

Social customer relationship management in fitness industry

- A case study of Fitness World & Fitness dk.

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Abstract

Purpose – Customer relationship management is a continually evolving domain that has been particularly affected by social media, which have revolutionized the way businesses and consumers interact. The idea of managing relationships with customers by using social media is called social customer relationship management (social CRM). The purpose of this thesis is to examine how effectively major fitness operators in Denmark utilize social media, in particular, Facebook, for customer relationship management with the optimal focus on customer engagement.

Design/methodology/approach – To answer the research question, first, a literature review is conducted on the concepts of social CRM, social media, and customer engagement. Based on the literature review, a conceptual framework is developed for the analysis. Then a double analysis is performed: a content analysis of 400 posts generated by two leading Danish fitness operators and their users on brands' Facebook page; an online survey of members of fitness chains, resulting in 102 usable responses.

Findings – The results indicate that fitness chains have a generally good performance in using the online brand community to maintain relationships with customers; however, the unique potential of a brand community does not seem to be harnessed to the fullest extent. The findings demonstrate that the highest engagement in online fitness club community is driven by quizzes and contests that offer a valuable prize. Posts that do not directly relate to the company, but tend to interact and/or showcase activities and achievements of the members (i.e. weight loss) also attracts a big attention of the online community, however, this type of posts are scarcely communicated by fitness chains. Additionally, fans of fitness clubs seem to be engaged more emotionally and cognitively rather than behaviourally.

Practical implications – the findings give an insight into customer relationship development practices on the Facebook brand community. Managers are encouraged to diversify the type of content that is communicated in the online brand community. Also, better strategies should be developed to encourage authentic conversations and behavioral customer engagement within brand communities on social network sites.

Originality/value – This study is the first attempt to examine fitness operators' use of social network site (Facebook) as a mean of customer engagement and relationship development.

Keywords: social CRM, customer engagement, social media, Facebook, fitness clubs.

Table of Contents

Abstract	0
List of tables	3
List of figures	3
Definitions	4
1. INTRODUCTION	5
1.1 Problem formulation and research question	6
1.2. Overview of the Danish fitness industry	7
1.2.1 Fitness dk	7
1.2.2 Fitness World	8
1.3. Delimitations	9
1.4. Structure of the thesis	9
2. LITERATURE REVIEW	10
2.1 Relationship Marketing and CRM	10
2.1.1. The meaning of relationships	12
2.1.2. Key attributes of CRM	12
2.2. Social Media & User-generated content	13
2.2.1. Social Media tools & technologies	14
2.2.2. Social Networking sites	16
2.2.3. Social Media impact on Customer Relationship management	17
2.3. Social Customer Relationship Management	18
2.3.1 The social customer	20
2.3.2 Social customer relationship development on Facebook	20
2.4. Customer Engagement – a new perspective in CRM	21
2.4.1 Definition and dimensions	21
2.4.2 Customer engagement on online brand community – Facebook	24
3. THEORETICAL FRAMEWORK	26
3.1. Online relationship development strategies	27
3.2. Customer Engagement	29
3.3. Customer-Brand Relationship	30

4. METHODOLOGY	31
4.1. Research philosophy and approach.....	31
4.2 Research design.....	32
4.3 Data collection.....	33
4.3.1 Quantitative Content Analysis.....	33
4.3.2 Survey	39
5. DATA PRESENTATION AND ANALYSIS	42
5.1 Results of content analysis.....	42
5.1.1 Information disclosure	42
5.1.2 Information dissemination	43
5.1.3 Interactivity	47
5.2. Survey results and analysis.....	51
5.2.1 Descriptive statistics.....	51
5.2.2. Demographics.....	52
5.2.3 The distribution of fans and non-fans by fitness chain	53
5.2.4 Facebook usage statistics	54
5.2.5 Customer Engagement	57
5.2.6 Customer – brand relationship.....	58
6. DISCUSSION.....	59
7. MANAGERIAL IMPLICATIONS.....	61
8. CONCLUSION	63
BIBLIOGRAPHY	67
APPENDIXES.....	75
1. Interviews via email.....	75
2. Questionnaire.....	76
3. Reliability of constructs of Likert-scale.....	80

List of tables

Table 1: Commercial fitness centers in Denmark (2006 – 2014)	7
Table 2: Different perspectives of CRM	11
Table 3: Social Media tools. Adapted from Eric W.T. Ngai et al. (2015)	15
Table 4: Differences between CRM and social CRM (Chen & Vargo, 2014).....	19
Table 5: Previous research on the content and interactivity	29
Table 6: Distribution of the posts of Fitness Centers' Facebook fan page.....	35
Table 7: Categories of fitness club-initiated posts and their respective definition	36
Table 8: Categories of user-authored posts and their respective definition.	37
Table 9: Construct measurement items, sources and scale reliabilities:	41
Table 10: Descriptive statistics of likes, comments and shares generated on fitness chains' Facebook page	47
Table 11: Demographic characteristics of the respondents	52
Table 12: I log to Facebook everyday (N=102)	54
Table 13: I spend long periods of time on Facebook (N=102)	54
Table 14: The content provided by the fitness center's Facebook fan page is valuable (N=61)	56
Table 15: Fitness center's Facebook fan page is updated to an appropriate level (N=61)	56
Table 16: Median and Mode of the items of behavioral customer engagement (N=61)	58
Table 17: Descriptive statistics of customer engagement dimensions	58
Table 18: Descriptive statistics of constructs of customer-brand relationship.....	59

List of figures

Figure 1: Conceptual model	26
Figure 2: Comparison of categories of themes of posts initiated by fitness chains (N=200).....	43
Figure 3: Media type included in the fitness chain-initiated posts	46
Figure 4: Number of total posts initiated by fitness chains per month	46
Figure 5: An average number of interactions generated by fans per each category of themes of posts..	48
Figure 6: Comparison of categories of themes of posts initiated by fitness chains users	49
Figure 7: Distribution of the respondents' age	53
Figure 8: The distribution of fans and non-fans by fitness chain	53
Figure 10: Online touch points with fitness chains among fans (N=61). Multiple answers are allowed...	55
Figure 11: The reasons why respondents (N=61) follow fitness chain on Facebook (%).....	55
Figure 12: The reasons for not liking the Facebook page of fitness chain (%).....	57

Definitions

Fitness center/fitness club – A center where people can sign up for strength training and exercise activities by getting 'off the street'. Customer/member does not need to have other associations with a fitness center than the formal membership.

Facebook Page – Facebook profile for businesses, brands and organizations to share their stories and connect with people. Like profiles, pages can be customized by publishing stories, hosting events, adding apps and more. People who like brand's Page and their friends can get updates on News Feed.

(Facebook) fan – A user who likes a particular Facebook Page. Users who Like a page are able to receive updates from that page's administrator through status updates, posted content and event invitations.

1. INTRODUCTION

The internet and the World Wide Web have overwhelmingly changed the way people communicate and interact with each other (Hennig-Thurau et al., 2010). The changes brought by the social media have also transformed customer relationships with companies and organizations. Traditionally, companies have tried to reach and build up relationships with customers through marketing activities like reward programs, public relations, and direct marketing (Jahn & Kunz, 2012). These relationship activities, as well as brand messages, were received by passive customers and the company had control over the brand development process (Hennig-Thurau et al., 2010). In the social media environment, the control of the relationship has shifted to the customer, who has the power to influence others in his or her social network (Baird & Parasnis, 2011). The interactive nature of digital media allows the customer to share and exchange the information with each other in various online communities and networks, most of which is outside the direct control of the brands and companies (Tsimonis, G. Dimitriadis, 2014).

In response to a widespread adoption of social media, companies are reallocating their marketing budgets away from traditional media to online platforms (Connor, 2015). This is emphasized by 92% of marketers who indicate that social media is important for their business, which implies that nearly all marketers place a considerable value on social media (Stelzner, 2015). Indeed, social media provide a number of opportunities to companies in all sectors. Using social media, organizations can connect and form relationships with existing as well as new customers, build community-based customer support, market through word of mouth, and for innovation and co-creation (Trainor, Andzulis, Rapp, & Agnihotri, 2014). The notion of improving customer relationships by using social media is known as social customer relationship management (social CRM), which focuses on customer information management and engagement (Dutot, 2013). The latter is becoming a unique competitive advantage and a top priority for many organizations, because of its ability to create deeper and more lasting customer brand relationships (Kumar et al., 2010).

With the opportunities and benefits of social media also come challenges. Although almost every brand has an established profile on the mainstream social media platforms such as Facebook, Twitter or Instagram, however engaging with customers on these social platforms is the biggest issue that marketers are facing in social media marketing today (Stelzner, 2015). Indeed, the study conducted in 2012 by Institute of Marketing Science found that only 1% of observed customers actually engage with the brand after initially becoming a fan on Facebook (Creamer, 2012).

Thus, this thesis aims to explore the extent of social media, Facebook, in particular, usage in the context of customer relationship management and engagement among the managers of fitness clubs; and the customer response to these engagement initiatives.

1.1 Problem formulation and research question

Despite the fact that customer engagement and relationship development are of a high importance to any organization, and in particular, one providing services, academic researchers have been given the biggest attention exceptionally to airline and hotel industry in this field. One could argue that developing customer relationships online has a little value for fitness club because members already expressed their commitment to membership and they feel a special bond to their club. However, Tsimonis, G. Dimitriadis, (2014) claim that engaging customers in the online community who already have a baseline relationship with a brand, loyalty can be further strengthened. Moreover, using social media the attention of prospective members could be attracted.

Considering fitness industry in Denmark, in recent years, it has been facing a fierce competition due to the increasing number and popularity of niche fitness clubs (DIF, 2014). As a result, the cost of acquiring new customers increased, thus, the need to build and maintain customer relationships has become a fundamental priority for health and fitness centers (Bendtzt, Fitness dk).

Given the opportunities that social media offer for customer relationship development, companies could sustain competitive advantage through online customer engagement. However, the results of online social media survey conducted in 31 European countries in 2013 suggest, that the importance of social media has often not been recognized nor its potential fully exploited by the Danish companies. Moreover, the survey results revealed that social media in most Danish companies is used more for branding the company than interacting with clients (Aaltonen, Kakderi, Hausmann, & Heinze, 2013).

Taking into account all above mentioned factors, the following research question is proposed for the investigation of research problem:

How effectively fitness chains in Denmark utilize Social Media tools to manage customer relationships?

Research question will be approached from both customer and company perspective.

1.2. Overview of the Danish fitness industry

According to the European Commission's *Eurobarometer on Sport & Physical Activity* (2013), 14 % of Danes exercise or play sport regularly and 54 % with some regularity. Exercising at a fitness center is popular in the country as 26% of residents indicate using the services of a health club. Also, roughly 18% of the employed population report that they exercise at work. Sport and physical activity are clearly a priority for consumers in Denmark, which has resulted in a growing number of health clubs during the last decade (table).

Table 1: Commercial fitness centers in Denmark (2006 – 2014)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Commercial centers	334	380	425	453	427	450	507	535	575	663
Net gain	-	22	44	28	-26	23	46	28	40	-
New center	-	41	87	53	34	62	76	71	69	78
Closed center	-	19	42	26	60	39	30	31	25	-

Source: DIF's Press release (DIF, 2014)

Denmark's Sports Federation (2014) reported that in 2014 the growth has occurred both within the major fitness chains and the smaller, more niche centers. In the segment of smaller centers, three main trends have emerged in recent years. First, the continuous popularity of fitness centers specialized in CrossFit workouts. Second, fitness centers oriented on quality training in very small groups, and third, an increasing number of fitness centers working in close connection with physical therapist's clinics (DIF, 2014).

Nevertheless, the leading health club operator in the Danish fitness industry remains Fitness World with 155 training facilities. The second long-time leader – Fitness dk and its 45 training facilities – was recently overtaken by LOOP Fitness, which owns 53 centers (Idan, 2016). Nevertheless, Fitness World and Fitness dk have been chosen for the analysis, and will be presented briefly in the next sections.

1.2.1 Fitness dk

Fitness dk is founded in 2001 and owned by Parken Sport & Entertainment Group with headquarters in Copenhagen. It serves a wide range of customer segments, which include beginners as well as professionals, woman and man, old and young. They also offer teams adapted for children and adolescents aged 7-14 years, courses in which only women, who desire to lose weight or change their

lifestyle have access, as well as courses for those working on specific goals such as IRONMAN (Fitness dk, n.d.). In 2015, fitness dk's membership base included 127 000 members, which is 2000 more than in 2014 (Parken, 2015).

In terms of a number of centers, fitness dk did not experience an extensive growth last year, as only one new center has been established; and now has 45 centers, that are located in Zealand (26), Funen (4) and Jutland (15). In 2016 fitness dk expects to establish 6 new centers and dismantle unprofitable ones (Parken, 2015).

Fitness dk positions itself in the premium segment, and therefore focuses on offering a high standard of quality in terms of facilities, concepts, training and services (Fitness dk, n.d.). Reacting to the intense competition that has emerged in the Danish market in recent years, Fitness dk. in its *Annual Report* (2015) stated that in the upcoming year the company will continue the focus on differentiation strategy, which includes well-appointed and attractive centers with attractive opening hours, better wood equipment and facilities, new concepts in group exercise and personal training, product sales, and not least good customer service, all in order to create high loyalty and satisfaction among members (Parken, 2015). In addition, fitness chain has declared to continue to streamline delivery and communication of its quality concept (Parken, 2015).

Online communications are carried out through fitness dk's website, newsletters, Facebook, Instagram and Youtube channel. Communication on social media platforms are planned by Content Manager and follows the campaigns and seasons, such as New Year's resolutions in January, OPEN AIR season starting in April, bikini season etc. Besides, sometimes messages on the Facebook platform are posted spontaneously, responding to the news if relevant. Both social media platforms are focused on maintaining relationships with the current members, as the disseminated content includes news about new centers, new classes, offers etc. (Ravnskilde, Fitness dk).

1.2.2 Fitness World

Fitness World is Denmark's largest fitness chain with over 470,000 members and over 150 centers around Denmark as well as one in Poland.

The first gym of Fitness World was opened in 2005 in Copenhagen in order to challenge the expensive Danish fitness market on price, quality, efficiency and range. Fitness World was the first to eliminate the long fixation period of six months, which was the standard in Denmark. The model was successful

in the Danish market, as a result, the gym operator opened many more fitness centers in the coming years (Fitness World, 2016).

Fitness World seeks to make exercise and fitness more accessible to the Danes - regardless of where they live or are located, thus the gym operator continues its expansion in the Danish market by opening new centers every year. Consequently having an extensive network of gyms enables Fitness World to offer a much broader team class supply, better facilities and a much wider range of member benefits.

Fitness world's online communications consist of a website, newsletter, Facebook and Instagram platforms. Fitness World states on its website that feedback of their members is of a high importance; therefore, the opinion polls are carried out in the local centers. In addition, Facebook and other social media are used to gain insight into members' needs and attitudes as well as to engage them through contests and polls (Bendtzt, Fitness World).

1.3. Delimitations

The focus of this thesis is exclusively devoted towards areas that can be related to the research problem and questions, which entails the following delimitations:

- The study is limited to the commercial fitness clubs operating in the Danish market. Moreover, the study only investigates B2C relations.
- In regards to a theoretical approach, the thesis is focused solely on the concept of social customer relationship management as a strategy; more specifically it looks at the customer relationship management from the marketing and communication perspective, emphasizing customer engagement and interactions.
- Although social customer relationships can be managed through a variety of social media platforms, depending on company's strategy, the focus and actual analysis of this study are solely based on one social networking site - Facebook.

1.4. Structure of the thesis

Initially, this thesis has introduced the Danish fitness industry and its two leading fitness club operators. Secondly, a literature review will be conducted and presented followed by the theoretical framework for the



analysis. Then foundational methodological considerations behind the thesis will be presented, followed by the data collection using content analysis and survey techniques. Next, the findings of the research will be discussed. Finally, the last chapter will conclude on the analysis, present limitations, and make suggestions for further research. The structure of the thesis is illustrated in the figure to the right.

2. LITERATURE REVIEW

This chapter provides an understanding of the theoretical framework that the thesis is built upon. Theoretical approaches to the concepts of Customer Relationship Management and Customer Engagement along with Social Media will be presented and explained in order to collect relevant data, analyze, and answer the research questions.

2.1 Relationship Marketing and CRM

The term customer relationship management (CRM) was developed in line with the emergence of Information and Communication technologies in the early 1990s (Ruzzier, Ruzzier, & Hisrich, 2013). However, the principles on which CRM has been based have existed for much longer. According to Payne (1995), CRM evolved from relationship marketing as opposed to transactional marketing. Transactional marketing is focused on winning customers, whereas relationship marketing emphasizes the greater importance of customer retention to the company in the longer term. Now, with the CRM focus, the purpose is both, to win as to maintain the customers (Egan, 2011).

Furthermore, relationship marketing drew attention to the need for customer differentiation in the communication process between organization and customer. While the focus of transactional marketing is to treat all customers equally irrespectively of their status (non-customers, current customers, and past customers), relationship marketing, in contrast, sees the need to communicate in personalized ways dependent on customer's relationship with the organization (Egan 2011, p. 35). This approach is also applied in CRM practice as well as other principles of relationship marketing, such as *satisfaction*, *trust*, *commitment*, and *loyalty*. *Satisfaction*, according to Wilson, Zeithaml, Bitner, & Gremler (2012, p. 142), is the basis for exchange relationships. They argue that a satisfied customer performs repetitive interactions that improve the firm's knowledge of the customer, consequently the firm is able to create an offering that directly addresses the customer's situation. The provision of a

unique offering develops a *trust* between the customer and the firm. The creation of trust leads to the creation of *commitment* which is sustained providing highly personalized and customized offerings. Finally, a *loyalty* is achieved if the company understands changing needs of the customers and is willing to invest by constantly improving its product and service mix.

