



ASSOCIATION OF FITNESS STUDIOS

TOP 7 SECRETS OF SUCCESSFUL STUDIO OWNERS



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IMAGINE, FOR A MOMENT, THE FIRST DAY OF YOUR FIRST JOB.

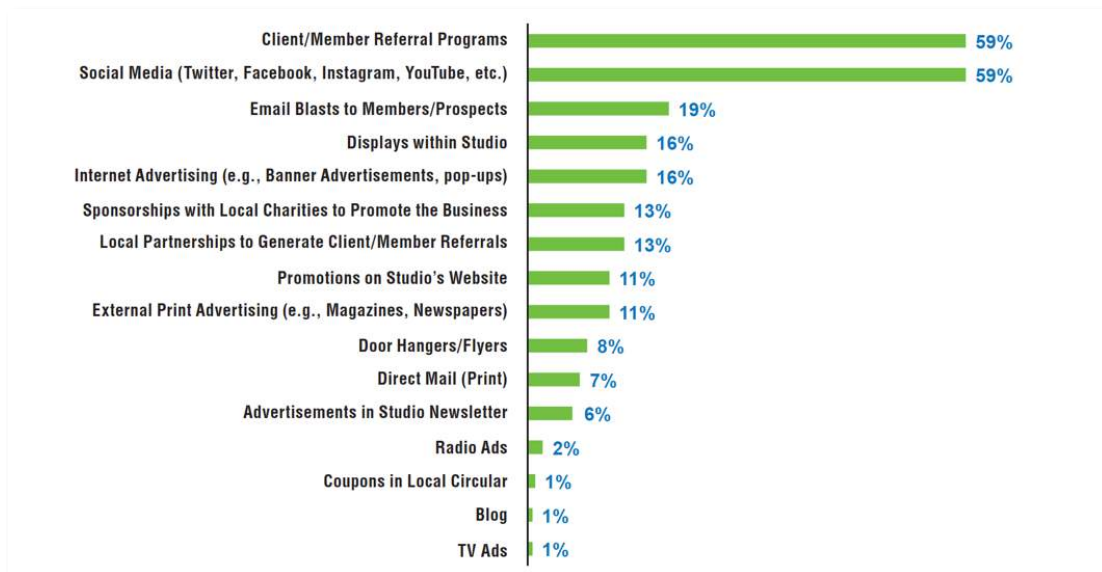
Were you nervous? Anxious to get out there and prove yourself? Did you wonder which fellow co-workers were going to become your friends? Were you afraid to make a mistake?

In all the AFS research we've compiled, one thing remains constant – nothing great is built overnight. It takes perseverance, time, attention to detail and the ability to adapt and pivot your strategic thinking when necessary.

The following 7 secrets have been pulled by AFS after diligently speaking to thousands of the most successful fitness professionals, studio and gym owners. We trust the information will be incredibly valuable to you now and in the future.

SECRET #1 BUILD A COMMUNITY THAT GOES TO WORK FOR YOU

In the chart below, from AFS' industry leading [Marketing Best Practices Research Report](#) (free with AFS membership), it was found that the most successful marketing strategies are built around referral programs. And what better way to gain referrals than by providing an experience that breeds the feeling that together we can accomplish anything!



Developing community begins on Day One for every employee. Make sure you and your management team take the time to get to know every single person who represents your studio. [Invite new employees to lunch on the first day](#) and discover their personal aspirations. What do they do for fun?

What motivates them to be the best? As they say, “begin as you wish to proceed.” Begin building community from the minute each new employee walks in the door.

Develop Your Community with Regularity

In order to set the expectation that community is important to your studio, consider scheduling team-building events with regularity. Plus [identifying and learning networking strategies](#) will go a long way.

For example, let your staff know that every week at a designated time all staff will workout together to share ideas, best practices, and for friendly competition. While you may find that staff workout together anyway, you should still schedule regular, weekly group workouts to show that you believe in the power of community. One occurrence in which this expectation is not upheld will show a break in this value system, and employees will notice.

Be Present and Open in Studio Entry-Points

A quick compliment goes a long way, and keeps managers open to engaging their members. Designate a few key classes to do “meet and greets” before and after class. This is a great way to help new clientele connect and get to know the instructor. You can also use this to help the regulars introduce themselves and get to know the new faces. For the “after” part, feel free to add in little wine and cheese so that individuals can mingle and get to know each other.



“The best way to grow a business is by developing a fanatical culture filled with raving fans,” says Todd Durkin, Owner of Fitness Quest 10 in San Diego. “And the way you do that is by focusing on extraordinary results, a phenomenal experience, and a culture that breeds family, fun, and positivity.”

