of running a recreational company are fitness clubs and SPA centres. Business entities pursuing physical recreation goals also include specialized social units in enterprises (i.e. the human resources department, the social department or the HR department), in which programmes for the health of staff employed in them are created. These programmes operate under the names "health promotion in the workplace", "Corporate wellness" or "work-life balance".

All the above-mentioned organizations operating in the field of physical recreation differ among others in terms of objectives, sources of financing, scope of social control and the use of marketing activities (Izydorczyk, 2003). The dynamics of economic processes, in particular the growth of competition, forced the evolution of marketing development in recreational organizations. The modern approach of marketing refers to all forms of exchange between people and goes beyond typical commercial activities. The definition of marketing in contemporary terms is proposed by Kothler, describing marketing as a "social and managerial process, thanks to which a specific person and group will receive what they need and want to achieve by creating, offering and exchanging product values" (Gospodarek, 2008). According to this concept, the customer and his needs are the starting point, and therefore the task of marketing in recreational organizations is to satisfy the customer by fully satisfying his/her needs (Grzeganeck-Więcek, Kantyka, Hadzik, & Cieślowski, 2014). The complementary purpose of marketing activities is profit. It should be noted that non- prime organizations, despite the fact that they do not assume profit-making in their activities, are aware that in the conditions of a market economy, the possibility of achieving their goals depends on the income received (Kothler, 1999).

In marketing activities of recreational organizations, we observe the constant development of applied marketing concepts. It usually proceeds through the following stages: mass marketing stage, internal and external marketing phase, segmentation phase (varied marketing), individualized marketing stage, stage of relationship marketing and the stage of social marketing (Kotler, Roberto, & Lee, 2002). The first stage of marketing development is the so-called mass marketing. Marketing activities in recreational organizations at this stage consist in analysing

general trends in changes in the demand for their services and taking them into account in product offers. The organization strives to reach large groups of clients and thus achieves great benefits. By lowering the costs of providing services and marketing, these organizations are becoming competitively priced (Limański, 2007).

Human resources are becoming a factor of competitiveness amongst the organizations.

Internal marketing was created on this ground. Activities in internal marketing include the activities of the organization, aimed at training and motivating employees to better serve customers. The next stage of developing the concept of marketing in recreational organizations is the stage of external marketing. External marketing activities are directed to the market and concern market analysis and shaping of individual marketing mix instruments (product, price, pro- strength, distribution) (Maciąg & Kantyka, 2010). The next stage of marketing development is the segmentation stage (differentiated marketing in different ways), it is the result of the intensification of competition in the recreational market. Diversified marketing activities in organizations rely on pre-segmentation of the clients' market, using selected demographic, geographical, psychographic or behavioural criteria, then adapting marketing mix tools (i.e. product, price, promotion and distribution) and the needs of these customers.

The concept of personalized marketing was also introduced in the service activity. Actions personalized marketing consist in even more precise determination of the customer profile, so that marketing instruments and activities are better suited to the needs and requirements of a specific customer. The target market is an individual customer or one sub-segment in which there is usually little competition. Individualization of the offer allows maintaining long-term relationships with the client, which is the subject of the concept of relationship marketing (Ochoa Siguencia, Grodek-Szostak, & Zaucha, 2018). Relationship marketing relies on building, maintaining and developing long-term relationships between recreational organizations and clients in order to increase the level of satisfaction of their needs, thanks to which it is possible to transform them into loyal customers, and thus to increase profits over a long period of time (Panasiuk, 2006). The stage of social marketing is the application of marketing principles and techniques in organizations to influence the target group of addresses, to voluntarily adopt to a specific behaviour, reject it, modify it or give it up for the benefit of individual groups, people or society as a whole. This is mainly aimed at improving the quality of life (Sarnowski, 2010). It is about influencing such behaviours, which tend to include to: improve health, prevent injuries, protect the environment or carry out work for local communities (Zysko, 2006).

Summarising, it should be noted that the main factor triggering the specific implications for the development of marketing are changes taking place in the attitude of consumers.

