

Time for a New Positioning Slogan?

This fitness center needs your advice. They are starting to think that their positioning tag-line is primarily responsible for their loss of new customers/members.

Do you think it's time for a new tag-line?

Welcome to the New Millennium Fitness Centers

New Millennium Fitness Centers have the positioning tag-line – ***“we'll get you fit”***.

However, only 50% of new customers keep coming back after the first six weeks. This is a customer loss (churn) rate well above industry benchmarks, and this also puts pressure on the firm to consistently generate many new customers.

Also, as many of these lost customers are dissatisfied, they negatively impact word-of-mouth referrals (via social media) as well. A consultant to the firm has suggested that the tag-line could be contributing to the customer loss problem because it “promises too much”.

As a result, expectations are not met, and customers quickly become dissatisfied.

Student Discussion Questions

1. Do you think that the positioning slogan could be a problem? Why/why not?
2. What could be a suitable revised tag-line for them (if you think that they need to change)?
3. Should they change their tag-line, or should modify their marketing mix offering instead?
4. Overall, how important is a positioning tag-line to a firm? Outline the for/against arguments for using a tag-line.