

Club Network's

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for

SUCCESS

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HOW TO BRAND YOUR WAY TO SUCCESS

By Derek Barton

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Australian fitness
network
20 YEARS STRONG

About the Author



Derek Barton

Derek's entertainment background landed him a job at Gold's Gym as the head of the Gold's Motion Picture and Television division, innovated by Derek back in 1985. Today, the Motion Picture and Television division continues to promote Gold's clientele and products in television, feature films, commercials and print.

From the success of the Gold's entertainment venture, Derek soon became the head of Gold's Advertising, Public Relations and Marketing department. He brought worldwide exposure to the Gold's Gym brand by rolling out promotions such as the Gold's Gym Challenge, and by later becoming the official gym to Dr Phil's Ultimate Weight Loss Challenge. The publicity was further enhanced from sponsoring events like the Escape from Alcatraz Triathlon, Celebrity Ski Classic to benefit the US Ski Team, and the American Diabetes Association's Tour de Cure.

From 1985 until 2005, Derek helped build the Gold's Gym name into one of the most respected and recognised brands in the fitness industry. As the former senior vice president of marketing, he was responsible for creating the marketing and advertising materials as well as overseeing public relations and promotions for over 580 franchisees and 40 corporate gyms. During his tenure, Gold's Gym received numerous awards and accolades for its innovative marketing, with many ads appearing in advertising and educational textbooks. In mid 2005, which marked Derek's 20th year of building and protecting an American icon, Gold's Gym was listed in the book *America's Greatest Brands*.

Derek left Gold's at the end of 2005 to form his own marketing, consulting and entertainment production company. He is a much sought after public speaker on advertising, branding and customer service in America, Australia and around the world.

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HOW TO BRAND YOUR WAY TO SUCCESS

It is a truth of business that in any given market only one company can be the cheapest; the rest have to rely on brand – and the stronger the brand, the greater the profit margin.

If you want to be successful think about that long and hard. Whatever business you are in, there will always be someone who sells his or her product or service cheaper than you do. Most companies find it difficult to resist the temptation to meet or beat that lowest price, thus engaging in the inevitable price war. However, there will always be a select few who dare to charge a premium price because they believe their product or service is worth it; and because we believe them, we pay that price.

Whether it is a cup of Starbucks coffee, a pair of Nike shoes, a Mercedes-Benz car, Sony's PlayStation 3, an Apple computer or iPod or a seat in first class on Qantas, we gladly pay huge prices for these great products and services because we believe them when they tell us that what they are selling is the best. We even brag about having or experiencing their products and services, thereby becoming evangelists for an ever-expanding base of would-be customers, proving that ultimately the best advertising is word of mouth.

If you don't have evangelists spreading the good word about your product or services, it's time to observe the following seven steps to branding your way to success.

1. Shop the best

In college I bragged to my friends that I had the best headphones in the world and invited everyone to listen to them. Everyone agreed except one guy; he listened for a minute, took them off and stunned me by confidently saying; 'I've heard better.' His girlfriend gave him a hard time for saying it, but he defended himself, saying he was just being honest. If he was right, I had no more bragging rights.

The next day I searched everywhere for the headphones that were supposedly better than mine. I found them – Sennheisers, and they blew mine away. They were more expensive than mine, but I wanted the best. Thirty years on I still have a pair of Sennheisers – in fact, I have two. Great company, great headphones.

Don't ever preach that you have the best until you've seen the rest. Sample them all if you can. One gym owner I know holds memberships to his competitors' facilities and trains in them all so that when he says he has the best gym

in town, he knows it's true. When he travels he shops the competition, getting great ideas from them and from the hotels he stays in. He once called me from New York in awe of a national competitor whose lobby was the most breathtaking he had ever seen.

By shopping the competition you quickly find out who has the best atmosphere, staff, programs, customer service, equipment and anything else worth comparing to your own company. And, it will inspire you to build a better brand.

