

PESTLE ANALYSIS OF FITNESS INDUSTRY FOR STRATEGIC MANAGEMENT

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Abstract: Fitness is something that is broadly considered to be of great importance. The fitness industry is growing very fast around the world. It is evolving from a niche to a mainstream industry, and many have entered it with long-term plans and marketing strategies. Fitness industry is associated with many other product and services where other stakeholders are involved in the economy. The fitness industry comprises of gyms, fitness equipment, health club, fitness class, sports nutrition, wellness centre, fitness apparel, smart fitness equipment, personal trainer, dietician, fitness model etc. The industry is diverse requiring study and research for proper policy and planning.

PESTEL analysis is a tool used by industry to analyze the macro environment in the increasing competitive environment so that opportunities and risk of threats can be reduced efficiently and effectively. The main objective of this paper is to conduct PESTLE analysis of fitness industry in Manipur state, India. PESTEL stands for Political, Economic, Social, Technological, Environmental and Legal factors. Such analysis is usually done to understand the macro environment of the organization which may also affect the immediate environment. This tool allows the assessing of the current environment and potential changes. To fulfill the objective of the study, fitness industry located in Imphal West and Imphal East districts of Manipur are taken for the study. Imphal west and Imphal East have large number of fitness industry as compared to other districts. To collect the data case study method was adopted and data were collected from gym owner/instructor, fitness equipment manufacturer, fitness class provider, sports nutritionist, personal trainer and fitness model.

After analyzing the data, it was found that in political factor, changes in government policies, increase awareness level of the importance of being fit and healthy makes individual demand and avail for fitness services and product. In economic factor increase in individual disposal income tends to increase in gym membership and other fitness class. In Social factor young generation has increased demand for fitness services especially gym that prioritize technology whereas aging population inclined toward fitness class namely yoga and neighborhood location of fitness centre is also a motivating factor among the individual. Under technology wearable devices motivates the individual to continue their fitness activities because it gives customized result. Legal factors such as safe working conditions, safety equipment which are regularly maintained and inspected with proper label of warning and instruction is important in the enrollment. Most of the fitness industry studied lacks awareness about environmental factor.

The fitness industry contributes significant growth opportunities, they should be driven by government support, increase investments, adoption of updated technologies, customized virtual product etc. These have to go along with sustainable environment which required proper strategic management.

Keywords: Physical Health, Macro Environment, Manipur, Political, Economical, social, Technology, Environment

Purpose

The purpose of this study is to apply PESTLE analysis framework to identify those external factors which affects the fitness industry in Manipur. Fitness industry has gradually evolved into a comprehensive ecosystem. The ecosystem includes fitness providers, consumers, associated industries, as well as the Government. Nowadays, one can see the growing number of gyms, fitness centre, wellness centre, sales of smart fitness wearable, personal trainer, nutritionist etc. coming up in the market. This evolution of the fitness and wellness industry has been phenomenal which also addresses to diverse areas where many stakeholders are directly and indirectly involved. The main factor behind the swarming up of fitness industry is being about looking good, fit and healthy as Saha (2023) also stated that Indian consumers are increasingly willing to spend money in order to look good and feel good, which can be accomplished by eating, working, and living healthfully. Suhail (2021) stated that physical inactivity has a negative effect on mental health and quality of life as well. We are also hearing ‘wellness’ along with the fitness and wellness is more holistic and caters to wide array of physical and mental fitness. Whether it is fitness or wellness, the consumer demands increases with time. Sonu and Bhalla (2022) expressed that the growth and development of the Indian sport industry is creating opportunities for management professionals in a wide variety of settings. So, it is imperative to understand this industry and PESTLE analysis is one of the important tools to understand the external factor which has a direct impact on the internal environment of the particular industry. Jiawei (2024) mentioned that PESTLE model is an effective analytical tool for analyzing the impact of the macro-environment on a specific industry, helps to comprehensively understand the macro-environment of the fitness industry.

Methods

To meet the objective of the study, fitness industry located in Imphal West and Imphal East districts of Manipur, India are taken for the study. Imphal West and Imphal East have large number of fitness industry as compared to other districts in Manipur. To collect the data, case study method was adopted and data were collected from gym owner/instructor, fitness equipment manufacturer, fitness class provider, sports nutritionist, personal trainer and fitness model. Case study is a research design which takes few variables related to a specific subject of study in big depth. Case study is a qualitative analysis in which a person, a situation, or an organisation is closely and in-depth investigated (Bunkar et al., 2024). For the study a total of six samples were contacted and interviewed with the help of developed tool, PESTLE analysis framework model consisted of both close and open ended questionnaire. The sampling method employed was purposive sampling because the samples are believed to be representative of the fitness industry and the numbers of such industry are not many in Manipur.

Primary data were collected in the month of January 2025 with the help of interview schedule. The collected data were analyzed and following are the result and discussion of the findings.

Result and Discussion

This study aims to analyse the fitness industry and assess the major external factors affecting its development through the PESTLE model, which is an effective analytical tool for analysing the impact of the macro-environment on a fitness industry. The analysis will be helping to comprehensively understand the macro-environment of the fitness industry from the six perspectives i.e. political, economic, social, technological, legal, and environmental, and then providing the industry with an opportunity to provide systematic support for decision-making and strategic management. The following are the PESTLE analysis factors found during the study.