Research approach and methods

The research presented in the paper is part of the research project no. RS/472/18 implemented in cooperation between Physical Education University in Katowice and the Military University of Land Forces in Wroclaw. The aim of the research is to analyse the marketing concepts used in recreational organizations from the Silesian Voivodship. In addition, a comparative method was used, based on which the differences and similarities in marketing concepts in profit and non-profit organizations were specified. The following research problems were diagnosed: analysis of the marketing structure, directions of activity and development as well as awareness and motives of applying the concept of marketing in the surveyed recreational organizations operating in the Silesian Voivodship. Surveys were conducted in 70 organizations, but 7 surveys did not meet formal requirements, which resulted in rejection. Finally, the analysis of the results was based on questionnaires from 63 recreational organizations, of which 35 were profit organizations, and 28 non-profit organizations from the Silesian Voivodship. Among non-profit organizations, up to 10 respondents indicated that they did not conduct any marketing activities. Therefore, only the answers identifying these organizations (i.e. the legal form, the phase of the organization's development cycle, the market's length, the size of the organization) were used to analyse the research results. Therefore, 18 questionnaires and 35 questionnaires from the profit organization were used to analyse the concept of marketing in non-profit organizations.

The vast majority of the surveyed recreational organizations had the following organizational and legal forms: limited liability company (23%), budgetary units (30%), associations (14%) and private enterprises natural person (12%), partnerships, limited partnership, partnership limited by shares, joint-stock company, civil, each accounted for 3% and the rest had a different legal form. Table 1 presents the forms of employment of employees in the surveyed recreational organizations.

Table 1 Forms of employment of employees in the recreational organizations

Type of recreational organization	Contract of employment	Contract of mandate	Trainees	Other terms of employment
<i>Profit organization</i>	43%	36%	1%	20%
<i>Non-profit organization</i>	66%	30%	1%	3%

Source: own elaboration based on own research

N=63

The average working time of the analysed organizations in the market was: for the profit organization 10 years, non-profit organization 21 years. As many as 54% of commercial organizations were currently in development, 33% in the stabilization and maturity phase, 5% in the business renewal phase, and 3% in the market entry phase and the same in the declining phase. Only 2% of the respondents indicated that it was difficult to determine at what phase of their life cycle their organization was. In the case of public and non-governmental organizations, the phase of the organization's development cycle was 36% development phase, 50% stabilization phase and maturity, as many as 14% were unable to determine the phase in which the organization was located .

The replies to the question of what documents contain the goals and plans for marketing activities in profit organizations were as follows: marketing plan (10 responses), marketing strategy (9 responses), business plan (6 responses), no documents (14 responses). However, in non-profit organizations, the most frequently cited responses were a lack of documents defining goals for the organization's marketing activity (10 responses), and only three organizations confirmed having a marketing strategy and marketing plan and having another document (2 responses)

When asked about the structure of marketing in profit organizations, the respondents replied that they were: marketing space (30%), tasks are outsourced (17%), other positions (45%, i.e. club / sport / gym manager), reception staff, facility manager, sports instructor), 8% of the respondents did not answer. In profit organizations, the marketing structure was created by personnel employed in various positions, i.e. manager of a club / sport / gym, reception employee, facility manager or sports instructor (72%), only 28% of organizations employed a marketing specialist.

Subsequent research results indicate that the most commonly used source of knowledge about marketing methods by profit organization managers were: participation in marketing training (17 responses) to familiarize with literature in the field of marketing (14 responses) and imitation of marketing activities of competitors (12 answers). The fact that 13 managers' answers concern the lack of such knowledge and the use of marketing activities intuitively is embarrassing. In the case of non-profit organizations, staff acquires knowledge by imitating marketing activities of competitors (10), participation in marketing trainings (8), familiarization with literature in the field of marketing, economic education (6 responses) and 2 organizations indicated that managers did not have such knowledge, and they used marketing and non- marketing activities.

The analysis of responses revealed that *profit* organizations mainly focused on the customer and his/her needs, or applied the concept of relationship marketing.

Marketing activities in the analysed organizations were focused on:

- creation and application of the product, price, promotion, distribution in accordance with the clients' needs (score 3.7),
- maintaining a positive relationship between the seller and the client who is treated as a partner (score 3.7),
- the largest possible sale of services to the mass market (for each customer) (score 3.6),
- distinguishing themselves on the market and then adjusting the offer to individual customer groups (score 3.6).

Non-profit organizations are characterized by the use of the concept of social marketing and the mass market, which is intended to make changes to customer attitudes associated with low levels of physical activity thanks to the quality of life of the population (4.0) and similar profit organizations, as they try to maintain a positive relationship with the seller; a customer who is treated like a partner (3,7).

