



# Your Studio's Brand Promise and Its Impact on Converting more Sales



*"At AFS one of our biggest priorities is connecting our members so they can leverage the combined experiences of each other to maximize their growth potential."*

– Josh Leve, Founder & CEO, Association of Fitness Studios



ASSOCIATION OF  
FITNESS STUDIOS

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Your studio's brand is its reputation; it's the promise of value you offer the market and the immediate thought that a consumer, prospect, client and/or member has when your studio's name is mentioned. People don't have relationships with products or facilities; instead they have trust in and are loyal to brands.

Facilities and products are one dimensional; however, brands are multi-dimensional, with many layers, tenets and beliefs that can generate a passionate following of people, each of whom find your brand's promise compelling and relevant. Brands can activate a passionate group of people to do something as powerful as changing the world (think Google or Apple). Finally, brands are as much a reflection of what your clients, customers, guests and members experience as it is the message you communicate through marketing.

## The Brand Value Equation

The value of your studio's brand is impacted by the relationship between three core elements. The first element, which is the numerator, is your brand promise. The second and third elements are the denominators in the brand value equation. The first of these two denominators reflects your ability to fulfill the emotional and tangible expectations of clients and/or customers as expressed in your brand promise. The third element and second denominator is the by-product of your ability to consistently deliver on the brand promise.

### Numerator

■ *Brand Promise.* Your brand promise represents the promise of value you offer the market. The promise communicates to clients, customers and prospects what they can expect to receive by engaging themselves with your brand. The brand promise sets the table for your clients, customers and prospects by letting them know exactly what they should expect to receive from you; tangibly and intangibly. For example, at Zoom, a sports performance and physical therapy studio based in Frisco, Texas they promise to provide a personalized experience for the athlete in everyone and an experience that enhances individual athletic performance, builds self-confidence and self-efficacy, and extends them a chance to establish enriching relationships within the athletic community.

### Denominator

■ *Fulfills Clients/Customers Tangible and Emotional Expectations.* Brand value is highly dependent upon your ability to fulfill the tangible and emotional expectations that clients and customers have established as a result of the promise you made. Your ability to fulfill these expectations is critical to the power of your brand. Using the aforementioned brand promise of Zoom, their clients expect to improve athletic performance, enhance self-confidence and self efficacy, and finally to develop relationships with the athletic community. If a client at Zoom achieves each of the core elements of Zoom's promise then the power of the brand is enhanced, but, if instead a client improves performance and self-confidence, but never develops a connection with the athletic community, then the power of Zoom's brand is diminished. It is better to under promise and over deliver than it is to over promise and not be able to deliver.

■ *Deliver Consistently.* Possibly the greatest challenge in creating and sustaining the power of a brand is the ability to consistently, day in and day out, deliver on your studio's brand promise. If you fulfill the expectations of each client and customer 95% of the time, or you fulfill the expectations of 95% of your clients, you are creating a "brand gap" that reflects the difference between what you are promising and what you are delivering. The consequence of inconsistency is a weakening of your brand.

## Some Important Characteristics of Great Brands

Great brands are frequently built around a compelling and powerful promise (e.g., Apple, Harley Davidson, and Lego), a uniquely differentiated experience (e.g., IKEA, Starbucks, and Walt Disney) and in some cases a cultural movement (e.g., Facebook, Google, and LinkedIn). Among the most common traits that will be found in great brands are the following:



- *Great brands are unique and relevant, respected and trusted.* Great brands are more than name, they emotionally engage us. In the health/fitness industry, Exhale, founded in 2002 and which now operates 20 plus Mind/Body Spas throughout the U.S., is extremely unique, relevant and respected by its clients and members. Exhale's brand speaks to the joining of mind and body through exercise, meditation and holistic spa treatments and has done so since its inception over a decade ago. *Great brands define and fulfill the aspirations of the customer or in the case of a studio, the aspirations of its clients and members.* One of the leading reasons people pursue the offerings of a fitness studio is to fulfill their physical aspirations, and in some cases their emotional aspirations. One example from the health and fitness industry is Athletes' Performance, founded in 1999 by Mark Verstegen. Athletes'

Performance promises to serve as a refuge for professional and elite athletes, a destination where they can pursue an integrated program for achieving athletic excellence under the supervision of highly skilled fitness and healthcare professionals.

