

SALES PROMOTION TOOLS AND PERFORMANCE OF FITNESS SERVICES IN CALABAR, CROSS RIVER STATE.

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Abstract

This study examined the sales promotion of fitness services and the performance of fitness services in Calabar, CRS. A descriptive survey research design was used, targeting 302 clients from selected registered fitness centers. Simple random and proportional sampling were adopted in the study. A sample of 172 clients was determined with the Taro Yamane formula. Data were collected through structured questionnaires and analyzed using descriptive statistics. Multiple regression analysis was used in testing the hypotheses, using SPSS Statistics. The study revealed that sales discounts, referral incentives, and community engagement significantly affect the performance of fitness services and concluded that sales promotion plays a crucial role in enhancing the performance of fitness services. It was recommended that fitness centers offer regular discount promotions to attract and retain clients and implement structured referral programs to encourage word-of-mouth marketing, thereby expanding their customer base cost-effectively and improving overall service performance.

Keywords: Sales promotion, sales discount, referral incentives, community engagement, fitness services.

Introduction

Health can be seen as the backbone that oils the success of every human activity. This assertion remains validated as Akpan (2024) posited that the poor, middle class, and the rich require healthy living. In recent years, the global and national rise in lifestyle-related illnesses such as obesity, hypertension, and diabetes has fueled a focus on physical fitness as a preventive measure. According to Oladapo and Ibrahim (2022), fitness services ranging from gyms and aerobics classes to personal coaching and wellness programs enhance both physical and mental health, promote resilience in individuals, and reduce pressure on the healthcare system. Thus, the need to improve the quality of fitness services is becoming more relevant in society.

Fitness service providers can rely on sales promotion to attract more clients for their services. Sales promotion strategies, such as community engagement, referral incentives, and service discounts, can play an essential role in creating awareness for quality fitness services. Community engagement programs like health walks, open training sessions, and wellness seminars can bring people together and raise awareness about healthy living. Similarly, Nwosu and Akinyemi (2021) posited that the use of referral incentives to reward existing members for spreading the word, leveraging trust within social networks, can grow client bases, contributing to the performance of fitness services. Service discounts, on the other hand remove financial barriers, making it easier for more people, especially students and low-income earners, to participate in fitness programs (Akpan, 2024). These promotional tools

can contribute to increased membership, customer satisfaction, and higher revenue, thereby improving the performance and sustainability of fitness service providers.

The performance of fitness services can be referred to as how effectively fitness establishments achieve their goals in areas such as client acquisition, customer satisfaction, quality service delivery, and financial growth. High-performing fitness centers can maintain higher client retention rates, offer diverse and quality programs, and adapt to market trends through innovation and customer engagement. According to Oladapo and Ibrahim (2022), consistent service quality and strategic marketing play a crucial role in enhancing customer loyalty and operational efficiency. Moreover, Nwosu and Akinyemi (2021) posited that performance is significantly influenced by how well firms connect with their target audience through promotions, referrals, and community-based initiatives. Similarly, fitness establishments in Calabar can improve their performance through investing in sales promotion strategies. In recent years, in Calabar, the rate of non-communicable diseases such as obesity, hypertension, diabetes, and cardiovascular conditions has been increasing, many of which are can be linked to physical inactivity and poor lifestyle choices among the people. According to the World Health Organization (WHO, 2021), insufficient physical activity is one of the leading risk factors for global mortality, contributing significantly to the burden of disease and healthcare costs.

Despite the growing awareness of fitness services as a preventive health measure, the patronage and performance of health fitness services, particularly in Calabar, may not meet expectations. This may be due to poor market visibility and inadequate community engagement, necessitating the need for health fitness establishments to invest heavily in sales promotion. Recent studies of sales promotion have not explored how community engagement in fitness services affects the performance of health fitness establishments, especially in Calabar, the capital of Cross River State (CRS). This study bridges this gap by examining the sales promotion of fitness services and the performance of fitness services in Calabar, Cross River State.

1.2 Objectives of the study

1. Examine the effect of sales discounts of fitness services on the performance of fitness services.
2. Determine the effect of referral incentives of fitness services and the performance of fitness services.
3. Ascertain the effect of community engagement of fitness services on the performance of fitness services.

1.3 Research hypotheses

H₀₁: Sales discounts of fitness services do not significantly affect the performance of fitness services.