Although CRM has existed for more than a decade, there is no universally accepted definition of CRM. Boulding et al. (2005) point out that CRM definitions range from CRM as the implementation of specific technology solutions to the enterprise-wide approach to managing customer relationships that simultaneously creates dual value. Pedron (2009) in their work “*What lies behind the concept of CRM*” suggests that CRM definitions can be split into three broad perspectives (see table 1), that are linked with each other, meaning that without a CRM philosophy or strategy, the implementation of CRM project is likely to fail or do not deliver the full benefits at the least.

CRM as a philosophy of doing businesses, which has to be considered above any kind of strategy or tool. A CRM philosophy is related to a customer-oriented culture keen on building and cultivating long-term relationships with customers;

CRM as a strategy, as an organizational strategy that will drive functional plans and actions toward building relationships with customers;

CRM as a tool focused on the role of IT being used to gather, analyze and apply data to build and manage relationships with customers.

Table 2: Different perspectives of CRM

Indeed, many scholars emphasize the strategic aspect of CRM. For example, Parvatiyar & Sheth (2001) define CRM as “*a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer*”. Payne, A., & Frow (2005) define CRM as “*the cross-functional integration of processes, people, operations, and marketing capabilities that are enabled through information, technology and applications*”. Whereas information technology companies primarily use the term CRM to describe software applications that automate three areas of business, namely marketing, selling and service (Buttle, 2009). By the companies CRM is frequently seen, as an information system (commonly a software package) or a group of tools (hardware and software) such as powerful databases, data mining tools, sales force automation applications, call centre technologies, applied in helping firms to target customers, to support interaction with customers and tailor products and services to meet customers’ needs (Pedron, 2009).

This fundamental confusion in CRM is a likely contributor to the high rate of CRM failures, which range from 30% to 60% of the time and have not been improving since a wide adoption of CRM had started (C5insight, 2014). It should be noted that the main reasons for the failure of many CRM initiatives are

not technical, but rather managerial. The lack of customer centricity and viewing CRM initiative as a technology initiative were identified by several authors (Cook R., 2014; Kale S. H., 2004; Maselli J, 2001) as most common reasons of failed CRM projects.

2.1.1. The meaning of relationships

Considering the fact that CRM is all about the relationships with organization's customers, the term *relationship* in a business context has to be discussed.

There is no definite agreement on what is meant by the term relationship within relationship marketing (Egan, 2011), but a general consensus is that at the very least a relationship involves interaction over time (Baron S., 2010; Buttle, 2009). Depending on relationship type (e.g. social or close relationships), interactions can range from formal to personal and even can involve some emotional content. Some other relationships have an exchange attribute, where there is the expectation of receiving a benefit, contrary to communal relationships where both parties are concerned with the welfare of the other (Egan, 2011).

Review of the academic literature indicates that the most commonly noted characteristics of successful relationships include *commitment* and *trust*. The former implies an intention to continue a course of action or activity; the latter indicates an expectation that the word of another can be relied upon (Baron S., 2010).

In regards to virtual relationships, Borges B. (2009) argues that people do not make big commitments in virtual relationships. It is generally understood that a role of a member of an online community is to engage with each other when he or she has something meaningful to say or to contribute. Engagement accordingly leads to another attribute of virtual relationships – influence – which derives from word of mouth. Moreover, Borges B. (2009) claims that opinions expressed in online forums or review sites are heard and frequently perceived by others as indisputable truth (p. 65).

2.1.2. Key attributes of CRM

To conclude the chapter of traditional CRM, the key attributes should be highlighted. First, although traditional CRM focuses on personalized communication between an organization and a particular customer, company's targeted messages are pushed to customers using one-way communication means, such as television, radio, newspapers, magazines, as well as websites and emails. This means that customers are passive receivers of messages; the only way customers are able to respond to

company's efforts is either to buy or not buy a product or service whose availability is communicated in a message. Such one-way communication involves collecting data and information about customers and prospective customers in a single database (a CRM system), segmenting them according to various characteristics, and targeting different marketing activities to different segments (Malthouse, Haenlein, Skiera, Wege, & Zhang, 2013; Van Looy, 2014). Following this approach, the organization may choose to invest more resources in certain segments, cross-sell some groups, up-sell others, and focus on reducing the cost of serving others. Thus, it could be said, traditional CRM is a transaction-driven approach (Jacewicz & Cho, 2015).

The second important characteristic of traditional CRM – company's ability to control the content of a message being sent through strategically planned ads, press announcements and good public relation specialists (Kaplan & Haenlein, 2010). Last but not least, as Van Looy (2014) points out, "the traditional view on CRM seems to focus on managing customer relationships rather than engaging customers". Nevertheless, in Payne & Frow's (2004) opinion, CRM is important because it provides enhanced opportunities by using data to understand customers and to implement improved relationship marketing strategies.

2.2. Social Media & User-generated content

Social media is relatively new phenomena, therefore, different definitions exist, ranging from more limited to broader interpretations of social media. An example of a limited interpretation concerns the definition of Kaplan and Haenlein (2010), who define social media as *"a group of internet-based applications that build on the ideological and technical foundations of Web 2.0 and that allow the creation and exchange of user-generated content"*. This definition limits social media to Web 2.0 and User Generated Content (UGC), whereas other definitions refer to wider possibilities of social media. For example, Henderson and Bowley (2010) add that *social media enable participation, connectivity, sharing of information and collaboration amongst a community of users* (p. 239). Malita (2010) describes social media as a mean of communication that *"encourage interaction and communication through discussion, feedback, voting, comments, and sharing of information from all interested parties"* (p. 748). Summarizing this and other definitions, it could be said, that the main focus of social is online interactions and connections. Since communication is a vital element in building any type of relationships, social media in this thesis will be referred to a definition adopted from Kaplan and Haenlein (2010), and Malita (2010): *a group of internet-based applications that build on the ideological*

and technical foundations of Web 2.0, that enables online interactions and communications through the creation and exchange of user-generated content”. Relying on this and other definitions, it could be said that two concepts – Web 2.0 and user-generated content (UGC) – are inherent in social media, thus, the review of these concepts will follow next.

Social media are often associated with Web 2.0 (aka Social Web), therefore, these two concepts are sometimes used interchangeably (Ngai, Moon, Lam, Chin, & Tao, 2015). The term Web 2.0 was popularized by Tim O’Reilly in 2004 to describe a new way the Internet is being used and created by business and society. In particular, Web 2.0 is a web platform, where online content and applications (e.g., blogs or wikis) are modified by all users in a participatory and collaborative way (Kaplan & Haenlein, 2010). In contrast, the users in a pre-Web 2.0 era were simply acting as consumers of content. This means that the Internet was initially limited to providing information as one-way communication (possibly with feedback by email or postal letter) for Web 1.0, while Web 2.0 can be seen as the second generation of the Internet with multi-way communication (Van Looy, 2014).

The contribution by internet users to the content creation of websites has been named ‘user generated content’ (UGC). UGC are product reviews, descriptions of products, usage, and consumer created advertising, and blogs, as well as all other consumer generated material (Carlson, A., Lee, 2015). Nevertheless, not all content that appears on the Internet can be attributed to UGC. According to the Organization for Economic Cooperation and Development (2007), UGC needs to satisfy three basic requirements in order to be considered as such: first, it needs to be publicly available; second, it must be a result of a creative effort; and finally, it needs to have been created outside of professional routines and practices (OECD, 2007). The first condition excludes content exchanged through private communication tools, such as emails and text messages; the second requirement indicates that shared or copied content is not considered UGC; and the third refers to content generated by unpaid users who aim to connect with peers, to be recognized as an expert, to express oneself etc. (Kaplan & Haenlein, 2010). That is, viral campaigns created for commercial use and published on social media platforms are not considered UGC.

2.2.1. Social Media tools & technologies

Social media encompasses a wide range of tools and technologies, such as media sharing sites, blogs/microblogs, social bookmarking sites, virtual/online communities, SNSs, and virtual worlds. The existence of numerous different tools of social media resulted in attempts to classify them. For

example, Safko (2012) categorized social media tools based on common characteristics, such as photo sharing, video sharing, social networking, gaming etc. Kaplan & Haenlein (2010) suggested two dimensions, including media richness and self-presentation/self-disclosure, for classification of social media tools. Another group of authors, (Ngai et al., 2015) classified the tools by the level of interaction enabled through them, given that interaction is an essential driver of social community formation. This classification is showed in figure 1. It could be seen that the intensity of interaction on media sharing sites that mainly allow individuals to share videos and photos to the public or selected groups of people is the weakest, whereas, in virtual worlds where people are able to interact directly with the simulated environment, the level of interaction is the strongest. The other tools are within this continuum (Ngai et al., 2015).

Level of interaction	Groups of tools/technologies
Weakest	Media sharing sites Allow users to upload, organize and share multimedia materials with people and/or selected communities (e.g. YouTube, Vimeo, Instagram, Flickr).
	Blogs/microblogs Allow authors post their writings or information on the web, hoping someone will read them and/or selected communities (e.g. YouTube, Vimeo, Instagram, Flickr).
	Media sharing sites Allow users to upload, organize and share multimedia materials with people (e.g. Blogger.com, Twitter, Plurk, Tumblr, Weibo).
	Social bookmarking sites Allow users collaboratively use tags to annotate and categorize the web contents they found interested (e.g. Delicious, Pinterest, Digg, Foursquare).
	Virtual/online communities Allow individuals share specific information and interests through interactive tools on a website (e.g. Lonely Planet, Yahoo Answers).
	Social networking sites Facilitate individuals build social relationships and interests among friends and acquaintances (e.g. Facebook, LinkedIn, Google Plus+).
Strongest	Virtual worlds Provide computer-simulated environments in web sites where people can live in a virtual world (e.g. Second Life, Active World, Kaneva, Onverse, SmallWorlds, There.com).

Table 3: Social Media tools. Adapted from Eric W.T. Ngai et al. (2015)

In the next section, only social networking sites will be briefly reviewed, as this type of social media is an interest of this thesis.

2.2.2. Social Networking sites

Social networking sites (SNSs) are web-based applications that allow users to form or maintain online social connections with other users whom they might or might not know in the real world. While every SNS requires its members to create a profile, each has a particular orientation for a particular group of users. For example, Facebook focuses on friends and family networks, while LinkedIn focuses on business networks, and Twitter concentrates on real-time news sharing (Kim, Lee, & Lee, 2011). While SNSs are a type of social media, some authors see all social media applications as SNSs featuring different capabilities such as a photo or video-sharing capabilities (Boyd & Ellison, 2007). SNSs firstly were extensively adopted by individual users, but recently they began to be utilized by organizations for different purposes such as recruitment, product development, marketing research and maintenance of positive customer relationships to name a few (Kim et al., 2011).

Social media applications become global phenomena rather recently, however, their origins can be traced back to the last decade of 20th century. Fuchs (2014) claims that blogs were already around at the end of the 1990s, the first wiki technology was released in 1995, social networking sites already existed in 1995 (Classmates) and in 1997 (SixDegrees). Nevertheless, these technologies were not popular in terms of usage at the time due to a number of reasons. Three main reasons identified in the academic literature are namely, limited availability of high – speed Internet, low popularity of mobile devices, and worldwide population of people was slow at embracing the Internet, not to mention social media (Borges B., 2009; Kaplan & Haenlein, 2010).

For example, first recognizable social networking site – SixDegrees – did not gain success and was closed in 2000 because Internet users didn't have extended networks of friends who were online, and the idea of connecting with a stranger did not seem attractive. Another social networking site – Friendster – launched in 2002 could not cope with growing popularity because its servers and databases were ill-equipped, thus, the site faltered regularly, frustrating users who replaced email with Friendster (Boyd & Ellison, 2007). Today Friendster is a social gaming network in Asia (Mehra G., 2015).

From 2003 onward, many new social networking sites were launched: MySpace (in 2003), Facebook (in 2004) and Twitter (in 2006) among them. Facebook gained a worldwide success and it is the

world's largest social networking site with over 1.4 billion members at the time of writing this thesis (Mehra G., 2015).

2.2.3. Social Media impact on Customer Relationship management

The dramatic growth of social media has affected business processes and models in many ways. Hennig-Thurau et al. (2010) proposed a pinball metaphor to illustrate the radical changes that social media brought about. Pinball metaphor implies that marketing in a social media environment resembles the chaotic and interactive game of pinball, having replaced the linear and one-directional bowling approach to marketing. This means, that customers are enabled to talk back to business and even to other customers about the brand, therefore, the intensity and even meaning of the original message could be changed in numerous ways that may not always be favorable to a brand (Hennig-Thurau, Hofacker, & Bloching, 2013).

Nevertheless, a dialogue between the company and its customers, enabled by social media, is the utmost importance to the management of customer relationships (Mills & Plangger, 2015). In social media environment firms can listen to, engage with and respond to their customers by actively participating in an online conversation that may happen either in online communities created by a brand or initiated by its customers (Mills & Plangger, 2015). Online conversations in communities, as well as user-generated content, leveraged to business's advantage, can serve as a valuable source for understanding customer preferences and supporting the instantaneous custom-tailored customer experience.

Furthermore, several authors (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011; Laroche, M., Habibi, M., & Richard, 2013; Mills & Plangger, 2015) are of the opinion that reciprocal communication and information sharing can help to build and enhance brand trust online, which is a prerequisite for long-term relationships. What is more, according to Mills & Plangger (2015) social media offer companies unique access to market segments and demographic groups previously considered difficult to reach and connect with via traditional marketing approaches.

Social media enable relationships to be managed on the level of individual consumer, for example, more attention can be given to influencers of social media. However, that could be challenging for firms that have not yet had one-by-one relationships but have only managed anonymous customer segments (Hennig-Thurau et al., 2013).

2.3. Social Customer Relationship Management

The social revolution led to great changes in a way people interact with each other as well as with organizations, thus, the need for a different approach to customer relationship management occurred. The term Social Customer Relationship Management (social CRM) has emerged in 2000, but a greater general interest got in 2004 as a result of rising popularity of new social web tools, social media in particular, as well as increasing adoption of smartphones (Greenberg P., 2009). The concept is also termed “CRM 2.0” because it is based on Web 2.0 technology, which enables virtual communities and collaboration on a global scale” (Chen & Vargo, 2014).

With an advance in technology as an enabler, CRM has moved from database and software technologies to Web 2.0 technologies (Choudhury & Harrigan, 2014). At the time of writing this thesis, social media is widely used in marketing and, specifically, in CRM, as its rational properties and characteristics are particularly suited to CRM and its underlying relationship marketing principles (Hennig-Thurau et al., 2010).

Marketing scholars (Greenberg, 2012; A. Van Looy 2014; Chen and Vargo 2014) view social CRM as an extension of traditional CRM. Greenberg (2010) defines social CRM as:

...a philosophy and a business strategy, supported by a technology platform, business rules, workflow, processes and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It's the company's programmatic response to the customer's control of the conversation.

The definition builds on constructs of traditional CRM, namely strategy, technology and interactions; also, it includes new elements, such as social features, processes, functions and characteristics that are embedded in social media technologies (Greenberg, 2010). In social CRM customers and their initiatives are more emphasized rather than the organization rules (Greenberg, 2010; Van Looy, 2014). Hence, social CRM focuses on customer engagement with two-way, interactive relationships with customers where co-creation and advocacy are encouraged (Choudhury & Harrigan, 2014). The differences between CRM and social CRM are highlighted in figure 2, where could be seen that social CRM not only has changed certain business processes, such as communication and data analysis but also brought new possibilities for business, such as crowdsourcing and viral marketing.

	Traditional CRM	SCRM
Business philosophy	IT-enabled relationship marketing	IT-enabled relationship marketing
Technology base	Web 1.0	Web 2.0; social technology
Process	Transaction based: one-to-one interaction	Interaction based: dynamic; many-to-many interaction
Interaction place	Defined channels: email, phone calls, websites, stores, etc	Dynamic customer-driven touch-points realized in social media
Segmentation	Traditional demographics	NA
Broadcast message flow	Push-based; inside-out	Pull-based; outside-in
Control	Firms	Social customers
Design/Analysis scope	Internal focus	Company value chain
Data store	360° customer transaction data	All interactions or conversations across all touch points; user contributed contents
Data analysis	Subject-oriented analysis	Network analysis
Metrics	Transaction-based Customer life-time value (CLV) Share of market RFM analysis measures	Interaction-based Customer referral value (CRV) Share of voice Size and engagement of communities, sentiment
Viral marketing	NA	Can easily develop a viral marketing campaign
Crowd sourcing	NA	Integral part of SCRM strategy
Customer loyalty	Static; repeated patronage	Dynamic; eWoM; advocacy

Table 4: Differences between CRM and social CRM (Chen & Vargo, 2014)

Nevertheless, social CRM aims to achieve the same goals as traditional CRM, namely acquiring new customers, retaining current customers, and turning customers into loyal customers. According to Van Looy (2014), the ultimate aim is to initiate and build long-term customer relationships, better understand the customer needs, and create customer experiences that lead to repeated purchases.

In social CRM the emphasis is put on the creation of personal interactions with existing and potential customers based on their needs instead of pushed organization's messages to them (Van Looy, 2014). Therefore, social CRM business strategy should be focused on collaboration and customer engagement instead of traditional operational management (Greenberg P., 2009). However, engaging consumers in potentially valuable conversations may be challenging, as there plenty of other brands and companies striving for consumers' limited time, attention, and emotional resources (Hennig-Thurau et al., 2013).

2.3.1 The social customer

Taking into account that the customer is in the center of all social CRM activities, it is worth to elaborate on a new class of customer – the social customer. Thus, this sub-chapter will highlight the main attributes of the social customer.

