

9 Steps To Create A Powerful Fitness Business

by Jeff Gardner



zenplanner
FITNESS BUSINESS SOFTWARE

Tyler Jensen owns a popular fitness business on the outskirts of Denver, CO. He started the business two years ago after a decade of personal training and medical education. He has dreams and expectations of success in the business that he loves.

His expectation is to grow his first location to more than 400 members, then to open up additional locations and ultimately reach thousands of people. He is a fitness fanatic and a healer, and he just took the next big step towards achieving his goals. He hired two more trainers and doubled the size of his facility. He believes in his mission, but now he needs to grow.

You may have similarities with Tyler - big goals and big aspirations. But, if you are not seeing the progress that you expected, then your dreams may start to feel out of reach.

The goal of this document is to provide direction for your passion. Our mission is the same, to get and keep more people fit, healthy, and having fun.



STEP I: SET BUSINESS GOALS

I find it curious that the first thing most trainers do when they get a new member is to set their fitness goals. Yet, those same trainers will not set business goals. Just as a member would be aimlessly training without goals, a business will also underperform without clear goals.

This process does not have to be daunting; but it needs to be specific. Write your goals down. Make them yours. Own them.

First, set long-term goals for your business:

1. I will train 10,000 students over the next 5 years.
2. I will build a business that I can sell in five years for \$1,000,000.
3. I will build a business that will generate \$50,000 per month in revenue.

Now set specific goals for this year based on your long-term goals.

1. In order to achieve my long-term revenue goal, I must attract 1,000 new members this year, which is 84 new members per month.
2. I must retain 80% of my existing members.
3. I must obtain average revenue per member of \$150 per month

You should have a process for examining your goals on a regular basis. I recommend, at a minimum, on a monthly basis. The best way to manage this is to have a dashboard that gives you a visual view as to where you stand with each of your goals.

It is your obligation to be profitable. You got into this business because of your passion to help people. You desire to change lives. Well, if you don't make a profit, you will not be able to meet these goals over the long run. Profitability provides the resources to ensure that you remain in business and can impact more lives.



STEP 2: DETERMINE YOUR IDEAL CUSTOMER

You have goals, now you need to determine whom you will target as customers for your business. The best way to do this is to know exactly whom you want to target and focus relentlessly to reach your potential customers. For example:

- I want to help out-of-shape women, aged 40 to 65, who desire to have fun while getting fit.
- I am looking to attract active families—both the parents and the children.
- I want to help recreational and elite athletes recover from injury or surgery.
- I'm looking to improve the fitness of executives who spend most of their time in stressful desk jobs.

By having a crystal clear vision of your target customer, it enables you to craft your messaging and connect with these prospects. We've been fortunate to work with thousands of businesses like yours. The most successful clearly know who is a fit for their business. They design their marketing and their programming to meet the needs of their unique members.



STEP 3: ATTRACT MEMBERS

Now you need a plan to attract your target members. Books have been written on this one subject alone. Initially, you should focus on these four methods.

1. Maximize walk-in traffic
2. Develop an excellent website
3. Optimize your website for search
4. Implement a strong referral program

You've heard it many times - location, location, and location. There is absolutely no doubt that a great location and great sign visibility help generate walk-in traffic. If your target customer has to drive past your location every day to get to work, it makes them think about you. If you are already locked into a location, don't fret. Focus your energy on signage and the other three methods for attracting prospects.

