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Leisure Services: Marketing with Purpose

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LEISURE SERVICES: MARKETING WITH PURPOSE

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ABSTRACT

This article provides a three dimensional conceptualization of organizational purpose. Goals of profit maximization, response to popular wants, and human/environmental impact exist to varying degrees within commercial, public, and private nonprofit leisure organizations. The "organizational cube" is a tool capable of assisting organizations in identifying underlying purposes among staff as well as providing a forum for conflict resolution and development of marketing strategy.

LEISURE SERVICES: MARKETING WITH PURPOSE

INTRODUCTION

The application of marketing procedures is a popular topic, finding its way into much of the recreation and park literature. State and national conference presentors have helped us better understand the marketing principles commonly practiced in the private commercial sector. Increasing numbers of recreation and park professionals who once viewed marketing as nothing more than advertising, are applying the concept to pricing decisions, program/facility development, demand analysis, communication with target populations, and logistical decisions that result in convenience and encouragement to prospective users. While many in the public sector have addressed the subject of marketing, few have focused on the most fundamental component of the process: purpose.

According to Philip Kotler (1), a noted authority on marketing in the public sector, "every organization is a purposeful coalescence of people, materials, and facilities seeking to accomplish some purpose in the outside world". The commercial recreation enterprise naturally defines purpose as "return on investment". The entrepreneur who loses sight of such a quantifiable purpose, is likely to fail. If profit motivation represents the purpose underlying the commercial recreation

marketing strategy, then what purpose do we ascribe to public and private nonprofit organizations? Fiscal accountability and deficit avoidance is critical, but is it the primary yardstick used to measure your organization's success? Blake and Mouton (2) admit that organizational purpose may be more difficult to define for noncommercial organizations, while comfortably adhering to the principle of "purpose" being universal to all organizations.

It is the authors' contention that three potentially overriding purposes exist in the leisure service organization. While subject to change, a dominant purpose is reflected in the organization's philosophy and resultant actions. Fundamental disagreement among staff, administration, and policy makers regarding the dominant purpose will most likely result in disappointing levels of performance.

FUNDAMENTAL PURPOSES OF THE ORGANIZATION

- A. Profit Maximization
- B. Planned Human and/or Environmental Enhancement
- C. Responsiveness to Popular Demand

PROFIT MAXIMIZATION

Profit maximization is the obvious purpose of commercial recreation endeavors. Yet, many small businessmen consider other lifestyle related dividends when deciding on an appropriate business venture. For example, an avid bowler may invest in that type of establishment because of his love for the sport and the people it attracts, even though projected return on investment is less than alternative investment opportunities. Some commercial leisure enterprises rely on costly, high powered advertising to successfully sell mediocre products and services. In fact, a primary reason for noncommercial organizations not adopting the traditional marketing approach results from accurate perception. Kotler (3) states that the original marketing concept emphasized customer wants, without making social judgments. Businesses catered to consumers' short-run satisfaction, with relative disregard for long-run human and environmental liabilities. Annually, millions of dollars are successfully invested by business in the leisure market place to entice as well as inform. Fortunately, most leisure related businesses emphasize product/service quality, primarily to maintain an adequate share of the market.

The profit maximization emphasis can be applied to private non-profit and public agencies as well. Enterprise programs, requiring significant expenditures for relatively unique user groups, must be extremely revenue conscious. Facilities constructed and financed with revenue bonds must generate income in an aggressive fashion. Most agencies engage in one or more annual fund raising efforts, if not directly, through an affiliated foundation. Successful fund raising should rely on a strong profit orientation. Profit maximization is

rarely a dominant purpose for noncommercial organizations, but it isn't a concept to be avoided when tax bases continue to erode, and fiscal accountability is mandated.

PLANNED HUMAN AND/OR ENVIRONMENTAL ENHANCEMENT

Many of us in the field of recreation and parks made our occupational selection based on an altruistic perspective; a belief in the recreation and parks "product". The values assigned to the recreation product or service are often based on intuitive judgments and wishful thinking. It is a complex "product" that contemporary research is just beginning to successfully address.

By gaining a better understanding of the attributes associated with our programs and services, we have become more comfortable (and more accurate) in designing experiences with predictable outcomes for human and/or environmental wellbeing. The leisure experience lends itself to personal expression with varying levels of intensity and participant expectation. Yet, consumers are gravitating to leisure products and services which document outcomes associated with physiological, intellectual, psychological, and social development. David Gray (4) points out that professional recreators "must be able to show that the program produced the results it was designed to achieve, a task entailing measurement of results in a way we have never used on a comprehensive scale".

RESPONSIVENESS TO POPULAR DEMAND

As a governmental entity, recreation and park agencies were created by the populace, and exist to serve their collective desires. In many cases this has led to conflict between popular "wants", special interest group desires, and agency defined needs. Concern for "public good" need not be a high priority for the commercial enterprise if it successfully captures and maintains a profitable segment of the market. Adherence solely to public wants by the public agency can be stifling. Failure by public agencies to expose constituents to the cultural arts because it has not been a popular expression of community preference is a classic example of strict adherence to collective expectations. As P. T. Barnum stated "Don't give the public what it wants, give it something better!".