Todd Durkin
Owner, Fitness Quest 10

AFS Benefit: Through our exclusive live Webcasts with highly successful studio owners, roundtable discussions, private Facebook group, CEC/CEU courses, and a dedicated mentorship rep - no question goes unanswered through the AFS community. [Learn more!](#)

SECRET #2

SAVE MONEY AND PARTNER UP IN YOUR MARKET

Associations are built to protect the interests of their members and work collectively for their success. One of those ways is finding methods of [cutting costs on everything you need](#) when training or running your business. Thinking about it – just one purchase from an online resource that offers special deals such as AFS, could save you thousands of dollars! Just knowing these opportunities exist is half the battle.

So where do you start? Aside from relevant products and services at advantageous rates, try these strategies:

1. Barters

Work with your local community to trade value in kind. This can be all sorts of things. Talk with a florist on having fresh flowers at your studio. Ask a local hair salon to offer their product in your showers at cost. They get exposure and you get swanky hair supplies!

2. Rent Out Your Space

During times you aren't busy, such as the weekends or a Friday night, rent the space out for fitness workshops. You can get some extra cash, and it also gives your place exposure to fellow fitness professional and new consumers.

3. Cut Down on Frontline Staff During Slower Times

Even for just a few hours each afternoon give yourself a shift at your front desk. It helps save a little cash and allows you to engage with your members.

4. Partner with Other Studios for Continuing Education

Talk with other fitness studios on setting up continuing education. It's a great way for your staff to learn some new equipment or ideas, and they can do it for free!

5. Get Preferred Pricing through AFS

An association receives favorable pricing on everything you need. AFS has deals from [over 60 partners](#) to provide preferred pricing on all types of products and services.

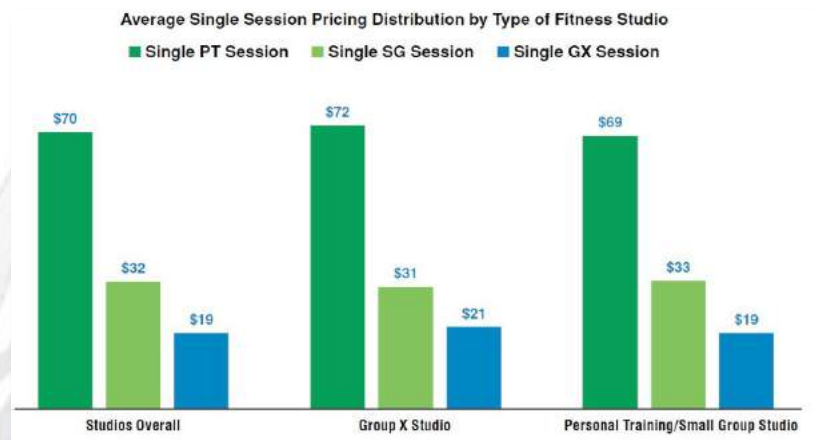
AFS Benefit: Save time by finding everything you need through AFS - the hub of the fitness studio community. Save money on everything from fitness accessories, events, workshops and certifications from the top companies in the fitness industry. [Learn more!](#)

SECRET #3

ESTABLISH THE PROPER PRICING FOR YOUR SERVICES

As shown in the graph below, from AFS' industry leading [Financial and Operating Benchmarking Report](#) pricing is as much art as it is science. Furthermore, pricing is influenced by the competitive landscape, and how well your studio's product is differentiated from its competitors.

[What you set as your pricing](#) framework also influences the consumer's perception of the quality they will receive. If your value proposition is based on delivering a "premium" experience but you price the experience below market rates in an effort to generate traffic, then consumers will believe that your offering is average; counter to how you have positioned your studio.



In addition, when your price speaks to a lower value proposition than what it actually is, you are in essence creating a new value proposition for the business, which in turn could prevent you from reaching the audience your business originally targeted or prevent you from generating the necessary revenue from the customers you do create.

A great example of this, though not from the fitness industry, is Apple. While its competitors frequently discount their products, Apple maintains its rather high price points as a reflection of its value proposition and unique market position. Apple does not sacrifice its value proposition just to generate sales volume, and in doing so they are able to maintain and even build on it.



"Our profitability is driven by maximizing our capacity and usage as well as number of members per session. The more we maximize these components and keep our expenses under control, the more profit we have. Plus, as you keep the clients you have and slowly add more new members, your NET client base and profitability should increase as well."