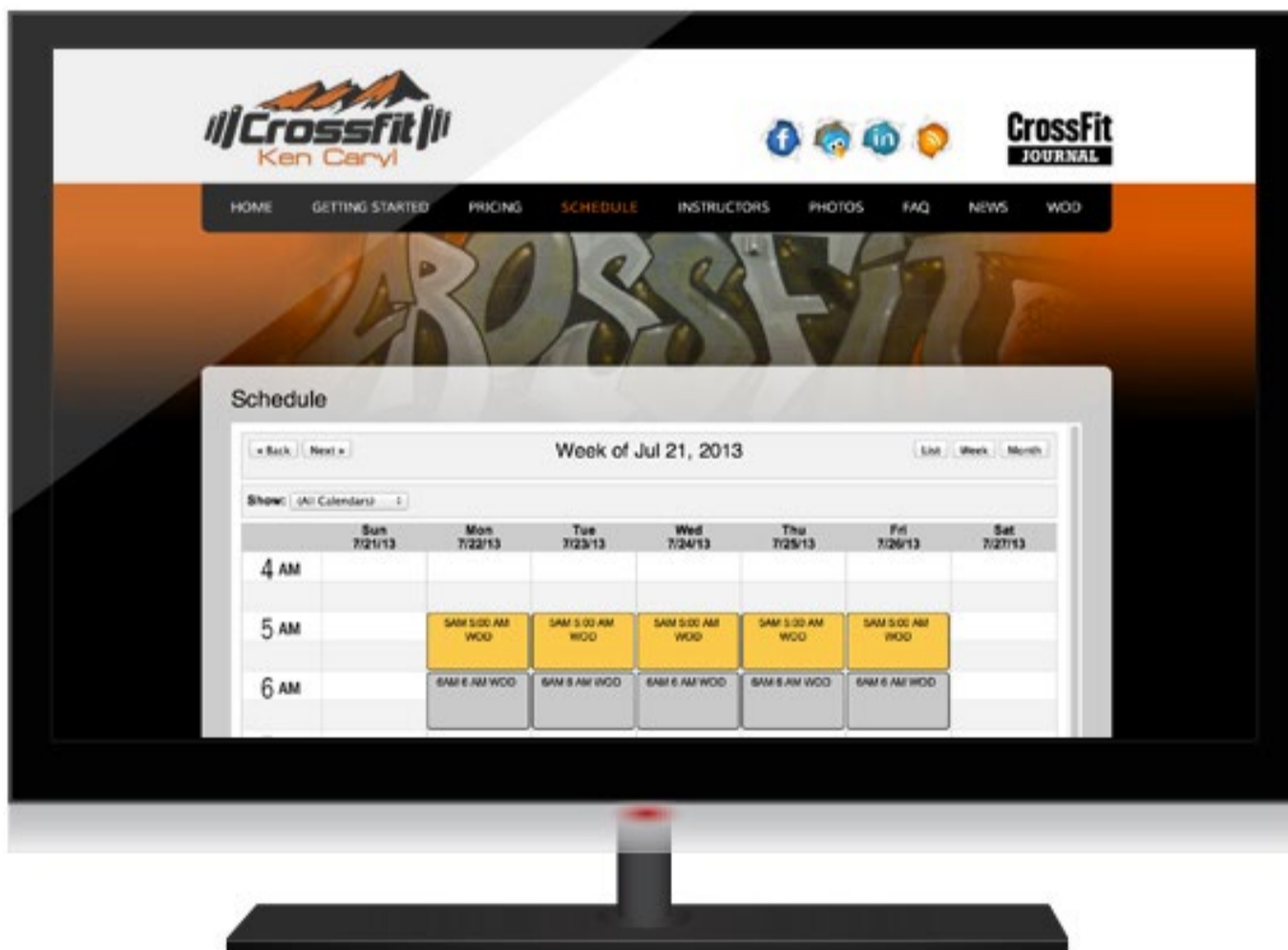
A must-have strategy is to have an effective website to communicate with your target customer. Unlike any other member acquisition strategy, your website is always working for you. It never goes to sleep. At a minimum, make sure you tell an authentic story that appeals to your target member. Make sure your prospects can sign up for a class, event or appointment directly from the website. And lastly, make sure you have a place for a prospective member to provide their contact information for follow up. Your website should have the ability to alert you whenever a new prospect has made an inquiry so that you can quickly respond.

Invest in Search Engine Optimization (SEO). You may have the most beautiful website in the world, but if your prospective members can't find it, it won't generate business. Make sure your website is also optimized for mobile search. In the US, there are three times as many mobile devices as landlines. Outside the US, that number is even higher. Make sure when someone searches for your business, they are able to find your phone number, online schedule, and map.



