

E-BOOK

Mariana Tek's Ultimate Studio Growth Guide

Learn what 'hidden' opportunities exist and how to use them to boost your boutique studio's growth Do you think all boutique studio revenue only comes from memberships? Top studios know where to find the hidden drivers of income, and they come from add-ons, guests, cancellations—and way, way more.

Most studio owners believe to grow their studio all they need is more leads. However, there are so many opportunities for income from an already-established member base that you can harness, from inviting their friends to micro-transactions that add up.

In this guide, we will show you these opportunities to drive more revenue for you without you and your entire team overhauling your entire system.

Ready to start boosting your bottom line? Read on.

According to data from IHRSA, boutique fitness businesses drove **\$2.45 billion in membership revenue**, compared to the **\$1.49 billion** traditional fitness clubs made in 2015.

OPPORTUNITY #1: GUEST FRAMEWORK

Having a friend at class can be motivating and helps keep your members accountable in achieving their goals.

But most importantly: it can be a huge source of revenue that you may be missing out on.

How do you tap into that extra revenue? First, you have to look at the friction points your customers may be facing when bringing guests and how you can adjust your system to start making extra cash.

Friction points



TOO MANY DISJOINTED STEPS

Members have to tell friends to meet them at the studio for a specific class, hope there is a spot, and pay for them at the front desk.



NO GUARANTEES

Beyond the fact that studios don't always pick up the phone, you have to call to hold a spot for a friend—but the class might already be full.



REGISTRATION BARRIER

Sometimes, you have to create an account under your friend's name and use your credit card; other times, they have to create an account— it can be clunky enough to not attend class.

The solution



GO DIGITAL

Use booking software that allows customers to schedule their friends quickly in advance without needing to call the studio.



SELECT SPOTS IN ADVANCE

Ensure members can pick-a-spot to select their place next to their guest before the class.



EASILY ALLOW GUESTS

Allow your members to book their friends on their own account to reduce friction and make it easier to bring new leads into your studio.

OPPORTUNITY #2: REMOTE REVENUE

COVID-19 created brand-new opportunities to generate revenue that aren't limited by class size.

Even if your business hosts classes from dawn 'til dusk, you're still limited in revenue by how many attendees you can safely fit into a space.

In recent years, particularly when COVID-19 closed studios down for months at a time in 2020, businesses got creative to maximize their revenue without the ability to have people attend class in person.

Some studios have gone remote, while others have adopted a hybrid in-studio and virtual environment—both models provide ample opportunity for earning beyond what your studio can physically offer.



With the elevated at-home experience that Mariana Tek and Forte are offering, I think that's where our vision is, but it's also trying to balance the experience. We don't want anyone to feel like we're forgetting about them and just focusing on the camera.

-Kelsey Siver, General Manager at Health House. <u>Read their story here.</u>

OFFER A DISCOUNTED RATE

This seems counter-intuitive to generating more revenue, but this is a strong way to market to your budget-conscious prospects. They may not be ready right now to commit to the full membership package, but you can nurture them until they are—more on that later.

CREATE VIDEOS ON DEMAND

Create a bank of workout videos via tools like Intellivideo and Forte that integrate seamlessly with Mariana Tek and stream them exclusively to your members.

Later on, you can even use these to train new instructors quickly and easily.

GO LIVE WITH WORKOUTS

With a small investment in a video recording set-up, you can reach a wider audience online through virtual workouts. Using the LiveStream Manager, you can automate registrations via email, and send reminder emails or SMS messages with custom time intervals.

Even after COVID-19, 70% of virtual fitness class participants intend on using online fitness to break a sweat. (McKinsey)

OPPORTUNITY #3: CONVERTING INTRO OFFERS

Focus your marketing efforts on converting first-timers to returning members with exclusive offers on long-time membership packages.

The way you interact with your first-time members is different from how you treat long-time members who know your studio.

First-timers are also much more likely to start with a small purchase to test the waters and see if your studio is what they're looking for. But once they have more confidence, you can convert them to a committed, returning member.

CLASS BUNDLES

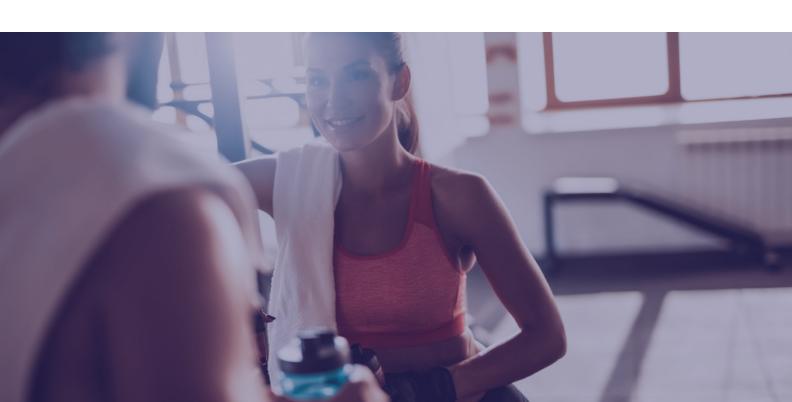
You can create custom bundles or packages that work better for your business. Build a bundle that caters perfectly to your members wherever they are at in the customer journey, so you can get them hooked and keep them coming back for more.