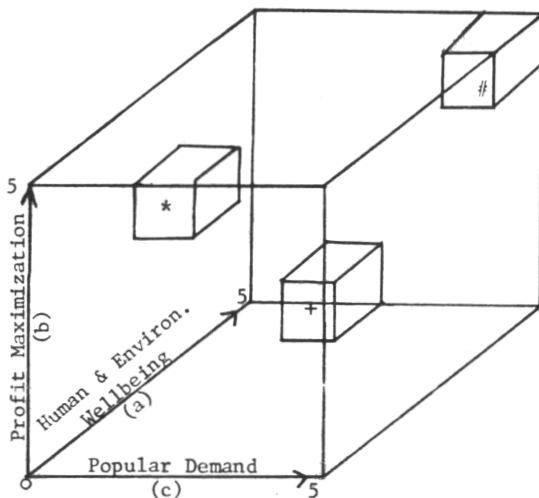
Is the agency's role to maximize general participation in a variety of programs that will "go", or should it be carefully identifying human and environmental needs in the community in concert with other human service organizations, while developing and implementing programs to address those needs? One would expect varying responses from a municipal recreation department, social service agency, or commercial enterprise. The realities of organizational viability has forced most of us at one time or another to over-emphasize the "numbers game". Programs and services that appeal to current desires with the promise of large attendance figures, can result in our overlooking the type of impact, so long as people had a "good time". For this reason, the smaller or more disruptive market segments that can perhaps benefit most from the

program, may not be encouraged to participate.

THE MODEL

The organizational posture that one's agency maintains, or strives to develop should reflect the relative importance of the three briefly outlined purposes. The following model can be employed to profile individual organizations. It can also provide a basis for assessing the feelings of individual staff and policy makers. Where inconsistency arises, potential incompatibility should be dealt with through positive conflict resolution.

- * Elastic Waist Belt
- + Predelinquent Youth Program
- # Commercial Roller Rink



In this diagram, a company advertising an elastic stretch waist belt designed for quick and effective weight loss and improved fitness, might appear in the "upper right front" position. A successful "drop in" program for predelinquent youth could appear as indicated (A=5, B=0, C=1); Examining a flourishing commercial roller rink that represents a wholesome leisure outlet for family recreation, we would probably locate it in the "upper right rear" position on the grid.

The three factors, present to varying degrees within the organization, can complement each other, or they can fractionalize staff and decrease effectiveness. Richard L. Howell (5) eluded to the unnecessary incompatibility that even reaches into our centers for professional preparation. "In several recreation schools where commercial recreation and tourism programs have been introduced, it is

possible to discern the rift between faculty-and students-who tend toward the extremes of these motivations-profit versus social".

An agency can be characterized, by plotting specific program offerings on the three-dimensional cube, based on objectives and/or assessed outcomes. An organization that supplements tax revenue with program fees and fund raisers while advocating citizen participation in program selection in order to effect positive change within the community, should have programs located throughout the cube. Patterns should indicate obvious voids or unintentional areas of over-emphasis.

This approach to profiling organizational intentions or behavior reveals strong implications for the public recreator's role as facilitator. Perhaps the biggest contribution of the noncommercial sectors lies in the area of consumer awareness. By articulating product attributes to potential consumers, they will become more inclined to prefer (and pay for) experiences that are capable of meeting their expectations. With such a large industry serving leisure interests, the greatest services one can offer would seem to be product/program information sharing along with programs designed to introduce experiences appealing to latent talents and appreciation levels. When schools and public recreation and parks agencies seriously begin defining formal education as more than vocational preparation, cooperative leisure awareness will take on new meaning.

Instead of viewing programs as vehicles designed and built to take people toward objectives that have been defined based on professional expertise and valued public input, we may step away from the vehicle and serve as "travel agent". By exposing consumers to the variety of vehicles (programs and services) available; giving a few "driving lessons" (leisure skill development), and helping with the "map reading" (interpretation of program attributes) we can effectively reach more individuals than through "direct provision" of programs and services.

The authors firmly believe in the "rational buyer", and have confidence in the American public's ability to express "wants" that coincide with their best interests and intentions, when not bounded by limited or misleading information. Yet, millions of dollars are spent annually, convincing us that we can become more attractive, experience substantial weight loss, meet new and interesting people, or receive a lifetime supply of reading or listening pleasure-all for only \$9.95. Such persuasive messages are not falling on deaf ears!

The leisure marketplace is expansive. The actual role that public recreation and parks agencies assume will depend upon the men and women elected and hired to serve their particular constituency. Their collective view of organizational purpose should result in a marketing strategy that distributes organizational resources in a deliberate manner.

The true mission of an organization, as well as the program strategy for implementing it, can be assessed with the organizational cube. Correct program and service delivery decisions can only be evaluated if mission is clearly established and articulated throughout the organization. The process is reliant upon a fundamental assumption that profit maximization, compliance with popular wants, and finally enhancement of human and environmental well-being represent the universe of alternative organizational priorities. All three are important, but to varying degrees. Individual programs can be "located" in the cube

according to their success in each of the three "priority variables". Programs can then be assessed relative to original objectives. At the same time, programs and services can be collectively viewed within the cube to determine if offerings generally reflect mission.

Along with contributing to the evaluative process, the cube also has utility as a planning tool. Program (product) objectives should be stated in terms of outcomes, hopefully consistent with mission. Measureable objectives can be valued in relation to the three "priority variables", resulting in placement at an expected point within the cube; it should be the organization's realistic goal for the program.

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