

Professional paper

THE ANALYSIS OF THE MARKET POSITION AND MARKETING POTENTIALS OF CROSSFIT

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Abstract: CrossFit is recognized as one of the fastest growing training programs in the World. Due to its width of scope and essentially simple applicability, it has registered a large number of practitioners and clubs practicing it worldwide in the last ten years. Its simple and understandable concept has made it possible to create a large social capital - a large number of practitioners, instructors and clubs, which are also a part of the program promotion (word-of-mouth). In addition to becoming a category in itself, CrossFit has grown into a distinct culture, and the foundations of this program are its functionality and people's need to exercise and live a healthy life. Due to the number of people practicing this program, the 5-digit number of CrossFit clubs worldwide and its large and continuous media presence, it can be said that CrossFit has become a constantly evolving global sports movement with a huge marketing potential. CrossFit is one of the best examples that simple things and ideas are usually the most effective in any branch, including the sports industry.

Key words: *CrossFit, exercise, exerciser, program, potential, simplicity*

INTRODUCTION

In the past ten years there has been a significant expansion of CrossFit. CrossFit is recognized as one of the fastest growing high-intensity functional training modes in the world (Claudino et. al., 2018). Yet, no scientific papers in Serbia deal with this topic. That served as a motivation for writing this paper, which will briefly introduce this program, analyse its marketing potential and market positioning in the field of sports and healthy living. In addition, only a

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few scientific papers analyse this program as a marketing phenomenon, to an extent; almost exclusively, papers concerning CrossFit deal with the physiological effects of practicing this program.

CrossFit Inc. is a company founded by Greg Glassman in 2000. In 2005, the network of collaborating gyms under the name CrossFit numbered 13 venues. Today, the network counts over 13,000 branches in about 150 countries worldwide (https://map.crossfit.com/?_ga=2.95823068.1142892516.1574639395-1739441689.1574639395). In 2007, The CrossFit Games was founded and since then it has been regularly held every summer and it attracts more and more competitors every year. Over time, they have become so popular that the prize pool has drastically increased, with first-place competitors in the men's and women's competitions winning \$ 300,000 each, and prizes (in decreasing amounts) being awarded to all competitors in the top twenty positions, which shows the financial power of this program and organizations. Also, CrossFit contributes to the creation of an online community through its online presence, in which experiences, styles, workout results are exchanged between the people participating in this programme. This enhances CrossFit as an exercise skill.

CrossFit is based on a dynamic exercise program that aims at increasing the overall fitness of the body, strength and shape, as well strengthening the mental state of the exerciser, unity and teamwork. Training usually consists of short warm-ups, twenty minutes of strenuous and very demanding training, and prolonged stretching. CrossFit is based on 10 crucial points: cardiovascular / respiratory endurance, strength, fitness, flexibility, speed, suppleness, coordination, agility, balance and precision (Benjamin, 2012). Encompassing multiple Olympic disciplines (Olympic weightlifting, swimming, gymnastics, athletics...), it seeks to create polyvalent athletes. This is done with high-intensity training, a high number of repetitions, specific weights and specific movements for a certain amount of time. This allows for a clear measurement of the results in terms of physical fitness. CrossFit also implies that exercisers can make their own programs according to individual requirements.

This type of exercise is quite popular with the US military and used by the US and UK police. However, because of the intensity and very explosive action of the muscle, CrossFit has many positive effects on people of average fitness (Meyer, Morrison, Zuniga, 2017). Exercises can be varied (running, rowing, hinges, joints, decay, deadlifts, etc.), and they are performed in a myriad of combinations, one of which is selected as the WOD-workout of the day. The WOD is usually written by a trainer on a board and then everyone writes down their score. This approach fosters a competitive sporting spirit as well as fellowship, mutual assistance and counselling. Each trainer must have a certificate that he / she obtains by attending a specific course in which he / she is obliged to take practical training, and not just theoretical instruction. In

addition to the basic course, there are also courses related to the preparation of sports teams, various Olympic categories, pregnant women, children, etc.

CROSSFIT FUNCTION AND EFFECTS

The term environment is used differently in marketing terms. Kotler's definition of a marketing environment includes all factors beyond the activities of marketing management within the company, including both intrinsic and extrinsic influences. The differences between environment categories are illustrated by the concept of the layers of environment, which overlap one another. He takes as an example only the factors he considers crucial in relation to each individual level (Kotler, 1997).

Internal environment. Russ and Kirpatrick imply interactive relationships of interdependence between marketing and other management activities. For example, when competing for the provision of resources for their activities or for mutual cooperation in decision making (Russ and Kirpatrick, 1982).