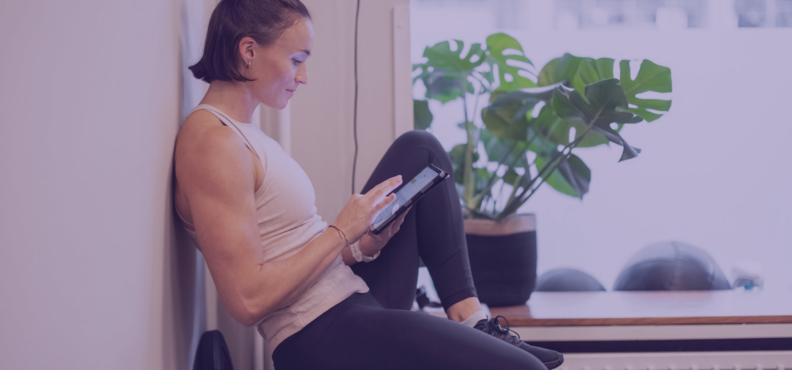
ADDRESS THEIR CONCERNS

Perhaps it's a concern about budget, or their schedule, or their overall capacity to commit to a monthly membership—or a mix of those things and more. Whatever their reason is to not buy, you need to identify it and have a solution ready to calm their nerves.

KEEP LEADS WARM

Even if you offer discounts, trials, or any other offers for first-timers, there will be some that don't convert right away. And that's OK. They may not be ready to buy, but you know they are interested. Segment these leads so you can run a win-back campaign in the future.





OPPORTUNITY #4: ADD-ONS & BOOKING FLOW

Adding a few key options in your customers' booking experience can put extra cash in your wallet.

When's the last time you looked at your bank statement, and were astonished at how many small, mindless transactions racked up on it?

The same goes for members at your studio. It's often easier for many of them to make one small purchase than it is to make one big purchase they are unsure about.

THE LITTLE THINGS ADD UP

Create options at the end of a booking process to rent gear or purchase extras like bottled water, snacks, or smoothies. You want this to be super easy for your studio-goers. The more seamless the customer experience, the more purchases roll in—before they even walk in the door.

PENALTY FEES

Especially with popular classes, a secured spot is highly valuable. Charge members penalty fees if they drop out at the last-minute. This incentivizes attendance and guarantees you won't lose revenue over last-minute dropouts. Plus, penalty fees help create the feeling that everyone wants in.

BOOKING ANOTHER CLASS

When booking, make it easy for customers to book an additional class in advance. And if members book early in the week, they're already primed to book another class later that week. This helps your members reach their weekly fitness goals by keeping the momentum going, while also driving more engagement and revenue for your studio.

OPPORTUNITY #5: CREATE FOMO

No one wants to feel like they're missing out.

As a marketing and sales tactic, the fear of missing out (or FOMO) is sure to drive booking behavior like nothing else.

FOMO is a legitimate pain point for customers; whether it's on an exclusive event, or a blink-and-you'll-miss-it deal, this phenomenon motivates members to save a spot for themselves.

COMMUNICATE THE DEADLINE

Nothing persuades people to buy like knowing they're running out of time. Remind members when your promo is ending with countdowns in emails, on your website, on social media, and in all your campaign messaging. When the pressure is on, most members won't regret booking if it means they didn't miss out on something fun.

SHOW REMAINING SPOTS

Seeing real-time availability of spots in a class drives urgency to book. Members are more likely to book a class if they can see a limited number of available spots. Plus, members are more likely to come to class when they know for sure they can get their favorite spot.

SHARE SOCIAL PROOF

Time is a huge part of what makes FOMO effective, but community is another important part. Social proof in your marketing strategy will convince anyone on the fence to buy; share pictures of a fully packed class, or a sold-out event to show that your studio is the place that people want to be.

60% of people make purchases **because of FOMO**, mostly within 24 hours.
(TrustPulse)



Keep your promos front and center so they stay top of mind.

Newsletters and social media are wonderful for keeping in touch with your member base, but it doesn't have to be the only way you share news.

Mariana Tek's app allows you to serve targeted advertising banners right where your members book and buy. You can host an ad server, allowing you to programmatically target user segments. This way, you are maximizing the advertising real estate on your custom mobile app, and know that members are seeing the latest and greatest from your studio.

PROMOTE YOUR NEXT EVENT

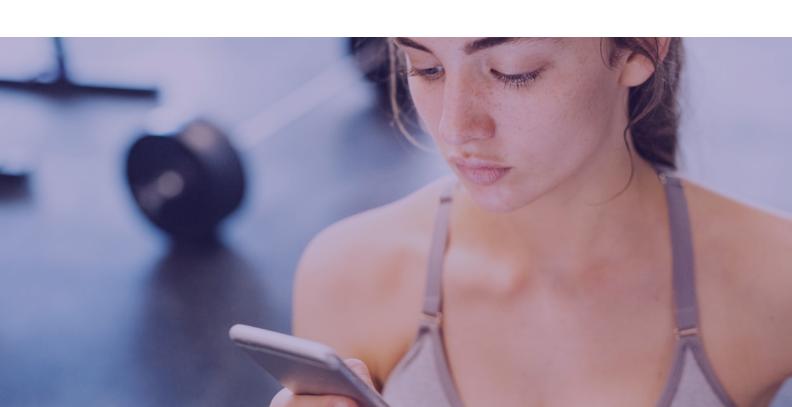
Incorporate elements of FOMO to entice members to book a spot at your next special event. Remind members that they only have so much time to book, or that they get something special for early bird bookings.