Since the beginning of CRM, not only ICT have evolved, the customer has changed significantly as well. Due to social technologies, such as social networks and geolocation technologies, companies now face a different kind of customer, what Chris Carfi originally labeled “a social customer” (Metz, 2012).

According to Adam Metz (2012), the social customer is the one who uses social technologies on a regular basis and is equipped with the tools to talk about the brand to the brand and to other consumers in an uncensored environment. This means social technologies empower the customer to influence their peers’ perception of the brands, companies, products and offerings in forms, such as a blog, review, recommendation, post on the social network etc.

Greenberg (2010) appends the description of social customer by the following attributes: they trust their peers rather than companies; they expect information to be available to them on demand and at the same time have the tools and the desire to share and socialize that information with those same trusted peers; they require transparency and authenticity from their peers and the companies they choose to deal with. To conclude, social customers are technologically empowered, digitally resourceful, and globally connected (Chen & Vargo, 2014).

2.3.2 Social customer relationship development on Facebook

It is argued that one social network – Facebook – is, in particular, suitable for the development of B2C relationships. Firstly, Facebook is focused on relationships by its nature (Kietzmann et al., 2011). It allows users to communicate efficiently with acquaintances, friends, family and co-workers around the world in a variety of ways: send a personal message using the chat tool, share information and content by posting a message on a timeline or either in a private or public group, “like”, comment and share posts of their Facebook friends to name a few (Pereira, Salgueiro, & Mateus, 2014). Secondly, it is currently the biggest social network site having over 1.6 billion active monthly users worldwide (Statista.com, 2016), which mean companies have an opportunity to reach and engage with their existing and potential customer base.

Moreover, Facebook differs from other social network sites in a way it welcomes business. In 2009 Facebook Page – a social web tool helping business to connect with customers and promote their business – was launched. Today Facebook platform is promoted as an efficient and powerful tool to increase online and local sales, to raise brand awareness and to engage with people who become fans of the company by liking company's Facebook Page (Facebook, 2016). Safko L., (2012) is of the same opinion that Facebook is a great tool for doing customer service, public relations, sales, marketing, and promotion. By other scholars (Hodis et al., 2015), Facebook has been recognized as the most effective digital media when seeking to engage the interactive consumer. In relation with CRM, existing research has reported that referral in online communities enhances customer acquisition (Hennig-Thurau et al., 2010); Men and Tsai (2012) suggest that Facebook can be an optimum tool for online relationship building. Indeed, Facebook dramatically affected interpersonal relationships, however, according to Pereira et al. (2014), it remains unclear to what extent relationships between brands and their fan communities will extend. Nevertheless, the experiment with Facebook fans of Houston-based bakery and café chain has proved that brand fans tend to visit the store more, generate more positive word-of-mouth, and are more emotionally attached to the brand than non-brand fans (Durham, 2010).

2.4. Customer Engagement – a new perspective in CRM

From the perspective of traditional CRM, the customer is the passive recipient of the firm's marketing activities, whereas Social CRM approach considers the customer as a value co-creator. Specifically, customers can share and create official and unofficial marketing messages, they can provide customer service to each other, and they can even get involved in product decisions (Harrigan, 2014). These non-transactional behaviors are captured by customer engagement – a new concept that has emerged in the academic marketing and service literature with social media technologies (Hollebeek, Glynn, & Brodie, 2014).

2.4.1 Definition and dimensions

Customer engagement is a relatively new concept in marketing domain, therefore, no agreement exists as to the definition and dimensions of the concept. As majority of researchers focus on behavioral engagement, therefore, a largely accepted definition of customer engagement behavior (CEB) is proposed by van Doorn, who posits that *CEBs go beyond transactions, and may be specifically defined as a customer's behavioral manifestations that have a brand or firm focus, beyond purchase,*

resulting from motivational drivers. Other definitions, proposed by different authors, are more specific about the type of engagement. For example, Vivek (2009) emphasizes participation and connection: *the intensity of an individual's participation and connection with the organization's offerings and activities initiated by either the customer or the organization.* Patterson, Yu, & De Ruyter (2006) define customer engagement as *the level of a customer's physical, cognitive and emotional presence in their relationship with a service organization.*

The very first studies of consumer engagement dimensionality were performed in 2005-2006. Patterson, Yu, & De Ruyter (2006) stated that the main dimensions of consumer engagement are absorption, dedication, vigor, and interaction. Later, Vivek (2009) in his qualitative study identified five customer engagement dimensions, namely awareness, enthusiasm, interaction, activity and extraordinary experience. L. Hollebeek, Glynn, & Brodie (2014) agree that customer engagement is a multidimensional concept and claims that it consists of three dimensions: cognitive, emotional and behavioral. Recently Kuvykaite & Tarute (2015) performed an extensive overview of conceptual and empirical studies of customer engagement and concluded that although a large number of researchers view engagement from the unidimensional perspective, the focus remains on the three main dimensions – cognitive (thoughts), emotional (feelings) and behavioral (action).

Emotional engagement

The term “emotion” defines any stimulation of feelings usually directed toward a specific object. In the scientific researches whereas the object of engagement is a particular brand, the emotional dimension is expressed by “dedication” (Patterson et al., 2006) or „affection“ (Hollebeek et al., 2014). Patterson et al. (2006) state that “dedication” refers to „the consumer's sense of belonging as a consumer - the consumer is proud of the firm they patronize and is enthusiastic and passionate to play their role“. According to Hollebeek et al. (2014), emotional dimension of engagement also can be expressed as consumer's „attachment“, i.e. positive feelings for a specific brand in particular consumer-brand interaction, for example, a brand community on Facebook.

Other scientific evidence shows that emotional engagement consists of multiple factors (Gartner, 2014). For instance, Dessart, Veloutsou, & Morgan-Thomas (2015) in their empirical research have identified two aspects of emotional customer engagement: enthusiasm and enjoyment. The former refers to consumer's intrinsic level of excitement and interest regarding the focus of engagement, whereas enjoyment reflects consumer's feeling of pleasure and happiness derived from interaction with the focus of their engagement.

Gartner (2014) in its report states that emotional engagement is often a more powerful influence than rational/physical elements in how a customer engages with an organization. It also has been reported that emotionally engaged customers are more likely to complain less, compliment more, buy more and contribute more than those who are not.

Cognitive engagement

In an engagement context, cognition refers to a set of enduring and active mental states that a consumer experiences with respect to the focal object of his/her engagement (Hollebeek, 2013).

Hollebeek (2011a) illustrates a cognitive consumer engagement dimension by the examples related to brand activities, for example, when a consumer focuses on or shows a great interest in the brand. In recent studies, (Hollebeek et al., 2014) identify the dimension of “cognitive processing”, which is defined as “a consumer's level of brand-related thought processing and elaboration in a particular consumer/brand interaction”. Other researchers, (Patterson et al., 2006) described cognitive customer engagement by „vigor“ dimension that explains consumer’s level of mental flexibility and stability during the interaction with organization or brand, other consumers.

Information technology research organization, Gartner (2014), describes customer’s cognitive behavior by “rational” dimension of customer engagement, which involves customer’s research for additional information about a product or service. Based on this research or general knowledge of the product or service the customer will decide what level of further relationship investment is needed, which may result in activities such as participation in a self-service community or engaging in co-creation or a customer panel. The rational level of engagement is linked to rational elements associated with the product or service such as value, quality, detail, and innovation.

It could be concluded that cognitive customer engagement reflects consumer’s willingness to devote energy, time, and endeavour for the participation in business activities.

Behavioral customer engagement

Behavioral consumer engagement were examined in a few studies (Johanna Gummerus, Liljander, Weman, & Pihlström, 2012; van Doorn et al., 2010; Verhoef, Reinartz, & Krafft, 2014). Behaviors remain strong indicators of engagement, and they manifest in a number of ways on social media (Johanna Gummerus et al., 2012), such as word-of-mouth (WOM), customer recommendation, customer complaints, blogging, writing reviews, participating in brand community, as well as all behaviors which affect firm and brand such as co-creation, helping and guiding suppliers (van Doorn et

al., 2010). According to Kumar et al. (2010), these consumer engagement behaviors create value for firms by influencing other customers (customer influencer value), incentivizing referral of new customers (customer referral value) and providing feedback to the firm (customer knowledge value).

2.4.2 Customer engagement on online brand community – Facebook

Brand communities form one important platform for customers' engagement behaviors that firms employ to engage their customers (Roderick J. Brodie, Ilic, Juric, & Hollebeek, 2013). According to Hodis, Sriramachandramurthy, & Sashittal (2015), brand communities are an essential tool in building and maintaining strong brands by fostering brand relationships and creating brand advocacy. Originally an online brand community referred to a community on the World Wide Web, however, a recent proliferation of social media use among customers has impelled an increasing number of companies to create brand communities in social media, such as Facebook (Kaplan & Haenlein, 2010).

An online community created on a social network, such as Facebook is considered different from one created on the Internet site in terms of member's motivation and engagement. The results of an empirical study conducted by Martins & Patrício (2013) reveal that members of company's social network community rely on the company to help them to achieve their goals and only a few count on other community members. Moreover, most members of the brand community on social network engage in pragmatic relationships with the company or even have no connection with it outside the social network community; they are less enthusiastic about the brand compared to ones in traditional brand communities. Joshua (2013) also supports this view and states that online communities on social networks are just a network of people and companies that enables people to connect. Nevertheless, through support, collaboration and engagement companies may create an active community on the social network which can naturally lead to stronger relationships with the customer (Fournier & Lee, 2009). Moreover, research by Jahn & Kunz (2012) confirms a positive relationship between a greater brand engagement and greater brand loyalty, which in turn has strong positive impact on brand commitment, the word of mouth and purchase. The intensity of the brand page usage was also shown to positively affect brand loyalty directly.

However, not all internet users engage on the same level with firms online. Scholars agree that there are varying degrees of engagement, which fall on a continuum ranging from very low to intensely high levels (Malthouse et al., 2013). Several empirical studies (Baird & Parasnis, 2011; J. Gummerus, Liljander, Weman, & Pihlström, 2012) show that the majority of consumers interacts on social media occasionally, which means they respond to other's comments and post their own content rarely; and

only a small proportion of consumers nearly always respond to others' comments or author their own posts.

When it comes to the online brand community on Facebook, its members can express their engagement behavior through various mechanisms, such as like, comment and share. Recently Facebook has extended the Like button by adding five reactions: Love, Haha, Wow, Sad and Angry (figure below). Though the reactions have the same value as the Like button and represent a low level of engagement, it enables users to express different emotions that the post evokes (Facebook Newsroom, 2016).

If a company can get the consumer to like its posts, then the brand's posts will appear on consumer's profile page, ensuring that whatever that brand posts is seen by the consumer and his/her friends (Wallace, Buil, & de Chernatony, 2012). It has been suggested that likes on Facebook help companies increase brand awareness and engagement, and thus positively contributes to their return on investment (Kabadayi & Price, 2014). Moreover, Wallace et al. (2012) argues that engaged consumers are not only more likely to research products of the brands that they like but also more likely to be satisfied with the brand and to continue using it in the future.

Another way of getting engaged on a brand's Facebook Page is to comment. Commenting behavior allows consumers to share their opinions about or agreement/disagreement with the content on the brand's Facebook page, created either by the brand itself or other visitors (Kabadayi & Price, 2014). Comments written on a brand's Facebook post are visible to user's friends on his/her own profile and to anyone who views the brand's post, even though the consumer does not know those viewers personally.

Sharing is another mechanism that allows Facebook users to engage with brands' content by sharing it publically or privately with their Friends. Marketing practitioners place a greater value on Facebook sharing than on liking, because shared content has a potential to be seen by far more people. Moreover, the sharing button requires more effort from the users. Although there is now a 'one click' option in Facebook to simply share with Friends without commenting, other Facebook sharing options include writing a comment along with the share, choosing where to share and who will see a shared post.

Facebook users are also able to promote an organization using check-in service which let users to check-in from a mobile device and let friends or the public know where they are, as well as write what

they are doing, who they are with, what they think of the place and upload a photo (Facebook, 2016). Moreover, Facebook users can contribute the community creating their own content, for example, posting a message on a brand's Facebook wall or leaving a review, if these mechanisms are enabled by fan page moderator.

These four behaviors, liking, commenting, sharing and checking-in, let Facebook users casually signal their affinity for a brand, item or product and share that with their own personal network on Facebook (Wallace et al., 2012).

3. THEORETICAL FRAMEWORK

This chapter will present a theoretical framework that will be used to answer the research question: *how effectively fitness chains utilize social media tools to manage customer relationships online?* The theoretical framework has been developed after a thorough academic literature review in the fields of social CRM, social media, and customer engagement. It illustrates positive relationships, observed in academic articles, books, and reports, between online relationship strategies, customer engagement, and relationship outcomes (figure 1). However, the causal relationships between constructs of the model will not be tested in this thesis; and the arrows only indicate the relationships based on the findings of the literature review. Each element of the model is discussed in the proceeding sub-chapters.

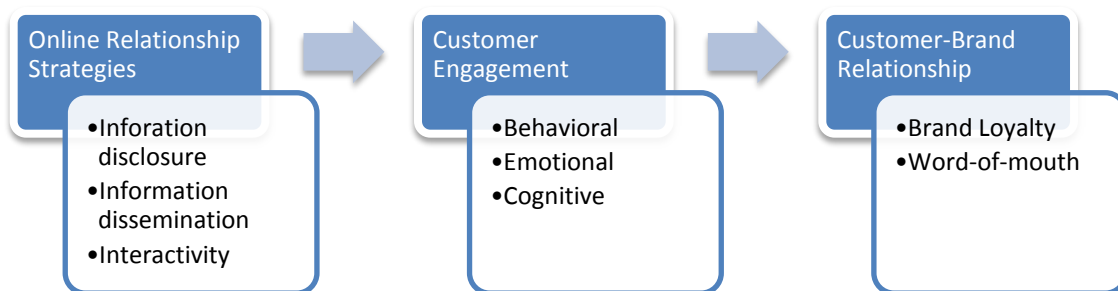


Figure 1: Conceptual model

3.1. Online relationship development strategies

Online relationship strategies were initially introduced by Kent & Taylor (1998) to guide strategic communications with publics through the World Wide Web. Later, three strategies, namely information disclosure, information dissemination and interactivity have been adopted in several studies (Briones, Kuch, Liu, & Jin, 2011; Men & Tsai, 2012; Waters, Burnett, Lamm, & Lucas, 2009) and proved to be an effective framework to examine the impact of various online strategies for relationship building on social network sites and blogs. Furthermore, the strategies mentioned before have been observed having close links to the core constructs of social CRM, namely transparency, engaging content, and interactions.

Information disclosure. This strategy refers to the eagerness of the organization to engage in direct and open conversation with a customer (Men & Tsai, 2012). As suggested by Waters, Burnett, Lamm, & Lucas (2009), in order to achieve disclosure, companies must provide a detailed organizational description along with information about the company's history, mission, and goals. Besides, logos and hyperlinks are recommended to connect consumers to organizational websites. Berman et al. (2007) also recommended that companies list the individuals who are responsible for maintaining the social networking profile, even though this is not commonly found on Facebook.

Social media coach, Hemley (2013) recommends to companies revise their *About page* on Facebook often to make any needed changes like adding a new email address, product updates or a life event. According to her, an incomplete or out-of-date *About page* can leave prospective and even existing fans with the impression that something is not quite right, as a result, their engagement will begin to drop.

This strategy implies that companies are able to achieve the high amount of credibility necessary only by means of **openness** and **transparency** in regular communication with all kinds of stakeholders (Kreutzer & Land, 2015).

Information dissemination. This strategy addresses the needs, concerns and interests of customers while disseminating organizational information (Men & Tsai, 2012). Kent & Taylor (1998) argue that such information allows publics to engage with the organization as informed partners. Organizational information on social networking sites can be distributed in a number of formats, such as text, photos, video, and audio files. Also, message boards or discussion walls can be used to post announcements

and publicize information about products, promotions, and campaigns. In order to keep social media users engaged, Hemley (2013) notes the importance of sharing various types of content on brand's fan page. She suggests experiment with photos, videos, links and questions.

In regards to the content of messages, several marketing scholars, Zhang & Lin, (2015) note that business-created **content** on social media should provide some added value to customers in order to be more engaging. What is more, the content should be of general value to all social media users (Kent & Taylor, 1998) because users of social media are not necessary customers of an organization Ang (2011), therefore, the content of messages in online brand community should vary in order to meet the needs of everyone: customer, non-customer and potential customer.

Interactivity. Interactivity in an online environment refers to participation and engagement via computer-mediated communication channels (Pletikosa Cvijikj & Michahelles, 2013). In particular, in the context of this study, interactivity refers to the extent of two-way communication between businesses and customers, as well as among customers. Interactivity is based on the dialogic loop principle which allows Internet users to ask questions and express concerns to organizations, and it offers organizations to respond to these queries (Kent & Taylor, 1998).

According to Jo & Kim (2003), **interactivity strategy** plays an important role in developing relationships. Yoon, D., Choi, & Sohn (2008) found an interactive communication on websites to be positively associated with the perceived relationship investment of the businesses in terms of their efforts, resources and attention aimed at maintaining or enhancing relationships with the customers. On social media interactivity is said to be essential in creating and keeping productive relationships with customers. Phethea, Tiropanis, & Harris (2015) claim that even if the relative proportion of engaging users is low, just by showing that there is a two-way, responsive conversation could increase the trust of those users who do not interact online.

Compared to more static websites, social media platforms have a higher potential to enhance interactivity level between the organization and its customers. No doubt it enables organizations to achieve more effective communication because unique and personalized messages can be sent instantly and constantly (Zhang & Lin, 2015). Hemley (2013) agrees that carrying on a consistent conversation with the audience largely contributes to success on social media. Furthermore, contrary to traditional communication tools, such as websites, communication on social media may be initiated by the customer. In this situation is very important for an organization to be able to respond to its

customer concerns, questions and requests in a timely manner (Kent & Taylor, 1998), so the dialogic loop could be completed.

