



## MNGT 481 ✂ Fall 2024 ✂ Live Case Competition

### Challenge

Your team is to create a strategy for expanding membership for the Y of Central Maryland – the YMCA organization serving Baltimore and surrounding communities (referred to as ‘the Y’ within this case description). Your focus should target the age demographic between 13 and 26 years old. A stated commitment of the Y is “to providing family-oriented, affordable, high-quality programs that focus on building inclusive, connected communities through Youth Development, Healthy Living and Social Responsibility.” This commitment has been well embraced by the demographic of 30 to 50 years old with young children and senior citizens. The Y is seeking innovative ways to attract customers in the 13 to 26 age bracket and retain them as committed members through out their lifetime.

Please utilize the background information on the Y of Central Maryland below as a starting point.

### To successfully complete this case, your team should do the following:

1. Carefully read the information about the Y.
2. Conduct an analysis of the focus areas listed below.
3. Utilize the research obtained from your analysis to provide a go-forward recommendation that describes the strategy for how the Y can expand their membership related to the 13- to 26-year-old demographic.
4. Provide estimates as to the expenses and potential benefits resulting from your team’s recommendation with an implantation timeline.

### Focus Areas

#### A. External Analysis

- Provide statistics (e.g. size, market share, growth potential, etc.) for the relevant area which the Y of Central Maryland serves.
- There are companies that are competitors for the Y. Who are these companies and how does the value they offer differ from the Y?

## B. Internal Analysis

- Identify the key competitive advantages that the Y has in this segment.
- Identify the barriers to imitation that the Y can exploit and leverage in their competitive environment.

## C. Strategy

Your recommendation could disrupt this marketplace. Your team can consider several aspects in developing your recommendation. Some of these could include:

- Who are your target customers?
- How does your team recommend reaching your target customer(s)? Are you targeting the whole 13 to 26 age profile, a segment or multiple segments. Why does this recommendation provide the best strategy? Your team's recommendation should remain consistent with branding and messaging currently utilized by the Y.
- What innovative or unique value can the Y provide to these customers?
- Are there specific existing or new value propositions that are critical to your recommendation?
- The Y of Central Maryland has significant autonomy in how their business is run, but the recommendations must be a consistent with the overall ethics and tenets embodied by the Y. Your team should review the stated [strategy for the Y of Central Maryland](#) through this link.

## D. Budget

- Analyze the resources needed to implement your team's strategy.
- [Current membership rates and fees link.](#)
- [Current membership benefits link.](#)
- The costs for the Y are provided in the company information section at an aggregate level.
- Create a 3-year budget that explains the costs and estimates of potential revenue expansion associated with implementing your team's recommendation.

## E. Project Timeline

- Create an implementation timeline and goals

## Y of Central Maryland Background

The YMCA is a worldwide organization operating in over 120 countries and founded over 175 years ago. Local chapters (such as the Y of Central Maryland) are independent non-profit organizations with affiliations to the national and international non-government federation. The local chapters have substantial autonomy in decision making. These chapters are expected to have consistent goals and missions with ethics embodied by the larger YMCA organization.

The Y has published statements related to their [missions and goals](#).

The Y of Central Maryland has 12 fitness centers, 14 camp sites, and 99 youth development locations throughout the Baltimore metro/county and surrounding counties. While many associate the local chapter Y with children and fitness centers, they have a [substantial impact](#) on the local community with well over a \$1 million in financial assistance awarded, providing 150,000+ meals, and almost 12,000 free memberships on an annual basis.

## Background Financial Information

The Y in Central Maryland Financial Report			
REVENUE	Audited 2019	Audited 2020	Audited 2021
<b>Public Support</b>			
Contributions	\$11,039,445	\$30,060,154 <sup>(1)</sup>	\$19,424,361 <sup>(2)</sup>
Grants	\$25,258,050	\$23,234,043	\$24,733,281
<b>Total Support From Public</b>	<b>\$36,297,495</b>	<b>\$53,294,197</b>	<b>\$44,157,642</b>
<b>Membership and Activities</b>			
Membership Fees	\$35,710,972	\$25,795,451	\$21,166,179
Program Fees	\$19,467,750	\$11,867,707	\$14,394,709 <sup>(3)</sup>
<b>Total Membership and Activities</b>	<b>\$55,178,722</b>	<b>\$37,663,158</b>	<b>\$35,560,888</b>
<b>Other Revenue / (Net Losses)</b>	<b>\$(150,814)</b>	<b>\$(370,149)</b>	<b>\$1,150,191</b>
<b>Total Revenue</b>	<b>\$91,325,403</b>	<b>\$90,587,206</b>	<b>\$80,868,721</b>
<b>EXPENSES</b>			
Program Expenses	\$69,828,635	\$58,914,625	\$61,010,473
Supporting Services	\$11,080,151	\$9,427,618	\$8,872,605
Interest and Financing Costs	\$2,260,823	\$2,021,314	\$1,846,386
<b>Total Cash Expenses</b>	<b>\$83,169,609</b>	<b>\$70,363,557</b>	<b>\$71,729,464</b>
Depreciation / Amortization	\$7,080,432	\$6,817,610	\$6,425,318
<b>Total Expenses</b>	<b>\$90,250,041</b>	<b>\$77,181,167</b>	<b>\$78,154,782</b>