H₀₂: Referral incentives for fitness services do not significantly affect the performance of fitness services.

H₀₃: Community engagement in fitness services does not significantly affect the performance of fitness services.

2. Literature review

2.1 Theoretical framework

This study was anchored on the hierarchy of effects theory. The theory was propounded by Lavidge and Steiner in 1961. It posited that consumers go through sequential stages: awareness, knowledge, liking, preference, conviction, and purchase before making a purchase decision. The theory assumes that consumer behavior follows a logical sequence,

beginning with awareness and ending in purchase. Different promotional tools are required at different stages to guide consumers through the decision-making process. In the context of this study, community engagement can contribute to the awareness and knowledge stages. Through wellness campaigns, outreach events, and public health activities, fitness centers can inform community members about the benefits of fitness services and their role in promoting healthy lifestyles. Referral incentives can influence the liking and preference stages of fitness clients. When existing clients recommend a fitness center and receive rewards, potential clients are more likely to trust and prefer the service, building credibility through social influence and personal experience.

Sales discounts can affect the conviction and purchase stages of fitness clients by reducing their financial barrier. Offers such as discounted membership or first-month-free promotions can encourage trial and commitment, leading to increased enrollment and customer conversion. Each of these promotional strategies can support the movement of prospective clients of fitness establishments along the hierarchy, ultimately improving their satisfaction and retention, which are the key indicators of performance of health fitness establishments. This theory is particularly relevant for this study as it offers a framework for understanding how sales promotion strategies, community engagement, referral incentives, and sales discounts influence quality fitness services, clients' satisfaction, acquisition, and subsequently the performance of fitness services.

2.2 Conceptual framework

2.2.1 Sales promotion

Sales promotion has been defined in different ways by several scholars. Alkhafaji and Mohamed (2020) posited that sales promotion is any marketing communication activity, other than advertising or personal selling, that aims to arouse customer interest and accelerate the purchase decision. This definition shows the role of sales promotion in influencing clients' behaviour beyond regular marketing efforts to patronize fitness services. In a different view, Akanbi and Adeyeye (2021) defined sales promotion as a set of promotional activities designed to bridge the gap between advertising and sales, targeting both consumers and intermediaries to encourage quick sales. Thus, a well-planned sales promotion campaign can significantly influence customer response, especially in health fitness establishments. Osakwe et al. (2020) asserted that sales promotion is an essential tool for creating brand awareness and enhancing customer loyalty. They maintained that sales promotion is not just about offering discounts but also about creating engaging customer experiences, such as loyalty programs, digital vouchers, and referral bonuses.

Sales promotion can be considered essential in the performance of organizations, including health fitness establishments. According to Nguyen and Simkin (2021), sales promotions in service sectors like fitness as become more personalized and data-driven, often using digital tools such as apps, email, and social media to distribute offers like referral bonuses, free trials, and time-limited membership discounts. All these can create a sense of urgency and encourage immediate action from potential clients. Bashir and Iqbal (2020) argued that in experience-based services such as fitness, promotions such as discounted group training packages lower the psychological and financial barriers to trial, especially for first-time users who may be hesitant. In addition, Osakwe et al. (2020) posited that sales promotion of fitness services not only drives immediate sales but also enhances brand visibility and customer loyalty. According to Bashir and Iqbal (2020), one of the major challenges of sales promotion is its temporary effect on consumer behavior. While promotions may increase sales in the short term, they often fail to build long-term brand loyalty. Bashir and Iqbal (2020) further posited that many consumers attracted by discounts or special offers may not return once the promotion ends, making it difficult for firms to

retain customers without sales promotion. According to Nguyen and Simkin (2021), excessive price-based promotions may undermine perceived brand value and condition consumers to only purchase during sales events.

The performance of health fitness services can be referred to as how well fitness establishments or centers achieve their strategic goals, including customer satisfaction, service quality, client retention, revenue growth, and brand loyalty. This may be influenced by factors such as service delivery, innovation, promotional strategies, and customer engagement. Nguyen and Simkin (2021) posited that health fitness service performance is increasingly measured not just by membership numbers but by customer experience, wellness outcomes, and digital integration. Bashir and Iqbal (2020) argued that service quality, particularly in terms of cleanliness, staff professionalism, and personalized coaching, plays a vital role in customer satisfaction and loyalty, which are key indicators of performance.