John Heringer,
Owner, Fast Action Training

AFS Benefit: AFS members gain access to all the AFS industry leading market research reports to leverage the data and make more sound decisions related to pricing, marketing, key performance metrics and much more! [Learn more!](#)

SECRET #4

BETTER UNDERSTAND THE DATA CRITICAL TO YOUR BUSINESS

To accomplish this, you need to first access the [best industry data to stay ahead](#). Staying on top of your KPI's (key performance indicators) and improving them are essential to thrive in a competitive market.

First you'll want to identify who you are trying to speak to. Do a little research on who you're trying to target. After your target market is established, next it's important to make practical decisions about pricing and promotions, weed out fads and get ahead of trends.

Ask yourself these questions:

1. WHY Do You Want to Win?

This is the most important step. [Define and declare your aspirational vision](#). Why do you train? To serve what type of population? This will help you zero in on the ideal places to find your clientele, partner and grow business relationships.

2. WHEN Do You Win?

This relates to the one or two key success metrics you define as part of your vision. Very likely these are [financial metrics like revenue growth](#), or active client penetration or maybe even [customer satisfaction/retention](#). Knowing these numbers will provide a solid foundation for you as a trainer, instructor or business owner.

3. WHO Does What?

Many times in business it's not just you. It takes a team. When identifying your target market and knowing exactly who to market, clearly define roles and responsibilities and then ensure that everyone understands their role.

4. WHAT Else Do I NEED to Win?

Do you know how many clients your studio can handle? How much revenue you should generate? Reduce your complexity and risk while dramatically increasing your odds of success by adopting best practices from AFS research. In today's competitive market everyone is looking for a leg up. When zeroing in on your target market, understand where they shop and what they do. Look for retailers and organizations that share your vision and your target's demographic profile. Health food stores, running stores, sporting goods, etc., are all good examples.

AFS Benefit: Short of time but want specific real world applications pulled from AFS' leading market research? AFS members gain access to our exclusive Micro Reports including: The Top 5 Must-know Formulas for Every Fitness Studio. [Learn more!](#)

SECRET #5

SURROUND YOURSELF WITH THE BEST

Building a team of dedicated and engaged employees sits at the foundation of every business strategy. In the fitness space, this becomes more critical because success means providing a service that enables people to live a healthier life. Ask any manager, trainer or even instructor, none of them chose this career to get rich. They chose this career because they wanted to impact and change lives for the better.

The golden ticket to retention lies in the team that [delivers the incredible experience](#). It's your team that determines your fate in the loyalty game. How, exactly can you be sure your team is top notch?

First it's important to weed out the negative players. The easiest model is one that recognizes that people who don't perform fall into one of three categories...They either Can't, or they Might, or they Won't.

EMPLOYEE ACTION	DESCRIPTION	ACTION
CANT	Unable to perform duties under any circumstances	TRAIN them (per training guidelines)
MIGHT	Sometimes they do and sometimes they don't	COACH them (written documentation and goals)
WONT	Unwilling to perform duties as assigned	FIRE them (follow proper documentation protocol)

In today's world of consumerism, we need players on our team that play for the name on the front of the jersey...not on the back. For many, this is a culture shift that requires you to remember that actions speak louder than words...you must follow through if you want to truly build the best team.



What differentiates my fitness business is 4 things: 1. Customer Service and making sure that no other fitness business can compare. 2. Hiring the right team of passionate people and making sure that everyone understands their roles. 3. Making sure that every single encounter that our clients have with MZR Fitness is consistently superb. 4. I even created a board of directors consumed of only MZR Fitness clients to help stay in touch with their needs & expectations.

Mike Robinson
Owner, MZR Fitness

AFS Benefit: Network, connect and leverage the AFS community for all your business needs. Plus, reap the benefits of providing your business increased exposure to over 4 million consumers through our partnership with the International Fitness ClubNetwork! [Learn more!](#)

SECRET #6

HOW THE MEMBER/CLIENT EXPERIENCE DRIVES RETENTION

Every single trainer, instructor or business owner wants to ensure that they continue to retain the clients and members they have. This strategy is at the heart of any business model. The secrets isn't in the "what," but rather, in the "how."

As referenced in the chart below, from AFS' industry leading [Operating and Financial Research Report](#) – the average attrition rate (number of clients lost) is 24%. Which means, on average, if you to KEEP 76% of your members/clients, you meet the industry norms.

So, how do you ensure this happens? IT'S ALL ABOUT THE EXPERIENCE! Creating a sense of belonging for your clients/members and delivering that experiences that's better than anyone else.

