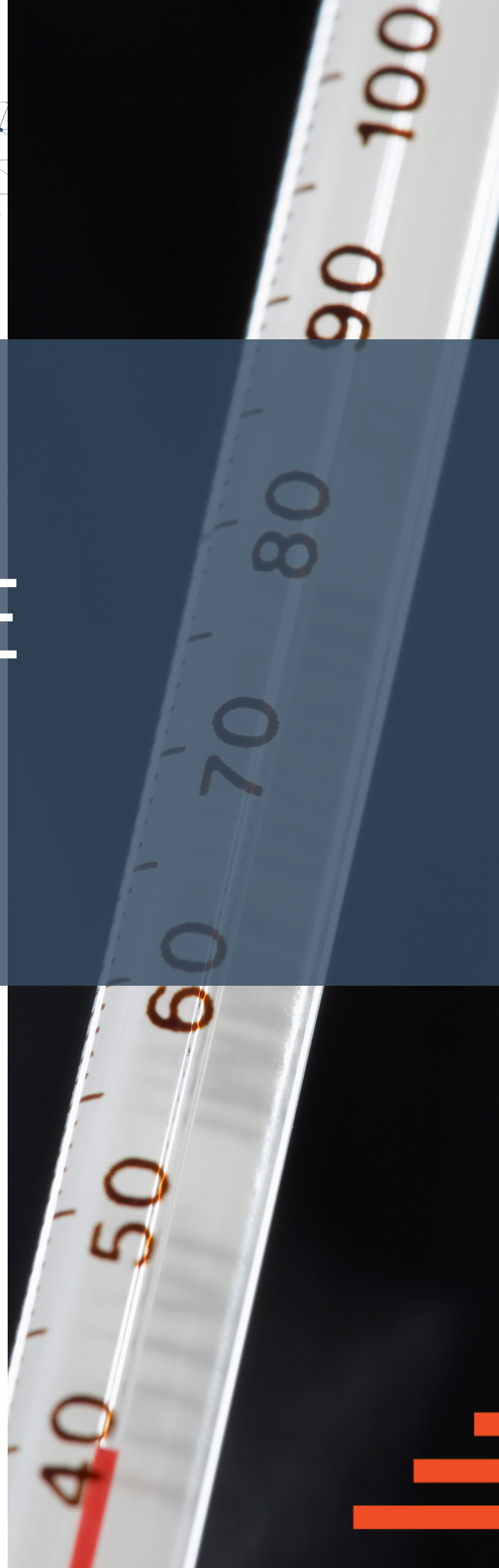


# COVID-19 TEMPERATURE CHECK PLAYBOOK

PRESENTED BY **zingfit**



# DISCLAIMER

BFS is agnostic: our goal is to simply provide you with the best and most information possible, so this playbook may contain different points of view and information based on different experts' experience and business models.



## **1 FIVE METRICS TO MONITOR YOUR STUDIO'S HEALTH**

*Count on the data to tell you the full story*

**STEPHANIE AND ANDRES MORAN**

## **5 TIME TO RESET**

*Reworking Your Business Plan and Vision for Success in the Post-Covid World*

**SCOTT HOPSON**

## **11 FROM FUNNELS TO FLYWHEELS: SALES MODELS THAT WORK**

*Why Now, More Than Ever, You May Need a Sales Process Optimization*

**KK HART**

## **15 CASH FLOW PROJECTION TOOLKIT**

*Understand your pivot to virtual offerings from a financial standpoint & use this cash flow projections tool to map out different scenarios*

**MAURA VELLA**

## **21 A BRAND-BUILDING EXERCISE FOR BOUTIQUE FITNESS OWNERS**

*Continue to build your brand, even after your business has been flipped upside down*

**GREG MONACO**

# 5 METRICS TO MONITOR YOUR STUDIO'S HEALTH

**STEPHANIE MORAN AND ANDRES MORAN**

CO-FOUNDERS, IKIZMET



# 5 METRICS TO MONITOR YOUR STUDIO'S HEALTH

**When the unexpected happens, you can count on data to tell you the full story. Whether business is booming or busting, there are 5 metrics that fitness studios should be tracking for success and longevity.**

## 1 REVENUE

Revenue is classically important and allows you to sustain your business. Important numbers to monitor are your Month-to-Date and Year-to-Date revenue. While there may be many societal or even cultural reasons for differences in revenue month to month (summer vacation, winter holidays, etc.), Year-over-Year revenue can provide you with a better baseline for where your business is trending. Knowing a downward trend can help you prepare and create a new plan of action.

## 2 CLASS UTILIZATION

Attendance can be an important indicator of the health of your business. No one wants to teach or attend an empty class. One metric we use is "Class Utilization." To determine this percentage, you need to divide the total spots available in a class by the number of spots filled. Put simply, class utilization is your portal into understanding your class offerings and whether they work for your client base. Knowing your class utilization calculation can help you determine the average revenue you are making per class. Knowing this information can mean the difference between keeping a class or altering your schedule. It is important to pivot your schedule in real-time when the situation warrants and when your clients' behaviors shift.

### 3 MEMBERSHIPS

Members are the heart and soul of your business. Your monthly memberships are your recurring revenue and this is the amount of money you can count on each month. This money helps you set a baseline to determine your payroll, your overhead costs, and your profit. It is important to have memberships that are valuable for clients and profitable for your business. The metrics that you should monitor with respect to members include your churn rate, your numbers of new and active clients, as well as the number of suspensions or freezes you have. These numbers show you trends in your client base and can alert you to changes for which you should prepare.