It could be concluded, that online relationship strategies have close links with social CRM concepts. That is, information disclosure strategy refers to transparency and open communication with stakeholders, which is seen as a prerequisite for the relationship development with social customers on the social web (Acker & Grone, 2011). Another strategy, information dissemination, concerns the content provided by the company on social media sites. The importance of content in the context of social CRM is emphasized by Malthouse et al. (2013). They argue that companies must develop content marketing strategies that can create value for individual consumers beyond advertising. Lastly, interactivity strategy refers to the dialogue between the company and its customers as well as customer participation and involvement in two-way communication, which is essential in developing long-term relationships (Kreutzer & Land, 2015).

Although, the study that proves a positive relationship between online relationship strategies and customer engagement has not been found, the underlying elements of online relationship strategies, such as content and interactivity, have been prior researched and established as antecedents of customer engagement (Table 5). Thus, it is argued in this study, that online relationship strategies can enhance customer engagement on company's social network.

Concept	Authors
Content	(Chauhan & Pillai, 2013), (Jahn & Kunz, 2012)
Interactivity, Interaction	(So, King, Sparks, & Wang, 2014); (Tsai & Men, 2013); (Jahn & Kunz, 2012); (Mollen & Wilson, 2010); (Pletikosa Cvijikj & Michahelles, 2013)

Table 5: Previous research on the content and interactivity

3.2. Customer Engagement

Customer engagement is acknowledged as the utmost important characteristic of online customer relationships by marketing scholars and practitioners in particular, who argue that in social media era

customers must be engaged rather than managed (Greenberg P., 2009; Van Looy, 2014). Following this approach, the construct of customer engagement is adopted in the theoretical framework of this thesis. Drawing upon a literature review, the following dimensions of customer engagement will be included: emotional, cognitive and behavioral. All dimensions are discussed in *Chapter 2.4*.

3.3. Customer-Brand Relationship

As for the customer-brand relationship, two customer-based items were selected – brand loyalty and word-of-mouth. The former refers to repeated purchase behavior, the latter - the intention to recommend the brand. Kumar et al. (2010) state that engaging with customers through social media is more powerful than ‘traditional’ one-way communication initiatives because organizations are better able to react to marketplace needs and even to empower customers themselves to market for the organization. This view is supported by few theoretical and empirical studies that confirm a positive link between customer engagement and customer relationship performance. For example, Brodie et al. (2013) in their exploratory analysis identified that consumer engagement leads to a number of different outcomes such as consumer loyalty and satisfaction, consumer empowerment, connection and emotional bonding, trust and commitment. The results of another empirical research conducted by So, King, Sparks, & Wang (2014) suggest that service brand loyalty can be enhanced not only through a superior experience in the actual service encounter but also through customer engagement beyond purchase.

Vivek, Beatty, & Morgan (2012) proposed a model of customer engagement in which word-of-mouth and brand loyalty among others is suggested as consequences. They argue that highly engaged customers are more likely to pass along positive word of mouth and act as an advocate of the brand. In regards to brand loyalty, Vivek et al. (2012) claim that an engaged individual may develop more favourable attitudes toward a product, company, or brand he or she associates with the engagement, and consequently, may feel more loyalty to the entity.

Empirical studies focused on customer engagement in online brand communities also confirm positive associations between customer engagement and customer-brand relationships. The results of several studies (Dessart et al., 2015; Jahn & Kunz, 2012) suggest that greater engagement with the online brand community can translate into increased brand loyalty, which in turn has a strong positive effect on brand commitment, brand word-of-mouth, and brand purchase. Furthermore, Cheung, Lee, & Jin (2011) suggest that a customer willing to invest physical, cognitive and emotional effort into an online

platform will also have a higher propensity to spread word-of-mouth communication about it. Thus, both customer loyalty and word-of-mouth have established grounds as potential engagement consequences in the literature.

4. METHODOLOGY

This chapter will explain the foundation of this research project, which is comprised of five steps that lead to the final stage of the process of answering research question – data collection and data analysis. The issues underlying the choice of data collection techniques and analysis procedures are depicted in the diagram below, and will be explained in the proceeding sections of this chapter.



4.1. Research philosophy and approach

The term research philosophy refers to a system of beliefs and assumptions about the development of knowledge (Saunders, Lewis, & Thornhill, 2016, p. 124). These assumptions that are made at every stage in the research inevitably shape researcher's understanding about his/her research questions, the methods being used and the interpretation of the findings. The thesis assumes its theoretical standpoint in *critical realism*, which focuses on uncovering, explaining and understanding observed and experienced real events (Saunders et al., 2016).

Critical realism holds a belief that reality is external and independent of our thinking, however, it cannot be directly accessible through observations and knowledge of it (Saunders et al., 2016), because of the empirical and actual layers that cover the most interesting areas of the reality. The upper layer of the reality within the sphere of critical realism is an empirical domain consisting of experiences and observations that will be covered by the thesis' empirical analysis, although it is only a smaller portion that can be observed empirically. Below the empirical domain there is the actual level that is also observable; however there is no certainty that it is actually being observed. Thus, it

must be realized that it is impossible to gain assured knowledge about this level, given the fact that the brand fans' thoughts are not fully obtainable.

Furthermore, critical realism acknowledges the possibility of errors in observations that may appear due to the different values of held by the researcher involved in the knowledge-derivation process (Farquhar, 2012). Although the researcher will be as objective as possible, the slight errors may occur in the process of observation of activities on the brand Facebook page.

It could be said that this thesis also includes some beliefs of *positivist* philosophical approach, as the methods being used are structured and the researcher will be detached, neutral and independent of what will be researched. The interactions among fan page members will be observed online following a structured framework, and the presence of the researcher will be not known to the community members.

Research approach

With regards to epistemological foundations of this project, an *abduction* approach to a theory development has been taken. It combines deductive and inductive approaches. The former follows a structured process that often starts with a conceptual framework development and then testing it within a particular area, whereas the latter aims to generate theory from data, by looking for patterns in the data (Farquhar, 2012). This approach was considered suitable for the current research, as it seeks to explain and evaluate brand-customer relationships on social media platforms. Thus, the content analysis inductive development of categories and deductive application of categories, are worked out. and questionnaire is used inductively and scientific literature is of deductive nature as well as the findings that are based on both empirical data and theoretical considerations.

4.2 Research design

This section will explain research strategy and methods used as well as time horizon that has been chosen for this research.

Methods

The research design is determined by data collection methods. In this project indirect online observation method and questionnaire method has been chosen, in order to answer research questions. This methodological choice determines *mixed methods research design*, as the applied

methods belong to a group of qualitative and quantitative techniques (Tracy, 2013). In the first phase of data collection, Facebook activities of case companies and its fans has been analyzed, in order to evaluate company's efforts in building relationships with its fans in the online brand community. In the second phase of data collection and analysis quantitative survey has been employed, in order to expand on the initial set of findings. The application process of each method for this thesis will be elaborated in the 4.3 section *Data collection and analysis*.

Research strategy

Taking into consideration an exploratory nature of the research and the application of the multi-method technique for the data collection, a *case study* strategy has been employed to conduct this research. This type of strategy is particularly used by researchers who seek to gain a rich understanding of the context of the research and the processes enacted (Saunders et al., 2016). Besides, multiple case strategy has been chosen over a single case, due to the former's ability to support the generalizability of research findings.

Time horizon

This is the final step of the research planning process before moving to the stage of data collection and data analysis. Taking into account a time constraint of this project, it has been decided to study brand-customer relationships for a relatively short and specific period of time with the aim of addressing the research question. This leads to a *cross-sectional* time horizon of the research. Cross-sectional studies provide a snapshot of current situations and often employ the survey strategy (Saunders et al., 2016), which is the case of this current project.

4.3 Data collection

This section presents data collection techniques and procedures that have been applied in this project. The data has been gathered applying triangulation technique that involves a utilization of more than one source of data and method of collection. The application of various tools allows for a more in-depth and richer picture of the investigated landscape (Saunders et al., 2016). Further, this section proceeds with a brief explanation of the data collection instruments and the processes.

4.3.1 Quantitative Content Analysis

As customer engagement on social network sites comprises a relatively new development, an exploratory content analysis constitutes an appropriate method for understanding this phenomenon.

Content analysis can be defined as "a research technique for the objective, systematic and quantitative description of the manifest content of communication" (Saunders et al., 2016, p. 608). Analytical categories developed in a systematic manner must meet 5 principles (Holsti, 1969 p. 609). They should:

- Link obviously to the scope and purpose of the research topic;
- Be exhaustive;
- Be mutually exclusive;
- Be independent;
- Be developed from a single classification.

One feature that distinguishes content analysis from other qualitative methods is its ability to categorize a large amount of qualitative data and analyze it quantitatively. Thus, frequencies can be counted and relationships between variables in the data can be examined, as well as the patterns and trends can be observed (Saunders et al., 2016).

However, the challenges come with content analysis method when devising analytical categories and conducting systematic and objective coding (Saunders et al., 2016). Coding all of the data consistently requires of care, skill and concentration to avoid analytical "drift", which will affect inter-rater reliability.

Social Media site selection

Facebook has been chosen to analyze company's efforts in engaging its customers for several reasons. First, it is acknowledged as a relationship building tool (ref). Second, it's most popular social network worldwide as well as in Denmark. In Denmark there are over 3 million users and its number is still growing. The number of Danes using Facebook daily grew from 55 percent in 2013 to 59 percent in 2014, but the growth is primarily down to users over the age of 30 (DR Medieforskning, 2014).

Finally, both case companies are active users of this platform. It also has to be noted that local centers of both fitness chains have their own Facebook pages. However, the analysis will be conducted only for main firms' Facebook page, since the focus of this study is social customer relationship building on a corporate level.

Sampling

The data for content analysis was collected using NVivo software and coded manually. Firstly, the data from Fitness World and Fitness dk Facebook fan pages was captured using Nvivo Capture and transferred to the program. The initial dataset consisted of 1200 posts¹ (Table 6). Each post contained the following information: a name of the user, text of the post, link to a picture (if any), link to a website (if any), the number of likes, the text of the comment, type of the post and post created time.

Fitness Center	Page moderator – initiated posts	User-initiated posts	Total
Fitness World	124	476	600
Fitness dk	181	419	600

Table 6: Distribution of the posts of Fitness Centers' Facebook fan page

It has to be noted, that the number of posts of each fitness centers seems relatively similar, however, the posts generated on Fitness dk Facebook fan page cover the period from 30th September 2014 to 23th March 2016. In contrast, the posts created on Fitness World's online brand community span an extremely short period of time: from 19th October 2015 to 23th March 2016.

Due to big differences in traffic between two Facebook fan pages, it has been decided to make the final sample out of the first 100 posts of each group starting from 23th March 2016. Thus, the final sample included a total of 200 posts from Fitness World Facebook page and 200 of Fitness dk Facebook page. The each sample of 200 posts included 100 posts created by the company and 100 posts generated by the visitors of the page. It was important to conduct a subjective analysis of at least 100 different posts to understand the diversity in the type of content an organization and its users generated.

Coding scheme and procedure

First, all posts were grouped into two broad categories, referring to in NVivo as nodes: Fitness chains-initiated posts and individual user-initiated posts. Fitness chain initiated posts are content posted by the Facebook page moderators (or admins), whereas user – initiated posts are content by all others.

Each of group of posts then was analysed in an attempt to uncover a theme applicable to the posts. Initially, the themes developed by Zhang & Lin (2015) were applied to the collection. However, the groupings were modified for a more accurate and appropriate reflection of the posts. Some categories were excluded as not relevant to the fitness industry and a few new entries were added to ensure

¹ A post is a feature in Facebook for users to update or share content with other users.

fine-tuned development and accurate reflection of all themes. A modified list of seven categories of themes was eventually suggested for fitness center-initiated posts. The table presents a detailed description of the categories of the themes of the posts and their definitions as well as an example.

Fitness chain-initiated posts		
Category	Definition	Example
Promotion/Advertising	A message conveyed to make people aware of fitness center products/services/programs and increase its sales or popularity. Informing about discounts or special offers for the current and potential members.	Drømmer du om at komme væk på en aktiv ferie, der byder både mountainbiketure, løb langs stranden, TRX og yoga? Så tag med på vores Training Week på Kreta. (Fitness dk)
Members' achievements	Acknowledging the achievements of members and sharing other activities performed by the members.	Er det ikke flot, hvad Kevin har opnået? I 2006 vejede han 130 kg. I dag vejer han 78 kg. Det er godt gået. Tillykke til Kevin. (Fitness World)
Poll/Contest/Quiz	Invitation to participate in a quiz, survey, contest for a prize.	Hvis du endnu ikke har udfyldt vores spørgeskema, kan du nå det endnu. Vi trækker lod om 3 x 1 måneds gratis træning blandt alle besvarelser inden fredag kl. 12.00 :) (Fitness dk)
Sponsorship	Informing about a fitness center-sponsored event or initiative. Inviting its members to support one.	Er du klar til at gøre en forskel denne weekend? Så er det på lørdag og søndag du kan være med til at støtte organisationen "Familier med Kræft ramte Børn" ved at deltage i vores specielle hold events. (Fitness World)
Social activity	Initiating a dialogue/sharing a message without a specific information about the company; Sharing special moments of the company; expressing gratitude.	I dag er det World Nutella Day, så overvej om du skal have en "cheat day" i dag og træne lidt ekstra i weekenden ;) (Fitness dk)
Information/Announcements/News	Updates/reminders on fitness center's products, services, facilities, press coverage and other relevant info to the users. Announcements of the winners of quizzes and contests.	Vi knokler for at blive klar til at give jer en fantastisk oplevelse med de nye releases fra Les Mills. De bliver lanceret mellem d. 7. og 13. december rundt omkring i landet. (Fitness World)
Events	Invitation to participate in events/programs/meetings organized by the fitness center or other sports organizations.	Rock n' load soldiers! Vi udvider nu militær forhindringsbane til Frederiksberg også, hvor du hver fredag kl 16.00 kan presse dig selv sammen med Dansk Militært Idrætsforbund. (Fitness dk)

Table 7: Categories of fitness club-initiated posts and their respective definition

The posts generated by the fans also were examined and sorted into six categories as shown in Table 8.

User-initiated posts		
Category	Description	Example
Comment/Opinion	Expressing a personal viewpoint about a fitness center and its facilities/activities. The response from a company is not necessary expected.	Hej synes ikke jeg kan se Les Mills body combat på jeres holdplanerne længere. Håber det er en fejl!!! (FB ² fan of Fitness dk)
Complain/Criticism	Reporting specific problems issues or complaints about fitness center's products or services, facilities and premises etc. and/or asking when an issue will be solved.	Næsten 30 min om at ekspedere 4 telefonkunder... (FB fan of Fitness dk) Hvis jeg går til Latin Mix, så forventer jeg Latin musik, Latin dans og ikke Retro eller DanceHall..... Har jeg forkerte forventninger? Jeg bliver bare så skuffet..... (FB fan of Fitness world)
Information seeking	Raising a query concerning general information that may be of interest to everyone, and expecting a response	Kan det passe I vil til at åbne et center mere i Aalborg? (FB fan of Fitness dk)
Seeking for customer service	Raising a query concerning personal/specific issue and expecting a response and clarification.	Hej Fitnessdk - jeg har skiftet "hjemmecenter" fra Fisketorvet til Parken på jeres website, men på jeres app er det stadig Fisketorvet, hvilket er lidt fjollet... Hvordan kan jeg fikse det? (FB fan of Fitness dk)
Request/Suggestion	A polite demand for a change Constructive recommendation about how to improve a product or service.	Jeg er glad kunde hos jer, men jeg har en forespørgsel. Vil I skifte jeres sæbe i badene til parfumefri sæbe? Både for kunder såvel som miljø vil det være en god gerning, og også en meget nem gerning for at være en lidt grønnere virksomhed. (FB an of Fitness dk)
Community support	Sharing information and/or raising a query within the user community	Er jeg den eneste der har problemer med at indløse "gaven" ?? Den siger konstant at websitet er offline -.- (FB fan of Fitness World)

Table 8: Categories of user-authored posts and their respective definition.

C. S. Martins & Patrício (2013) conducted an empirical study and found that a balance in the quantity and frequency of information on social networks is a significant factor affecting user's participation. Hence, the frequency of posts initiated by the fitness clubs will be analyzed in this research.

Examining the interactions

R. J. Brodie, Hollebeek, Juric, & Ilic (2001) view interactivity between customers and a company as the core of the engagement construct. Furthermore, the interactions are an essential part of social media

² Facebook

and they indicate the amount of attention that the company gets from its audience on its social networking site. Interactions on Facebook fan page consists of a total number of likes, comments, and shares that express user's interest into the post made by the fan page moderator. The degree of interactions may vary from post to post indicating the different levels of users' engagement with the content being published on Facebook fan page. The lowest level of user engagement is a click on *like* button of a particular post, whereas a short response (a comment) and *a share* indicate a higher level of engagement, as it requires more time and effort from the user.

In order to evaluate the extent of user's engagement with fitness chain posts, the following will be measured: total interactions for each category of themes of posts per fitness chain. The interactions generated from each post will be calculated using below formula:

$$\text{Interactions per fitness chain post} = \frac{\text{Total no. of post likes, comments and shares from fitness chain posts}}{\text{Total no. of fitness chain posts}}$$

Reliability of the content analysis

The coding was conducted by one rater, an author of this thesis. Though the author has carefully applied the principles of content classification and coding suggested by (Saunders et al., 2016), it still raises a concern about the reliability of the content analysis results. Another factor that should be taken into consideration when assessing the objectivity of coding is a language of the posts. Though the author has a good understanding of a written Danish, she is not a native speaker, therefore, the meaning of some messages may be misunderstood, especially ones where abbreviations and slang are used. Nevertheless, the author's familiarity with terms of fitness club facilitates her understanding of the content created on Facebook fan page by fitness chain and its users. In a case of doubt, the meaning of a word was checked in the online Danish-English dictionary.