2. Steal from the best

Lots of comedians recycle jokes that they 'borrow' from each other – how many times have you heard the same joke told over and over again by different people? Each time we hear it, we laugh at the same punch line, but one guy will always make it funnier than the rest, sweeping us up in his joke-telling so the journey becomes just as funny, if not funnier, than the punchline.

The same goes for restaurants and health clubs. Most of us have eaten steak. Steak is steak, until a great restaurant serves it up on an incredible plate with amazing presentation. The right garnish, spices, silverware, service and ambiance make that steak seem so much better than the one in the restaurant across the street.

The fitness facility market is also a parity market. What you have, the competition has. You have group exercise classes, so do they; you have free weights, so do they; you have the latest equipment, so do they; you offer childcare, so do they; what you charge, they can charge. So, what makes you different? If you can't answer that immediately, you aren't different, which is why your marketing probably focuses on price instead of those qualities that distinguish you from the competition.

When Howard Schultz, the founder of Starbucks, told his friends and colleagues that he was going to open a coffee shop, they all told him he was nuts because there were thousands of coffee shops already in existence. That fact, however, was what not only inspired Howard, but made him determined to charge more for his coffee. He had shopped the potential competition and believed nobody had the 'ultimate' coffee shop. He was right; now he has it, and the Starbucks brand continues to grow with 11,000 stores in 37 countries and a growth rate of about five new stores a day. Serving forty million customers a week, this \$29 billion business succeeded because one man

shopped the competition and said; 'I can do better. I know what people want and need.'

If you believe you know what the public wants and needs and nobody is offering it, build it yourself.

3. Play with the big boys!

Regarding sports, my dad always said; 'If you play with guys who are better than you, you will become better yourself.' To this day, I love a challenge.

A couple of years ago I met Maurice Green, the fastest-running man in the world. My friend, a sprinter himself, was training with him and invited me to watch. I sat in my everyday clothes watching Maurice and his team being timed in the 100m dash by their coach. As I watched, I couldn't help thinking back to the days when I competed; I was pretty fast myself, about a half century ago.

As I watched Maurice fly down the track I kept wondering if I could keep up with him. Finally my ego and curiosity got the better of me. I whipped off my shoes, walked out onto the track and braved the laughter when I challenged Maurice as he walked back from his seventh timed 100m dash. He smiled and accepted my challenge. I was planning to start on the same line with him, but seeing those massive quads close up and that 'I'm gonna smoke ya' look, I decided to give myself a chance.

I looked back at Maurice from twenty metres away as his coach blew the whistle to start the race. His head was down when I saw him explode out of the starting blocks. I turned and ran like a gazelle being chased by a lion. For a moment being ahead of Maurice Green, the fastest man in the world, was a moment to behold. I could see the finish line and there was nobody ahead of me. For that moment I honestly believed that I could win the race.

Reality soon awoke me though as Maurice flashed by and left me eating his dust. The socks in which I had been running were almost off my feet when I finally crossed the finish line and my legs were asking me what on earth I had been thinking. My ego was looking for excuses, until the coach told Maurice that he had just clocked his fastest time.

My dad was right. See how much better Maurice performed against someone better than himself? He stepped up his game to meet the challenge! Seriously though, I learned a lot from that race. Maurice knew he could beat me from the outset, but he didn't take me for granted and ran full out. I on the other hand wasn't afraid of competing against someone better than me and embraced the challenge.

This is how you must compete in your own business. If you are the biggest and best at what you do, don't take any competitor for granted. The flip side of that coin is, don't be afraid of competing against someone bigger and better than you. Be the best you can be at what you do best, and don't ever quit.

4. Think like the big boys

Years ago in one of our team meetings at Gold's, I was illustrating how brilliantly Nike marketed their brand. One of my colleagues protested; 'Derek, we are not Nike.'