### 4 LEADS

A great way to look at leads is as potential clients. Unfortunately, there is no one-size-fits-all marketing solution for every studio. This is why testing and tracking your most cost-effective referral sources is so important. One of the most important metrics in regards to leads is tracking your conversion rate. With regards to this number you should be measuring how many leads are in your funnel and of those leads, how many converted to a client? After all, getting first timers into your studio is only half the battle. Your introductory offer conversion rate can tell you a lot about your business. A lower conversion rate should alert you to take a hard look at your customer experience, your customer service, your teachers/instructors performance, and your memberships and other offerings.

### 5 VISITS

How often do your members, class-pack clients, and drop-ins come to your studio? These numbers are important for you to determine your pricing, your class offerings, and more. Equally important is having a pulse on your “at-risk members.” These are your members who have spent money with your business who have not been to your studio in a certain amount of time. Once you identify these at-risk members, your staff should make efforts to reach out to them to remind them of what they love about your studio and incentivize them to come back. Visits are a good indicator of your customers’ preferences and can show you how their behavior is changing over time. Measuring their behaviors allows you to tailor your schedule to them and better meet their wants and needs.



## ABOUT THE AUTHORS:



Andres was founding member at MINDBODY helping build a world class sales organization, become a nationwide speaker at industry tradeshows, help create MINDBODY University as a founding lecturer, and was given the creative freedom to build a business development group whose many successes included discovering and integrating technology partners that are recognized in our industries as creating innovative products that are delightful to use.



Stephanie Moran is and founder and CEO of CYB Studios, which a new Boutique Fitness Studio in Central California. Formally she spent the last decade as a Senior Executive at MINDBODY being a part of the leadership team that built and grew MINDBODY into the company it is today. Stephanie is also the co-founder, Board Member and Advisor of iKizmet an Analytics platform serving the boutique fitness space.

A leader in sales and marketing Stephanie lead the MINDBODY sales organization and grew revenue from 10 Million annually in 2008 to over 250 Million annually in 2018. As the head of sales for over 10 years and head of Regional Market Development in her last year she had a front seat to the boutique fitness growth that has taken place over the last 10-15 years.

Stephanie started teaching group fitness in 2001 and has multiple certifications in the fitness industry. It has always been her dream and passion to build a multi-modality fitness brand bringing education, cross training and loud bumping beats together to provide a first in class fitness experience. We focus on bringing big city fitness to the suburbs with the latest and greatest fitness trends.

## Who is iKIZMET?

We are a data analytics solution software that integrates with your business management platform (ABC Financial, Club Ready, Mariana Tek, MindBody, zingfit). We specialize in the fitness industry, providing industry best-practice metrics to meet the unique demands of fitness businesses and class-based offerings. Data doesn't have to be difficult; we're here to help!



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# TIME TO RESET

REWORKING YOUR BUSINESS PLAN AND VISION FOR  
SUCCESS IN THE POST-COVID WORLD

**SCOTT HOPSON**

CO-FOUNDER & CEO, PIVOTAL COACHING



## TIME TO RESET:

### REWORKING YOUR BUSINESS PLAN AND VISION FOR SUCCESS IN THE POST-COVID WORLD



At a time when the world is going through tremendous fear and uncertainty our industry (like others) has been shaken to its very foundation. With this has come great individual and collective struggle. The doors of our industry have, for the most part, temporarily closed. Will they reopen? Most certainly. Will it be the same industry when it reopens? Most certainly not. Just as global environmental and economic health will have shifted greatly, so will the health and fitness industry. It is at such times we have an opportunity - not by design but rather by default - to reflect and reset.

***What does it mean to 'reset'? We often take words for granted or fail to consider their possibility of meaning. I know I do.***

### SET

- put, lay, or stand (something) in a specified *place* or *position*.
- put or bring into a specified *state*.

'Set' can mean to be in a specific place or position but also to come into a specific state. 'State' refers to the *condition* of something.

### RESET

- to set again or *differently*.

Therefore, reset can mean to move something back to its original place / position or fix it in a new / different way. It means we can choose to keep our position and state the same or seek a new one.

At the time of writing I, like most, if not all, have seen my business wilted down to zero income. Ouch. We (Pivotal) offer coaching, education, and consulting around the world to an industry that is essentially closed for business.

Our default is typically to hustle. Hustle is good. Grit, determination, persuasion. But hustle won't change a global pandemic nor the greatest economic challenge of a generation. For us, we have no choice but to reset. The question is: do we want to return to the same place and state we were in before? Or do we want to reopen for business differently (personally and professionally)?

We have decided to adapt and choose the latter. This is not to say we are 'throwing the baby out with the bath water', far from it, but rather upon an honest appraisal of what was, what is, and what may come to be, we've come to the conclusion that it's time for a new chapter.

What does that mean? We intend to shift our state and position – not necessarily our core purpose. This has resulted in a whole new business playbook and a three-year strategic plan. This was not in our original 'plans' and has taken long hours every day for the past three weeks to develop.

Business plan development is a detailed step by step process and needs an article unto itself. However, a business plan ultimately serves your purpose and intention so before you 'crack on' with strategic objectives, performance metrics, market analysis and the like, it's a good idea to press pause and reflect on the critical factors that impact and direct your business plan. Here are a few of the impact factors that we reflected on

## Your Brand. Your Story.

Why do you (as a business) exist and what would the world look like if you achieved your vision? If you do not have clarity and conviction of purpose it is unlikely people will hear your story or feel compelled to join it. This means you must get clarity on your *brand archetype* ASAP. Archetypes are not just necessary but essential to how your audience hears your story and more importantly how they feel about themselves when they do. When people feel they understand, like and trust you ... they buy from you.