New Client Integration -

Review your protocol for the critical first 90 days and take a look at how you integrate a new client. [Develop a system of regular contact.](#) Start by mailing a hand-written thank you card within 24 hours.

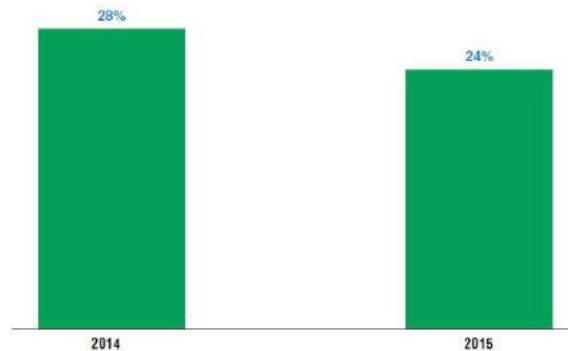
91st Day & Beyond

Understand the need to be in touch with all of your clients at regular, consistent intervals. Fitness studios are a community, a place where a group of people share common interests and goals. They expect to be part of something bigger than themselves. Subconsciously they want to be challenged to step outside their comfort zones so they can experience new things and grow as a person as well as achieve their fitness objectives.

Attrition and Retention

Like all other businesses, it doesn't just matter how many customers you generate, it also matters how many stay with you, or viewed another way, how few clients you lose. The average fitness studio turns over 24% of its clients annually, indicating a retention rate of 76%, higher than we saw for 2014 when the average attrition rate was 28% (Figure 32), and higher than the averages seen for traditional fitness facility models.

Figure 32
Average Attrition Percentage for All Fitness Studios Comparison 2014 to 2015



AFS Benefit: With a webinar and strategy library focused on every aspect of running a successful fitness business, the AFS Asset Center has everything you need to boost your retention rates! [Learn more!](#)

SECRET #7

UNDERSTAND WHAT WORKS IN MARKETING & ACCESS THOSE TOOLS

The parallels between marketing and fitness are pretty astonishing. The basic principles are the same.

- To produce results, each must be consistent, frequent, diverse and appropriate (for your brand/ their fitness level).
- In both cases, working from a plan is required because random, reactionary effort is ineffectual.
- The assistance of an experienced professional often proves to be invaluable.
- Goals are achieved when plans are enacted, evaluated, adjusted and repeated.

What are your campaigns & offers?

Approach this from a variety of perspectives and be creative. Each approach has its place in a diverse marketing strategy.

- Season – Summer, Back to School, the Holidays, New Year's resolutions, etc.
- Traditions/Community – take advantage of local events to connect with your local residents and expose your brand as a team player that supports the health and wellness of your neighbors.
- Fundraisers – support local charities throughout the year by hosting workouts to their benefit. Be sure they have the ability to promote these events, too.



Don't rely solely on referrals

Timely, targeted marketing strategies are critical to your success. It is not enough to ride the wave of word of mouth referrals. It's a dangerous practice. While referrals net a solid return in the early stages, they eventually slow down. In the absence of having nurtured a variety of lead sources, you may find yourself in a very precarious position.

You must actively and intentionally market what you do to as often as you can because at the end of each day it really is all about the numbers. How many leads, no-shows, new clients, and cancellations today, this month, this quarter? Once you tackle this facet of your training business it will open up the doors to even greater opportunities.

AFS Benefit: From our industry connections, marketing webinars and webcast series, eBooks, and exposure to millions of consumers – AFS has every tool and resource necessary to help drive traffic to your business. [Learn more!](#)

Closing Statement



Josh Leve
AFS Founder & CEO

You wear many hats in your role as studio owner. If you are like most, too much of your time is spent dealing with urgent matters, leaving little time to focus on important strategies to grow your business.

These “7 Secrets” are all sound business principles - that if mastered - will enable you to be as strong a business owner as you are a trainer.

Why AFS?



The real question is why wouldn't you become a member? Where else can you find the credible data AFS provides that allows you to easily focus on exactly the areas necessary for growth? Plus with the support they provide through mentorship, roundtables, CEC courses, and more – this is truly a no-brainer.

*Pia Hamilton, Owner
Intrigue Health and Fitness*

AFS Members Share Their Stories - Click Below to Watch!

The team at AFS has a wealth of knowledge and genuine desire to help people be successful.
Todd Durkin, Owner, Fitness Quest 10

I experienced peace of mind after finding AFS. A credible organization that provides the right answers to my questions.
Robyn Becker, Owner, Healthy Results

Mike Z. Robinson
2015 IDEA Personal Trainer of the Year

Why join AFS? Members share their stories.