Lastly, and most importantly, develop your referral network. Have your best members sell for you. *“Come with me on Friday. You will love it. The instructors love to help new members.”* This is the best, easiest and most successful long-term sales channel. When a member brings in a friend, they have a vested interest to make sure that person is successful. They keep each other motivated and accountable. Everyone wins when your members bring in referrals. Be sure to acknowledge and support those who refer members. A local business has grown to almost 500 members by doing one thing well – managing their referral network.

These four strategies are the bare minimum. There are many more ways to attract members that you will need to test once you have this foundation in place.



STEP 4: NURTURE PROSPECTIVE MEMBERS

So, you get a prospect to call, walk in, or complete a web form stating they are interested. Now what?

Now you need a process to nurture your prospects so that they become a member.

1. Be sure to capture all leads
2. Make an amazing first impression
3. Offer a free consultation or class
4. Follow up regularly

The very first step should be to put a system in place to ensure that you are recording all of your prospects. At a minimum you should capture their name, inquiry date, phone number, and email. This will enable you to effectively communicate with your prospects so you can invite them to join you.

Make an amazing first impression with your prospective members. One of the best ways to do this is to hire a fantastic person for your front desk. This needs to be a special person who can connect with your prospects without intimidating them. This person needs to make each prospect feel welcome the moment they walk in the door. It is common for most people to have fear on their initial visit. The last thing that they want is someone judging them when they walk in the door. This person needs to be inviting and able to quickly articulate how you want to help them. Remember, that this person represents you. Make sure they create the impression that represents the culture you are building.

By offering a free consultation or class, you will be able to communicate how you will be able to help the prospect with their goals. This is your best opportunity to convert your prospect into a member. Be sure that they understand all of the value that you can provide. If you are in a class, introduce them to other people in the class. Make them feel welcome.



You should continue to follow up with your prospects on a regular basis. According to marketing studies, 80% of sales are made after the fifth contact. You can be sure that most of your competitors will give up after one or two. By utilizing automated emails, you can continue to reinforce the value that you provide and the community that you have created. Create a schedule for following up with prospects and delivering your messaging.



STEP 5: BE FANATICAL ABOUT YOUR CULTURE

Create a culture that people want to be part of—your members, your employees, and your investors. Be very conscious about the culture you have built or are building. It may seem obvious when it is just you and a few dozen members, but when you have ten employees and hundreds members, your culture will get lost if you are not actively managing it.

It is human nature to want to be part of something. We all desire a sense of belonging. Introduce people to each other. Help your members find a common connection - whether it is children, a job, a neighborhood, or a goal. Anything that people have in common will help them connect with each other and ultimately build that sense of community.

Continually reinforce your culture through the use of social media. For example, if your gym participates in a local mud run, you should share pictures and stories about the event. Anything that you can do to build your sense of community will help you reinforce the message about your culture.



STEP 6: AUTOMATE AND ELIMINATE WASTED TIME

The best thing that you can do for yourself and your business is to free up your own time so that you can focus on your goals. Each individual task may seem simple enough, but when you combine the dozens of small projects, it amounts to a great deal of time that doesn't help make your business any better. So what should you do?

Automate everything that you can. Create a process, and then automate it. This is how you create value for your business. Automate payments, waivers, contracts, class scheduling, class check-in, payments, email reminders, events, attendance limits, and class limits. Each one of these items seems small, but collectively they will suck time out of your business and joy out of your life.

The most important tasks to automate are billing and payments. Everyone wins when you establish automated payments. Your members don't have to worry about keeping up with payments, and you get paid on time. Are you trying to collect checks or worse yet, cash? Are you collecting from your members every month, every week, or even every class? Are you making your members evaluate with each payment whether you provided the right value to them? Why?

One of the best ways to manage your fees is to offer ACH (also known as eCheck or EFT) as one of your payment options. A good ACH provider will charge a small flat rate for each transaction rather than a percentage. This will dramatically lower your costs.