As humans, we are wired with innate motivations and emotions that drive thoughts and behavior, one of which is an inherent desire for relatedness and community. This becomes all the more powerful when we can harness and direct a community toward a common purpose. Does your brand do this? Perhaps your story has shifted over the years (mine has) and now is a time to find a new voice and new audience. Some previous members will return, some won't, and some will wait. This is an opportunity to change your voice and be heard differently.

Are you attracting the type of people into your business that you desire? Not just the ones who pay the bills but those you actually want in your community – and life. It starts by getting clear on the story you want to share, i.e. your vision, mission and values (more on this in my webinar with BFS coming up May 8th). How you share this story will be influenced by your archetype. Your imagery, language, colors, your voice, - all of it - is designed to be heard and felt by the right audience for you, not just any audience. This includes those that work for you as well as those you serve. Kaye Putnam has a **fantastic site** for exploring who you are and how you want to world to hear and feel you.

A guiding principle for Pivotal is:



**“We do work we love with people we love. We do work that matters with people that care. There is no third option.”**

Simply put, we refuse to do work that doesn't matter with people we don't like. Everything we do in business is a personal statement of who we are in this world. Any money you may lose as a result of letting members or staff go (who don't match your intention and attention) will come back 3-fold down the line both in reputation and revenue. This is an opportunity to be brave, create new boundaries, and attract into your life that which you truly seek.

## **The Why. The What. The How.**

A reset of brand and business first requires a shift of mind-set. We have just spent two weeks honestly resetting our Vision, Mission and Values (VMV). VMV are not words just to make us feel good or a smart sound bite. They are the very GPS on *Why* we exist, *What* we do, and *How* we show up in the world. They must have significance and relevance to us as human beings and equally in *growing* the business. To do this they should possess three critical components:

- **Clarity.** If I asked your CEO, sales manager, receptionist, coaches, and cleaners to tell me your VMV, would they all be able to state them with clarity and purpose? Confidence without clarity is a disaster. Does everyone on the bus know where you're going, why you're going, and how you're getting there?
- **Actionable.** Can your team demonstrate an example of your VMV? One of our values is *Kindness: respect and celebrate the beauty in all people*. If I am unable to give you an example of how we demonstrated that today, it's meaningless.
- **Measurable.** This one is critical. Do your performance metrics (sales, profit, brand engagement, etc.) actually map to your VMV? If they do not it is unlikely your passion will become your paycheck. If it matters to growth it should be measured.

Our webinar on May 8th will discuss some specific ways you can turn your VMV into strategic initiatives. Some fantastic reads in the meantime include:

- *Start With The Why*, Simon Sinek
- *The E-Myth Revisited*, Michael Gerber
- *Fundamentally Different*, David Friedman

## The Playbook

The playbook quite simply is your 'menu' of strategies and plays. In business this refers to your services, products, and how you intend to sell and service them. Do you want to reopen your doors with the same playbook as before or reinvent it? Most likely you will have a combination of both. At Pivotal we have decided to let go of things that were not creating a good ROE (return on effort!), add some new items to make us more scalable with greater net profit, and explore new ventures altogether. All great sports teams expand and upgrade the playbook each year (and their talent). So do great businesses. This is a time to be bold, creative, and upgrade the playbook.

Reinvention takes innovation. Innovation requires different information. Different information requires different exploration.

*More work!* Reinvention requires we either change the way we are doing things or change the things we are doing. Ask yourself honestly: am I asking the same questions, seeking the same answers, looking with the same filter? Have the courage to look outside your comfort zone. There is what we know, what we don't know, and what we don't know we don't know. A reset often takes a leap of faith into the unknown.

Our industry is a good example of incremental innovation; in other words, we should be making incremental upgrades to what we have always done. This is a good thing and works well for solving linear and slower-evolving problems. An example of this is the Dyson vacuum, which changed vacuums forever by creating cyclonic separation technology to remove dirt and dust. All vacuums are concerned with dirt and dust, but Dyson's invention was a game-changer.

Solutions for more dynamic and complex issues are often created by recombinant innovation. This innovation combines different systems, ideologies, and industries to create breakthroughs. Examples include behavioral economics, wheels on luggage, or Uber. Waze navigation App is a great example of this using smartphone, GPS, digital maps, cellular system, a social networking concept and the Internet to provide a real-time navigation application that is used by millions of people.

Some parts of your business will need incremental innovation but perhaps this is a time to rethink with a different filter – a time for recombinant innovation. It's a time to seek mentors, sounding boards and contacts in different industries, cultures and communities. Our webinar will talk about the power of Diversity and Collective Intelligence.

How we show up during and after this pandemic will say a lot about who we are and what is important to us. When we do reopen for business it will be essential that we have clarity on Our Story, Our Playbook, and possess the willingness and readiness to think differently.

#### ABOUT THE AUTHOR:



CEO and co-founder of Pivotal, Scott is an internationally recognized leader in human performance, coaching and education. In a career spanning 20+ years his work has impacted over 100,000 clients and students in more than a 100-countries world-wide. At the heart of his extensive leadership work is the ability to inspire and develop people by making the complex simple to create breakthrough performances. Scott is renowned for his passion and work in professional coach development and leadership coaching and consults for industry leading organizations globally. Co-founder of Pivotal & PTA Global, Education Director for the Gray Institute, Team EXOS education specialist and Global Advisory Board Power Plate.