SHARE NEW SERVICES

Make the new class or service you provide the first thing your prospects see when they interact with your studio. You never know, this new service may be the deciding factor for them to buy a membership.

SELL YOUR SWAG

Announce offers or deals on your merch store. Share coupon codes, new arrivals, and way more on the in-app banner. Give members a discount for buying bundles or send them offers on special days or when they meet certain milestones.



OPPORTUNITY #7: PREMIUM MEMBERSHIP PACKAGES

Reward your members while making passive income.

With this model, the sky's the limit.

One of the easiest ways to drive more revenue—without any additional cost—is to create new membership tiers. With Mariana Tek you can easily create membership tiers to drive in additional revenue.

REWARD HIGHER TIERS

Reward members at the highest tiers with a loyalty or rewards program. Make this program only available to those at certain tiers to drive FOMO and generate more revenue.

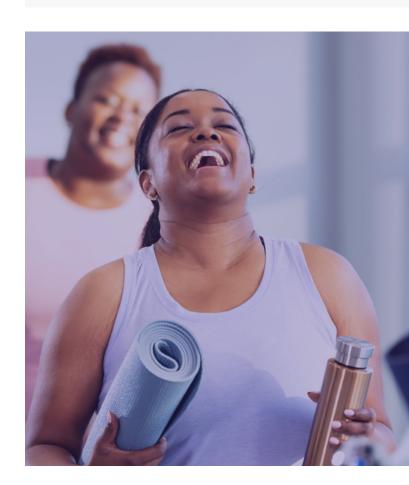
OFFER MEMBER-ONLY PERKS

Perks like being able to book a spot before anyone else or invite more friends to class are pretty hard to resist for something easy like an extra 10% more a month.

CREATE A VIP TIER

Start a VIP tier on the top of your membership pyramid, granting VIPs access to events, sales, and classes only offered through that tier. VIP members will feel special and appreciated, while you add to your bottom line.

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to the \$1.49 billion traditional
fitness clubs made in 2015.
(IHRSA)



KEY KPIS TO LOOK OUT FOR

You know the opportunities your studio has to earn more, now you're ready for the next step.

Every strategy has a benchmark of success, and these key performance indicators (or KPIs) will tell you if you are on track or not.

Using Mariana Tek and the Insights Portal, pull all of your data into one simple, organized dashboard so you know where to take action. These insights will better inform your decisions as a studio owner, and put you in a position to react faster by highlighting risk with regard to cancellations and revenue.

Use Mariana Tek's and the Insights dashboard to reveal:



TOTAL SALES

One of the most important KPIs, use total sales of class credits and memberships to see how your base revenue is tracking month over month and year over year.



FIRST-TIMERS & CONVERSIONS

Take a look at how many first visits you have this month and what percentage are converting to members. Converting your first-time visitors to members is one of the easiest ways to optimize your marketing spend.



NET NEW MEMBERSHIPS

It seems pretty simple, but knowing how many net new memberships your studio is bringing in each month and each year is critical to revenue forecasting and understanding where you need to focus your efforts.



CANCELLATION

No one is perfect, you can always expect some turnover in your client base. Although you might not want to see cancellations it's important to know if there's a trend you need to be aware of and what your average number is per month so you can plan for it in the future.



EXPIRATIONS & UPCOMING EXPIRATIONS

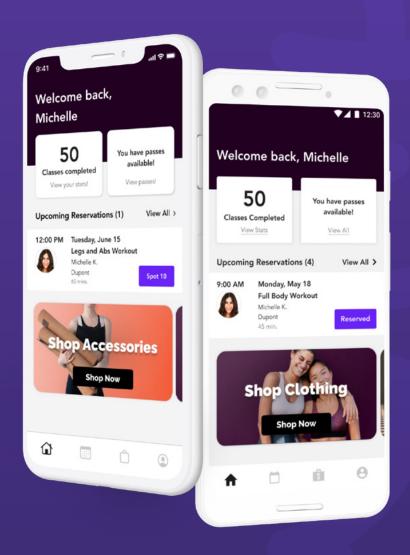
Some members may forget to renew their memberships, use this data to see who is expired or close to expiring and engage with them to renew their package.



CLASS USE

Use 'class utilization' metrics to better understand where you are doing well and what needs improvement. Use these numbers to see what times or day, what class types, and what instructors are driving the most revenue.

Get the immersive mobile experience you've always wanted, so members can book with ease—and unlock access to tools that guarantee consistent revenue for your studio.



Learn more about Mariana Tek.

Book a demo today

