

Video Lecture 1 *(with slides)*

Introduction - What Makes a Successful Business

Fitness in Business

LECTURE

1

Hello, and welcome to Video 1

Introduction -

What Makes a Successful Business.

Hello, and welcome to the Fitness in Business unit resources to help support you in understanding business practice within the industry and get a bit of a comprehension so you can make decisions further down the line regarding how you want to operate your personal training business.

Now, before you go through these resources, we recommend that you actually look at the assessment booklet first, because a lot of it is reflection on your experiences as a client - what you've seen personal trainers do, what your take on successful business is and what your core values are moving forward. There are a lot of reflective aspects within the booklet. There are some aspects about core theory that need to be applied, and you'll find the answers to them in the series of audio booklets that we have for you here. But as we go through, this is the real foundation knowledge of operating successfully as a business.

We're not going to throw too much jargon at you, and the jargon and the theories that we do have to look at, we're going to explain, break them down a little bit for you and also contextualise them for you. So let's get started.

Within this video, we're going to look at what makes a successful business and we're going to be looking at that throughout all of the resources, really coming back to a good, sustainable and successful business. You might have the perception that the market for personal training is flooded with a lot of personal trainers and you would be right. Yes, there are a lot of people out there who want to be personal trainers and who operate as personal trainers, but you don't have to do that much to be better than the majority of providers out there. And how you find the unique service operations that you want to provide - that's your ambition.

As part of that:

- We're going to be looking at the element of **branding**.
- From that, you're going to understand the principles of branding and identify the risks associated with branding, promotion and advertising.

- And also know a clear relation between company brands and product brands.
- Define the product and define the brand.

A little fun thing to start off with. You've got some logos on the next slide. Can you name the brands? Can you name the companies? Are they immediately recognizable to you? And then same again, that even if we were to put some of those brands in different languages and flip the imagery, you can probably still recognize who they are and what they do and what service or product that they provide. Certain brands may have a particular relation to you, that when you see them, you have a perception of what those products may be like.

And then what we have also is the "10 Step for Strategic Marketing Planning" process. If we are going to do some promotions, if we are going to do some planning and some marketing, we need to have a bit of a roadmap of what we're going to do. You don't always stick to it. We don't advise that you fly from it quite a lot, but it's always good to have some sort of map through the woods that you're about to go through.

So:

We want to have a **mission**, an **ideology**.

- It could be that you are going to be a personal trainer and you're going to work with clients who are diabetic, - so what is your ambition for your company to do with that certain market?
- It might be that you want to work with people, a particular section of society, who have anxiety, and so you could have a particular mission and ambition for your business.
- It may be that you've got a background in long distance running, a background in competing in a particular sport, and you want to get more people taking part and being successful in that leisure pursuit and supporting them with their own ambitions.

So you can see straight away, it diversifies so quickly from your own personal perception of what it is that you want to do.

But you're going to have a mission. You're going to have your business objectives or your corporate objectives. You're going to want to do an audit, a marketing audit: who is your target market? Where are they? Are you hitting them? So you're going to have to do a review.

Some of the terms, as they come up, are going to sound very formal. These can be done in an informal way - simply an **audit**.

For example, you have a Facebook or social media page. You're getting a lot of interactions and likes, but not a lot of business through the door.

That's an audit: how we review the impacts of what it is that we're doing.

A **SWOT** analysis look at **Strengths**, **Weaknesses**, **Opportunities**, and **Threats** to your business and how you're going to negotiate them.

Some **assumptions** are good to make. What is it that you perceive that the market is, and what is it doing? How is it changing?

For example: is there a bit of a discussion between whether or not we are moving more from one-to-one training and to small group training. Which is a better process to go down?

Or: with technologies: what technologies to utilize?

You've got to have your **marketing objectives**, you've got to have your strategies. What are you doing? Are you doing it organically, using friends and family, word of mouth? Are you going to do some seminars and promotions in that sense? What are your objectives? Are you looking to have a certain bedrock of clients every month, bringing on new ones occasionally? What is your strategy going to entail?

You want to have a **good estimate of expected results** from anything that you do.

And then potentially have an idea of **alternative plans and mixes**.

What is your **budget**?

That's when you look to your **first detailed implementation programme**.

Your first year: what is it that you're going to do within your first year? You might set yourself an objective that you're going to have a new social media profile, and you're going to have a new story and a new post every day linked to your business, and then link that to your website or link it to your communications, and you're going to do that every day.

That could be part of your objectives, and that entails all of the elements that we've got on this slide.

The **advantages of a brand and a brand name** is that it'll have certain attributes. There should be a consistency in what it is that they do. Quality and value, and identification.

How are you going to brand yourself, brand your service? What way are you going to dress? What type of clothing are you going to wear? Are you going to wear a particular brand?

Will you be consistent in your dress, in the documents that you hand out to people, the formatting of your emails?

How are you going to start to establish your brand and what you do? A lot of people want to do lots of different things, and there are lots of different avenues you can go down within personal training, but we need to have some consistency in the services that we're offering, or people are going to get confused about what it is that you offer.

Brand equity, is when people have

- **high brand loyalty**
- and there'll be a **name awareness** as well,
- a **perceived quality**,
- a **strong brand association**. We see that in the personal training world, where personal trainers have given all their clients T-shirts to wear. There are a lot of running groups around the country that personal trainers will work alongside with – or they create their own. They all get a T-shirt when they join with the brand and logo of the personal trainer.