Table 2 Marketing concepts in the recreational organization: average score (own elaboration based on own research)

Marketing concepts	Profit organizations	Non-profit organizations
Marketing activities aimed at the largest possible sale of services to the mass market (for each customer)	3.6	3.6
Marketing activities aimed at creating and applying a product, price, promotion, distribution in accordance with the needs of clients	3.7	2.8
Marketing activities aimed at distinguishing themselves in the market and then adapting the offer to particular customer groups	3.6	3.3
Marketing activities aimed at changing the attitudes of clients related to low level of physical activity due to this improvement of the quality of life of the society	3.3	4
Marketing activities aimed at maintaining a positive relationship between the seller and the customer who is treated as a partner	3.7	3.2
Marketing activities focused on the client who becomes an active co-creator of the products and services he/she uses	2.8	3.3
Marketing activities aimed at activating positive clients - advocates and using modern digital e-tools (creating own community in the network)	3.2	2.7
Marketing activities aimed at individualizing the offer for a single client	2.3	2.5
Marketing activities aimed at attracting, motivating and maintaining highly qualified employees and the organization of work to satisfy their needs and ambitions	3.2	3.1

The next question concerned the motives of applying the concept of marketing in the recreational organizations analysed. The respondents rated the

mentioned motives on a scale of 1 - a little motive theme, up to 5 - a very significant motive (Table 3)

Table 3 Themes of applying the concept of marketing in the recreational organizations - the average of grades (own elaboration based on own research)

Motives of marketing activities	Profit organizations	Non-profit organizations
Recognizing customer needs and responding to the needs	3.7	3.4
Keeping profit in a long period of time	3.7	2.6
Building a competitive advantage	3.9	3.2
Keeping up with the competition	3.3	3.6
Creation of the product according to the client's needs	3.8	3.4
Adjusting prices and their differentiation to the customer	3.2	3.4
Adjustment of sales channels for the customer	3.1	2.8
Creating the image of the company and the brand in the environment	4	3.2
Choosing the target market for customers	3.3	3.2
Giving the society a better quality of life, which will be compatible with caring for the natural environment	3.3	4.2

As can be seen from Table 3, the most-rated factors motivating the profit organizations to undertake marketing activities included: building a competitive advantage (score 3.9), creating a product according to customer needs (score 3.8), maintaining profit over a long period of time (score 3.7) and the recognition of customer needs and responding to them (score a 3.7). On the other hand, as the main motive for undertaking marketing activities, the non-profit organizations indicated: providing the society with a better quality of life, which would be consistent with caring for the natural environment (4.2) and keeping up with competition (3.6). The use of marketing in the organization depended to a large extent on the size of the budget that was allocated for this purpose. Therefore, the next question was whether the recreational organizations had a regular budget for marketing activities and what the percentage of annual income was. As many as 65% of the surveyed profit organizations did not have a regular budget for marketing activities. Only 22% had a regular budget for marketing activities and allocated about 5% of annual revenues to them. In the case of non-profit organisations, 78% had a regular but low budget for marketing activities and 22% had no regular budget for marketing activities.

Discussion and results

The analysis of the research results carried out above allows distinguishing the elements characterizing marketing activities in the *profit* and *non-profit organization* in the recreational services sector. As regards the organization of

profits, a general conclusion should be formulated that organizations attach importance to the implementation of the marketing concept. The elements which characterize marketing activities in profit organizations include:

- customer orientation – a buyer, a service offer by applying the relationship marketing concept,
- appreciating the role of intellectual capital (mainly in the aspect of human resources)
- employer care about the quality and development of staff who are aware of the needs of their own self-improvement,
- searching for modern marketing instruments aimed at more fully meeting the needs and expectations of clients,
- application of marketing activities in order to build competitive advantage of the organization,
- lack of formalized documents containing directions of marketing activities, both current and strategic,
- unstable and low budget for marketing activities.

With regard to non-profit organizations, their marketing activities were marginalized, as the research showed that up to 10 organizations out of 28 did not use any marketing concepts. The elements that characterize the concept of marketing in other non-profit organizations include:

- underestimation of intellectual capital (mainly in the aspect of human resources for the implementation of tasks in the field of marketing corresponded to cells and positions related to administrative activities, service facilities and sports activities),
- Customer focus and a mass product-buyer of the service offer through the use of the concept of social and mass marketing,
- low but stable budget for marketing activities,
- no formal documents containing directions of marketing activities, both current and strategic.

Recommendations

The research results presented in this paper and the considerations based on them allow formulating a general conclusion that profit organizations and non-profit organizations operated in the common market of recreational services, had a similar phase of the organization life cycle, achieved similar goals in recreation, offered similar services and managed them to the same customers.

However, the nature of ownership and the organizational and legal form determined the model of the application of the concept of marketing in these organizations.

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