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# FROM FUNNELS TO FLYWHEELS:

LEARN SALES MODELS THAT WORK FOR  
YOUR VIRTUAL STUDIO

**KK HART**

CERTIFIED CONSULTANT





# FROM FUNNELS TO FLYWHEELS: LEARN SALES MODELS THAT WORK FOR YOUR VIRTUAL STUDIO

## Why Now, More Than Ever, You May Need a Sales Process Optimization

“Sales” is defined as the core key performance indicator (KPI) that determines the success of your business. Yet sometimes in boutique fitness, it can be very difficult to sell the benefits of your studio while also standing out from the competition. With a virtual studio offering, that task may have gotten even more difficult and intensive!

There are few more important aspects of your business than the sales and marketing that drives your customer acquisition and subsequent retention. Finding a sales model that works for your studio services online *and* IRL is the key to business success now (during a recession-like environment with no in studio sessions available), and for the future, so your studio is set up for a recovery with success, growth and passive income already built in!

**EVERYTHING YOU’RE DOING TO “SELL” YOUR VIRTUAL CLASSES MAY NEED AN UPDATE.**



**That may be a bit harsh, but it also may be the very thing you need to consider so you can grow now... not just when your studio re-opens!**

## DOES YOUR CURRENT/PRE-COVID SALES 'PROCESS' SOUND LIKE THIS?:

The first step to getting a customer in your front door is **ATTENTION**. You want to grab your prospective client's attention and pull them towards your business in any way possible.

The next step is to try to keep your customer's **INTEREST** and make sure not to let go! When you first connect, you can talk to them about their goals or problem areas. Keeping their interest isn't just limited to in-person interaction either! You can use social media and your email lists to keep clients interested and draw attention to the services your prospective customers may be interested in.

**DESIRE** is next. This is typically when you attempt to show the value of your studio. We know that they may want or need your classes and services, but we must instill a motivation to act. To nurture that motivation, we can use the scarcity principle, show them how what you offer will solve some of their problems, utilize short testimonials to provide proof of your classes helping people, or mention any special prices or extended free trials you may be offering.

The final step is **ACTION**. We want that prospective client to take action and become a customer for life. It's also commonly the most overlooked step in a sales cycle. We sometimes think a quick email/text/chat or reminder about the specials is enough, and often leave this step as an afterthought to courting the customer.

## WHILE THERE'S NOTHING WRONG WITH ANY OF THE ABOVE, IT SEEMS A BIT CONVENTIONAL --EVEN ARCHAIC--NOW, DOESN'T IT? IT'S TIME TO SELL WITH A DIFFERENT METHOD, TO BOOST ONLINE **AND** IN PERSON SALES SEAMLESSLY!

You may think this is where your sales education and planning should end. But this is actually just the beginning! Often times, studios either:

1. Don't put enough (or any!) emphasis or strategy on the sales process for fear of being too pushy, or not appearing exclusive enough.
2. Leave sales and the people in charge of sales held to a less structured process with little accountability.
3. Struggle to implement and track a sales process that goes beyond simply asking for clients to sign up at some point in their exploration of your studio.
4. Rely solely on a set-it-and-forget-it method of selling, whether using technology or not.

It may be as simple as needing to re-tool the optimal strategy for your studio's desired outcome. The key here is to *help* the customer solve their internal problems - *not* sell them anything! It is our job as boutique fitness leaders to guide your customers to becoming their own health hero by creating a clear, organized and easy-to-execute plan of action for helping your customer achieve his or her goal, utilizing authentic messaging about how your studio can transform their lives for the better!



## ONLINE CLASSES ARE GOING WELL? AWESOME, NOW LET'S BETTER MONETIZE THOSE SESSIONS!

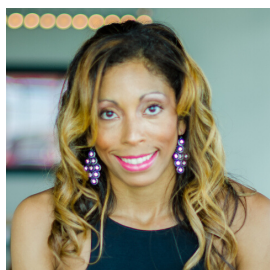
Technology is constantly evolving, and the amazing strides made with tech have allowed studio owners to offer virtual classes within minutes, and to communicate with prospective and current customers entirely digitally has been so valuable. But the use of technology alone is not enough to create a winning sales process for your studio's comprehensive growth needs.

This is where demand generation comes in.

Join me for a training all about how to create authentic desire for your online and in-studio services, and while setting up your clients for success with your studio, regardless of what you sell them!

Chances are you have much room for improvement in sales (almost always!) and need some focus on how to crush those KPI goals, stay away from any plateaus in customer acquisition, and retain your clients for the highest possible lifetime value. This is the time to re-evaluate your sales process and implement optimized systems and strategies... the studios that do will be prepared and funded for all of the long term goals you have for your bottom line. Now that's what I call a good FIT, pro-fit!

### ABOUT THE AUTHOR:



Certified Consultant KK Hart owns and operates several wellness businesses, in addition to being the CEO of a boutique sales & marketing agency specializing in the health, fitness, wellness and small business industries. With extensive experience as an international fitness and business expert, KK is regularly featured on Fox and The Huffington Post, among other media outlets. She has a Master's degree in Health and Business and over 15 years of experience specifically helping health, fitness, beauty and wellness businesses grow. As a business coach and consultant, KK acts as a best practice driven adviser to clients on strategies for revenue, retention, pricing, sales and marketing. Her passion is to help you to become as profitable and self sufficient as possible! With many options to help clients to achieve their goals, KK is known to be a game changer and secret weapon for business owners. Her clients consistently become the top earners in their industry! "Make your business stronger and start focusing on thriving instead of just surviving!"



