

# UNIVERSAL GRAVITATION FITNESS STUDIO

Mengmeng Yu<sup>1</sup>, Chairit Thongrawd<sup>2</sup>

<sup>1,2</sup>Graduate School, Southeast Asia University, Bangkok, Thailand

E-mail: ChairitT@sau.ac.th

## ABSTRACT

The universal gravitation fitness studio is different from the table tennis room, it is not an intuitive sports venue, but a combination of gym portrayal, entertainment catering, gym experience dissemination, can obtain a diversified comprehensive business for customers. In the team you can release your psychology, enjoy elegant music, scientific use of state-of-the-art training equipment, and experienced professional teachers. Let your body and mind be happy, Unconsciously to achieve the goal of fitness in the gym, the key is to cultivate our group feelings through athletes and hone our will quality, improve our aesthetic taste. First-class teaching team, humanized, professional teaching methods, let you enjoy to the fullest. Customers can use the dining and leisure area. The touching atmosphere of love and the charming and spacious natural environment will make you linger. When you are in the middle of the bookstore, you can go to the washing shop to wash away the weakness and endless suffering. College gym teams can not only meet the needs of the majority of students' gyms, but also enhance the innovation of college sports systems, From the perspective of modern sports competitions (focusing on sports skills, methods, achievements), improve your physique in an all-round way.

**Keywords:** Universal gravitation fitness studio

## I. Company Introduction

### 1、 Company History

The club is designed with a building area of 750 square meters, with a leisure service area (water and food bar, convenience counter), multi-functional gym, Zumba and yoga, jazz dance and so on. At the same time, we also offer "special weight loss training classes" for girls. The club is equipped with advanced ventilation equipment, while employing excellent coaches and advanced fitness equipment to provide students with scientific, reasonable and efficient services.

### 2、 Mission statement

Objective: To build a fitness club with the theme of college students, so that it will be spread all over the university city.

Concept: Customer first.

Slogan: God creates life, we create shape.

### 3、 Product and service

Gravity Factory Fitness Club is an indoor multi-sports venue offering the following sports facilities: yoga, jazz dance, Zumba, gym, bathrooms, relaxation area, etc.

### 4、 Current status

In the early stage of the business through a series of marketing mix strategies tailored to the target customers, quickly occupy the target market, expand the customer base, focusing on increasing the customer repeat purchase rate. When the project model is mature, we will increase the number of clubs through joining and other ways to quickly occupy the blank market, and strive to build the Gravity Factory Fitness Club into a well-known fitness brand based in Guangzhou, driving and radiating the surrounding areas.

## **Second, industry analysis**

### 1、Sales forecast

According to the "Health Club Industry Market Analysis Survey Analysis Report" analysis that the form of health clubs are divided into three, the first is the gym in the hotel, generally with a swimming pool, but the area is not large, relatively expensive, and the lack of popularity, mainly for hotel guests. The second is the membership gym for the middle and upper income groups, where there is advanced equipment, a comprehensive curriculum and a strong team of trainers, the popularity is generally quite strong. The third type is a popular fitness club, with relatively low level of hardware and software, but very popular. Gravity Factory Fitness Club belongs to the third type above, the popular fitness club. So we will provide more high-quality services, and will definitely share a piece of cake in the fitness industry!

### 2、Industry characteristics

Along with the improvement of living standards and the concept of healthy living, people are more and more concerned about health. According to some scientific reports, the proportion of sub-healthy people increases with the increase of work, life and study pressure. With the deepening of fitness awareness and the change of people's concept of fitness consumption, various fitness clubs are springing up in the society. A good health club can let people in the intense work, study, release the body and mind, relieve stress, strengthen the body, cultivate the sentiment.

### 3、Industry trends

The change of the times has pushed the development of sports and put forward the goal of lifelong physical education requirements for students. National fitness program to the implementation of the people of the country, college students, youth school sports as the focus, their healthy growth is related to the country's wealth and prosperity of the nation. Sports in colleges and universities should cultivate students' basic ability of sports and fitness and scientific self-exercising ability, improve students' physical quality, team consciousness and will quality, as the socially oriented goal of cultivating modern people. However, some contemporary college students do not have a deep understanding of sports, have a weak awareness of sports, are less motivated to participate in sports consciously, and have a low interest in participating in sports. The reason is that most of the sports activities organized by schools are competition-oriented, lacking the characteristics of leisure and entertainment.