In order to address the issue of reliability, the level of inter-rater agreement (Saunders et al., 2016) has been checked. In the cases where content analysis is conducted by one rater, reliability might be checked by asking another rater to code independently at least a part of the content (Saunders et al., 2016). Therefore, a native Danish speaker has been asked to classify 60 posts (30 posts of fan page moderator and 30 posts of fans) into the categories devised by the researcher of this project. Since the measurement consists of categories, the percent of agreement between the raters was counted, which was found to be 83% for user-initiated posts and 90% for fitness chain-initiated posts. Although it is a crude measure, but it does give an idea of how much agreement exists (Socialresearchmethods.com, 2016).

4.3.2 Survey

The second part of this study aims to discover the patterns of customer engagement and its outcomes in terms of brand loyalty and word-of-mouth among the Danish fitness chain members and Facebook page fans. This will be achieved by measuring customer engagement with fitness chain's official Facebook fan page on three dimensions: behavioral, cognitive and emotional. Multidimensional customer engagement has been chosen in the questionnaire after an extensive review of existing literature on consumer engagement studies and concluding that the conceptual essence of consumer engagement is best revealed by multiple dimensions.

The following sections will elaborate upon questionnaire design and distribution, as well as shed light upon, sampling technique and the response rate.

Survey instrument development

The questionnaire comprised a few basic parts. It started out with an introduction to the survey and followed by the requirement note for the respondents. It stated that the participant taking part in this survey has to meet at least one of the following requirements: a) be a member of any Danish fitness chain; b) be a fan on the Facebook fan page of any fitness chain in Denmark. Further questions were related to the usage of Facebook. In order to get to the next part of the questionnaire the participants had to state whether they are fans of any Danish fitness chain on Facebook, which then allowed dividing the total sample (N) into two major groups – 1) respondents who are fans of fitness chain on Facebook (N1); 2) respondents who are not fans of any fitness chain on Facebook, but have a fitness membership (N2). The respondents in the first group were then asked about their current membership status with the fitness chain that they follow on Facebook and about other touch points on social media platforms they have with a certain fitness brand of their choice. Also, they were asked about their engagement with a certain brand of their choice on Facebook as well as future intentions related to loyalty and recommending the fitness chain to others.

The second groups of respondents who are not fans of any Danish fitness chain on Facebook were directed to the question asking for the reasons of not following any Danish fitness chain on Facebook as well as whether they do have a membership with any fitness chain or not. Respondents who indicated of having a membership with any fitness center were also asked questions related to the brand loyalty and word-of-mouth. The respondents in both groups had the option to enter a fitness chain name, in case they were not the members of Fitness World or Fitness dk.

The final part of the questionnaire included socio-demographic questions, such as age, gender and employment status, that were asked both groups of respondents. In total the questionnaire consists of 13 questions, however, respondents who indicated that they are not fans of any fitness chain on Facebook had only to answer 9 questions. See the appendix 2 to view the full survey.

Most of the measurement items were borrowed from the previous researches, but new measures were developed after an extensive review of existing literature. Customer brand engagement on Facebook has been split into three dimensions – behavioral, emotional and cognitive. The emotional and cognitive engagement scales have been used as suggested by Chung, Lee, & Jin (2011) and So et al., (2014), where both constructs are measured with four items each. Nelson-Field, K., Taylor (2012) suggest that in social media, and particularly on Facebook, engagement takes the form of all kinds of direct interaction with the fan page. Thus, the behavioral dimension has been measured with eight self-constructed items referring to the frequency of the different forms of behavioral engagement, such as visiting the page, noticing, reading, „liking“, commenting and sharing its contents as well as creating and posting contents on the fan page yourself and doing Facebook check-ins. The response format chosen for these eight items has been a seven-point frequency scale (1=Never, 2=Almost never, 3=Rarely, 4=Sometimes, 5=Often, 6=Almost always, 7=Always). The response format used for the rest of the items in the questionnaire was a seven-point Likert scale anchored by 1=entirely disagree, 7=entirely agree.

The consequences of customer brand engagement on online social media platforms have been measured in terms of behavioral brand loyalty and word-of-mouth. The scale for behavioral brand loyalty contained two items relating to future purchase intentions (So et al., 2014). Word-of-mouth, which can also be defined as the intention to recommend the brand to others, has been measured with three items suggested by (Park & Kim, 2014). A summary of all the 6 mentioned questionnaire constructs including the sources of reference and the resulting Cronbach's alpha for each scales are displayed in Table 9 below.

A Cronbach's alpha test measures the internal reliability of the items in the construct, that is; if the different items in a scale measure the intended construct (Pallant, 2010). An acceptable value of Cronbach's alpha is higher than 0.7. In this study, the majority of the scales of constructs have a value higher than 0.8, which indicates a high level of internal consistency for the scale of constructs with this specific sample.

Question	Construct	Source	Cronbach's alpha
7	Behavioral engagement	Self-constructed	0.887
8a	Emotional engagement	(Chung, Lee, & Jin, 2011)	0.873
8b	Cognitive engagement	(So et al., 2014)	0.900
9	World-of-mouth	(Park & Kim, 2014)	0.918
10	Brand loyalty	(So et al., 2014)	0.798

Table 9: Construct measurement items, sources and scale reliabilities:

Survey administration and sampling technique

The target population of the survey included both members and Facebook page fans of commercial fitness clubs in Denmark. A self-administrated online questionnaire was created on an online survey tool Qualtrics³ and distributed on Facebook groups related to sports, fitness, and healthy living as well as to the author's personal network in Denmark. Along with the questionnaire link, a message was added to inform potential participants that the survey is targeted at either fitness club members or its Facebook page fans. This message helped to minimize the number of unusable questionnaires. The data were collected during the period of one week, starting from 25th of March, 2016.

Facebook has been chosen as a distribution channel of the survey, in order to reach both groups of respondents: members as well as fans of fitness chains. Despite a high rate of social media, particular Facebook, penetration in Denmark (Anonymous, 2015), the sample of the survey is biased to Facebook users.

Response rate

The questionnaire had a total reach of 183, which breaks down to the following numbers: 102 people completed the questionnaire, 35 people partially completed the questionnaire (19%) and 46 people (25%) only clicked the link without entering any information.

Although the number of useable questionnaires is very small compared to the population size, it exceeds 50 responses which are a minimum requirement for a reliable analysis (Field, 2009). Thus, the questionnaire can provide the foundation of answering the research question of this thesis.

4.4 Validity and reliability of the survey

Validity shows the degree to which the research has successfully measured the social phenomena upon which it has been focused (Welman & Kruger, 2001). Variables used in this research have been

³ www.qualtrics.com

used in previous research, which should make them reliable. Cognitive and emotional engagement, brand loyalty and word of mouth are variables used in the context of customer engagement research and the questions in the survey are based on previous research questions (see Table 9). Therefore, it could be concluded that this research contains stable variables. Besides, Cronbach's alpha coefficients of each construct have a value higher than 0.7, thus, it could be concluded that internal reliability relies within this research.

External validity on the other hand deals with if the results of the study can be generalized to the entire population (Welman & Kruger, 2001). Since the participation in the survey was entirely voluntary and any financial reward was not offered, it is believed that any particular group of people was not attracted.

Welman & Kruger (2001) argue the descriptions of concepts which are grounded in the data and used within the research helps to ensure validity and reliability of the research. The constructs employed in the survey are described and explained in the chapter *Literature Review* of this study.

5. DATA PRESENTATION AND ANALYSIS

In this chapter, the results of the content analysis will be presented and followed by the results of the survey.

5.1 Results of content analysis

The findings of content analysis illustrate the extent to which three relationship development strategies (information disclosure, information dissemination and interactivity) are being employed by fitness chains on their Facebook brand community.

5.1.1 Information disclosure

The purpose of disclosing the company information is to reveal organizational identity and let customers know more about the fitness operator. While both Fitness dk and Fitness World highlight the major features of the company (establishment date, mission, and the goals), there are some differences between two fitness chains. For example, Fitness World provides very scarce contact information, i.e. only a link to company's website, whereas Fitness dk disclose the address, telephone number, email and a link to a website. Furthermore, Fitness dk provides detailed guidelines for its fans

in regards to fans' participation on brand's Facebook page. The guidelines also inform fans about the time that should be expected to get a response to an inquiry from the fitness club staff.

5.1.2 Information dissemination

This section presents the characteristics of posts communicated by fitness chains to their audience on the Facebook page.

Categories of themes of fitness chains-initiated posts

There are many challenges for industries in using social networking. The level of activity and the content of their posts are among the major challenges. The comparison of categories of themes of posts initiated by fitness chains is presented in Figure 2. 63% of posts fell into the category of "Information/News", for example, statements created by fitness chains informing about the opening hours during the holidays, announcing the opening of new centers and the release of new training programs. Other posts that were coded under the "Information/News" category included announcements about available job positions and courses for training instructors. Both analyzed companies were equally active in disseminating the information of general interest. However, 22 posts out of 32 created by Fitness World were only dedicated to announcing the winners of Christmas quiz, whereas the posts of Fitness dk under the category "Information/News varied from the announcements about opening/reopening of fitness centers and new program releases to the information about the opening hours of Fitness dk centers during the holidays.

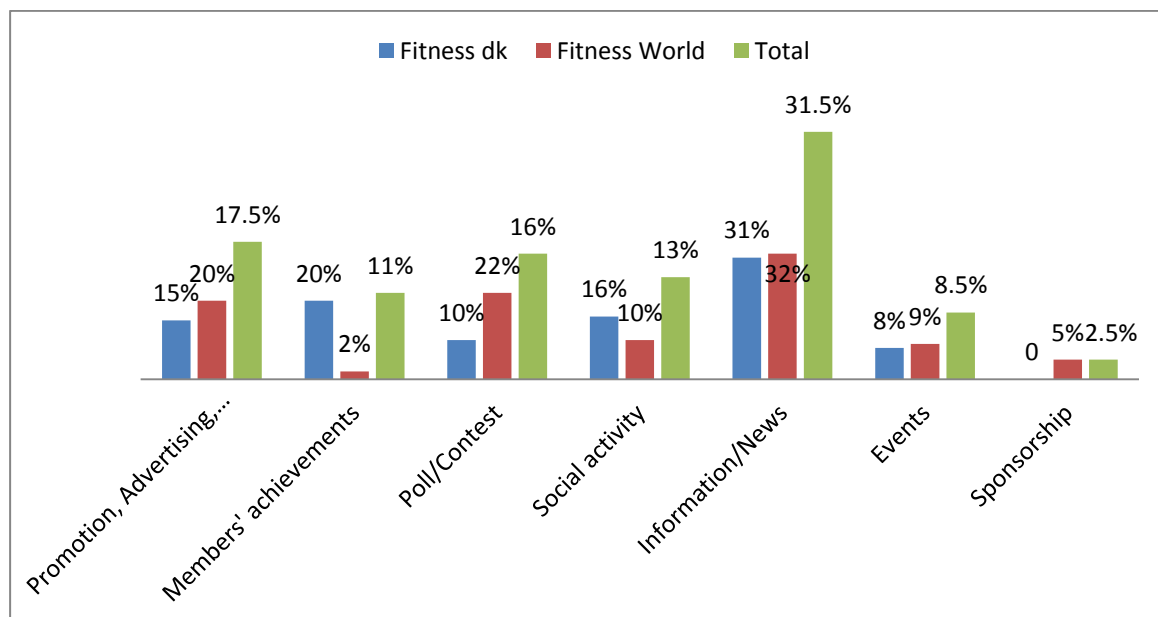


Figure 2: Comparison of categories of themes of posts initiated by fitness chains (N=200)

“Promotion/Advertising/Sales” was the second largest category accounting for 17.5%, with Fitness World demonstrating slightly bigger enthusiasm for this category. The majority of posts in this category were aimed at increasing the customer base by promoting a free of charge training for a day (*Do you want to try fitness, come to free training on Monday. You can try cardio, group exercises, strength training, etc. If you join, you are signed-up for free – you save 299 kr.*”- Fitness World) or using the current members as the ambassadors of fitness chain to attract new members (*You get an advantage if your friends sign-in for fitness dk. Invite your friends to join fitness dk. and get 14 days of free training :) Tip your friends - right now they can sign-up for free. – Fitness dk*). Other posts were directed to cross-selling and up-selling activities, such as promoting sportswear and nutrition products (drinks and protein bars), encouraging the current members to upgrade their membership subscription and use the service of personal trainers.

“Poll/Contest” ranked third, taking 16% of the total fitness chain-initiated posts with Fitness World being a leader in this category. It has to be noted that a huge increase in a number of quizzes was observed only in December and they were related to Christmas, whereas in other months the fans were invited to participate in a quiz or contest once a month on average. Both fitness chains sought for an opinion of its fans through the questionnaire. For instance, Fitness dk asked for an input how its mobile app and website could be improved.

The fourth category was “Social Activity” (13%), followed by “Membership Achievements” (11%) and “Events” (8.5%). The two former categories were largely contributed by Fitness dk, 16% and 20% respectively, whereas “Events” shared an equal amount of posts from both fitness chains. In order to track and showcase its member's achievements Fitness dk initiated 100 days training campaign where four participants were asked to record their ups and downs along the way to their fitness goal following expert guidance and vigorous training. Fitness World, on another hand, shared “before-after” pictures of its members whose training efforts gave some visible results.

The least number of posts fell under “Sponsorship” category (2.5%), which was contributed only by Fitness World. Most of the posts covered a range of special events initiated by fitness chain to support families with children with cancer; also giving a chance to its members to contribute to the initiative by participating in paid events.

When examining the posts of fitness clubs, it also has been observed to which extent companies initiate the discussion with its fans. Surprisingly, only 4.5 % of fitness chains-initiated posts included a

question addressed to the fans. Fitness dk has shown the greater efforts in starting the dialogue with its Facebook fans compared to Fitness World: 7% of Fitness dk posts included a question to its fans, whereas only 2% of Fitness World's initiated posts asked a question to its fans (excluding questions of quiz and contest). The questions for the Fitness dk fans ranged from the attitudes toward sweets and alcohol to *what do you do to find time to come to the gym?* Other questions sought members' opinion about new training classes.

Media type used within fitness chain posts

It is argued that media type, representing vividness and the level of interactivity of the content, is an important factor determining customer engagement on brands Facebook page (Pletikosa Cvijikj & Michahelles, 2013), therefore, it was examined what media type is used within fitness centers' posts on the Facebook page. At the time of writing, Facebook offers the possibility to share (1) status, (2) photo, (3) video, and (4) link. Status and link could be combined together or each of them can accompany either photo or video.

The results indicate that photo and video were the most shared media types among both case companies (figure 3). However, the proportion of these media types considerably differs between the two fitness operators. Fitness World extremely prioritized photos (66%) over videos (11%), whereas Fitness dk attached slightly more videos (37%) than photos (27%) to their posts. The least shared media type among both fitness clubs was status, which represents the least vivid and interactive form of content (Pletikosa Cvijikj & Michahelles, 2013). Lastly, the results show that two fitness operators have adopted different social media posting strategies in regards to media type. Fitnessdk's posts included a proportional number of different media types, whereas Fitness World extremely prioritized a photo in their posts. Empirical research conducted by Pletikosa Cvijikj & Michahelles (2013) concludes that photo causes the greatest level of engagement on the Facebook page. However, marketing practitioner Hemley (2013), claims that sharing a variety of media type on the Facebook page helps to increase fans' engagement.

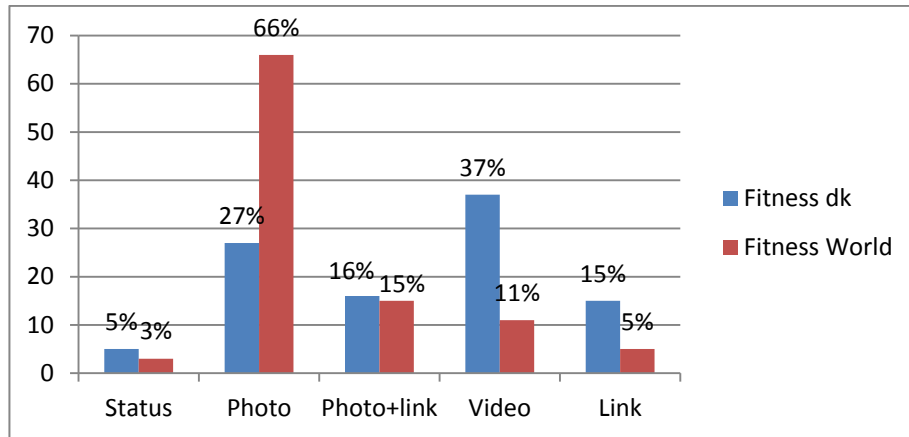


Figure 3: Media type included in the fitness chain-initiated posts

Frequency of posts

Another important factor determining users' engagement with brand posts on Facebook is a frequency of posts (Thongmak, 2015). During the period of five months, Fitness dk published 13 posts on average, whereas Fitness World on average broadcasted 25,2 posts. The results demonstrate that the content of fitness chains is broadcasted on average every second day with the exception observed for the Fitness World when the number of posts increased from 14 to 73 in December due to the Christmas quiz. The results suggest both fitness brands keep a sustained effort to reach out to customers and build an ongoing relationship with them without overwhelming their audience with an excessive number of posts. However, a specific demographical or geographical group of Facebook users may be targeted with sponsored posts (usually ads) that are shown to the targeted audience but do not appear on brand's timeline, consequently, these posts could not have been observed (Ravnskilde, Fitnessdk).