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# CASH FLOW PROJECTION TOOLKIT

**MAURA VELLA**

SMALL BUSINESS ADVISOR, CULTIVATE ADVISORS  
CO-OWNER, 105F HOT YOGA & PILATES STUDIOS





## CASH FLOW PROJECTION TOOLKIT



### WHY USE A CASH FLOW PROJECTION?

The survival of your business is contingent on not only having positive cash flow but also a solid understanding of where your money is going each month. Even in this time of uncertainty, a firm education on cash flow and the impact this has on your business is the first step in providing a clear path to make it through these unprecedented times. This Cash Flow Projection Tool will help you lay out your cash flow to plan for the short term, as well as the long term. It will give you a tangible understanding of how your business is performing and will highlight the areas of improvement that are within your control.

You will want to take action and use this Cash Flow Projection Tool because as your current model and offerings pivot to a virtual or online model, it can be a huge challenge to understand exactly where your business stands financially today, next month, or even a few months down the road when we are back to our normal routines again. A better understanding of business performance, with the help of a cash flow analysis, will help you make better decisions. It's easy to bury our heads in the sand when it comes to the numbers or financial focus, even when our studios are up and running during normal times; however, understanding what is going on within the business from a financial standpoint will help you take some control back, even with the uncontrollable nature of these times.

## WHAT IS CASH FLOW?

Cash flow is the pulse of the business. The term cash flow refers to the flow of cash in and out of the business. A cash flow statement is a financial record that can tell you how your business is performing. It's one of the most important reports in your business. Think of a cash flow statement like an organized snapshot of your bank statement. Depending on the detail of the report you can grab snapshots to compare the performance of your business over time.

### LET'S BREAK DOWN THE CONCEPT OF CASH IN AND CASH OUT:

#### **Cash In**

Cash flow into your business comes from your customers when they pay for your products or services. If you have extended credit terms for a client to pay after the purchase, you are also receiving cash in from your accounts receivable (money owed to the company).

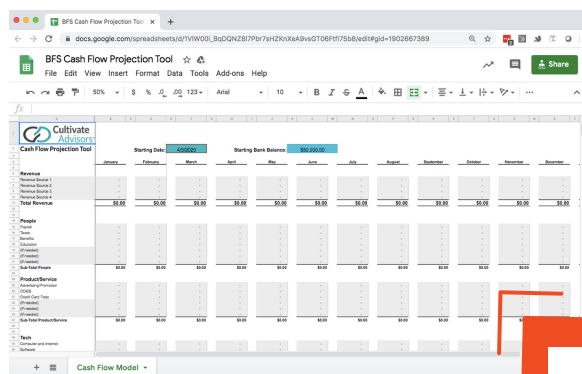
#### **Cash Out**

Cash flow out of your business is usually due to expenses like rent, payroll, supplies, taxes, and other bills from accounts payable (bills due from the company).

Your business goal, just like your personal goal, should be to have more money flowing in than out. When you have more money flowing in than out, this is referred to positive cash flow. The opposite result is negative cash flow, which is what we're trying to avoid.

If you've already taken your studio to a virtual model, this will be a new revenue source to generate your cash flow projections. Hopefully, you have retained your loyal members through your continuous efforts and virtual engagement. Ideally, with the proper sales systems and techniques, you can gain an even broader reach because you've eliminated the physical proximity limitations of your brick and mortar, thus presenting an optimistic and positive cashflow scenario. Potentially, you will realize that this can be a sustainable offering and extra revenue stream that can provide value to your clientele, even when this crisis is over.

# HOW TO USE THE CASH FLOW PROJECTION TOOL:



**CLICK HERE TO OPEN THE SHEET  
AND CREATE YOUR OWN COPY OF  
THE CASH FLOW PROJECTION TOOL**

Prior to getting started, you will want to grab whatever information you have. If you use accounting software, you can generate the Profit and Loss as well as Balance Sheet to quickly get started. You will also want to use your gym management software to gain real-time metrics as you've navigated through the last few weeks on a virtual model. If you don't have accounting software, you can use your gym management software, along with your bank and credit card statements, to manually start entering the data.

- 1 Gather bank statements and a P&L statement for each month in the current year. Run your detailed sales reports on a monthly basis for January and February, along with a weekly detailed sales report for all of March. Having all the reports and data ahead of time will save you additional time during the entry process.
- 2 Using this tool, the major takeaway is that you will input data into all of the grey cells. In some areas, a few extra rows are included and can be renamed, added to, or removed as needed.
- 3 In Cell E2, enter the current date
- 4 In Cell K2, enter the beginning bank balance
- 5 In the Revenue section:
  - a. Enter the names of the various revenue streams for your business. You can get as detailed as you would like, but for the purpose of this exercise, you may want to keep it simple to something like: Studio Classes, Virtual Classes, Retail Merchandise. Add/Remove lines as needed.
  - b. Enter the totals of each revenue stream for each month beginning with January.

- 6 In the Expenses section:
  - a. The expenses are broken out into People, Product/Service, Tech, and Admin
  - b. Rename, add or remove as needed.
  - c. Begin entering the data from each category under People, Product/Service, Tech, and Admin.
  - d. \*This is also a good opportunity to look at all of your expenses that can be dropped while your brick and mortar studio is closed. For example, if you have a cleaning or towel service, and you are not using it currently, you should most definitely drop this service until we are "back to normal." Dropping unnecessary expenses will ensure that your cashflow is in a healthier position.
- 7 You should now have a basic Profit and Loss (P&L) statement bucketed out by month. We plan to take this a step further to track ALL cash in and out of the business.
- 8 In the Balance Sheet Items area, start entering items listed that won't appear on your P&L. For any category not listed, you can use the "Other" row unless it's a major item on a monthly basis. In that instance, add an additional row.
- 9 Take a look at the Cash Flow Rollup toward the bottom. This section will give you a summary of how your business is doing right now.
- 10 **Pro Tip:** Accurate historical data should be input into the first three months of this year. Beyond this, you can play around with different revenue inputs and options, along with expense additions or deletions, to determine your financial outlook. There is no right or wrong way to use the predictive nature of this tool. It is simply a model to show you possible outcomes using the data that you feel is within your control.
- 11 **Pro Tip:** I recommend setting up multiple tabs, and mapping out different scenarios based on the unknown nature of now, next month, six months from now, and one year from now. (Simply copy and paste the Cash Flow Projection template into new tabs to keep all of the formulas intact.)
- 12 Upon completion, it's time for analysis:
  - a. How is your business performing from a cash flow standpoint prior to the crisis and presently?
  - b. Are you positive or negative cash flow?
  - c. Can you find any opportunities for new revenue growth within this current climate?
  - d. If you keep expenses the same and increased revenue, how would that impact your business?
  - e. If you keep revenue the same but made 3 adjustments on the expense side to improve cash flow, how would that impact your business?

