

MASTER THE MARKETING MIX

**ATTEND TO
THE BASICS TO
SORT OUT THE
PROLIFERATING
POSSIBILITIES**

By Patricia Glynn

“Many a small thing has been made large by the right kind of advertising.” —Mark Twain

The legendary American humorist had it right. The right location, product, and service—they’re all necessary, but they’re not *enough*. If a health club wants to succeed, it needs to let the world know that it exists, and it needs to do so in an efficient and effective way.

What it needs is a sound and serviceable advertising and marketing philosophy.

But what, precisely, is the right path to take, the correct promotional approach to employ?

Today, clubs are faced with a bewildering array of ways to communicate and interact with prospects and their current members. Among the many possibilities are print advertisements, radio promos, television commercials, YouTube, Facebook, community-based events, blogs, Twitter, newsletters, e-mail blasts, and direct mail.

Faced with so many competing options, how can a club operator determine which one, or which mix, is best for their business and will deliver the highest rate of return?

Amid all the ambiguity, one thing is woefully clear, suggests Justin Tamsett, the managing director of Active Management, an industry management and marketing consulting firm based in New South Wales, Australia. Clubs are, by and large, missing the mark, he contends. “I don’t see anything unique, anything that stands out,” he laments. “And we’re still not appreciably penetrating the nonexercising demographic—that’s clearly a lost opportunity.

“In fact,” he sighs, “I’d question whether our marketing is really working at all.” →





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DEFINING THE MESSAGE

So what's the answer?

The best first step, Tamsett says, may be for the club to temporarily set aside its advertising/marketing questions and preconceptions and, instead, focus on identifying exactly what its product is. A former club owner himself, Tamsett currently consults with some 50 facilities in Australia, New Zealand, and New Caledonia, and is the Australia/New Zealand licensee for the REX Roundtables for Executives.

"Clubs need *clarity* with respect to what they're actually selling," he stresses. "Is it health? Is it fitness? Is it weight loss? Is it functionality?" Once they've decided *what* it is that they're trying to sell, he explains, they can then determine *who* their target customer is and discover *where* they generally obtain their information.



Fit n Fast does digital in Australia

"Your campaign becomes more deliberate, focused, and cost-efficient," he says. "The medium you select and how you choose to proceed will, for instance, differ dramatically if, on the one hand, you're targeting pre- and post-natal moms, or, on the other, aging baby-boomers." If the former, brochures left in obstetricians' offices might make sense; if the latter, outreach events at retirement communities might work well.

Nick Beale, the vice president of the North American division of Creative



Courthouse Athletic's billboard push

Alex Wyatt from Click Media

Fitness Marketing (CFM), concurs. "Clubs," he insists, "must gain a better understanding of who they are, and need to understand their chosen demographic much better. If, for example, yours is a family club and you're pursuing the deconditioned user, you don't want to use photos of buff fitness models in your ads—that won't engage the group you're after, won't lure them through your doors."

Beale's expertise is based on a wealth of experience: CFM, which currently assists some 300 clubs, has worked with more than 3,000, in eight different countries, over the years.

A strong sense of one's corporate self and a solid grasp of the consumer allow a club to move to the next step, which is to begin branding itself aggressively. "Clubs need to do a much better job of branding," says Beale. Although it's important to keep

club in the newspaper, hear about it on the radio, and receive one of its direct-mail pieces, they're going to think, "Wow, this club is everywhere! Maybe I need to do something." They're more inclined to take action.

"If you diversify," he promises, "you'll be at the forefront of more people's minds—more often."

DECIDING ON THE MEDIA

Employing different media simultaneously can definitely work, attests Karen Joy, the director of sales for Total Woman Gym and Day Spa, an upscale, 10-facility chain with some 35,000 members in Southern California. Two of the approaches that have been particularly productive for Total Woman are direct mail and community-based events. "Building relationships—reaching out to people, hosting parties,

“Clubs must gain a better understanding of who they are, and need to understand their chosen demographic much better.”

the target audience in mind, and to choose message, media, timing, and frequency accordingly, a "multifaceted approach" can prove useful.

"Increased exposure, constantly reinforcing your message in different arenas, can work wonders," he explains. "If people see an ad for your

and participating in health-focused affairs—has worked exceedingly well for us, both in terms of acquiring new clients and retaining our current ones," she points out.