Political Factor

The entire studied sample believed that changes in government policies can affect health, fitness and dietary pattern of the people. The role of concerned state government in initiating public health campaigns and awareness can lead to increase in demand of fitness product, both goods and services. Clarke and Mondal (2022) mentioned the year 2014 National Youth Policy and 2019 Fit India movement are dedicated to developing a strong and healthy generation and Gelius et al. (2020) expressed that scientific community along with governments are increasingly recognizing the importance of policy for promoting physical activity.

To promote physical health for all, the Manipur government installed open gym in many places. These gyms are access to the maximum potential or not and properly maintained need to be studied. A study by Sharma and Chaudhary (2021) expressed that health enhancement in the form of improved general fitness, body weight control and diversification of physical exercise routines, social connectivity, easy accessibility, affordability, green outdoor surroundings, and a place of intrigue and attraction in respective parks were the major reported benefits of outdoor gyms. So, it is desirable to have an ambience to motivate the local people to access the facility.

During the study it was also found that the volatile law and order situation in Manipur state affects the regular services and indirectly the sales of fitness product too. It is mentioned that the concerned government can provide interest free loans to fitness startups and gyms for promoting physical health.

Economic Factor

The saying 'Health is Wealth' which may signify that when you maintain good health, everything else falls into place. The sample respondent believed that individual disposal income tends to increase in gym membership, enroll for fitness classes, and tried to avail health and nutritious product coupled with the rapidly growing awareness of fitness and healthy lifestyles. Ali and Ali (2020) also expressed that factors affecting consumers' willingness to pay for healthy food products are income and education. Zicen (2023) also mentioned about significant positive correlation with the added value of the sports industry in his study.

Among the studied sample, sport nutritionist felt that in Manipur the fitness is growing because the services provided by sport nutritionist is in high demand and can be provided online. Remaining sample namely gym owner/instructor, fitness equipment manufacturer, fitness class provider, personal trainer and fitness model felt that the state's economy is unstable for their industry. The reason may be because of the present violence going on in the state from past one and half year.

Social Factor

Young generation has increase demand for fitness services especially gym that prioritize technology whereas aging population inclined toward fitness class namely yoga. Kumar and Bhalla (2022) in their study expressed that the age group 15 -29 years are target consumer base for sports and fitness products and Madhivanan and et al. (2021) observed that Yoga has also been found useful in maintaining physical mobility and functional independence in seniors.

During the study it was found that the nearby location of the fitness centre made the accessibility by the neighbor customer ease as mentioned by the fitness class provider and gym instructor. Physical activity behavior depends on a multitude of barriers and facilitators, such as accessibility (Riseth and e tal., 2019).

The entire studied sample expressed that their customer have good feedback about their services. Customized services are also given according to the need of the customer, which is also the need of the hour, if one wants to stay in the competitive market. Jain and et al. (2023) noted that personalized approach not only enhances user engagement and motivation but also contributes to the overall effectiveness of fitness programs, promoting healthier lifestyles.

Technological Factor

Wearable devices motivates the individual to continue their fitness activities because it gives customized result and easy to recall the previous result/readings. Lewis et al. (2020) mentioned that wearable devices are more than fitness accessory they are a motivational tool that can help improve physical activity.

The studied sample mentioned that they are using viva brand, a fitness product brand especially for gym equipments. The sport nutritionist used 'Diet Cal' Software for calculating the nutrient requirement of the customer or sport person.

Legal Factor

Safe working conditions, safety equipment which are regularly maintained and inspected with proper label of warning and instruction is important in the enrollment. In the era of increasing competition among the fitness industry, one has to understand the importance of accreditation of the unit or fitness/wellness centre. Saha (2023) highlighted NABH (National Accreditation Board for Hospitals and Healthcare Providers) established standards for the voluntary accreditation of all organisations offering wellness services, including gyms, spas, skin care centres, fitness centres, immunisation clinics, and executive health check-up centres.

None of the studied sample is aware about the intellectual property, trademark, patents etc. Those who are manufacturing their own gym equipments is required to go for at least design patenting.

Environmental Factor

The United Nations (UN) Sustainable Development Goals lay out objectives for saving the planet and enhancing quality of life by 2030, including a goal for ensuring health and well-being for all (Salvo et al., 2021). One should advocate the implementation of eco friendly sustainable practices. During the study it was found that the fitness class provider namely yoga centre practices green and clean environment by using cloth durries instead of synthetic and tried to minimize the use of plastic products. It is also observed that entire studied sample is not much informed about adopting environmentally sustainable practices in a systematic

way. They may use renewable energy and limit unnecessary of resources, reducing food waste and other environmental considerations.

Conclusion

This paper focused on analyzing PESTLE model framework which analyses the macro environment of the fitness industry. Industry should develop strategies using PESTLE analysis to determine the opportunities and deal with challenges in order to improve the performances in the competitive environment. In Manipur the fitness industry has the prospect of growth opportunities, they should be driven by government support, increase investments, adoption of updated technologies, customized virtual product etc. These have to go along with government rules and regulations and sustainable environment which required proper strategic management.

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