The more you can free yourself from menial tasks, the more value you will be able to create for your business. You must develop effective systems and processes to help your business prosper. This is what will enable you to take real vacations, and to eventually sell your business when the time comes.



STEP 7: MAXIMIZE CUSTOMER VALUE

Your focus should be on creating the most value for your members over many years. Too many business owners view a sale as a one-time event. You should view your members as a relationship where you help them achieve their short-term and long-term goals. A component of this long-term strategy is to offer premium products and services.

Many members will want personal training or instruction in addition to their membership. You should embrace this idea. If your customer has the need, you should find a way to deliver the solution, or they will look elsewhere. If you are too busy to do personal instruction, delegate it to your trainers or instructors. By sharing the revenue you will delight your staff, meet your member's needs, and strengthen your bottom line.

Sell retail items – apparel, gear, training tools, books, and nutrition. Your members want to buy from you because they trust you. You can easily add an additional 10% to your monthly revenue with a good retail business.

One of the biggest frustrations for members is the lack of guidance on nutrition. There are far too many options on the market. These options create confusion for your members. You need to find a product that you believe in 100%, and you and your staff need to be able to clearly articulate the benefits to your members.

Make sure any clothing or accessories you brand are of the quality you want to represent your brand. Don't be cheap trying to save a few bucks on a shirt. You want to represent quality to your members.

The key is to make sure you are an absolute believer in anything that you are selling. If you are selling it, your members assume you are recommending it. You need to use and love anything that is on your shelf or online store.



STEP 8: RETAIN YOUR MEMBERS

Congratulations, you've been able to get new members to commit to you. Now, you must focus on keeping those members active and committed.

You should know exactly how many of your members you are retaining and why they are leaving. Typically members leave because they are either not meeting their goals, or they have become bored.

You should provide ongoing growth and development for your members. Your members came to you because they needed your help to reach their goals. By providing ongoing coaching, assessments, and advice, your members will continue to develop and improve. Sacrifice short-term profits for the good of your members. I know one coach that provides personal reviews with each student every other month. This takes considerable time, but his retention rate is one of the best that I've seen.

You should also offer a variety of classes and programs. There should be different paths for your members. There was a popular fitness franchise that offered a very good initial goal-setting program and created a routine for members to achieve their specific goals. However, the program was too routine and they found their members quitting after 12 to 18 months of participation.

You can avoid this by providing variety in your classes. Your members should not be able to predict what is going to happen during each class. Even your most committed members will get bored doing the same thing over and over. Offer other programs such as nutrition challenges, advanced programming, goal meeting contests and personal training. You can add variety by bringing in guest speakers. People like to be surprised. Variety should be a core component of your programming.



STEP 9: KEEP YOUR STAFF HAPPY

Keep your staff happy and they will reward you.

Create incentives for your staff to help grow the business. One of the best business models is to provide a share of revenue for each member that is recruited and retained by your staff. Think about that. Every one of your coaches, teachers, or trainers will see it as their job to retain your members. There is no better way to build a powerful fitness business.

Make sure you establish clear and specific roles and expectations with your team. Problems often arise when you hire friends without clear expectations. You should clearly define who is doing what in your business. For example, everyone should know who is doing the bookkeeping, who is cleaning up on Monday, and who is replenishing the retail store. Be crystal clear. Some people avoid role clarity because they fear damaging relationships with partners and staff. It is just the opposite. Without clear roles, people will get upset, hurt, and will even leave. If you want to keep your staff happy, write it down and agree to it.



ABOUT ZEN PLANNER

Zen Planner offers business management software designed for the businesses like yours.

Started in 2006, our software has helped thousands of organizations reach their business goals. In 2012, our members saw their businesses grow by 85%, on average, after they began using our software.

Having a strategy for realizing your passion and managing your business is the key to success. It's that simple. And, Zen Planner software can help you get there.

To find out more about our software and how to grow your business, please visit us online today (www.zenplanner.com).

Best Regards,
Jeffrey Gardner, CEO



To learn more about how Zen Planner can help strengthen your business, please visit us at www.zenplanner.com and try our software for free.

