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School of Management



2021 High School Students Business Competition

Farmingdale High School

Case on

Blink Fitness

Farmingdale, N.Y.

Sponsored by

Farmingdale Chamber of Commerce

Riyaz Akhtar Experiential Education Program

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Company Overview

Blink Fitness in Farmingdale is a franchise-owned gym located in Farmingdale, N.Y.

When starting a business, an owner can either start their own business, name it, and operate it and incur all the costs of ownership and operation and make all the decisions concerning it, or an owner can choose a franchise business. With a franchise, a business owner enters into a contract with the Franchisor to use the business name, operating procedures, and marketing materials in exchange for fees.

According to the International Franchise Association (IFA.org), Blink Fitness has its headquarters in New York. It was “founded in 2011 by executives at Equinox... is a premium quality, value-based fitness brand with more than 140 locations open or in development throughout New York, New Jersey, Pennsylvania, Michigan, California, Illinois, Florida, Virginia, Massachusetts and Texas. Blink puts Mood Above Muscle™, which celebrates the positive feeling you get from exercise, not just the physical benefits.” The mission of Blink Fitness is to change the lives of its community members.

The International Franchise Association (Franchise.org) provides information about many franchise options. Blink Fitness headquarters are in New York and has been operating as a franchise since 2015. In addition, start-up costs are \$500,000 with a total investment of \$607K–\$2M.

Equinox Fitness is a luxury fitness club, whereas Blink Fitness is a budget brand. Blink offers consumers high value and a low cost. It is not unusual for a luxury brand to create a new brand that caters to a different market. The two brands are given different names so that consumers perceive them differently. The luxury product or service is not tainted by the budget option. Consumers who would prefer the budget option are not scared off by the luxury brand name.



Blink Fitness, 450 Main Street, Farmingdale, N.Y.

Allen Pinero is the current owner of the Blink Fitness at 450 Main Street, Farmingdale, N.Y. He also owns a Blink Fitness in Lindenhurst, N.Y. This case will focus on the challenges faced by the Farmingdale location.

The Farmingdale location opened on September 27, 2019. This location features “state-of-the-art equipment... including cardio machines, strength equipment, dumbbells and designated areas for stretching, HIIT, body weight training and more” (DeSantis 2019). The gym also has locker rooms with showers and free WIFI. Certified personal trainers are available for members with sessions starting as low as \$30. Membership has three levels with monthly fees of either \$27, \$23, or \$15 plus an annual maintenance fee of \$54.99.

There are 15 employees, including the front desk and personal trainers. The employees are responsible for checking in members, personal training, promotion, and cleaning.

COVID-19

Due to COVID-19, the gym closed in March of 2020 and was able to reopen in August of 2020. Currently, for safety reasons, the gym operates at 33% capacity. The location is fully cleaned every fifteen minutes, called a “sweep,” with an additional sanitizing sweep three times per day using a special chemical designed to kill COVID within an application time of one minute. Everyone in the gym is required to wear a face mask at all time. Members are asked to bring their own face masks. However, one will be provided if necessary. A Member who is in the gym without a mask three times will have their membership canceled. The CDC offers advice to gym and fitness center owners on keeping employees and customers safe (cdc.gov).

Membership and Attendance

Currently, there are a few thousand members of Blink Fitness of Farmingdale, many of whom come to the gym on a regular basis. Of these members, about two-thirds work-out at the gym 2-3 days per week and about 25% go to the gym 5 days per week. There are a handful of members who pay for their membership but do not come to the gym.

The Marketing Objective

These are very difficult times for gym owners. Gyms are facing a barrage of negative publicity surrounding contracting the virus at the gym (e.g., Misdary 2020). The following are the marketing objectives that you are beings asked to address:

1. Raise awareness of Blink Fitness in Farmingdale, N.Y.
2. Retain current members by increasing consumer loyalty.
3. Increase membership with new members and lapsed members.

Challenge Mandatories

The promotional plan must be in accordance with the themes associated with the franchise, that it is a value-based gym that celebrates how you feel from exercise. Blink’s motto is “Mood Above Muscle™” and “The Gym for Every Body.”