Microenvironment. The second level covers factors that affect marketing management beyond the organizational boundaries of a business. This includes: competition, distribution, suppliers, consumers, etc. and the public. A marketing strategist should especially consider the importance of the public and ensure an effective relationship with its important elements.

Macro environment. Individual organization practically does not influence factors at this level. These are: socio-cultural environment, political and legal, economic, technological and physical environment. Each of them influences the marketing strategy and therefore their changes and trends must be systematically monitored.

The key problem in assessing the environment, which encompasses all events and trends beyond the boundaries of marketing activity is the identification of trends that are most relevant for analysis. Especially since there are no exact rules to distinguish them. It should be emphasized that identifying the most important ones requires considerable creativity and foresight. Especially since sometimes a seemingly irrelevant trend or change can be crucial in the long run.

The most important reason for assessing the environment is to evaluate the most likely impacts on an organization. For market strategy planners, Kotler (1997) suggests using an opportunity and threats matrix for this assessment. The opportunity matrix serves the planner to evaluate the relative attractiveness that the environment provides, as well as the chances of success if it works in a particular direction. The condition for this is to evaluate the quality and weakness of the company. The planner should also evaluate the potential impact and potential hazards of the environment, as well as their

degree in relation to the organization's activities. Of course, this is just the basics. A true environmental assessment analysis considers several trends at once and assesses their individual and unified impact. The problems in defining trends and the difficulty in accurately predicting consequences do not diminish the essential importance of assessment procedures for better preparedness for the future. When it comes to CrossFit, we can say that it is crucial to look at trends in the field of fitness and wellness in general, as well as consumers and the target group.

If we look at fitness from a market point of view, we could characterize it as a type of service for recreation, which should satisfy the user's need for health, beauty, movement, fun and minimize the negative effects of modern lifestyle. From this perspective, fitness is an industry that sells a multitude of services, products and a fitness philosophy of living. It follows that fitness is a kind of an industry, and within it, the same principles apply as in all other activities. Today, fitness goes way beyond the former approach to recreation and is linked to payable categories, such as: fitness facilities, programs, equipment, preparations and professional and specialized staff. There are more and more new fitness programs in fitness, especially group guided programs in recent years. These programs are different in content, purpose, use of props and weights, but the same in aerobic mode and group training, usually accompanied by music as a stimulating medium. The following forms of exercise are practiced: step aerobics, aqua aerobics, body sculpting or body styling, body pumping, kick boxing, taekwondo, spinning, Latin, funky, hip-hop, salsa, afro, ethno aerobics; jazzercise; low impact and many more. For all these programs, we can use the term aerobics or fitness programs (Stojiljković, 2005).

The wellness trend as a lifestyle and the development of wellness tourism in North America and Europe has been ongoing over the last three decades, while it has become popular in Serbia since the beginning of the current decade. The concept of wellness was developed by an American physician Halbert Dunn in 1959, when he first wrote about „a specific state of health that encompasses a universal sense of well-being, viewing man as a whole made up of body, spirit and mind and dependent on the environment in which he/she is located” (Dunn, 1957). Hansruedi and Kaufman try to bring together the understanding of the wellness concept in North America and Europe, emphasizing that it represents a state of health characterized by harmony of body, mind and spirit, self-responsibility, physical activity, beauty care, healthy eating, relaxation, meditation, mental activity, education, sense of environment and social connections, as the basic elements of wellness (Hansruedi, Kaufman, 2000). As we can see, unlike fitness, wellness places greater emphasis on the benefits to the body, because physical activity is just one of the items listed above. So, wellness can include fitness, while fitness often extends its services to those in the fitness field, and both, like CrossFit, are struggling

with the idea of the well-being of the person who practices them. They are very sophisticated in terms of marketing because they represent serious market categories that are attracting more and more people, and therefore incomes.

CROSSFIT AND ITS (MARKET) SCOPE AND POTENTIAL

CrossFit can be practiced by anyone, men and women of all ages. The exerciser determines the intensity of the training primarily under the supervision of their instructor, although this is not mandatory - CrossFit is a “free category”. The first phase of entering the program is getting acquainted with all the exercises and gymnastics elements used and perfecting their execution using one's own body weight. After successfully mastering such exercises and achieving good fitness, coordination, flexibility, endurance, the second stage comes in. It includes exercises with dumbbells, weights and Olympic lifting, ergometers. The technique of executing the exercises is first perfected with smaller weights and more repetitions, after which the weights gradually increase. The goal of the second level is to increase strength and maintain and boost the acquired fitness. The third phase is the most serious because it initiates a competition with oneself in order to achieve personal records. This does not imply the use of the devices you might normally find in gyms. It involves weights, Olympic bars, links, shafts, tractor tires, medical balls, ergometers, navy ropes, tow frames, etc.