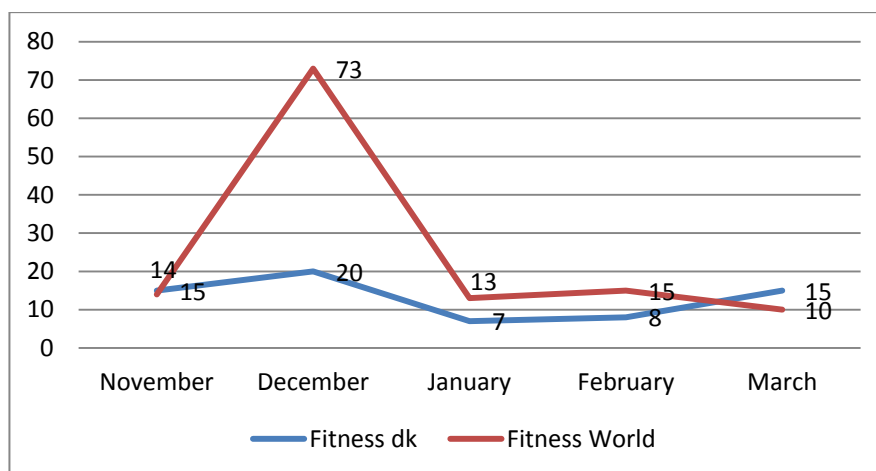


Figure 4: Number of total posts initiated by fitness chains per month

5.1.3 Interactivity

One of the unique characteristics of social networking tools are the interactions between the company and its customers. Interactions on Facebook refer to a number of likes, shares and comments generated per post.

Descriptive statistics have been calculated to present the interactions generated by 200 posts of fitness chains. As results in Table 10 indicate, fans of both fitness chains engage in less demanding activities on brands' Facebook pages ($\text{Median}_{\text{likes}} > \text{Median}_{\text{comments}} > \text{Median}_{\text{shares}}$). Nevertheless, Fitness World created more engagement with its Facebook fans on all three individual levels – liking, commenting and sharing – compared to Fitness dk and its users. However, the standard deviations for the interactions of Fitness World indicate a large dispersion of the data and high outliers, which means that a high level of engagement with fitness World posts was inconsistent. Also, it could be seen that the sample data for all interactions of both fitness chains is highly positively skewed and has a positive excess kurtosis.

Statistics also indicated that

	Fitness dk	Fitness World	Fitness dk	Fitness World	Fitness dk	Fitness World
	Likes		Comments		Shares	
Mean	92.1	273	10.5	665	5.3	13
Median	62	75	3	13	1	1
Mode	44	1000	1	2	0	0
St deviation (sample)	111.5	394.7	21.06	1537.7	12.42	40.2
Skewness	3.299623	1.830466	4.189942	2.132909	4.798267	8.131335
Kurtosis	12.74201	2.657236	20.17256	2.899831	28.53832	74.47861

Table 10: Descriptive statistics of likes, comments and shares generated on fitness chains' Facebook page

Further, in order to determine the level of fans' engagement within the different categories of posts, the total number of interactions (a sum of likes, comments and shares) was calculated for each category of themes of posts and divided by a number of posts of a category. The results are presented in figure 5.

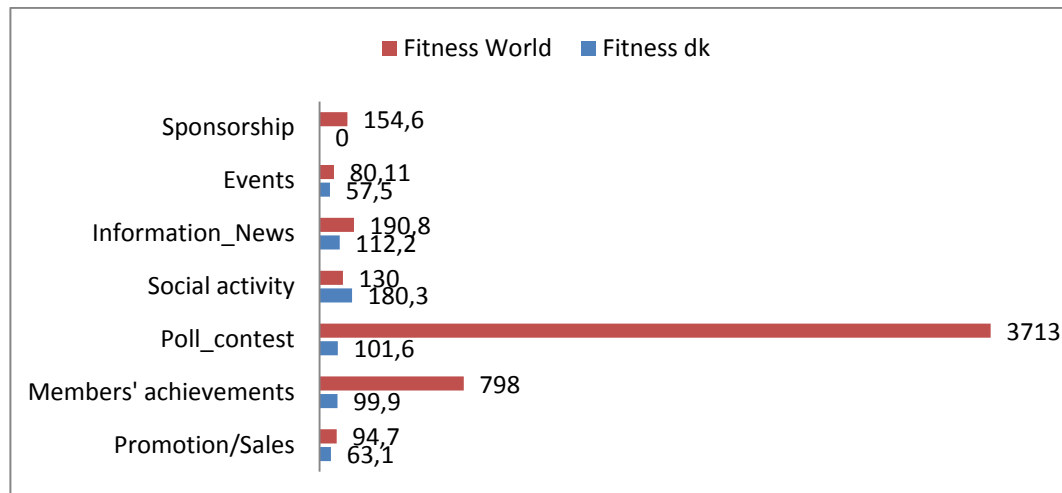


Figure 5: An average number of interactions generated by fans per each category of themes of posts

As results demonstrate the content provided by Fitness World created more engagement for all categories, except for “Social activity”, compared to Fitness dk. However, it would be not accurate to compare the engagement level of the two fitness chains due to several facts. First, the number of Facebook fans of Fitness World is three times bigger than the one of Fitness dk, 158 035 fans and 42 214 fans respectively. Second, the number of interactions created for each category depends on a number of posts that belong to the category. Therefore, further the results of users’ engagement with different categories of themes of posts are presented for each fitness chain separately.

Results of Fitness World demonstrate, that the most engaging category of posts was “Poll/contest” which created a tremendous number of interactions (3713 posts), that mostly were generated by users participating in Christmas quiz. This finding echoes the observation made by other researchers such as Pletikosa Cvijikj & Michahelles (2013) that entertaining content increases the engagement level on all three individual levels – liking, commenting and sharing.

“Members’ achievements” is the second category of Fitness World posts that got a lot of attention from its users. Although Fitness World was relatively passive at showcasing membership achievements compared to Fitness dk, it generated eight times more interactions compared to its competitor, who was far more active in this category. For example, a single post containing a picture and a message about member’s significant achievement in terms of weight loss has resulted in over 1900 likes. Other categories of posts, such as “Information/News”, “Sponsorship” and “Social activity” created 158 interactions on average. Finally, the least attention from Fitness World users got “Promotion, sales and advertising” and “Events” categories, 94.7 and 80.11 respectively.

“Social activity”, “Information/News” and “Poll/contest” were three most engaging categories among Fitness dk users respectively. Similarly to Fitness World, the posts of “Promotion, sales and advertising” category got the least attention from its users. However, contrary to Fitness World, the difference between the categories of posts in terms of a number of interactions was relatively small. The difference between the least and the most engaged category of posts for Fitness dk was 117.2 interactions, whereas for Fitness World it was a massive number of 3618.3 interactions.

Categories of themes of posts authored by users

100 posts of users of each fitness chain have been coded into six categories, in order to investigate the cases when users of a fan page initiate a conversation with fitness brands. As shown in Figure 6, “Information seeking” was the most popular category gaining 41.5% of all user-generated posts. Users have raised a wide array of generic queries. For example, a user requested a clarification about the ongoing campaign. Other users asked for information on prospective discounts, payment methods, membership options, and opening hours etc.

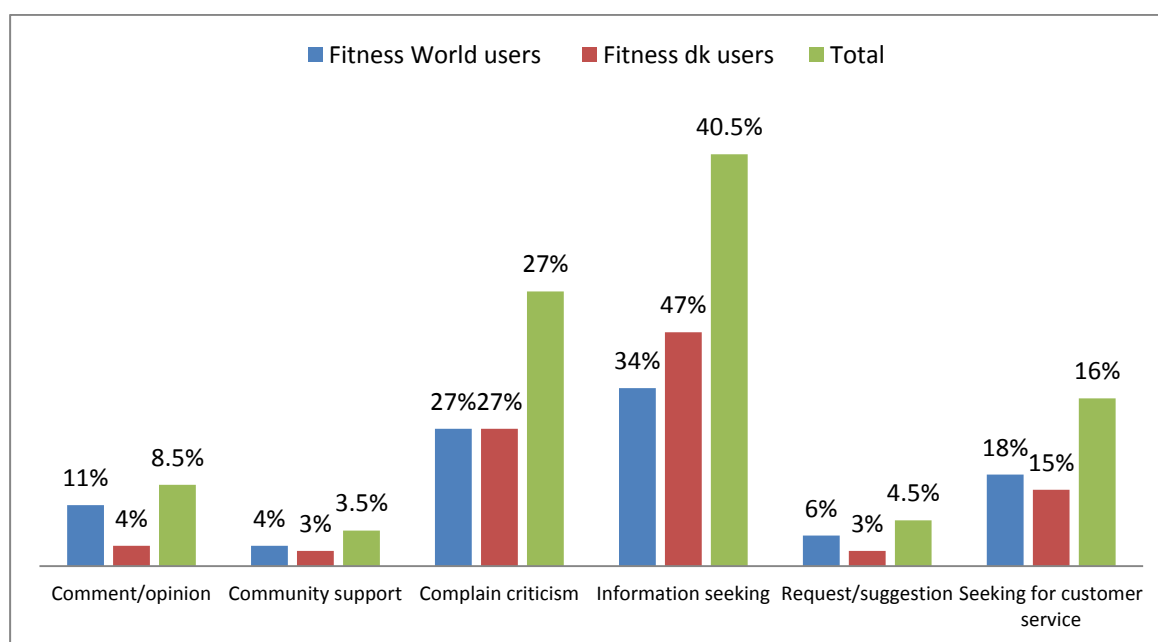


Figure 6: Comparison of categories of themes of posts initiated by fitness chains users

“Complaint, criticism” was the second largest category of users created posts accounting for 27% with equal contribution from both fitness chains. Moreover, the reasons for complaining have been relatively similar among both fitness chain users. The users were most active at expressing their dissatisfaction about services provided at the certain centers, which included complaints about the

overload of commercials and loud music in the training areas as well as non-functioning facilities. Problems with brand's website and mobile app also were among other frequently reported problems.

"Seeking for customer service" category ranked third, being responsible for 16% of all posts. The queries in this category were either related to a specific case or sought assistance with, for example, setting up a mobile app or booking a squash court etc. Specific queries were linked with a wide range of issues. For example, one fitness dk user sought for an explanation why a specific class in the center located in Glostrup was removed despite being popular among a group of 20 members. A user of Fitness World was also seeking an explanation about the bill he got to pay for two months of training, although, as he explained, he had terminated his membership before and did not use the services during these two months.

It was also observed that social networking site for Fitness World users having personal questions was "the last hope" to get a response from the fitness chain because the company was not reachable through traditional communication channels such as email or phone. This finding implies that traditional means of communication in customer service still plays a very important role and should not be replaced by social channels. Additionally, Millard (2015) states that firm's ability to easily and seamlessly switch between channels is highly desirable.

Finally, the tone of the user-initiated posts was observed. While the majority of messages had a neutral tone (73% Fitness dk and 71% Fitness World), negative one was also common (25% Fitness dk and 29% Fitness World). The posts with truly positive tone were observed only among Fitness dk fans (2%).

Responding to customers' inquiries – closing the dialogic loop

As it was mentioned before, the essence of social media in business communication is a dialogue and two-way communication (Tsimonis, G. Dimitriadis, 2014), therefore, the observation has been done whether the inquiries got a response from the fitness chains or not. Firstly, it has to be noted, that the majority posts initiated by the fans on the fitness club Facebook page require a response from a moderator of respective fitness club (70%), other users' posts include an indirect question (17%), which means the company can choose either to respond or not. Lastly, only 3.5 % of user posts were directed to the community. This supports C. Martins & Patrício (2013) findings that members of company's social network community rely on the company to help them to achieve their goals and only a few count on other community members.

The observation of comments under the users' posts reveals that both fitness chains take a similar approach dealing with customers' inquiries. All observed inquiries that were addressed directly to a fitness club got a response from an administrator of brand's Facebook page. Inquiries related to a specific case usually were directed to a less public channel like email of customer service, whereas questions of general interest were answered publically on the Facebook page. Moreover, research findings demonstrate that fitness chains understand the demands of the social customer to be dealt with promptly, politely and personally (Metz, 2012). That is, the inquiries are answered referring to a person who asked and the tone is kept soft even when the customer is frustrated or disappointed about the services of a fitness club. Regarding the response time, it takes an average one day for the staff of fitness club to answer the query, except the cases when the question is asked on weekdays during office hours – then, the response usually is given within few hours.

5.2. Survey results and analysis

As discussed in Chapter 4 the online survey of members of fitness clubs was conducted in order to discover the level of customer engagement on brand's Facebook page as well as explore customers attitudes toward brand loyalty and word-of-mouth.

Before presenting the results of the survey, the interpretation of the data by means of descriptive statistics will be explained. Statistics will be summarized and presented using a combination of tabulated descriptions (tables), graphical descriptions (graphs and diagrams) and statistical commentary (discussion of the results).

5.2.1 Descriptive statistics

Descriptive statistics is the term given to the analysis of data that helps describe, show or summarize data in a meaningful way such that, for example, patterns might emerge from the data. However, conclusions beyond the analyzed data cannot be made (Leard Statistics, 2016).

Nevertheless, descriptive statistics are very important in statistical analysis, because it enables to visualize and present the data in a more meaningful way, which allows simpler interpretation of the data (Leard Statistics, 2016). Survey data was processed and descriptive statistics retrieved using SPSS statistical program. The results of Likert-scale items are reported by the measures of central tendency (mean, median, mode) and dispersion (standard deviation), whereas the results of Likert-type items

are presented in frequencies. According to Sullivan & Artino (2013), when several Likert-type items are grouped into a “survey scale,” mean score for the scale items is recommended to calculate. Especially this practice is recommended, when researchers are attempting to measure less concrete concepts, such as customer engagement, brand loyalty, which is the case of this study.

5.2.2. Demographics

Demographic questions were asked in order to get an overview of the population sample. Demographic characteristics of respondents are shown in the table below.

	Fans N=61		Non-fans N=41	
Gender	34% (male)	66% (female)	43% (male)	57% (female)
Occupation status				
<i>Employed</i>	37,7%		26,2 %	
<i>Part-time employed</i>	8,2%		9,5%	
<i>Unemployed</i>	8,2%		7,1%	
<i>Student</i>	44,3%		52,3%	
<i>Other</i>	1,8%		4,9%	
Age (average)	27,3 years old		25,6 years old	

Table 11: Demographic characteristics of the respondents

As it could be seen in Table 11 both groups of respondents includes more women than men, among fans there are 34% males and 66% females compared with 43% males and 57% females among non-fans. Moreover, among the men, there are more non-fans (43%) than fans (34%).

Regarding the occupation status, the distribution of the status of respondents is very similar in both groups. The largest part of fans and non-fans, 44.3% and 52.3% respectively, is students, 37.7%, and 26.2% respectively is full-time employees, 8.2% and 9.5% is part-time employees, 8.2% and 7.1% is unemployed.

An average age of fans in the survey is 27.3 years old, whereas an average non-fan is 25.6 years old. The overall distribution of the respondents' age is presented in Figure 7, which illustrates the majority of survey participants belong to the 20-30 years group of age. This could be explained by the fact that young adults are the most active users of Facebook in Denmark (www.statista.com).

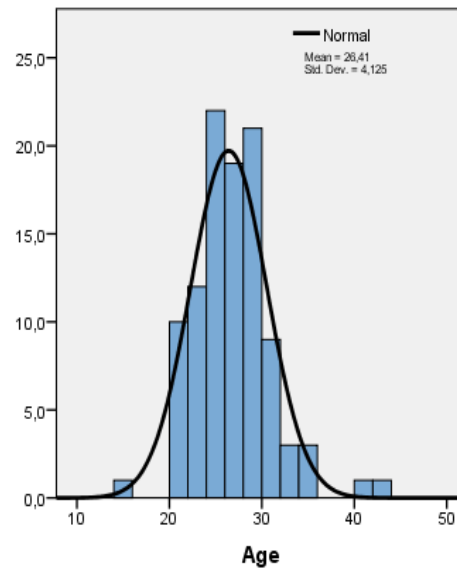


Figure 7: Distribution of the respondents' age

5.2.3 The distribution of fans and non-fans by fitness chain

All respondents were asked to indicate a name of fitness chain where they currently have a membership. It was expected that majority of respondents will have a membership of either Fitness World or Fitness dk. Nevertheless, it also was given the option to choose "other" and type a name of a fitness club. The results show that the majority of respondents belong to either Fitness World or Fitness dk. Among other fitness clubs *Crossfit Copenhagen*, *Fit og Sund* and *Fitness1* was mentioned by a few respondents. As Figure 8 shows, in the group of fans Fitness World is followed by 59% respondents, Fitness dk by 30% and other fitness clubs by 11%. The distribution of non-fans among different fitness clubs is also similar to the group of fans: the majority of non-fans (55%) belong to Fitness World, 28% to Fitness dk and 17% indicated the other fitness club.