## CLOSING COMMENTS

The intention of this tool is to provide the ability to start breaking down your business and become more analytical with the data. The first step in making educated decisions based on the future impact of your business is awareness. With this awareness, you can model and test out different strategies. This exercise is designed to allow you to take back some control in your business. You can now predict the financial outcomes of any changes or pivots you've already made, or are considering to make, within your business.

Remember, knowledge is power. And while we're taking the time, energy, and effort to pivot our services, it's up to you to also take the time to reclaim control of the financial reality of your business. If you need help in navigating through this exercise, my team at **Cultivate Advisors** and I are offering free 1-hour advising sessions to all small business owners to help navigate through the next 30-60 days. As experts in partnering with small business owners 1:1 to weather these kinds of storms, Cultivate Advisors can help you manage cash flow and find innovative ways to not only survive, but thrive! **[Click here to book your free 1:1 advising appointment.](#)**

### ABOUT THE AUTHOR:



**MAURA VELLA** is a Small Business Advisor at Cultivate Advisors and the co-owner of 105F Hot Yoga & Pilates studios in Chicago. Maura has been in the yoga business since 2006 and when she joined a business partnership, she endeavored a long journey that has yielded at least this hard-fought wisdom: finding a winning mix of perspectives and skills typically means assembling the right people, the right values, and the right strategies. This is what got her to a 7-figure multi-location yoga business. Maura enjoys great satisfaction helping other business owners tune into what's the right mix for them. Together, they work together like business partners, to layer in the systems and methods which propel their thriving business plan forward.



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# A BRAND-BUILDING EXERCISE

**GREG MONACO**

BRAND COACH, MONACO BRANDING AND CREATIVE





# A BRAND BUILDING EXERCISE

**It's hard to imagine a more sudden, more widespread meltdown of the boutique fitness industry. And you're probably in no mood to hear a bunch of but-look-at-the-bright-side nonsense. So let's just agree: the whole thing sucks. Hard.**

That said, as we collectively pick up the pieces of what we built, it might be helpful to hear that you can continue to build your brand—even after your business has been flipped upside down.

Out of necessity, many boutique fitness owners like yourself are in the throes of a panic-pivot: a hasty-yet-necessary restructuring of operations and rethinking of products. Many owners' first instinct is to move from physical to digital, from actual studios to virtual studios.

This knee-jerk approach has its obvious challenges. The “how to” of moving offline to online is enough of a puzzle. But now you're not only competing with the studio down the street, you're also competing with online fitness titans from all over the world. Fitbit Coach, Nike Training Club, Forte, Peloton, and other well-established platforms have deep roots in online training.

And, to further salt the wound, many of these platforms are providing free access to their content. Now your clients have unlimited workout options, from most any studio in the world, and sometimes for free. How is that fair?

I believe that the most creative entrepreneurs will not only find a way but—dare I say—may even come out ahead in a crisis like this. And my guess is that your new successes may not be found by simply moving your product online.

We can learn a valuable lesson from consumer-goods giant Procter and Gamble (P&G). In the 1960s big manufacturers like P&G—who make common household items like soap, toothpaste, and razors—found that smaller companies were encroaching into their market share by offering similar products. As a result, the small guys were confusing P&G customers by selling products with the same “functional value.”



Their soaps cleaned dishes just like P&G soaps. Their toothpaste tasted just as minty as P&G toothpastes. When you see no functional difference from one product to the next, what do you do?

I'll answer that question with an example: I recently bought resistance bands on Amazon. Search for them and here is what you get. It's a complete bombardment of products from companies you likely haven't seen or heard of before. I could not decipher one product from the next. To an uneducated resistance band shopper like myself, I made a decision based on one factor: which brand gave me the most stuff for the least money.

Most for least: this is a dangerous position to build a business from. There will always be a company out there willing to offer more for less. Or even for free! Let's make sure you aren't one of them.

Out of necessity, P&G had to build a way to create more perceived value for their products. They needed to create the "appearance of difference" so customers would make decisions on a metric other than price.

This is the same dilemma boutique fitness owners are grappling with. When everything looks the same, feels the same, and smells the same to an untrained fitness customer, how will they choose?

And when you're competing with "free," and when you're also competing with the best online platforms in the world, there really is no competition. You are in for a tremendous challenge—unless you take a page from the book of P&G.

P&G needed to move beyond functional value to inject "emotional value" into their products. Their premise: customers will pay more for a product they love, and they will keep coming back.

This means P&G invested time, energy, and money in building rapport with the customer beyond the transaction. They built trust, forged bonds, created relationships. If you want to see what this looks like in action, check out this Pampers commercial. Or this Tide commercial. Or even this Tide commercial. Watching those will help you understand what I mean by emotional value.