### 4、Long-term prospect

College fitness club not only can meet the fitness needs of teachers and students, but also can promote the reform of college sports system, which is a complete change from the traditional way of sports competition (focusing on competition skills, means and results) to the comprehensive improvement of body quality.

## **Market analysis and marketing plan**

### 1、Market segmentation and target market selection

The club will be positioned in the college market at the beginning, and after the development and growth, adjust the strategy to other domestic college market and the social market with middle and low level consumption grade. Attract more students, staff and employees of enterprises to join our club and seek long-term cooperation with famous companies.

### 2、Purchaser behavior

How to improve the physical and mental health of college students has become the focus of attention, and the college fitness club provides a place for fitness and body building.

### 3、Competitor analysis

(A) Location: convenient transportation and superior consumption location

(II) Hardware facilities: to ensure the real service to students and staff, and indeed meet their needs in different degrees.

(III) The choice of coaches

(iv) Publicity

(V) SWOT analysis

IV. Marketing Plan

1、 Overall marketing strategy

2、 Pricing strategy

3, sales process and promotional activities mix

4、 Distribution and sales

## **V. Management team and company structure**

1. Coordination direction

The main person in charge is A. The coordination direction mainly organizes and carries out various content planning and operation activities, formulates the operation team's stage goal and work plan according to the company's strategy and industry analysis and decomposes them, and leads the team to achieve various assessment goals. Continuously improve the relevant systems and business processes of website operation.

2. Marketing Direction

The main person in charge is B. The part of marketing direction is mainly in charge of some students who are interested in marketing. For the training of the members in charge of marketing direction, it is mainly a combination of their independent study and professional teacher training. Therefore, in the marketing phase of the fitness club, we hope to obtain the support of the school to take the venture project of the fitness club as one of the candidates for the marketing exercise, and hold a marketing competition, in which the fitness club team will evaluate and select the outstanding team, so as to enrich the reserve of the marketing part of the fitness club.

3. Human design direction

The main person in charge is D. For the direction of human resources and design, it will be composed of the members of the interest group of human resources in our school, who will bring what they usually learn to the health club and communicate with the instructors of the interest group to manage and run the direction of human resources and design well.

4. Skillful human resource management direction

The main person in charge is E. Fitness instructor training hopes that by getting the support of external fitness industry skilled personnel, they can give guidance to the Gravity Factory fitness club in the early stage of operation, and at the same time be responsible for the management of the fitness club in the early stage of the business. They will provide us with the skills to help us, and after the commercial operation cost of the fitness club is recovered and profitability is achieved, Gravity Factory Fitness Club will consider selecting the best talents from them to form a stable team to enrich our skills team.

5. Financial Direction

The main person in charge is C. (Financial issues are the disadvantage of entrepreneurship, in the early stage of business, for financial planning, operational cost control and investment is the focus, and financial knowledge needs to keep up with the needs of the development of the fitness club, but the Gravity Factory Fitness Club entrepreneurial team is a learning team, in the early stage of fitness club operations, for the financial aspects of the low starting point, the lack of professional talent, finance will be a big disadvantage of our health club entrepreneurial team in the implementation of this project. But with the health club entity to join the point of continuous development and perfection, or that there is a professional venture capital investment to join, we will later social recruitment, choose to have excellent professional skills and have a passion for entrepreneurship to join the excellent people, then the financial will become our advantage.

## 6. Board Members

The main members of Gravity Factory Fitness Club are: A (group leader), B, C, D, E.

## Part VIII Production Plan and Development Plan

### 8.1 Development status and tasks

The club is positioned in the college market at the beginning of the period, and after the development is stable and strong, the strategy will be adjusted to face other domestic college markets and social markets with middle and low consumption grades. In the operation of aerobics, bodybuilding health care and other projects based on their own advantages, the development of special services (focus on humanistic care), the use of unique business philosophy, strategy and management methods, the formation of our unique club culture, to create the Gravity Factory Fitness Club brand, in the surrounding schools and large and medium-sized enterprise market, to attract more students, faculty and staff and corporate employees to join our club, seeking and well-known companies for long-term cooperation.