What we need to think about is:

- **What is a brand?**
- A **company brand, product brand**,
- The **brand names secure relationships**,
- **Undifferentiated physical characteristics**.
- We're going to look at the **types of consumer loyal versus variety seekers**.
- **Facilitates product/service and market extension**,
- **Brands depreciate without continuous investment**. So how can we stop a brand becoming stale?

And again, big terminology, might seem very formal terminology, but actually, will you have a logo that looks like it's part of a fitness brand? How do you distinguish if someone was to find your website, that they can know straight away that you offer personal training services? Are there photos of you in the local park, in an office, in somebody's home, carrying equipment? What vehicle will you drive going to people's places where you're going to operate your business?

After a while will it become clear. If you give out business cards, your name will start to secure relationships as being a consistent service provider?

You need to think about the types of clients that you're going to be going after and how you're going to expose yourself to those clients.

We're going to have to think about diversifying your business and where your "cash cow" is going to be (that's a terminology we're going to explore a little later on). But also - if you don't keep that investment and that voice within your brand and that exposure, it can become a little bit stale and cold, so we need to try and keep it current and forefront.

A Successful Brand is an identifiable product, service, person or place augmented in such a way that the buyer or user perceives relevant, unique added value which matches their need most closely.

- Thinking about a **logo**,
- Thinking about a **personality**,
- **A risk reducer** –
- **Meaning, trust and performance**,
- **Driver of shareholder value.**

We're going to come to some terminology known as the Boston Matrix which "classifies a business, a company's, a firm's products according to their cash usage and their cash generation using market growth and relative market share".

When you look at a Boston Matrix, you might have a service and you might have different services. If we were to take someone like a sports provider who provides a particular clothing, they might specialize in trainers, and they're going to have perhaps two brands of trainers. They're going to maybe have their cash cow, which could be a low-cost high output product, or they're going to have more of a high-end shoe product that costs a lot of money to make, doesn't sell very much but it consistently remains the same.

They may want to expand into other products. Will they go maybe into more sports-specific clothing for particular types of running, training, aspects like that? Are they doing food supplements and sports nourishment supplements? So that might be something that they just do because it's part of a brand. It gets them out there, gets them at events and it draws people from that to these here (ie the cash cow and the star).

You might do the same with your business that you're offering. Group personal training, one-to-one corporate training. You might start being qualified in further nutritional guidance and you might want to think about: can I start to broaden into that? Or maybe diversify in many different fields, whether it be injury rehabilitation, strength training, prenatal/postnatal training clients.

And then you might do something that doesn't get you a lot of money, but it helps draw attention to other services

that you offer, and it's part of the portfolio of what you do. So even though these terms sound like very big corporate terms and perhaps more related to a big business, (and they are) we can really relate them to the practice of what we do on the floor we're operating our services.

A **Question Mark** type of business has

- **A growing market**,
- **A small share interest**,
- But **high competition**

The **Dog**:

- you might consider it to be a bit **useless**,
- **drain on the company.**
- You might **delete them or have a balanced portfolio**, and that might be over a time that you review that service or product that you're offering.

Your **Cash Cow**.

- It's established,
- You're a **leader** in that,
- You have a **steady flow**,
- **generate lots and uses little.**

And then your **Star**.

- New product regeneration,
- Can slide into a Question Mark, because you might have an idea that expands and drives your brand further. But then again, it might not work out.

Brands and services and products can move between those four categories.

We have what we call the **Promotional Mix**, and it's good to have an understanding of what they are.

- A lot of people talk about Sponsorship. They don't really understand what sponsorship is. Sponsorship is not merely getting money for a certain investment. It has to be a mutual agreement between partners, and lots of people go out to get sponsorship and don't do it properly, and they're unsuccessful because they don't have a good understanding of what sponsorship actually is.
- Your Public Relations and public outreach. What are your systems and services part of that?
- Personal Selling, which is always a real good closer.
- Advertising, and what types of advertising you do.
- Direct Mail, how often do you communicate to the people that are out there, or people that are engaged in your business platform?
- And then any sort of Sales Promotions that you are doing.

We want to be doing all of these at any one time, giving more attention to one or the other, maybe having a plan throughout the business year of what you're going to do and when. You might want to make sure that you're sending out an email once a week. You want to make sure that you are doing a promotion that sits in line with times of the year. You've got to make sure that you're linking into public relations and that you're getting that personal selling approach to everything that you do, that you've got those systems in place.

And then that just brings us back as a reminder of the **10 Steps** that we're doing for our **Marketing Planning Process** and what we're actually looking for. So maybe we might start to think about your aspirations. You might be doing this course and you're not looking to actually run a business. It's something that you want to do to expand your knowledge and awareness.

But we always think about some of what we refer to as soft skills when it comes to being a successful business operator - as a personal trainer, those things that you do that you perhaps don't give that much attention to.

How you interact, you as a person, how you as a brand sell and retain clients. You might be looking at this from a different perspective, so think about how you're going to meet each one of these and how that's going to look for you in the next three to five years.

Okay. I hope you enjoyed that and that's given you some information, and I look forward to speaking to you on the next video.