So, by default, CrossFit programs are designed to be practiced by anyone, regardless of experience and willingness, as they provide the ability to tailor the difficulty and way of training to a specific person and their goals. The equipment needed to practice CrossFit requires little investment by a club or an individual. Also, the same program with its varieties can be used to prepare martial arts practitioners as well as people with heart conditions. The basics of the program remain the same, what is changing is the workload and the intensity of the exercise programs. Therefore, the potential market coverage of this program is enormous, both in terms of the individuals it can attract and in terms of sports clubs that can implement it and establish collaboration with the CrossFit Network, which has seen a huge expansion in the past ten years.

The foundations of the program are the functionality and the need of people to exercise and live a healthy life. CrossFit's philosophy is simple: every individual should reach their maximum in the fitness goals they need the most. An additional motivation for all CrossFit workouts is that each workout is based on a combination of different exercises. Therefore, it is not surprising that CrossFit trainers were also hired by karate practitioners, baseball players, swimmers, boxers and other athletes, in order to perfect certain segments of

their fitness. CrossFit uses a gymnastics term progression to define the transition process to master each movement. An approach to progression ensures self-efficacy by creating achievable steps toward more difficult challenges. Commitment to a larger goal will strengthen and encourage members' motivation during the process (Meier, Becker, & Vandenberghe, 2004). Motivation is also reinforced through the observation of other members. The desired results of the observations would be an increase in self-efficacy, belief an individual can accomplish a task and the expected outcome, the perception that the completion of the task will produce a positive end result (Gibson, 2004). Members work together to improve their skills and progress, but on a non-invasive basis - there is no need to go through with training or a specific exercise, but rather, group members are there to support each other to be as good as possible at exercising. Interdependence is needed in knowledge sharing whenever one party cannot accomplish their goal without the help of the other (McNeish & Mann, 2010).

However, there is another factor that sustains the group, once formed: as members advance, so does their status within the group (Holmes and Meierhoff, 1999). These reward systems help encourage members to continue to grow and develop together through the collective community structure (Martin-Perez, Martin-Cruz, and Estrada-Vaquero, 2010). As new members develop into experienced members, the reward system encourages them to support newer members through their progression. This creates an excellent database of potential practitioners and image groups that practice CrossFit both in more narrow terms (fitness, wellness, etc.), as well as the wider public - potential exercisers.

CONCLUSION

The world is full of fitness trends, and new trends are starting every day. Most of them, like new brands, never fully develop. The globalization of today's market is widespread in all spheres of the society and it is an indispensable part of the sports market. Positioning and creating a recognizable brand, that is, a good image in the global market, is a demanding job that involves long-term continuous efforts, far greater than those defined by local competition (Ratković, Dašić, 2018). The reason for this is the overload of the market with different offers, as well as the overload of the minds of consumers and audiences with numerous offers and other marketing promotions (Perić, Krasulja, Radojević, 2011).

The difference between many other programs and CrossFit is the use of social capital to influence change (Durlauf and Fafchamps, 2004). CrossFit was started by a single man, a sports enthusiast, who spread a small group of

people that developed a common language, membership and advancements to all continents. The main reason for the success of this program and its worldwide popularity can be found in the simplicity of its concept: it fulfils the need of many people related to physical health, fitness and, consequently, their physical appearance; anyone can practice it to an adequate extent; it encourages cohesion of training groups and a desire for progress while developing a healthy competitive spirit - primarily at the individual and then at the group level; it requires minimal investment both from exercisers and sport clubs; it has a simple and understandable concept. This simple and understandable concept made it possible to create social capital - a large number of exercisers who are also a form of program promotion (word-of-mouth marketing is in most cases the most effective marketing). In addition, it enabled the organization of a mass competition that, due to the nature of the sport, did not require special technical prerequisites, and its implementation is largely based on CrossFit exercisers and instructors. CrossFit is one of the best examples that simple things and ideas are usually the most effective in any field, including the sports industry.

In addition to becoming a category for itself, CrossFit has grown into a distinct culture, and the foundations of this program are the functionality and need of all people to exercise and live a healthy life. Due to the number of people practicing this program, the 5-digit number of CrossFit clubs worldwide and its large and continuous media presence, it can be said that CrossFit has become a constantly evolving global sports movement with a huge marketing potential.

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