### 8.2 Challenges and Risks

#### (i) Technical risks

1. Self-employment, not enough experience and capital.
2. Low visibility at the beginning.
3. Students' enthusiasm wanes after a period of exercise.
4. When there are too many people, the fitness needs of each student cannot be fully met.

#### (II) Internal risks

##### 1. Financial risk

The financial risk of the health club is the health club in a variety of financial activities, due to a variety of unpredictable and difficult to control the existence of factors, so that its financial income and the expected income differential uncertainty. The financial risk of the health club ranks first in all kinds of risks, which means that as a corporate health club, it must pay great attention to the financial risk. Financial risk includes exogenous financial risk and endogenous financial risk. Exogenous financial risk mainly includes investment risk, capital return risk, debt risk, tax risk, cash flow risk and collateral financial risk; endogenous financial risk mainly includes financial decision risk, financial forecast risk, financial control risk and financial management organization setting risk. Among them, investment risk, capital recovery risk, financial decision risk, financial lack of control risk, financial fraud risk and financial management organization setting should receive the most attention.

##### 2. Personnel risk

Personnel risk is the possibility that the health club employees in the process of work or members in the process of enjoying fitness services, the health club damage. The personnel risk of health club mainly includes staff risk and member risk, staff risk mainly includes decision maker risk, executive risk, staff injury risk, staff moral risk, staff ability risk, talent loss risk, staff inaction risk and staff salary management risk; member risk mainly includes member loss risk, member injury risk and member complaint risk. Among them, decision maker risk, executive risk, employee turnover risk, member turnover risk and member accidental injury risk are most important to health club managers.

##### 3. Hardware risk

The hardware risk of health club is the possibility that the club will suffer business loss due to various unpredictable and uncontrollable factors in the process of selecting and purchasing, expanding and upgrading, updating and maintaining its own hardware service facilities. The hardware risk of fitness club mainly includes the risk of fitness venue expansion, venue maintenance and renewal risk, fitness venue location risk, fitness venue grouping risk and fitness environment risk. Among them, the risk of fitness venue location, fitness

environment safety risk and fitness equipment use risk are most important to managers.

#### (iii) Market risk

Health club market risk is the possibility that the club will suffer losses due to various unpredictable and uncontrollable factors in the process of market competition and market environment changes. The market risk of the club includes general market risk and special market risk. General market risk includes market talent competition risk, market share competition risk, reputation risk, merger and acquisition risk, consumer risk, potential competitor risk and supplier risk; special market risk includes natural factor risk, political factor risk, economic factor risk and policy and regulation risk. Among them, market talent competition risk, market share competition risk, reputation risk, M&A risk, and economic factor risk are most important to club managers.

#### 4. Marketing risk

The marketing risk of health club refers to the possibility that the health club is engaged in marketing activities, due to the impact of various unforeseen uncertainties, resulting in its marketing activities are blocked, failure or failure to achieve the expected marketing objectives. The marketing risk of health club includes product risk, price risk, chain risk and promotion risk. Product risk includes fitness product and technology substitution risk, fitness service design risk, fitness service market positioning risk, fitness service quality risk, fitness service market entry risk, fitness service brand trademark risk; price risk includes membership pricing risk; chain risk includes club franchise chain risk; promotion risk includes promotion publicity risk, promotion pricing risk, promotion activity security risk, promotion economic benefit risk and promotion social benefit risk. Among them, fitness product and technology substitution risk, fitness service market positioning risk, fitness service quality risk, membership card pricing risk and promotion pricing risk are most important to club managers.

#### 8.3 Costs

##### (i) Decoration

Cost expenditure 200,000 Yuan

1. The wall adopts sound insulation system, which can effectively prevent outside sound intrusion, with material cost of 50,000 Yuan.

2. The ground requires high quality. Good bouncing performance, soft and moderate, and a certain height.

3. Ventilation and air exchange system is smooth. Indoor in addition to a few ventilation windows, should also be purchased at least three large central air conditioning, the cost of control in 30,000 yuan.

4. Aerobics room three walls of the mirror to be large enough, the front set a coaching table, sound equipment perfect.

5. Indoor lighting system is bright. Drainage system is smooth and can ensure that there is hot water for use when the exercise is finished.