Recently I stayed in a small hotel in San Francisco. The service was terrible and I reported to the hotel manager that it was far from the service of a Ritz Carlton. He replied; 'We aren't the Ritz Carlton.'

My response to both of these gentlemen was the same; 'If you don't think like they think, you will never be as successful as they are!'

The reason Tiger Woods is so good is that he demands the best of himself all the time. He has a burning desire to beat his competitors every time he takes to the course, especially when he is behind on the leader board. Though Tiger is the number one golfer in the world, he has twice changed his swing to become even better.

To be successful, you must have that desire to be the best at what you do, whatever that is.

5. Lead or challenge?

If you are a leader, lead. If you are a challenger, challenge. Don't just follow the pack. In a world of competition, figure out who you are and stick to it.

In the rental car business, Hertz is number one. Avis knew this when it entered the arena and positioned itself brilliantly against this goliath. Avis knew that people love an underdog, the great odds the underdog faces, and the spirit with which the underdog challenges those odds. We love them for their tenacity and because they try so hard to win us over. That is the position and spirit behind Avis, and because we admire and respect their attitude, they ultimately win our business.

You can win a lot of business if you position yourself properly and have the right attitude. I know of a small health club in a college town with about 1,400 square metres floorspace. Less than a mile away is a 10,000 square metre health club. The bigger health club has an indoor basketball court and a swimming pool; the smaller club doesn't. The bigger club has saunas and jacuzzis; the smaller club doesn't. The bigger facility has more empty parking spaces. The smaller club usually doesn't, because it has more members using it. What it lacks in size, it makes up for in size of heart. How? The smaller club is the official gym of the college's lacrosse team. It gets involved with community events and charities. Staff greet you by name when you come in, and wish you good day when you leave. You feel like the club really cares about you. It does, and that's why members train there rather than at the big club down the street.

6. Brand personality

Brands need to define themselves in terms of what they own. A core value or belief. An attitude. A look. A symbol or slogan that is innate to the product or service. These are all elements in defining a brand's personality.

Apple is a great example of brand personality. Its logo is distinctive. Its slogan 'Think Different' defines its brand. Even the look of Apple's products is distinctive. Apple truly believes to its core (pun intended) that its products are the centre of the digital world. It gives the public something it had never thought of, but wants.

Apple was the first to build a computer that was simple to use and looked cool. It was even offered in our favourite colours. The Apple iPod was built to be compact, simple to use and cool – nothing else in the MP3 world was like it and it succeeded in igniting our passion. 2007 sees the launch of the iPhone, another Apple product that is simple, elegant and cool. And once again, it is different than anything else in its field today. Millions of people can't wait to buy the iPhone when it comes out, and once again, the competition will be scrambling to catch up.

When the automobile was first introduced, it came in one colour, black. Competition brought different colours, then a radio, then a cassette deck, then CD players. Then manufacturers started surprising us with things like heated seats for cold climates, DVD players for the kids in the back seats, a means of playing our iPod through our car stereo, and a navigation system so guys don't have to pull over and ask directions.

We take these innovations for granted now, but someone thought of them first to differentiate themselves from the competition. As the Apple slogan goes, 'Think Different'.

7. Differentiate yourself

So what will you do to change the fitness industry? What difference will you and your brand make? How can your brand retain members for your facility? How can you attract the special populations who are in desperate need of your product and service? How can you help fit people maintain their physique or increase their strength, endurance, and flexibility? What surprises can you give your members and potential members? Can you be as innovative as Steve Jobs, Phil Knight, Howard Shultz, and Richard Branson are in their respective fields? These men are the brand personalities of Apple, Nike, Starbucks, and Virgin. Big personalities of big brands, which make a big difference!

Now ask yourself some questions...

How's your brand personality? Do people like or respect you? Do they like your brand name, symbol, slogan, attitude, and values? In other words, do people like being

around you? Do they love your products and services? Do your brand and marketing emotionally connect with people? If the answer is 'no' to any one of these questions, it is time to make a change – time to make a difference by implementing the points below.

