



## Belfast City Council

<b>Report to:</b>	Parks and Leisure Committee
<b>Subject:</b>	Leisure Income and Boost Membership
<b>Date:</b>	13 September 2012
<b>Reporting Officer:</b>	Andrew Hassard, Director of Parks and Leisure
<b>Contact Officer:</b>	Jacqueline Wilson, Business Manager, Parks and Leisure

<b>1</b>	<b>Relevant Background Information</b>
	<p>The Boost scheme was originally developed and implemented in April 2006. The scheme has been reviewed a number of times, with a focus mainly on pricing. Over time the scheme became more and more complex with varying categories of membership.</p> <p>In order to address these complexities and to make pricing more competitive a revised framework for Boost was developed in 2011. The new framework which streamlined the existing product and categories was approved by this committee in December 2011. A supporting review of charges was also approved in January 2012. The new framework introduced benefits such as more competitive prices and, since April 2012, has included benefits such as reduced charges for corporate and staff memberships.</p>

<b>2</b>	<b>Key Issues</b>
	<p>The new pricing structure provided Leisure Centres with a more competitively priced product, however in a climate where usage was already declining this approach has given the department a challenge in terms of both increasing membership numbers and retaining those new members who do join-up to Boost.</p> <p>Since the introduction of the new scheme, as anticipated membership numbers have increased. Despite this membership increase, due to the decrease in membership price, income has declined by £130,622 in the first quarter of the year against the budgeted income expected.</p>

To help address the decline in income, extensive marketing plans have been developed to promote the Boost leisure membership scheme; a particular focus will be given to corporate membership, membership retention, weight management programmes, family sessions, staff membership and to promoting the competitive £25 monthly fee.

To date activity has been focused around increasing full and concessionary memberships which is proving to be successful year on year but has not yet filled the gap created from the price reduction. Further areas of work are set out below:

#### Retention

Retention programmes have been used over the summer and have had some successes. However further campaigns will be developed to run in both December and February to keep our users motivated and maintain their membership.

By October an improved process will be in place to deal with membership retention and staff will actively contact members who wish to leave the service to get information on their reasons for leaving and provide incentives (as referred to below) to stay where appropriate

Due to the systems upgrade a re-registration process is underway and to date 65% of members have re-registered however more is needed to provide an incentive to stay with us. Currently members re-registering have been automatically entered into a competition to win a year's free membership. As time draws close to the changeover in systems further retention incentives will be developed.

#### Weight Management Programmes

There is an opportunity for the service to improve on the element of personal training that is currently available in centres at an additional cost to our members. New initiatives that combine BMI (body mass index) measurement, weight monitoring and diet review along with a fitness regime will be further developed by our health and fitness coaches and a promotional campaign will be developed around this.

#### Family Sessions

During the summer we ran a campaign promoting "family sessions" (in line with the new tariff) to encourage the whole family to participate for a set price and have access to swimming pool and the gym facilities. This proved to be a successful promotion and to date has generated £30k additional income and 15,000 users. Further similar promotions will be developed between now and the end of the financial year.

#### Corporate Memberships

The participation manager and support team have been actively promoting our corporate membership package and we have over 50 new memberships this year to date and further promotion is underway

#### Casual use

The casual use of our facilities has increased year on year and opportunities exist between now and Christmas to carry out targeted promotions to these

	<p>users. Other targeted promotions such as the use of our Main Halls will also be developed as usage has dropped and we want to encourage usage at our new lower rates. Specific programmes will also be targeted in particular areas across the city based on the current utilisation rates.</p> <p>The marketing plans include measures to attract new members and retain existing members such as;</p> <ul style="list-style-type: none"> <li>• buy one get one free promotional offers;</li> <li>• bring a friend for free;</li> <li>• competitions;</li> <li>• free one day passes;</li> <li>• gift vouchers</li> <li>• "refer a friend" and receive reduced membership;</li> <li>• recognition for those staff members who sign-up most members etc.</li> </ul> <p>Leisure services are currently undergoing an upgrading of the computer based leisure management system. Part of this upgrade involves cleansing of the historic members data. In practical terms this means that over 1850 direct debit members have been asked to re-register within centres since June. To date 65% have re-registered.</p> <p>Marketing initiatives alone won't address the number of cancellations. All staff have a role to play in selling the Council's 'Boost' and other products and in delivering excellent customer service so that customers enjoy a positive experience in our leisure centres and choose to continue being members. All centre managers will be ensuring staff are briefed and have training in customer service standards in order to improve the overall customer experience at our leisure centres.</p>
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<b>3</b>	<b>Resource Implications</b>
	<p><u>Financial</u> At quarter one the budgeted income from Leisure centres was down by £130k and the gap provided by the price reduction has not reduced. However a targeted programme of activities and promotions has been developed and will be rolled out in the next number of months. The promotional offers will include reduced membership rates as benefits.</p> <p><u>Human Resources</u> The promotional work will be undertaken by the marketing team, the newly appointed participation officers and centre staff. A programme of training around selling skills will be provided to the relevant staff.</p> <p><u>Asset and Other Implications</u> None</p>

<b>4</b>	<b>Equality and Good Relations Considerations</b>
	The current Boost scheme has been equality screened in line with the council's obligations in this area.

<b>5</b>	<b>Recommendations</b>
	<ol style="list-style-type: none"><li>1. Members are asked to note the contents of this report</li><li>2. Members are asked to grant delegated authority to the Director to approve a range of measures to attract members as outlined in section 2.</li></ol>

<b>6</b>	<b>Decision Tracking</b>
	The Business Manager will provide a quarterly progress report to Committee through the existing financial reporting process.

<b>7</b>	<b>Key to Abbreviations</b>
	None

<b>8</b>	<b>Documents Attached</b>
	None