6. Convenient heating, indoor temperature difference between winter and summer should not be too big.

##### (B) Equipment configuration, procurement

1. The cost is about 250,000 yuan

2. 15 sets of electric walking and running machine, 10,000 - 26,000 yuan / set

3. T-shaped back pulling, to help grow back muscles. 1000-3000 yuan / set

4. butterfly clip chest, growth of chest muscles. 3000-10000 yuan / set

5. Sitting position pushing shoulder 2. 3000-8000 yuan / unit × 2, total 6000-16000 yuan

6. bench press frame 3. 1000-2000 yuan / table × 3, total 3000-6000 yuan

7. Smith squat rack 1. 3000-10000 yuan / a

8. Yoga mat 50 pieces, 30-50 yuan / piece, 1500-2500 yuan

8.4 Intellectual property rights

Trademark registration, patent information, copyright registration information, domain names, qualification certification.

### 9.1 Funding sources and instructions for use

The total investment of the project is 2 million yuan, of which 1.4 million yuan is invested in construction and 600,000 yuan is invested in working capital.

Funding comes from two sources:

1. The company's own funds of 1 million yuan, of which the entrepreneurial team internal financing investment of 600,000 yuan, venture capital of 400,000 yuan, in the second and third years to prepare to attract venture capital investment of 800,000 yuan, for working capital investment. It will invest 600,000 yuan in the second year and 200,000 yuan in the third year.

2. The bank borrows 200,000 yuan for liquidity investment, and the company will borrow according to the specific operating conditions.

### 9.6 Estimated cash flow

Organizer: Force & Beauty Health Club					Unit:	Ten thousand yuan
project	The number of rows	First year	The second year	Third year	Fourth year	Fifth year
一、Cash flow from operating activities:	1					
Cash received from the sale of goods and the provision of services	2	15.078	30.2384	40.2401	49.5741	50.4665
Tax refunds received	3					
Incoming and outgoing cash received	4					
Other cash received in connection with operating activities	5	12.75	13.5	14	17	20
Cash inflow subtotal	6	27.828	43.7384	54.2401	66.5741	70.4665
Cash for the purchase of goods and the acceptance of payment for services	7					
Cash paid to and for employees	8	10	10.25	11	12	14
All taxes paid	9	5.502	9.3171	12.2400	15.2135	16.0866
Paid cash in the current of the subordinate level	10					
Other cash paid in connection with operating activities	11	2.3	3.1	2.8	3.5	4.90
Cash outflow subtotal	12	17.802	22.6671	26.04003	30.713525	34.98663
Net cash flows from operating	13	10.03	21.07	28.20	35.8675	35.48

Organizer: Force & Beauty Health Club					Unit:	Ten thousand yuan
project	The number of rows	First year	The second year	Third year	Fourth year	Fifth year
activities						
二、 Cash flows from investing activities:	14					
Recovery of cash received for investment	15					
Cash received for the proceeds of the investment	16					
Net cash recovered from the disposal of fixed, intangible and other long-term assets	17					
Other cash received in connection with investment activities	18					
Cash inflow subtotal	19					
Cash payments for the acquisition and construction of fixed, intangible and other long-term assets	20	16.10				
Cash paid for investment	21					
Other cash paid in connection with investment activities	22					
Cash outflow subtotal	23	16.10				
Net cash flows from investing activities	24	-16.10				
三、 Cash flows from financing activities:	25					
Absorb the cash received by the investment	26	18.00				
Cash received on the loan	27	12.00				
Other cash received in connection with fund-raising activities	28					
Cash inflow subtotal	29	30.00				
Cash paid to repay debts	30		3.00	3.00	3.00	3.00
Cash paid for the distribution of dividends, profits or interest payments	31	1.21	1.21	1.21	1.21	1.21
Other cash disbursements related to	32					

Organizer: Force & Beauty Health Club					Unit:	Ten thousand yuan
project	The number of rows	First year	The second year	Third year	Fourth year	Fifth year
fund-raising activities						
Cash outflow subtotal	33	1.21	4.21	4.21	4.21	4.21
Net cash flows from fund-raising activities	34	28.78	-4.21	-4.21	-4.21	-4.21
四、 The impact of exchange rate changes on cash	35					
五、 Net increase in cash and cash equivalents	36	22.71	16.86	23.99	31.65	31.26

### 9.7 Ratio analysis

From the table above, we can calculate that the payback period is 4.8 years, so as long as the club operates according to our expected plan, it can recover its costs in about five years and start to make a profit.

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