- *Great brands differentiate the experience, which is manifested through all touch points of a client's, customer's and/or member's experience with your brand.* Differentiation requires a holistic effort that encompasses the totality of a client's or customer's experience with your brand. It requires the integration of every touch point between your brand and its clients and/or customers. These touch points may include your web page, social media outlets, interactions with staff, the facility and equipment and even the interactions with other clients and customers. Ensuring your studio's experience is manifested through each of these touch points requires a commitment to the details and the discipline to execute consistently.
- *Great brands consistently deliver on their promise.* The ability to deliver consistently, day in and day out, is a hallmark of all great brands. Firms such as Apple, Disney and Southwest are passionate about consistently delivering on their promise. To deliver on their respective promises consistently, each of these firms has built standards, employee training programs, protocols and monitoring systems that ensure that their clients and customers experience the power of their promise.

### Insights from AFS' 2016 Marketing Best Practice Report

It's important that owners/managers develop an annual marketing plan to build brand awareness, drive traffic and convert more sales.

As a young studio, your priorities begin with having enough clients to keep the business afloat and provide a platform for future growth. This means marketing should be focused on driving new client traffic and acquisition.

More mature studios may not need to generate as much new client growth, but instead need to make sure their brand image and voice resonate in the market in an effort to maintain their success. In this instance, the studio's marketing efforts might be equally balanced between bolstering the studio's reputation and driving new client acquisition.

Having a written marketing plan that the studio adheres to will provide operators the freedom to do what they do best, which is training. When studio operators are not disciplined in creating and executing a marketing plan they will find themselves constantly introducing random marketing strategies and thus, spending more time trying to figure it out than training.



In AFS' 2016 Marketing Best Practices Report, among those who indicated they had a marketing plan (figure 14), the two most significant objectives of their plan were to build brand awareness (70%) and drive consumer traffic (65%). For any business, these two priorities lay at the core of any marketing plan.



## Some Guidelines to Building a Powerful Brand for Your Studio

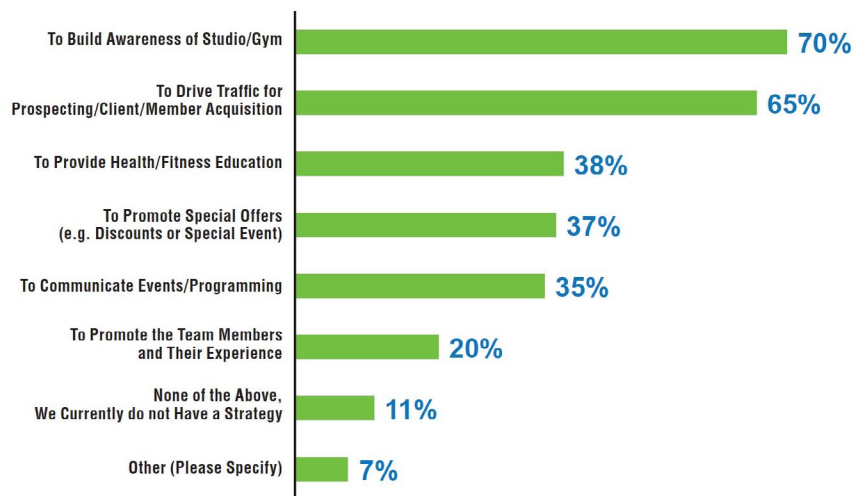
■ *Understand your businesses' value proposition from the prospects, client's, customers' and/or members' perspective.* What is it about your brand that attracts them, engages them and enamors them? What is it about your brand that turns them off or serves to detract prospective clients and customers? Is your value proposition unique to the marketplace and can you make it so? If you are in the process of developing a fitness studio then you need to address these points in establishing your brand. In particular, make sure you to address the following:

- *What can your studio offer the market that is unique and different than what the competitors offer?* For instance at Zoom, a Frisco, Texas based sports performance and physical therapy center, they determined that offering an integrated approach incorporating physical therapy, chiropractic, massage, sports performance training and physical rehabilitation would be unique to their marketplace. At O2 MAX, a Los Angeles, California based fitness studio, the studio's founder recognized an opportunity to provide a multidimensional fitness experience for young people (e.g., middle school age, high school age, college students and young professionals) that bridges the online and offline worlds to provide a very personal experience that is flexible in meeting the changing needs, goals and schedules of its clients and/or members.
- *What are the touch points of your brand that will clearly message your value proposition?* Touch points are the moments of interaction between your brand and the client and/or customer. Touch points include, but are not limited to each interaction with your staff (sales, reception, trainers and instructors), your web site, your Facebook page, direct mail pieces, community interactions and so forth. For example, at O2 MAX, one of their most effective tools for engaging clients and/or members, and disseminating valuable health and fitness information is through the social media, in particular Facebook and Twitter.
- *What are the offerings that currently exist in the marketplace, and what offerings appear to be in demand and are not currently served?* Nearly every market has a personal training studio, but what can you offer that they don't? At Zoom they determined that by offering an integration of sports performance training, alternative health modalities (massage, chiropractic and nutrition) and physical therapy then focusing on the middle school and high school athlete would differentiate them from the competitive landscape. At EZIA Performance Labs, based in California, they determined that taking a holistic approach to personal performance coaching incorporating skilled professionals from the fitness, coaching and healthcare fields supported by a proprietary software platform would provide them with a unique and differentiated value proposition.

The best way to discover what your value proposition is, or what it should be is to conduct some basic market research. Consider pursuing the following actions to clarify your studio's value proposition:

- *Benchmark the local club and studio market.* Find out what is currently being offered, and what offerings or services might be underserved. The benchmarking process is not about finding a means to duplicate what the competitors are doing, but instead to identify the opportunities for differentiation.

Figure 14  
Purpose of the Studio's Marketing Plan  
(Note: Multiple Response Question)





- *Conduct focus groups.* If you already have a studio then conducting focus group sessions with clients and/or members will help you understand what really drives their value perception. Ideally you want to facilitate sessions with at least three groups of clients to provide sufficient qualitative data to uncover what they see as the drivers of your studio's value proposition. Each group should have between six and 12 participants. If you don't have a studio and instead are developing a studio, then consider conducting focus groups within the community to better understand what the market needs or is seeking.
- *Perform a demographic and psychographic study of the target market.* Your target market will typically live or work within a 15 minute radius of the location you select. Understanding the demographics (e.g., age ranges, gender ratio, household income levels, education levels, family status) and psychographics (e.g., spending patterns, hobbies, interests, type of car they drive, discretionary spending patterns) of your community can assist in shaping a value proposition that will appeal to specific audiences that might currently be underserved.