Exterior or interior branding

When was the last time you were excited about the outside of a store, restaurant, house, hotel or office building? If you can recall one, then try to incorporate those elements into the exterior of your club. If you can't recall one, then get out there and shop until you find some! When was the last time you walked into any of these places and were blown away by the design, atmosphere or ambiance? Incorporate those elements into the interior of your health club.

Brand customer service

Which place of business do you frequent that has staff who really make you feel welcome? Who are the people who stand out in your mind with whom you most love doing business? Teach your staff the art of great customer service, and how to emulate the companies and people that impress you.

Test yourself

Here's a good way to see if your company has great customer service. Take out a piece of paper and start writing an ad about how great your customer service is. If you are having trouble writing this ad, crumple up the paper and start working on your customer service.

Logos

What logos do you and your loved ones proudly wear? Is it the design you all like or what the logo stands for? Does your own logo measure up? Does it look good on all applications from signage, stationery, colour ads, black and white ads to apparel? If not, change it!

Taglines

How many slogans or taglines can you name from at least five different competitors of yours? I bet you can remember twice as many from outside your field. If you don't have a great tagline like Nike's 'Just do it', then don't use one. A great tag line should be able to stand on its own. You should be able to put it on a t-shirt and have it mean something. 'Just do it' works on anything.

Brand names

Don't be so literal. Look at how many health clubs in the fitness industry feel the need to put the word 'fitness'

in their name. You don't see that in brands outside our industry. Nike is Nike, not 'Nike Shoes and Sportswear'. McDonald's is not 'McDonald's Hamburgers and Fries'. Sony is not 'Sony Televisions and Stereo Equipment'. Apple recently changed its name from Apple Computer to just Apple. Smart move as Apple now means more to people than just computers.

Let your marketing and word of mouth speak for your brand. Your brand is not what you say it is, but what others say it is. We all know what 'Curves' is, right? We all know who trains there and what niche it fills. Curves is Curves. Great name. It doesn't need to be called 'Curves Fitness For Women' or 'Curves Health and Fitness Centres for Women'.

Brand colours

If I asked you what colours make up Starbucks, you would tell me green and white. If I asked you the McDonald's colours, you would say red and yellow. And, if I asked you the colours of your high school, university or favourite sports team, you would tell me. But, you and many other people in the fitness industry may have trouble telling me what the colours of your own brand are.

Why is it that a guy can tell you that a Tiffany box is robin's egg blue, but he may not even know his wife's favourite colour? Tiffany and other great brands know the value of colours associated with their brand.

Colour is important – colour is energy. The fact that colours have a physical and psychological effect on us has been proven time and again in experiments – most notably when blind people were asked to identify colours with their fingertips and were able to do so easily.

Brand your club with your own distinct colour combinations. At Gold's Gym, the colours are gold and black with highlights of red. Those franchisees who understand that there are dozens of variations of each of those colours do a great job of branding their clubs. Even when it comes to balloons or water bottles or anything else you sell or use to promote your club, incorporate your brand colours. The constant use, even if subtle, will help to reinforce your overall brand in your client's minds.

Marketing your brand

What ads emotionally connect with you? What commercials usually make you smile or laugh? Which ones

do you remember? If your print, radio, TV, billboard, or internet ads don't have any emotional connection with people, you are wasting your money.

When you create an ad for your health club, remember to ask yourself the questions in the test below in order to illicit an emotional response. When you realise how much you have to tap your emotions for people to respond, hopefully you won't create those same old boring non-emotional health club ads that list all your pieces of gym equipment, show that same girl and guy with the fake smile working out on a machine with your discounted price in a big starburst!

Win 'em over!

At the end of the movie, *The Gladiator*, Russell Crowe's character was told that if he wanted his freedom he would have to win over the people. In the arena battling for his life against insurmountable odds, he came out victorious. He did win over the people and their loyalty despite the Emperor's trickery to gain favour with them.