P&G are masters at relating to customers on a level that moves beyond the product itself. Pampers supports new parents (Pampers' product happens to be a diaper). Tide builds confidence (Tide's product happens to be laundry detergent).

These brands represent something larger than the product itself. They make an unwavering stand for an idea that's more meaningful and relatable than the object they sell.

They use powerful, captivating storytelling to connect and relate to customers on an emotional level. They weave a deep human insight into something as trivial as a clean shirt, or as meaningful as the birth of a child. That's why you choose Tide. Or Pampers. Or Apple. Or Nike.

And that's why your customers choose you.

Let's be honest. Your customers can go anywhere to spin on a stationary bike or sweat through a Yoga class. And, today, they don't even have to leave their living room. But your customers come to you for reasons beyond what you sell.

What is it? Your community? Your personality? Your knowledge? The good news is, you've been doing it since day one. All that's left is to articulate it. And build from it.

My challenge to you is to explore that part of your business that transcends your products. Just as Nike exhorts customers to be the best version of themselves (they just happen to sell apparel), or Apple inspires customers to create (they just happen to sell computers), or Peloton motivates customers to workout anywhere (they just happen to sell stationary bikes), you provide something essential and unique for your customers. And when you build ideas based on that important insight, you leave room for the kind of creativity and innovation that not only brings in new customers but keeps the ones you have.

#### ABOUT THE AUTHOR:



Greg believes that every great brand starts with a great story. Without a clear story that you stand by and believe in, you are rudderless—vulnerable to shifting trends, waves of gossip, the press, even tough tweets. Greg's goal is to create powerful, magnetic brands that attract customers and talent.

His current company, Monaco Branding and Creative, is committed to helping people and companies build indelible brands. He works with authors, entrepreneurs, executives, and recording artists to build their brand presence. He has also helped renowned organizations like the Girl Scouts of the USA, American Express, BASF, and others build brand magnetism. He is a contributing author for Entrepreneur.com, Advertising Age, and Human Resources Executive and tours the U.S. conducting branding and storytelling workshops.

Previously, Greg was a Founding Partner of Monaco Lange, an independent global brand consultancy, and was a Senior Copywriter at Ogilvy helping tell stories for clients like Bulgari, AT&T Wireless, SAP, and IBM to name a few. Greg has also enjoyed many pursuits: architectural photographer, professional soccer player, and filmmaker. He lives in Connecticut with his partner Jill and their three children: Aidan, Cameron and Kylie.

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# PROTECTING **BOUTIQUE FITNESS** AT THE MOST CRITICAL TIMES

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**Boutique  
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# LISTS AND SCRIPTS AND ASSISTS... O MY

**BRITTANY WELK**

CO-FOUNDER/COO LADYSTRONG FITNESS



## LISTS AND SCRIPTS AND ASSISTS... O MY



### WHY TAKE THE TIME TO SET CLEAR EXPECTATIONS?

According to Brittany Welk, co-founder of LadyStrong Fitness, getting creative in the moment is one of the keys to thriving during Covid-19. But even more important? Relying on the systems and staff you had in place before the crisis to carry you through the aftermath.

If you didn't have systems and checklists for staff in place, or the ones you utilized were less than efficient or helpful, now is the perfect time to evaluate everything you were doing to prepare for what comes next.

"Now is a PERFECT time to change things you've been wanting to change, adjust staff, adjust workouts, adjust schedules, adjust everything!" she says. "It's like an opportunity for a fresh start!"

**Check out how Brittany adjusted her usual staff checklists to leverage her staff and turn her Covid-19 response into a well-oiled machine:**

## GENERAL STAFF CHECK LIST

All staff may be asked to work in a different capacity than their normal daily duties but during this time of crisis it is our expectation that all staff assist in the efforts to keep the members of LadyStrong Fitness engaged and active during this time of crisis. One of our Core Values is to be a Team Player and now more than ever, that is needed.

### Tasks Include:

- Operate Virtual Zoom Workouts
- Make Member Courtesy Calls/Check Ins
- Cooking with a Coach Videos
- Member of the Month
- Recognition Wednesday
- Trainer Tip Tuesdays
- Podcast Interviews
- Coaches Corner
- Staff Meetings
- Review Staff Newsletters
- Stay Engaged with Staff Slack Channel
- Other duties as assigned

## STUDIO MANAGER CHECK LIST

The Studio Manager has a responsibility to assist the owners of the studio to keep members engaged and active and keep the core of the business operating as best as possible. All Studio Managers (based on financial protocol) will be kept on staff and operating from an "At Home" basis to complete tasks as expected.

### Tasks Include:

1. Member Management
  - a. Active Members
  - b. Freeze/Cancel Requests
  - c. Newsletter Info (Still Due)
2. Sales
  - a. Lead Follow Up
  - b. Sales (Virtual Platform or Other Items)
3. Daily Duties
  - a. Declined Payments
  - b. Weekly Birthdays
4. Monthly Duties
  - a. Newsletter

Other duties may be assigned to the Studio Manager that may seem outside the scope of normal work but will be required of the Studio Manager to help control the basic operations of the studio during closure.



## STAFF SCRIPTS

While it is important to rely on your staff during this crisis, it is also important to maintain cohesion and commitment to your brand across all messaging. Ensure this is done by providing your staff with easy to use scripts:

### Phone Call:

Hey [Name]! [Staff Name] here from LadyStrong Fitness! We are just doing wellness check ins on all of our members and I wanted to check in and make sure you're doing okay! ....(Have small talk)...Great! Did you also get logged in to the Virtual Workouts? (Help them figure it out if they haven't)....(If they have)...Great! And are you completing your daily workouts?? How's your nutrition going? Anything I can help with? This will be a very back and forth conversation. If they are asking questions regarding membership, etc. let them know that we are taking things one day at a time and will reassess the situation on [Enter Date of Next Checkin].