Target Audiences

It is up to you to choose a target audience. Please complete additional research to support your choice and provide details about your chosen target market. People who are already members include:

- Silver Sneakers. Ages 60–80. They usually work-out in the morning. A suggestion is to find a way to partner with senior centers and senior housing.
- Juniors. Ages 14–17. They work-out after school. A parent must sign for them.
- Young Adults. Ages 18–30. They are just starting their careers and getting their life together. They work-out before and after their work day.
- Parents. Ages 30–60. They are established in their careers. Their children are in school during the day. They work-out after work.
- Seniors. Ages 50+. Some seniors have been exercising in a gym for years. For others, going to the gym is a first-time experience.

Target Audience Motivation

Motivation for going to the gym includes getting healthy, losing weight, gaining muscle, gaining strength, and looking good. You can develop different promotional campaigns depending on the consumer motivation. In addition, consumers with medical issues are encouraged to join a gym in order to impact recovery, such as stroke patients and those recovering from drug addict.

Advertising Media

Blink Fitness has engaged in a variety of media. The corporate owner has media as well as the local franchise.

Owned Media

Owned media is defined as media that a business owns and can post on without additional costs. In the case of Blink Fitness, there is media that is owned by the corporation and media that is owned by the Farmingdale franchise. The Farmingdale franchise does not have access to post on the corporate media channels. Corporate media channels include:

- <https://www.blinkfitness.com/>
- <https://www.facebook.com/BlinkFitness>
- <https://www.instagram.com/blinkfitness>
- <https://twitter.com/blinkfitness>
- https://www.tiktok.com/@blink_fitness
- <https://www.youtube.com/user/blinkfitness>



Example of Blink's current marketing promotion



Blink Fitness of Farmingdale owns the following media:

- <https://www.yelp.com/biz/blink-fitness-farmingdale-farmingdale>
- <https://www.facebook.com/blinkfitnessfarmingdale/>
- https://www.instagram.com/bf_farmingdale/

Each Blink Fitness location is prohibited from using the Blink Fitness name when establishing owned media for a specific location. The corporation set up the Facebook page for the Farmingdale location. As you can see, the Farmingdale Instagram page does not use the Blink name.

Paid Media

In addition to owned media, Blink advertises on paid media. They have advertised on search, print (e.g., local newspapers), and radio (e.g., The Shark 94.3, WBLI, WALK radio). They have also used printed "mailers," which are flyers that are sent to residence homes in the local area.

Earned Media

Earned media is any publicity that is gained. For example, the grand opening of Blink Fitness in Farmingdale was covered in the local news media. Earned media also includes shared social media posts.

Promotions

It is your challenge to develop a promotion that can be shared on owned, paid, and earned media that will increase retention through customer loyalty and generate leads for new members for Blink Fitness in Farmingdale, NY. Previous promotions include:

- Partnering with other local business for free merchandise. These partners have businesses that resonate or have an affinity with the position of health and fitness (e.g., Tropical Smoothie). Can you suggest local businesses and joint promotions that can be beneficial to both Blink Fitness and the other business?
- Partnering with restaurants and businesses on Main Street, Farmingdale. Blink has partnered with restaurants such as The Nutty Irishman in setting up a tent outside the front doors during summer hours to attract potential members. How can Blink partner with restaurants who are struggling as a small business?
- Farmingdale Chamber of Commerce Events and Local Main Street Events. Blink has done Music on Main events in the past by setting up tents and giving out balloon animals to attract parents in the local area. What other events or promotions can Blink do to attract potential members?
- Member Appreciation Day. The member appreciation day includes local businesses providing free services for members (e.g., tropical smoothie, vitamin shoppe). When would be a good time to hold this event?

The Challenge

Your challenge is to develop a promotional plan to meet the marketing objectives of this case. Your plan will be judged based on your description of how the plan can be implemented, measured and evaluated. The judges will be looking for a plan that includes a choice of target audience, events and how they will be promoted on social media, an integrated marketing communications campaign for social and/or print and radio media.

Make sure to outline your suggestions for social media posts and a social media plan. You can also choose to include a plan for search engine advertising. What key words do you suggest and why? What should the google ad look like? Furthermore, how do you propose that Blink Fitness of Farmingdale measure and evaluate the success of the plan? What KPIs would you suggest that Blink Fitness of Farmingdale track?



Blink Fitness, 450 Main Street, Farmingdale, N.Y.

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