How loyal are your members to you and your brand? Do they support and cherish your product and services above everyone else's? Or, are they there only because of the low price? I call these people 'temporary' customers because odds are they will jump over to another brand if the competition's price is cheaper. Not ideal members to have, are they?

The only computer I have ever had is a Mac. Apple is the only brand I will ever use when it comes to computers, MP3 players and now mobile phones. If you gave me another brand for free with all the free upgrades and software included for the rest of my life, I wouldn't switch. Now that's loyalty! Because of Apple's great products and services, which have enhanced my life for years, they have won me over for life. Apple is a brand I can trust because my experiences with them over time have met or exceeded my expectations.

Endeavour to foster this sort of relationship with your club members until they feel an enduring loyalty to your business – win 'em over! ■

Test yourself

Here's an exercise; pretend you are creating an ad that will ask every person to send you one dollar. The first question you may ask is; 'Why should someone send me a dollar?'. The next question may be 'What do they get from sending me one dollar?'. And last but not least, 'Why should they send it to me now?'. All good questions. When you complete this exercise, you will realise how many emotions have to go into this simple ad to get that simple dollar bill.

Branding essentials

When it comes to branding your way to success, remember, and act upon, these all-important points;

1. Only one competitor can be the cheapest – the others have to use branding. The stronger the brand, the greater the profit margin.
2. By shopping the competition you find out fast who has the best atmosphere, the best staff, the best customer service, the best programs, equipment, and anything else worth comparing to your own company. It will inspire you to build a better brand.
3. If nobody has what you know the public would want and need, then build it yourself.
4. If you are the biggest and best at what you do, don't take any competitor for granted. Go full out. The flip side of that coin is, don't be afraid of competing against someone bigger and better than you. Be the best you can be at what you do best, and don't ever quit.
5. If you don't think like the 'big boys', you will never be as successful as they are!
6. If you are a leader, lead. If you are a challenger, challenge. Don't just go along with the pack. In a world of competition, figure out who you are and stick to it. Think different!
7. Make sure your brand and marketing emotionally connect with people.
8. It's design, not strategy that ignites passion in people. And the magic behind better design and better business is innovation.
9. A successful brand is a never-ending play and every person in the company is an actor. People see the play whenever they experience the brand, and then they tell others.
10. Measure your company's brand expressions for distinctiveness, relevance, memorability, extendibility and depth.
11. The foundation of brand success is trust. Customers trust your brand when experiences consistently meet or beat their expectations.

Example of effective fitness industry branding



Club Network Membership

Australian Fitness Network's Club Network membership provides fitness facility owners and managers with all the resources they need to ensure business success. Your Club Network membership provides you with awesome resources including:

- Three publications specifically for fitness industry professionals and club owners/managers (*Network* magazine, *Club Network* and *Manual for Success*)
- Pre-written media releases
- Fitness puzzles and member newsletters for your members
- Retention letters
- Member waiver
- Birthday cards
- Inspirational posters, bookmarks and postcards
- A web site dedicated to promoting your job vacancies
- Discounts on products and training aids
- And more!

PLUS through the Club Solutions Network, your Club Network membership is your one-stop shop for all the turnkey solutions you need to take your facility to the next level of success. Through the Club Solutions Network program, you receive thousands of dollars worth of massive and exclusive discounts on:

- Print Marketing Solutions, through Active Management (www.activemgmt.com.au)
- Direct Debit and Financial Solutions, through Ezipay (www.ezipay.com.au)
- Footwear, Apparel and Equipment Solutions, through Reebok (www.reebok.com.au)
- Continuing Education Solutions for your staff, through Australian Fitness Network (www.fitnessnetwork.com.au)
- Sales and Customer Service Training Solutions, through Impact Training Corporation and the National Sales Academy (www.impact-training.net and www.nationalsalesacademy.com.au)

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