2.2.2 Sales Discount

Sales discount can be referred to as a price reduction or financial incentive offered by a seller to a buyer to encourage immediate purchase, early payment, or bulk buying. According to Nguyen and Simkin (2021), sales discounts are short-term pricing strategies designed to increase customer acquisition and sales volume by temporarily lowering the financial barrier to purchase. These discounts may take the form of percentage reductions or cash rebates. Akanbi and Adeyeye (2021) defined sales discount as a price-cutting tactic used to enhance customer response and influence purchase behavior, particularly in highly competitive or price-sensitive markets. They believe that the use of sales discounts can boost customer patronage, especially in service-based industries like fitness, hospitality, and retail. According to Bashir and Iqbal (2020), service discount creates a sense of urgency and perceived value, thereby encouraging immediate action from potential clients. Sales discounts can be seen as one of the widely used promotional tools in the fitness industry. These discounts can be offered through reduced membership fees, limited-time offers, bundled packages, or pay-later plans, aimed to increase customer acquisition, encourage retention, and drive revenue. Thus this study hypothesizes that:

H₀₁: Sales discounts of fitness services do not significantly affect the performance of fitness services.

2.2.3 Referral incentive

Referral incentive plays a vital role in the performance of fitness services. Referral incentive is a type of sales promotion strategy used to encourage existing customers to refer new clients by offering them a reward such as discounts, free services, or cash benefits in exchange for successful referrals (Osakwe et al., 2020). This approach can encourage word-of-mouth marketing and social influence to increase customer acquisition cost-effectively. Nguyen and Simkin (2021) also asserted that referral incentives are designed to motivate satisfied customers to act as brand ambassadors, helping to spread awareness and trust through their personal networks. This strategy can be more effective in service-based sectors, including health and fitness, where customer trust and relationships play a critical role in performance. According to Akanbi and Adeyeye (2021), referral-based programs generate high-quality services necessary to enhance clients' satisfaction and patronage. As more clients join, the fitness center can benefit from increased membership and revenue.

When clients are rewarded for referrals, they are more likely to feel valued and emotionally connected to the brand. Bashir and Iqbal (2020) stated that referral incentives promote loyalty by reinforcing positive experiences, making members more likely to remain committed to the fitness services over time. This continuity can boost the financial performance of fitness establishments. In addition, Referral programs can build a strong

brand reputation and community culture essential to enhancing the performance of fitness firms. Osakwe et al. (2020) posited that referral incentives enhance word-of-mouth marketing and create a brand image centered on trust, results, and social connection, which contribute to superior performance. Akanbi and Adeyeye (2021) also posited that referral incentives drive growth and reduce the need for heavy investment in mass marketing, helping fitness businesses to allocate resources more efficiently while still improving performance. Referral marketing can also encourage consistency in health fitness quality.

H₀₂: Referral incentives for fitness services do not significantly affect the performance of fitness services

2.2.4 Community engagement

Community engagement in fitness services is the deliberate efforts made by fitness organizations to build relationships, foster interaction, and promote active participation within their local or digital communities. Bashir and Iqbal (2020) posited that it involves connecting with members, non-members, and the broader public through events, wellness initiatives, education, and social support systems to promote health fitness services. According to Nguyen and Simkin (2021), community engagement in fitness is the process of creating meaningful connections between a fitness brand and its target community through shared values, collaborative activities, and communication. This may include initiatives like charity runs, fitness challenges, wellness workshops, and social media groups. Its effect on performance can be influenced by key factors such as customer retention, service differentiation, brand loyalty, and the financial growth of fitness service establishments. Akanbi and Adeyeye (2021) asserted that community engagement in any business creates a sense of belonging and emotional connection among clients.

When fitness establishments organize community walks, wellness talks, or charity fitness events, members can feel part of something larger than just a service. Nguyen and Simkin (2021) posited that engaged clients are more likely to remain loyal, refer others, and sustain memberships, which boosts the firm's performance. Thus, a fitness establishment that positions itself as a community-oriented brand can earn public trust and brand goodwill. According to Osakwe et al. (2020), community-focused marketing efforts increase consumer trust and long-term brand equity, leading to sustainable performance and competitive advantage. Oladapo and Ibrahim (2020) posited that community engagement in firms' operations facilitates clients' feedback, co-creation, and innovation. Therefore, fitness centers that involve their community members in program design or decision-making processes are more likely to deliver more relevant services that enhance customers' satisfaction and patronage. In addition, Nguyen and Simkin (2021) posited that well-engaged communities provide real-time insights that help improve operational efficiency and responsiveness, thereby contributing to a firm's performance. For example, during the COVID-19 pandemic, fitness establishments that maintained community engagement through virtual classes, wellness check-ins, or social media support groups were more likely to retain clients and recover quickly. In the same vein, Osakwe et al. (2020) posited that community connection with firms is a key factor that fosters customers retention.

