**NAME(S):………………………………………………………………………………………**

1. **EXPECTATION AND REALITY IN SERVICES**

*This fitness center ABC is starting to think that its slogan is primarily responsible for its loss of new customers/members.*

**ACTIVITY/TASK**

Fitness Center ABC has the slogan – *“****we'll get you fit****”.* However, only 50% of new customers keep coming back after the first six weeks. This is a customer loss (churn) rate well above industry benchmarks, and this also puts pressure on the firm to consistently generate many new customers. Also, as many of these lost customers are dissatisfied, they negatively impact word-of- mouth referrals (via social media) as well.

A consultant to the firm has suggested that the slogan could be contributing to the customer loss problem because it “promises too much”. As a result, expectations are not met, and customers quickly become dissatisfied.

**QUESTIONS**

1. Do you think that the slogan could be a problem? Why/why not?
2. What could be a suitable revised slogan (if you think that they need to change)?
3. Should they change their slogan, or should modify their marketing mix offering instead?