Another advocate of "good old-fashioned socializing" is Amanda Osborne, the executive director of the

FitLife Club Network, an association of approximately 76 independently owned health clubs in the Pacific Northwest. “Within our network, a number of businesses, such as the Sunset Athletic Club (Portland, Oregon) and the Sisters Athletic Club (Sisters, Oregon), do an excellent job of marketing themselves. Each is an integral part of the community and, as a result, obtains many new members from referrals and word-of-mouth. I believe that approach—getting involved, nurturing relationships, and exceeding expectations—is the best marketing that a club can do.”

The marketing-options choice is informed by a variety of factors, including ones as basic as geographic location. “Twitter might be the way to go in New York, where it’s very prevalent, but it might be of less value in a small town in the Midwest where relatively fewer people are using it,” points out Beale. “A given scheme works best when it’s applied appropriately—meaning it’s used at the right time and in the right place.”

The only way to avoid blind marketing or hit-and-miss campaigns, says Joy, is to conduct the necessary follow-up research. “It’s imperative that results be tracked closely,” she insists. “Some opportunities seem, at first glance, to be attractively low-cost. However, they may also, at the same time, be low-yield. It’s critical that you look at the final numbers, see how many sales an effort generated, and calculate the return on investment.”

“If, for instance, a club always gets a 4-, 5-, or 6-to-1 return from a newspaper ad, then they should just keep doing it until it stops producing that return,” says Beale. “It’s the same with any other type of marketing—it’s really important to measure whether it’s working for you or not. That will guide you with respect to the marketing you do in the future.”

He’s convinced that a club’s marketing budget is as important as its payroll, and recommends that it be approximately 6% of gross revenues. Tamsett puts the number at 3%-5% for clubs that simply want to maintain



Justin Tamsett



Nick Beale



Karen Joy

their current membership, and at 10%-15% if they want to expand it.

Beale, Tamsett, and Osborne are all intrigued by YouTube, Facebook, Twitter, and other social-media networks; are familiar with clubs that have begun to make use of them; and believe that, in the future, they’ll play a major role in the marketing mix. (See “Ask the Entrepreneurs,” pg. 88.) “Internet-based online marketing tools are only going to become bigger and more important,” predicts Beale. “I’m a big believer in social media,” notes Tamsett, and Osborne observes, “There’s great potential here... Clubs should absolutely be tuned in.”

It’s an area where a lot of experimentation and fine-tuning are still

going on, so the results, although promising, are still less than precise or conclusive. Beale suggests that, for the moment, clubs should treat social media as a part of their long-term strategy. “Right now,” he says, “it’s about *engaging* potential and current members, and less about the direct hard sell. Involve them in reciprocal conversations, offer some valuable information, and, only occasionally, toss in a sales pitch. If people like and trust you—which social media really helps facilitate—they’ll ultimately buy from you.” ←

– Patricia Glynn, p.glynn@fit-etc.com



Low-cost ploy by Creative Fitness Marketing

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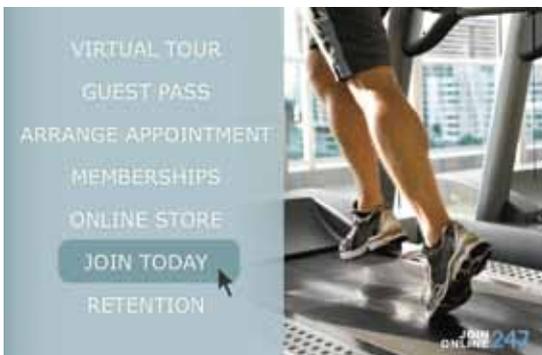
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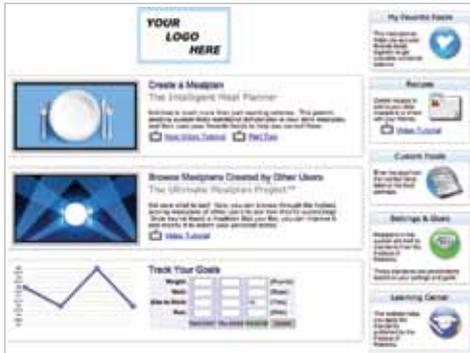


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