H₀₃: Community engagement in fitness services does not significantly affect the performance of fitness services

3. Methodology

This study adopted a descriptive research design, which enabled the collection of primary data from respondents regarding how sales promotion tools affects the performance of fitness services in Calabar, Cross River State. The study was conducted in Calabar, the capital of

Cross River State. The study population was 302 registered clients from selected health fitness establishments in Calabar, CRS. Simple random sampling and proportional sampling techniques were adopted in this study. The sample size of 172 registered clients of health fitness centers in Calabar were determined using Taro Yamane's formula. Data for this study were collected using a structured questionnaire, measured with Likert Scales. The collected data were analyzed using descriptive statistics, and the hypotheses were tested using Multiple regression analysis, with the aid of SPSS analysis.

4. Result and discussion

4.1 Test of hypotheses

Table 1.: Model summary showing the effect of sales discounts of fitness services, referral incentives for fitness services, and community engagement in fitness services on the performance of fitness services in Calabar, CRS.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
	.988 ^a	.976	.975	.144	.704

Source: SPSS analysis, 2025.

Predictors: (Constant), sales discounts of fitness services, referral incentives for fitness services and community engagement in fitness services on the performance of fitness services.

Table 2: Coefficients showing effect of effect of sales discounts of fitness services, referral incentives for fitness services and community engagement in fitness services on the performance of fitness services in Calabar, CRS.

Model	Unstandardized Coefficients			Standardized Coefficients		Collinearity Statistics	
	B	Std. Error	Beta		Sig.	Tolerance	VIF
	(Constant)	.059	.049		1.204	.230	
	Sales discounts of fitness services	.062	.026	.015	.472	.637	.083
	Referral incentives for fitness services	.066	.035	.075	1.850	.065	.051
	Community engagement in fitness services	-.276	.035	-.284	-7.803	.000	.063

Dependent variable: the performance of health fitness services

Source: SPSS analysis, 2025.

Table 3: ANOVA statistics showing the effect of sales discounts of fitness services, referral incentives for fitness services and community engagement in fitness services on the performance of fitness services in Calabar, CRS.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	242.481	6	40.413	1944.751	.000 ^b
	Residual	6.006	289	.021		
	Total	248.486	295			

a Source: SPSS analysis, 2025.

Dependent Variable: organizational performance

The multiple regression results in table 1 showed a combined effect of sales discounts of fitness services, referral incentives for fitness services, and community engagement in fitness services on the performance of fitness services in Calabar, CRS. The essence of this regression was to investigate whether the variables – sales discounts of fitness services, referral incentives for fitness services and community engagement in health fitness services were good predictors of the performance of fitness services in Calabar. The multiple regression model revealed multiple R of .988, R-square of .976 and Adjusted R-square of .975, all indicating goodness of fit of the data to the model. The value of R-square (.976) revealed that the variables accounted for 97.6 percent of Sales discounts of fitness services, referral incentives for fitness services and community engagement in fitness services on the performance of registered fitness services. Durbin Watson value of .704 implied that the data fell within the autocorrelation range of zero and two. This led to the rejection of the null hypotheses that sales discounts of fitness services, referral incentives for fitness services, and community engagement in fitness services do not significantly affect the performance of fitness services in Calabar, CRS. Thus, the alternative hypotheses that stated sales discounts of fitness services, referral incentives for fitness services, and community engagement in fitness services significantly affect the performance of fitness services in Calabar, CRS were accepted. It was concluded that sales promotion of fitness services plays a vital role in the performance of fitness establishments in Calabar, Cross River State.