### Voicemail:

Hey [Name]! [Staff Name] here from LadyStrong Fitness! We are just checking in to see how you're doing with your Virtual Workouts at home! We want to support you any way you can see please let us know how we can help! You can text us at (630) 761-5961 - Talk soon!

### Text:

Hey [Name] ! [Staff Name] here from LSF! I wanted to check in briefly and see how you're doing? Did you get a chance to access the Virtual Workouts? We want to support you in every way we can!

### ***IF SOMEONE ASKS ABOUT PAUSING THEIR MEMBERSHIP:***

We understand this is an extremely difficult time for us all. What we are doing for members who are requesting a freeze for their membership is asking if you have the ability to keep your monthly payments going. It would truly help support us through this tough time and as a token of our appreciation for that will add a free month on to your membership as a thank you. We will continue to provide more and more value with live stream workouts daily, nutritional guidance, accountability and more throughout this time, we will continue to support our LSF community however we can and we hope our community will do the same. If this option above works for you we would be forever grateful for your help in keeping our beloved studio viable so our entire community as a home to come back to when the dust settles.

### ABOUT THE AUTHOR:



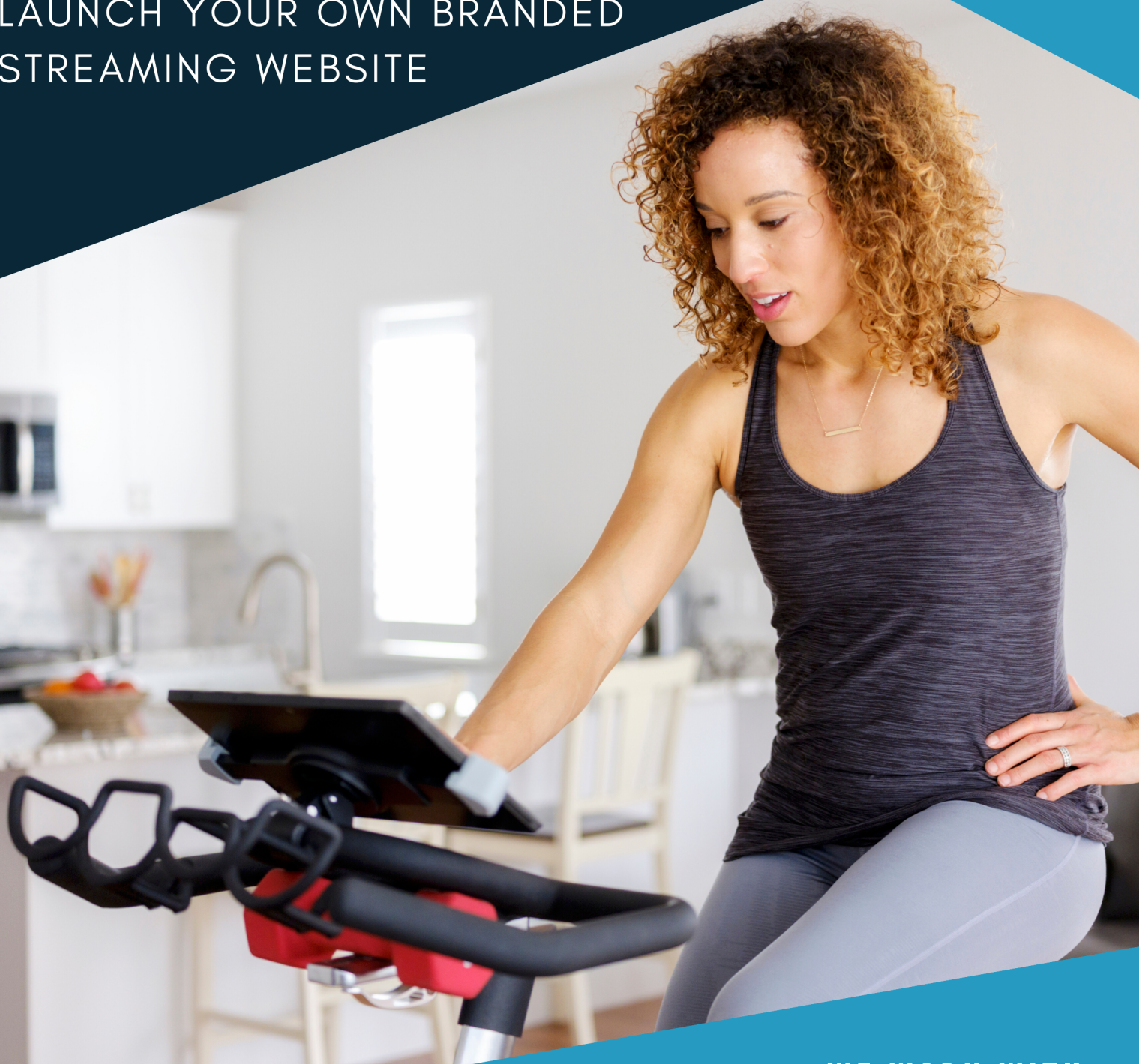
Brittany Welk is the Co-Founder and COO of LadyStrong Fitness, a boutique style studio exclusively for women! The best part about Brittany is she is a studio owner just like YOU! She's here to share her strategies from the trenches on how to easily increase profitability and drive bottom line growth in your studio.



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