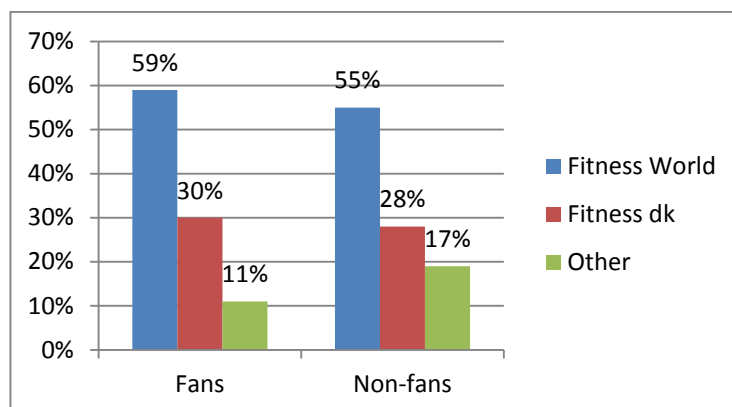


Figure 8: The distribution of fans and non-fans by fitness chain

5.2.4 Facebook usage statistics

All respondents (N=102) of the survey were asked to indicate their level of Facebook usage in general on a 7-point Likert scale anchored by 1=*Entirely disagree*, 7=*Entirely agree*. The answers to the statement *I log on Facebook every day* are highly positive (Table 12). In regards to spending long times on the social networking site, most answers fell in the range of a high value of “entirely agree” to a neutral value of “neither disagree nor agree” (Table 13). These results imply that members of fitness clubs are active users of the Facebook platform, thus, they could be the potential brand advocates on this particular social media.

	Frequency	Percent	Valid Percent	Cumulative Percent
Entirely disagree	5	4,9	4,9	4,9
Mostly disagree	1	1,0	1,0	5,9
Somewhat disagree	2	2,0	2,0	7,8
Neither disagree or agree	4	3,9	3,9	11,8
Somewhat agree	11	10,8	10,8	22,5
Mostly agree	19	18,6	18,6	41,2
Entirely agree	60	58,8	58,8	100,0
Total	102	100,0	100,0	

Table 12: I log to Facebook everyday (N=102)

	Frequency	Percent	Valid Percent	Cumulative Percent
Entirely disagree	3	2,9	2,9	2,9
Mostly disagree	7	6,9	6,9	9,8
Somewhat disagree	7	6,9	6,9	16,7
Neither disagree or agree	12	11,8	11,8	28,4
Somewhat agree	23	22,5	22,5	51,0
Mostly agree	20	19,6	19,6	70,6
Entirely agree	30	29,4	29,4	100,0
Total	102	100,0	100,0	

Table 13: I spend long periods of time on Facebook (N=102)

Figure 10 shows a distribution of answers to the question: *Where else are you connected with <selected fitness chain>?* As it could be seen, the most popular online touch point among fans of fitness chains is a mobile app (51%), followed by website (37%). Instagram and Email newsletter shares the fourth place and accounts for 32%. This demonstrates that all online channels used by fitness clubs are perceived equally important by their customers, and therefore could not be neglected by the managers of fitness chains.

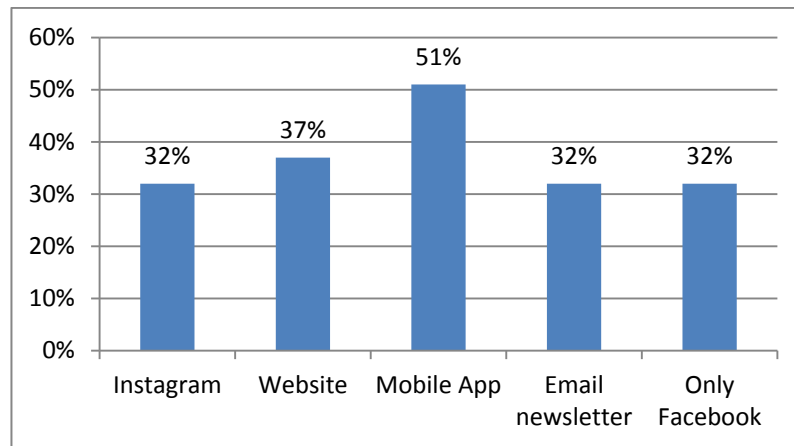


Figure 9: Online touch points with fitness chains among fans (N=61). Multiple answers are allowed.

A group of respondents who indicated themselves as fans of a fitness chain were asked for the reasons of why do they follow this particular fitness brand. The results are shown in Figure 11. The majority said they like to receive information about offers and discounts (66%), 56% like to receive information about product news and upcoming events, another 56% like to receive information about the fitness chain. Relatively high percent of respondents (33%) indicated they like to be a part of the community as a reason of why they like fitness chain's Facebook page. It is seen as a positive thing and could be an indicator of a need for some kind of relationship with a fitness club and the other fans of fitness club's Facebook page. The least important factors for fitness chain fans on Facebook are an opportunity to participate in quizzes and contests (18%) and discussions (10%).

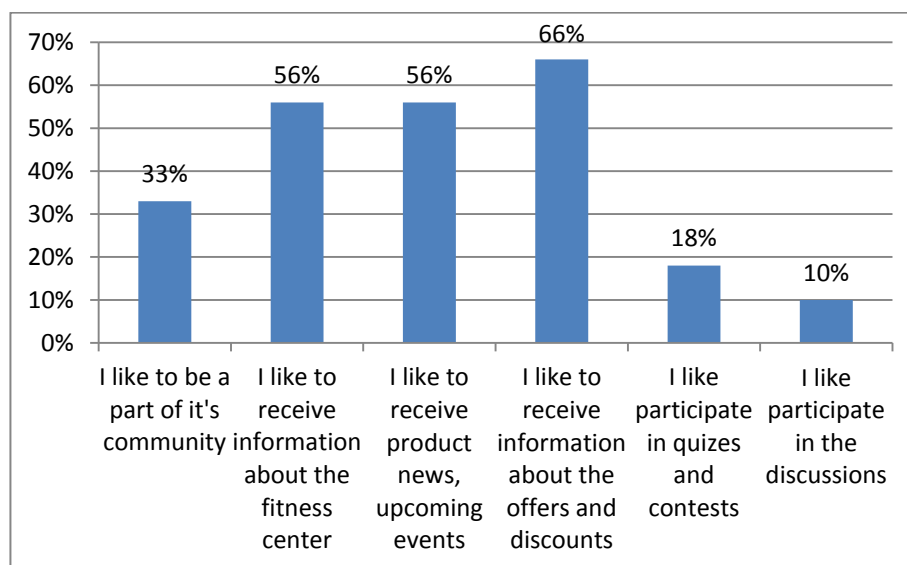


Figure 10: The reasons why respondents (N=61) follow fitness chain on Facebook (%)

In order to understand whether the expectations of the fans in regards to the content are met, they were asked about the quality and frequency of the posts. As results indicate in Table 14, the majority of respondents have a neutral opinion about the usefulness of the content provided on Facebook page by fitness clubs. The similar values are placed by respondents for the statement concerning the frequency of updates on fitness club's Facebook page. Overall, it could be said that fitness chains perform moderately in providing their customers with a valuable and updated content on a brand community.

	Frequency	Percent	Valid Percent	Cumulative Percent
Entirely disagree	1	1,0	1,6	1,6
Mostly disagree	2	2,0	3,3	4,9
Somewhat disagree	1	1,0	1,6	6,6
Neither disagree or agree	26	25,5	42,6	49,2
Somewhat agree	22	21,6	36,1	85,2
Mostly agree	6	5,9	9,8	95,1
Entirely agree	3	2,9	4,9	100,0
Total	61	59,8	100,0	
Missing System	41	40,2		
Total	102	100,0		

Table 14: The content provided by the fitness center's Facebook fan page is valuable (N=61)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Entirely disagree	2	2,0	3,3	3,3
Valid Mostly disagree	2	2,0	3,3	6,6
Valid Somewhat disagree	5	4,9	8,2	14,8
Valid Neither disagree or agree	17	16,7	27,9	42,6
Valid Somewhat agree	18	17,6	29,5	72,1
Valid Mostly agree	14	13,7	23,0	95,1
Valid Entirely agree	3	2,9	4,9	100,0
Valid Total	61	59,8	100,0	
Missing System	41	40,2		
Total	102	100,0		

Table 15: Fitness center's Facebook fan page is updated to an appropriate level (N=61)

A group of respondents who do not *like* Facebook fan page of any fitness club (N=41) were also asked to indicate the reason for not liking a fan page (Figure 12). One of the main reasons for not following fitness brand on Facebook was: *I use Facebook only for communication with my family and friends* (63%). This finding is not surprising because Facebook was initially created as a social network to keep relationships with friends and family and have been used since 2006, whereas Facebook Pages for business were launched only in 2009 (Evans, 2010). The second reason of not liking fitness chain Facebook page is *The information provided by fitness chain is not useful* (25%). 10 % or non-fans

indicated that they are not interested in fitness clubs and 2% do not have this opportunity as their fitness club has no presence on Facebook.

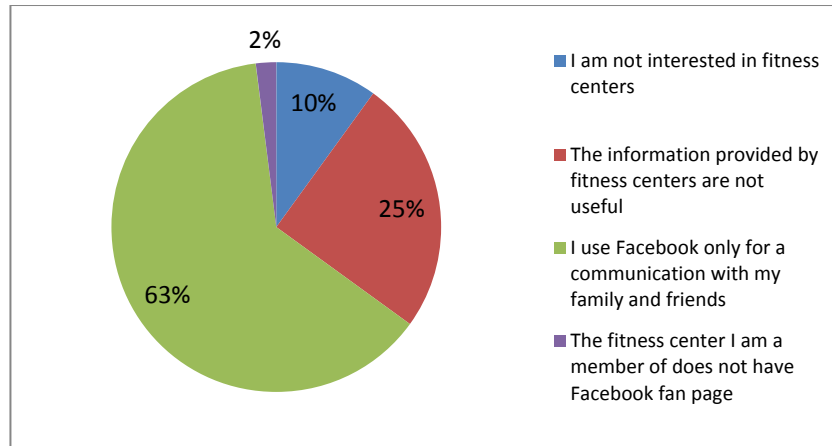


Figure 11: The reasons for not liking the Facebook page of fitness chain (%)

5.2.5 Customer Engagement

The second part of the questionnaire is aimed to measure fans' engagement with fitness club's Facebook fan page. The engagement was measured on three dimensions: behavioral, cognitive and emotional that is composed of several items. Descriptive statistics of each item will be only presented for the construct of behavioral engagement, in order to compare the type of activities of fans observed through the content analysis with ones observed in the survey. The results of customer engagement are derived from the sample of respondents who indicated themselves as fans on the Facebook fan page of any fitness club (N=61). Items of behavioural customer engagement were measured on a 7-point Likert scale anchored by 1=*Never*, 7=*Always*.

The results in Table 16 shows that the fans on fitness chains' Facebook page mostly engage in a passive behavior – reading the content issued by the page moderator (M=4, Mo=5). Furthermore, the fans are more often exposed to the content created by fitness club on News Feed (M=4, Mo=4) then they take the initiative to visit the brand's profile themselves (M=3, Mo=3). The next most popular way to engage on fitness chain's Facebook Page is *liking* behavior (M=3, Mo=3), followed by commenting (M=2, Mo=1) and sharing (M=1, Mo=1) behaviors. This finding supports the findings of content analysis where *like* button was observed as the most used mean to engage with the content on fitness chains' Facebook and sharing option was used the least times. In addition, Facebook check-in mechanism has been observed as being used by the respondents as much as a comment and share

mechanisms. Although the content analysis shows relatively high fans' engagement in posting behavior, the survey respondents indicated performing this activity *almost never*. However, this result could be affected by a relatively small sample size of the survey (N=61).

Statistics								
	Visit	Notice Posts	Read Post	Comment Posts	Like Posts	Post Himself	Share Posts	Check-in
N Valid	61	61	61	61	61	61	61	61
Missing	41	41	41	41	41	41	41	41
Median	3,00	4,00	4,00	2,00	3,00	1,00	2,00	2,00
Mode	3	4	5	1	3	1	1	1

Table 16: Median and Mode of the items of behavioral customer engagement (N=61)

Table 17 presents a summary of statistics of three dimensions of customer engagement among the Facebook fans by fitness chain. The results show that the fans of Fitness dk feel more engaged behaviourally than compared to the fans of Fitness World: the mean score value for Fitness dk \bar{X} =3.22, whereas for Fitness World \bar{X} =2.56. The level of emotional and cognitive engagement among the fans of two fitness chains seems to be very similar, i.e. neutral.

Fitness club		Behavioral engagement	Emotional engagement	Cognitive engagement
Fitness World	Mean	2,6181	3,8333	3,5625
	N	36	36	36
	Std. Deviation	,90433	1,09381	1,18227
	Median	2,5625	4,0000	3,8750
Fitness dk	Mean	3,2222	4,0694	4,0972
	N	18	18	18
	Std. Deviation	,91911	,82161	1,14769
	Median	3,4375	4,0000	4,1250

Table 17: Descriptive statistics of customer engagement dimensions

5.2.6 Customer – brand relationship

The purpose of the last part of the questionnaire was to examine the attitude of fitness chain members toward brand loyalty and word-of-mouth. Both groups of the respondents (N=102) had to answer the questions related to behavioral intentions, such as recommending fitness chain to others, keep using the service, willing to pay a higher price etc. The results in Table 18 demonstrates that both groups of respondents, members who are fans, and members who do not follow fitness club on Facebook, keep very similar behavioral intentions to the fitness chain, as the mean value of all

constructs ranges between 4.48 and 5.15 points out of 7. In other words, the average agreement with items that measures brand loyalty and word-of-mouth fall between *neither disagree nor agree* and *somewhat agree*.

		Brand loyalty	Word-of-mouth
Fan	Mean	4,4809	5,1530
	N	61	61
	Std. Deviation	,98794	1,01575
	Median	4,3333	5,0000
Non-fan	Mean	4,6341	5,1382
	N	41	41
	Std. Deviation	1,09748	1,27143
	Median	4,6667	5,3333

Table 18: Descriptive statistics of constructs of customer-brand relationship

6. DISCUSSION

This study aims to understand customer relations on social media and, in particular, to explore how fitness chains incorporate social network site – Facebook – to manage relationships with customers. The content of communication created by both companies and its users was examined. Findings suggest that both fitness operators in Denmark commonly use the dialogic strategies of disclosure, information dissemination, and interactivity proposed by Kent & Taylor (1998).

The content analysis of fitness chains and their users created posts ascertained the following. First, fitness chains have exploited various functions of Facebook for customer relationship development, which include: communication channel for marketing activities, a channel for information distribution and customer service tool to respond to the inquiries of fans.

Next, fitness chains still adopt an inside-out approach in designing and developing messages on social media. One-way announcements and advertisement were the main marketing messages communicated on fitness operators' Facebook page, which is less inviting for participation. However, it has to be noted, that fitness chains make attempts to involve customers into their marketing communication process, resulting in interactivity. This is achieved by deliberately designing and executing engaging messages such as polls, quizzes, and contests.

Additionally, the language style of messages was short, vivid and informal, which implies that fitness chains are following the principles of managing social media presence, as suggested by Kaplan & Haenlein (2010), which are active, interesting, humble, informal and honest.

What is more fascinating that fitness operators have demonstrated their capability of dealing with customers' inquiries. The friendly and personalized messages composed by fitness club staff were able to promote immediacy, empathy, and personal presence, which facilitates relationship building and development (Zhang & Lin, 2015). This achievement is associated with Facebook features that enable instant interpersonal dialogue and with genuine efforts of fitness chain employees, who are dealing with company's Facebook users directly.

Despite the engagement incentives offered by fitness chains on their respective Facebook pages, fans were passive at showing high levels of engagement which involves commenting and sharing brand's messages. The most common action of fitness club users on Facebook was clicking on a *like* button. These findings confirm other researchers who explored how Facebook users engage with the brands of other industries, such as retail, airlines and hotels (Boes, Buhalis, & Inversini, 2013; Yoon et al., 2015).

With regards to users-initiated posts, two most common reasons to contact fitness club publically among the Facebook users was asking for information and/or clarification as well as complaining about the company's staff, facilities, payment methods, campaigns and poor customer service. Although the majority of users initiated posts were neutral in terms of tonality, messages with negative tone also were common.

Finally, users of fitness chains engage on the Facebook brand page mostly with the company-communicated content, which provides entertainment and brand-related information. In other studies (Jahn & Kunz, 2012; Pletikosa Cvijikj & Michahelles, 2013), entertaining and informative content were also found to be the main factor leading to online engagement over brand-related content in the forms of consumption, creation, and contribution.

The survey results have supported some findings of the content analysis and also uncovered other forms of engagement that were not possible to detect observing brand's online community on Facebook. These forms include a consumption of the content as well as emotional and cognitive engagement with a brand's Facebook page. Furthermore, the findings of the survey allow drawing a line and defining the main differences between the two groups of fitness club members - fans and non-fans.

The quantitative aspects of this study suggest that fitness chains fail to attract a relatively high number of their members to the brand community on Facebook. However, this may not necessarily be in control of the company, as the major reason for not following fitness club on Facebook was the perception of members that this social platform is more suitable for the relationship maintenance with close friends and family members rather than with the brands. Nevertheless, a non-valuable content was the second reason preventing members of fitness chains to join the online community.

Offers and discounts, as well as product and company-related information, are the top reasons why members of fitness club interact with the company on its social network community. This finding partly contradicts the findings of content analysis which shows that the posts involving offers and discounts are the least popular content type on fitness chains Facebook page, i.e. generated the least interactions.

Moreover, it appears that members following fitness club on Facebook also are connected with a brand through other online channels with the mobile app being the most popular. This finding is not surprising given the prevalence of mobile devices and the fact that mobile internet usage overtook desktop Internet usage in 2013 (Chaffey, 2016).

The survey confirms the results of a content analysis showing the tendency of fans to express their interest into brand-communicated content by liking rather than commenting or sharing. Additionally, the survey reveals an existence of the lowest level of engagement among fitness chain fans – content consumption, which means downloading, reading, watching or listening digital content. It appears that content consumption outweighs other forms of engagement. Moreover, Facebook fans of fitness clubs tend to engage more cognitively and emotionally than behaviourally. Nevertheless, all three dimensions of customer engagement are important in fostering customer-brand relationships, as each dimension indicates customer's interest in the brand (Vivek et al., 2012).