From table 2, all the variables have a positive slope ($B < 0.05$), indicating that they significantly affect the performance of fitness service. Among the variables, sales promotion of fitness services accounted for 0.62 per cent. Referral incentives for fitness service accounted for a 0.66 percent effect on the performance of fitness services, while community engagement of fitness services accounted 75.4 percent effect on the performance of fitness services in Calabar. Thus, community engagement with fitness services was the highest predictor of patronage of health fitness services. This led to the rejection of the null hypotheses that sales discounts of fitness services, referral incentives for fitness services, and community engagement in fitness services do not significantly affect the performance of fitness services in Calabar, CRS. Thus, the alternative hypotheses, which stated sales discounts, referral incentives, and community engagement in fitness services significantly affect the performance of fitness services in Calabar, CRS, were accepted. It was concluded that sales promotion of fitness services plays a vital role in the performance of fitness establishments in Calabar, Cross River State.

The ANOVA statistics in table 3 revealed F-value of 1944.751 which is greater than the significant value (0.05), indicating that sales discounts of fitness services, referral incentives for fitness services and community engagement in fitness services affect the performance of fitness services. This led to the rejection of the null hypotheses that sales discounts of fitness services, referral incentives for fitness services and community engagement in fitness services do not significantly affect the performance of fitness services in Calabar, CRS. Thus, the alternative hypotheses which stated sales discounts of fitness services, referral incentives for fitness services and community engagement in fitness services significantly affect the performance of fitness services in Calabar, CRS were accepted. It was concluded that sales promotion of fitness services plays a vital role in the performance of fitness establishments in Calabar, Cross River State.

4.2 Discussion of findings

The broad objective of this study is to examine the sales promotion of fitness services and the performance of health fitness services in Calabar, CRS. To achieve this objective, three specific objectives and hypotheses were formulated and tested to guide the study. From the analysis and test of hypothesis one, it was found that sales discounts for fitness services

significantly affect the performance of fitness services in Calabar, CRS. This finding is supported by Akanbi and Adeyeye (2021), who posited that well-structured discount campaigns improve visibility, attract underrepresented market segments, and help businesses gain a competitive edge. This can result in increased membership and operational efficiency of fitness establishments.

The analysis and test of hypothesis two indicated that referral incentives for fitness services significantly affect the performance of fitness services in Calabar, CRS. The implication of this finding is that referral incentives for fitness services encourages more referrals which will contribute immensely to the performance of fitness establishments. This finding is supported by Agnuyen and Sinkin (2021) who asserted that referral incentive plays a vital role in continuous improvement of service quality which can enhance clients' satisfaction, retention, and overall business performance. the finding is also in line with that of Osakwe et al. (2020) that referral incentives enhance word-of-mouth marketing and create a brand image centered around trust, results, and social connection, which contribute to superior performance.

Finally, the analysis and test of hypothesis three indicated that community engagement in fitness services significantly affect the performance of fitness services in Calabar, CRS. This finding is in line with that of Bashir and Iqbal (2020) that community engagement in fitness service helps bridge the gap between business objectives and societal needs, allowing fitness centers to position themselves as contributors to community well-being rather than emphasizing on profit maximization. The finding is also supported by Nguyen and Simkin (2021) who asserted that well engaged communities in business contributes to operational efficiency of businesses, thereby contributing to firm's performance. Thus, the analysis and test of hypotheses of this study indicated that there is a positive significant effect of sales promotion on the performance of fitness services in Calabar, CRS.

5. Summary

The objective of this study was to investigate the sales promotion of fitness services and the performance of fitness services in Calabar, CRS. Three hypotheses were formulated and tested to guide the study. The study revealed that sales discounts for fitness services, referral incentives for fitness services, and community engagement in fitness services significantly affect the performance of fitness services in Calabar, CRS.

5.1 Conclusion

Based on the findings, the study concluded that sales promotion of fitness services will continue to enhance the performance of fitness services. This depends to a large extent on the effective implementation of sales discounts, referral incentives, and community engagement programs to encourage clients' participation in fitness services. Taking this into consideration will enhance clients' loyalty and drive sustainable performance in the health fitness establishments.

5.2 Recommendations

Based on the findings and conclusions, the study recommended that:

1. Fitness centers should implement consistent discount offers, such as student and family packages or first-time user promos, to attract new clients and enhance long-term service engagement.
2. Fitness services centers should introduce structured referral programs that reward existing clients for bringing in new members to leverage word-of-mouth marketing and to expand their customer base at minimal cost.

3. Fitness service providers should actively engage the community through outreach events, wellness campaigns, and partnerships with local health organizations to build trust, enhance visibility, and reinforce their brand loyalty.

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