- *Establish a brand promise based on your value proposition.* Make sure your promise is authentic; customer and/or client centric, compelling, well differentiated, narrowly focused, and has the ability to be emotionally engaging. A brand promise must be customer-centric, not product-centric. It must also be emotionally engaging, so that the customer or member establishes an emotional memory of the experience. For example, in the health/fitness club industry, the East Bank Club in Chicago, the Reebok Club in New York and the Houstonian in Houston, have established themselves as "Being" brands. Each of the aforementioned club brands is recognized by its respective community and members as a prestigious and exclusive health and fitness club.
- *Consistently deliver on the brand promise.* Make sure everyone on the team understands the promise, and just as importantly, is well trained in being able to deliver on the brand's operating standards and style guide. Inspect and measure what your clients and/or members expect. The devil is in the details. Too often, clubs and studios think that if they communicate their brand promise, that's all they have to do. To successfully establish and sustain a brand, studios must ensure that everything they do is in alignment with their promise (e.g., purpose, values, voice, colors and brand standards). In other words, the color palette used in the studio, the manner in which phones are answered, the appearance and tone of your web site and social media pages, the behaviors of the employees and/or contractors, the type of programming offered, etc., must all consistently support the brand promise.
- *Share your story.* Establish an attitude and voice for your brand, one that can be consistently communicated internally and externally. Identify and acknowledge those who are passionate about telling your story. Great brands make sure their story gets told. Telling the story involves spreading the organization's brand message through authentic and credible means. A studio's best approach to sharing stories is having clients and/or members share their experiences about the studio with others. People see friends and associates as the most trusted source of information about a brand.
- *Be authentic.* Authenticity means being real, being trusted, and delivering an experience that the community, and more importantly, the clients and/or members believe is credible. A great brand will be authentic when clients and/or members put their trust in the brand promise and consequently, the experience they receive. Authentic brands are not copycats; they don't duplicate what others do. For example, consumers look at Apple as authentic because their products are unique, innovative, and, most importantly, inspire trust from their customers. In the studio segment of the health/fitness club industry, studios such as Fitness Quest 10 in San Diego and the Institute of Human Performance in Boca Raton, Florida have established authenticity because their clients and/or members believe they embody the core attributes of authenticity.

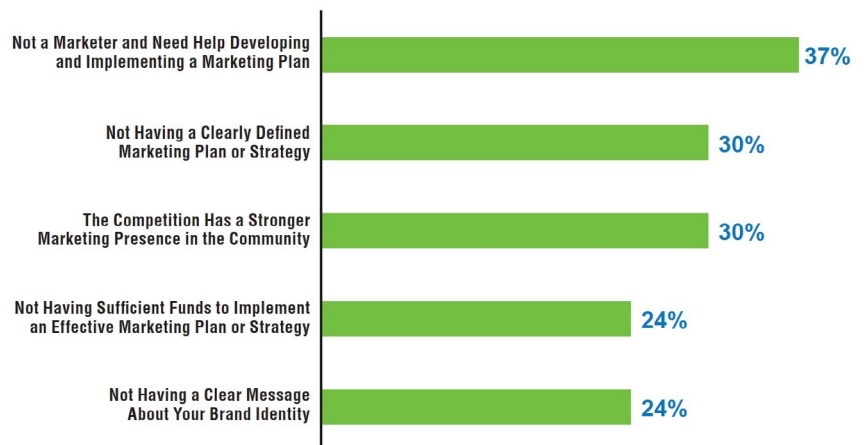
# BEST PRACTICE

## Challenges to Garnering Consumer Attention

When studio operators were asked their greatest challenge in capturing the attention and purchase intent of consumers (figure 17), the leading barrier was, not surprisingly - not being a marketer and a corresponding inability to develop and implement a marketing plan (37%).

Following closely behind and mentioned nearly equally were - not having a clearly defined marketing plan or strategy (30%), and, the competition having a stronger marketing presence in the community (30%). Operators also indicated that not having sufficient funds (24%), along with not having a clear message about their brand identity (24%) as challenges to attracting new clients. It would appear that the top three challenges that studio owners face when trying to garner consumer attention goes back to planning, whether it's a lack of expertise in creating a marketing plan, not having a clear marketing plan, not having the funds to properly market, or not having a succinct marketing message.

Figure 17  
What is Your Studio's Greatest Challenge for Attracting New Clients?  
(Note: Multiple Response Question)



To overcome these challenges, studio operators should consider the following:

- Retain a marketing consultant or advisor to help create a marketing plan, including flushing out the differentiated attributes that can be easily messaged to consumers; or
- Hire a part-time individual whose professional experience is in marketing. This person could work with the studio owner to not only create a marketing plan, but also create a marketing budget, calculate the ROI (return on investment) to determine the most effective marketing tactics, and how best to communicate the studio's brand.

Branding is one of the most important steps an entrepreneur can take in establishing and sustaining a successful and profitable business. Branding does not take place overnight, or even in one year, it is an ongoing process that requires commitment, diligence and perseverance.



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