Lastly, although J. Gummerus et al. (2012) argue that brand loyalty can be further strengthened by engaging in the community, fitness club members, both company's Facebook page fans and non-fans hold similar attitudes toward behavioral brand loyalty and word-of-mouth.

7. MANAGERIAL IMPLICATIONS

As a preliminary study conducted on fitness chains' social media efforts in customer relations, this study has important findings. Study results indicate that the leaders of Danish fitness industry have a

good start of managing social media platform, as both operators have shown a commitment to a brand community on Facebook. Nevertheless, there is still more room for improvement, thus, based on the literature review and the findings of the content analysis and the survey, several suggestions for fitness chains operating in the Danish market will be presented to improve their performance on the Facebook brand community in the context of customer relationship development and building.

In line with the findings, brand community providers should consider a type of messages that does not directly relate to the company, but just intend to interact and encourages socialization. While fitness operators provide entertaining content, such as quizzes and contests, which increase fans' interest and participation in a brand community, this type of content does not necessary lead to the socialization within the community. Moreover, it is argued that visitors who are attracted by lotteries and competitions are not necessarily loyal to the Facebook brand community provider in their buying behaviors, possibly not even in their engagement behaviors (J. Gummerus et al., 2012). Therefore, ensuring long-term engagement behaviors both in the form of community actions and purchase behaviour managers should focus on posts that emphasize entertaining content and possibilities for socialization within the Facebook brand community.

Based on the findings of this research, fitness clubs should especially focus on engaging the customer emotionally and behaviourally, which means that the messages communicated through online social media platforms should evoke an emotional appeal and encourage various forms of interaction with the brand. In particular, community moderators should encourage commenting and sharing behaviors, as these actions performed by the fan are most visible to the fan's network. Hence, it will provide the brand with increased exposure and, therefore, may attract other Facebook users to interact on brand's Facebook page.

Even though this study was focused on Facebook fan pages, the majority of fans were found to be connected with fitness club through other online channels, such as website, email, Instagram and, especially, mobile application. The managers should, therefore, ensure the integrity and consistency of their customer relationship management strategies across the different channels as it will provide the customer with seamless experience which likely will result in engagement and stronger customer-brand relationships.

Overall, the innate social, communicative, and interactive characteristics of social network sites are an ideal tool for organizations to connect with their customers, thus, brand community managers must develop strategies and tactics that engage customers and facilitate authentic conversations in online brand communities.

8. CONCLUSION

With developments in technology and new opportunities for customer management, a business also must keep advancing with technology, or they hazard losing their customers to their rivals. Even though the number of companies incorporating social media into their business strategies is rapidly increasing, catching customer's attention on social media platforms still remains the biggest challenge for the business today.

The purpose of this thesis was to conduct an analysis of how two leading Danish fitness chains utilize social media tools, Facebook, in particular, to manage customer relationships. The problem was approached through both the company and customer perspective, as the latter is an indicator of the effectiveness of company strategies.

Fitness dk and Fitness World were chosen as the case companies for this thesis because of their focus and active participation on social media. Facebook was the only social platform to be included in this research, due to its general popularity and high levels of utilization among both brands and consumers.

The initial part of the empirical research for this thesis consisted of a literature review which established an understanding of the traditional strategies of CRM and Social Media as well as social CRM with a new perspective of customer engagement. The literature review illustrated the growing importance of customer engagement in customer relationship management and concluded that a new customer – the social customer – must be engaged rather than managed in online channels. Subsequently, the theoretical framework was presented. The empirical analysis of the thesis was built around the Online Relationship Development Strategies (information disclosure, information dissemination and interactivity) suggested by Kent & Taylor (1998). With a reference to the academic literature it was argued that these strategies foster customer engagement, and consequently, customer engagement leads to a brand loyalty and word-of-mouth.

The second part of the thesis consisted of the analysis of the empirical data collected. The empirical data was collected through content analysis of 400 posts generated by fitness chains and their users on the Facebook brand page. The online survey of fitness club members was conducted in order to uncover their level of engagement with fitness club's Facebook page as well as to understand their attitude toward brand loyalty and word-of-mouth.

The main finding of content analysis was that both fitness chains have a generally good performance in using the online brand community to maintain relationships with customers; however, regardless of the "social" nature of social media, the dialogue aspect has still not been fully embraced by two fitness companies. While Fitness dk. attempted to start the conversation with its users by asking questions not directly related to the brand, Fitness World was passive within this aspect. Nevertheless, both fitness chains demonstrated a high commitment to address users' inquiries by responding in a timely and informal manner. The content analysis research also shed the light on what theme of the post could arouse the interests of the users and may spread the e-word-of-mouth through the social media. Entertaining posts and the messages containing personal element were found to be the most engaging theme of posts among members of fitness chains; however, the latter was rarely communicated by the fitness operators.

The customer perspective was incorporated by conducting an online survey, which resulted in 102 usable responses. The survey findings support as well as expand on the findings of the content analysis; brand community members seem to be most engaged emotionally and cognitively with fitness clubs Facebook page, which indicates the lowest possible level of engagement.

Managers are recommended to diversify the type of content that is communicated in their online brand community. Also, better strategies should be developed to encourage authentic conversations and behavioral customer engagement within Facebook brand community.

9. LIMITATIONS AND FUTURE RESEARCH

In this chapter the limitations related to the thesis will be discussed and suggestions for future research will be provided.

General limitations

The research is limited to Denmark and its major commercial B2C fitness club operators. Thus, it may be difficult to generalize the results from this study to other countries or to other sports and health clubs. Therefore, the same study could be conducted including the smaller (niche) fitness clubs, operating in the Danish market. Also, a future research could be carried out adopting a cross-national perspective, i.e. in the Scandinavian setting.

Limitations of the content analysis

First, a more theoretically vigorous typology of categorizing social media posts needs to be developed and validated. This would help uncover what types of messages are more likely to increase customer engagement, which may lead to improved customer relationships.

Second, this thesis provides a snapshot of the at-the-time observations and realities with regards to company activities and consumer behavior on social media site. However, company's activities on Facebook may be influenced by seasonality and other factors; customers' behaviors also may vary due to the constant changes in social media. Therefore, a longitudinal analysis could be conducted to observe the trends in communication and engagement on fitness chains' Facebook page.

Additionally, only posts from brands' Facebook page were collected and analyzed, which have different features in enabling online customer relationship management compared to other social media, such as YouTube, Instagram or Twitter. Future research could be undertaken to include more social media sites.

Lastly, although this analysis incorporated brand community members' perspective in order to better understand the conversation between organizations and users on the online brand community, because of the inherent limitations of the content analysis, the researcher could not fully assess the effectiveness of the companies' online relations strategies.

Limitations of the survey

There are some inherent limitations related solely to the survey. Although the survey target population was fans and members of all commercial fitness clubs in Denmark, the majority of respondents (89%) belong to either Fitness World or Fitness dk, consequently, the results of the survey can barely represent the whole Danish commercial fitness industry.

In addition, the majority of survey respondents were Generation Y customers (those aged 24-30). Although these customers are the most represented category on the Facebook and use the social

platform in their daily lives, it would have been interesting to consider more respondents from other age categories, therefore, the future research could be conducted based non-probability sampling to make sure that the other age groups are represented as well.

Moreover, the data of survey have only been analyzed and presented using descriptive statistics. However, descriptive statistics do not allow make conclusions beyond the analyzed data. Therefore, the future research could explore the causal relationships between the constructs of proposed conceptual model using inferential statistics, in order to establish to what extent the customer engagement on social media will facilitate the relationship building and development

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APPENDIXES

1. Interviews via email

- Louise Fibiger Ravnkilde, Content Manager (Fitness dk)

1. To what extent customer retention is a priority for Fitness dk?

It is a high priority, and one of the reasons why you get more benefits the longer you are a member of fitness dk. Link to the loyalty program: (<https://www.fitnessdk.dk/content/fordelsprogram>)

2. How communication on Social Media platforms is planned? What parties are involved?

We plan our posts to follow our campaigns, if they are sponsored we use dark posts⁴. Other posts are planned so they follow the seasons (New Year's resolutions in January, OPEN AIR season starting in April, bikini season etc.) like our communication our website and in our newsletters. In addition, we post ad hoc, if we can do some news jacking like we did here (the picture below).



Often it is me, as content manager, who plan and write the posts.

3. What are the purpose and objectives of Fitnessdk's Facebook page and Instagram?

The objective of the communication on Facebook and Instagram is to target our members and inform them about new centers, new classes, offers etc. The purpose is to tell them all the good things that come with their membership.

4. To what extent are interactions between Fitness dk and its fans on Facebook page encouraged?

⁴ Dark post is a tactic used by the advertisers on Facebook. It is used to run dozens of ads as sponsored posts – target different audiences, split test headlines and create personalized messages for demographic and geographic targets – all on the same day without a single ad showing in company's news stream.

We try to engage our members when we post about new things. Besides, our members use our Facebook page if they have all sorts of questions.

- Nathalie Pinholt Bendtz, Marketing Assistant (Fitness World)

1. To what extent customer retention is a priority for FW?

After a new CEO, Steen Albrechtslund, customer retention is the highest priority. Customer retention is our future mission and this will have an impact on our marketing activities.

2. How communication on Social Media platforms is planned? What parties are involved?

We are using a system: Falcon, where we are able to plan our communication and for instance see the development, ups and down, in our communication over the years. We are 4 in our department that are working with digital marketing including social media. It is a Web Manager, Chief of Digital Marketing, a Marketing Coordinator and me.

3. What are the purpose and objectives of FW's Facebook page and Instagram?

This is confidential – but I can tell that our focus is to involve our followers so they feel that they are getting their voices heard and is a part of our organization.

4. To what extent are interactions between FW and its fans on Facebook page encouraged?

We are doing this through initiatives where our followers can win something, and sometimes we ask them about their experiences with a specific class and so on.

2. Questionnaire

Dear respondent,

If you are either a member, or following any Danish fitness chain on Facebook, I kindly ask you to fill out this questionnaire.

I am a student of Service Management study program at Copenhagen Business School and the following survey is a part of my master thesis focusing on fitness chain's efforts to engage with its customers online and the outcomes of this engagement.

The questionnaire should take no more than 5-7 minutes to complete. If you do not manage to complete the entire questionnaire at once, you may come back to it later and continue from where you previously left off by using the exact same link. The program keeps the record of your progress in the questionnaire for a few days. The survey is anonymous and your responses will be used for the purposes of this research only.

Thank you in advance!

Kind regards,
Kristina

Social customer relationship management in the Danish fitness industry

1. How much do you agree with the following statements?								
	Entirely disagree	Mostly disagree	Somewhat disagree	Neither disagree nor agree	Somewhat agree	Mostly agree	Entirely agree	
I log to Facebook everyday	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I spend long periods of time on Facebook	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Which of the following fitness centers are you a fan of on Facebook, if any?								
<ul style="list-style-type: none"> • Fitness World • Fitness dk • Other <div style="border: 1px solid black; height: 20px; width: 100px; margin-top: 5px;"></div>								
<ul style="list-style-type: none"> • None (if none is selected, then respondent is directed to Q9) 								
3. Do you currently have a membership with the fitness center that you are a fan of on Facebook?								
<ul style="list-style-type: none"> • Yes • No 								
4. Where else are you connected with <i>this fitness center</i> ?								
<ul style="list-style-type: none"> • Instagram • Website • Mobile app • Email newsletter • I am only connected with it on Facebook page 								
5. Why are you connected with <i>this fitness center</i> ? You may select more than one answer.								
<ul style="list-style-type: none"> • <input type="checkbox"/> I like to be a part of it's community • <input type="checkbox"/> I like to receive information about the fitness center • <input type="checkbox"/> I like to receive product news, upcoming events • <input type="checkbox"/> I like to receive information about the offers and discounts • <input type="checkbox"/> I like participate in quizzes and contests • <input type="checkbox"/> I like participate in the discussions 								
6. How much do you agree with the following statements?								
	Entirely disagree	Mostly disagree	Somewhat disagree	Neither disagree nor agree	Somewhat agree	Mostly agree	Entirely agree	
The content provided by the fitness center's Facebook fan page is valuable	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fitness center's Facebook fan page is updated at an appropriate level	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. How often do you...?								
	Never	Almost never	Rarely	Sometimes	Often	Almost always	Always	

Social customer relationship management in the Danish fitness industry

...visit the Facebook fan page of fitness center?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...notice the posts by fitness center in your news feed?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...read posts by fitness center?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
..."like" posts by {fitness center}?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...comment on posts by {fitness center}?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...share posts by fitness center} with your friends?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...post on the Facebook fan page of {fitness center} yourself?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
... do a Facebook check-in while being in the premises of {fitness center}?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8. How much do you agree with the following statements?							
	Entirely disagree	Mostly disagree	Somewhat disagree	Neither disagree nor agree	Somewhat agree	Mostly agree	Entirely agree
The Facebook fan page of [fitness center] inspires me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I find the Facebook fan page of [fitness center] full of meaning and purpose	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am interested in the Facebook fan page of [fitness center]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am proud of being a fan of [fitness center]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like to learn more about [fitness center] on brand's Facebook page	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Anything related to [fitness center] grabs my attention on Facebook	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I concentrate a lot about [fitness center]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Social customer relationship management in the Danish fitness industry

I pay a lot of attention to the Facebook fan page of [fitness center]	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>																																								
<p>9. Why are you not a fan of any Danish fitness center on Facebook? (only displayed for those who answered NONE in Q2)</p> <ul style="list-style-type: none"> <input type="radio"/> I am not interested in fitness centers <input type="radio"/> The content provided by fitness centers are not useful <input type="radio"/> I use Facebook only for a communication with my family and friends <input type="radio"/> The fitness center I am a member of does not have Facebook fan page 																																									
<p>10. Do you currently have a membership of any following fitness center? (only displayed for those who answered NONE in Q2)</p> <ul style="list-style-type: none"> <input type="radio"/> Fitness World <input type="radio"/> Fitness dk <input type="radio"/> Other <div style="border: 1px solid black; height: 20px; width: 100px; margin-bottom: 5px;"></div> <ul style="list-style-type: none"> <input type="radio"/> None 																																									
<p>11. How much do you agree with the following statements? (displayed if respondent is a member of any fitness center and/or a fan of Facebook page)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%;">Entirely disagree</th> <th style="width: 10%;">Mostly disagree</th> <th style="width: 10%;">Somewhat disagree</th> <th style="width: 10%;">Neither disagree nor agree</th> <th style="width: 10%;">Somewhat agree</th> <th style="width: 10%;">Mostly agree</th> <th style="width: 10%;">Entirely agree</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">I say positive things about [fitness center] to other people</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td style="padding: 5px;">I often recommend [fitness center] to others</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td style="padding: 5px;">I encourage friends to become a member of [fitness center].</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> </tbody> </table>			Entirely disagree	Mostly disagree	Somewhat disagree	Neither disagree nor agree	Somewhat agree	Mostly agree	Entirely agree	I say positive things about [fitness center] to other people	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	I often recommend [fitness center] to others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	I encourage friends to become a member of [fitness center].	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>								
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<p>12. How much do you agree with the following statements? (displayed only if respondent has a membership of any fitness center)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%;">Entirely disagree</th> <th style="width: 10%;">Mostly disagree</th> <th style="width: 10%;">Somewhat disagree</th> <th style="width: 10%;">Neither disagree nor agree</th> <th style="width: 10%;">Somewhat agree</th> <th style="width: 10%;">Mostly agree</th> <th style="width: 10%;">Entirely agree</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">I am committed to [fitness center]</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td style="padding: 5px;">I would stick with [fitness center] even if it would let me down once or twice</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td style="padding: 5px;">I would be willing to pay a higher price for [fitness center] over other brands</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td style="padding: 5px;">I intend to keep using service of [fitness center]</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> </tbody> </table>			Entirely disagree	Mostly disagree	Somewhat disagree	Neither disagree nor agree	Somewhat agree	Mostly agree	Entirely agree	I am committed to [fitness center]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	I would stick with [fitness center] even if it would let me down once or twice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	I would be willing to pay a higher price for [fitness center] over other brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	I intend to keep using service of [fitness center]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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<p>13. What is your gender?</p> <ul style="list-style-type: none"> <input type="radio"/> Male <input type="radio"/> Female 																																									

14. How old are you?
15. Are you currently...?
<ul style="list-style-type: none"> • Employed • Part-time employed • Unemployed • A student • Other

3. Reliability of constructs of Likert-scale

Scale: Behavioral customer engagement

Case Processing Summary

		N	%
Cases	Valid	61	59,8
	Excluded ^a	41	40,2
	Total	102	100,0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,887	8

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
22,25	58,255	7,633	8

Scale: Emotional customer engagement

Case Processing Summary

		N	%
Cases	Valid	61	59,8
	Excluded ^a	41	40,2
	Total	102	100,0

Social customer relationship management in the Danish fitness industry

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
,873	4

Scale Statistics			
Mean	Variance	Std. Deviation	N of Items
15,5246	15,587	3,94802	4

Scale: Cognitive engagement

Case Processing Summary			
		N	%
Cases	Valid	61	59,8
	Excluded ^a	41	40,2
	Total	102	100,0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
,900	4

Scale Statistics			
Mean	Variance	Std. Deviation	N of Items
15,0492	20,981	4,58049	4

Scale: Word-of-mouth

Case Processing Summary			
		N	%
Cases	Valid	102	100,0
	Excluded ^a	0	,0
	Total	102	100,0

Social customer relationship management in the Danish fitness industry

a. Listwise deletion based on all variables in the procedure.

Cronbach's Alpha	N of Items
,918	3

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15,4412	11,279	3,35838	3

Scale: Brand loyalty

Case Processing Summary

		N	%
Cases	Valid	102	100,0
	Excluded ^a	0	,0
	Total	102	100,0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
,798	4

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17,8725	16,429	4,05329	4