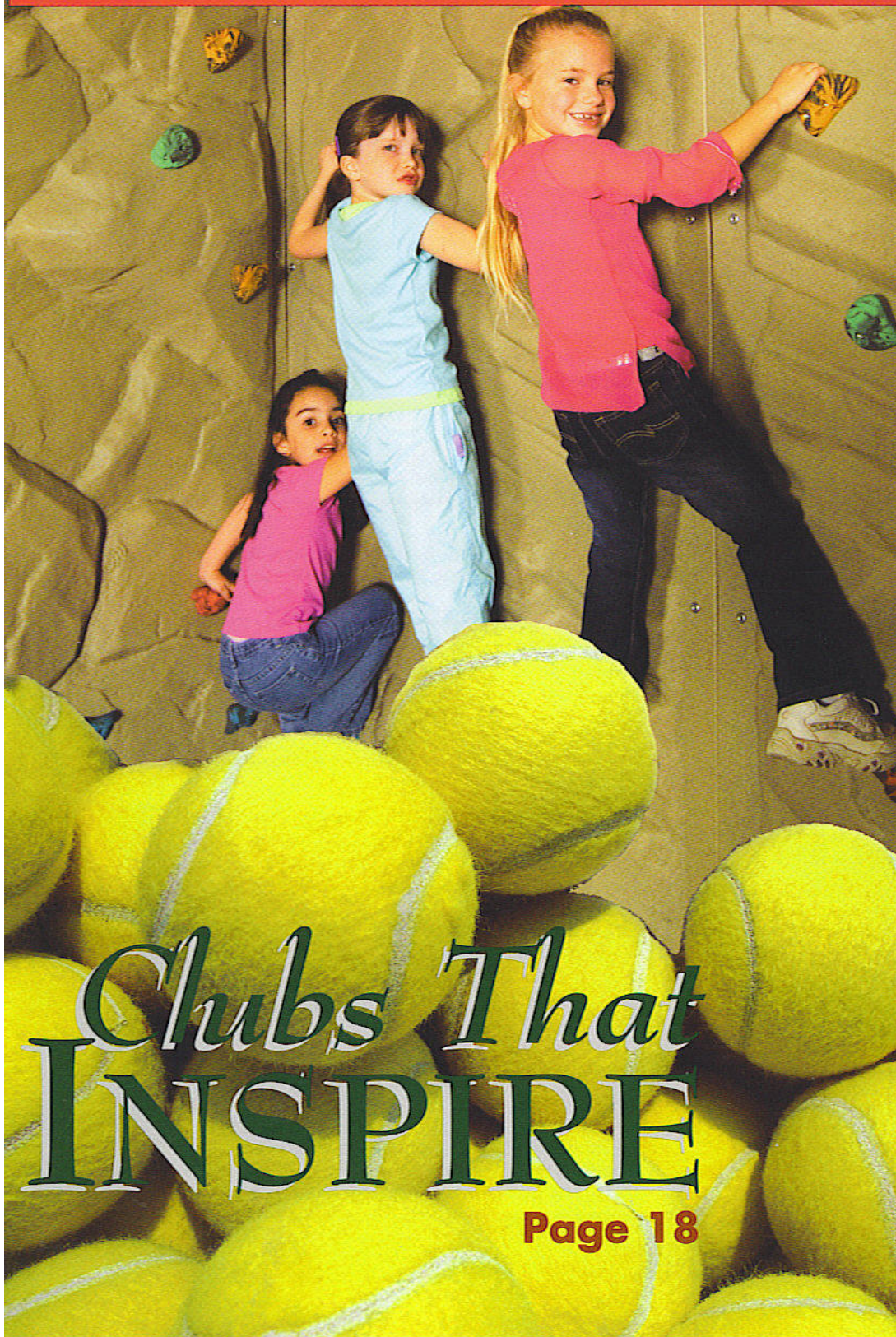


# CLUB SUCCESS

Successful Strategies For Fitness Industry Professionals™

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**Peak**  
performance  
Club Marketing & Management Success!

Providing informational resources, management assistance and staff education programs for the health, fitness and sports industry.

## inside

**Marketing Success—Real or Perceived?**

PAGE 4

**Structure Your Sales Department to Get and KEEP Members**

PAGE 6

**Service Doesn't Stop at the Front Desk – But it Sure Starts There!**

PAGE 8

**Why Clubs Are Not Benefiting from Successful Budgeting**

PAGE 10

**Powerful Strategies for Boosting Your Referrals**

PAGE 12

**Moving the Model from Instructing to Coaching**

PAGE 14

SEE PAGE 2 FOR A COMPLETE TABLE OF CONTENTS

*Clubs That*  
**INSPIRE**

**Page 18**



# Clubs That INSPIRE

Are you looking for a bit of direction in your club organization? Need a fresh perspective or a new idea? Well look no further. We have found 3 facilities that wanted to differentiate themselves in their marketplace—and did they ever!

***“Once we decided our niche, we stuck with it. We took out the collegiate-size basketball court and all of the squash courts and people quit. We expected that. The squash courts are now a revenue-producing Private Pilates Studio and Learning Center for Instruction and Continuing Education and the basketball court is budgeted to do \$200,000 per month in PT revenues.”***

**BRENT DARDEN  
TELOS PARTNER  
AND GM**

## The Telos Fitness Center of Dallas, Texas

### CATEGORY: LUXURY FITNESS THAT GETS RESULTS

You would never know that the award-winning, 63,000 square foot Telos Fitness Center was once an old racquet club that had 24 courts and was losing \$70,000 per month.

Partner and GM Brent Darden has helped transform the club to a first-class, luxury fitness facility in Dallas, Texas. “We did our market research before doing the build-out and it was pretty obvious who our market was. Our niche is the consumer for whom health is their priority. It is more than design and is a very intimate, personal setting and not a big box feel. We cannot afford not to be different from our competition,” explains Darden.

And the competition is abundant — North Dallas hosts nearly every big player in the club industry. There are five Lifetime Fitness Clubs at last count, nearly twenty LA Fitness, several 24 Hour Fitness clubs and Gold’s Gym has their headquarters there. Telos received the best kind of feedback on their concept when they became profitable in only their thirteenth month of business. They have been in business for three years now.

### VALUE-ADDED LUXURY

Basic dues are \$104, but many members opt to purchase a value package at around \$334, which includes many of the restorative treatments and therapeutic elements that truly differentiate Telos from the other options available in their market. Telos offers Pilates, Yoga, massage, nutritional counseling, chiropractic services, plus has a salon and thus offers its members a team approach to their fitness.

“We decided to go that route because that is what our target audience needs in order to meet their health and fitness goals. We know our market is not young adults, not families, not seniors. Also, we are not a pampering spa or a medical spa either — our therapy is an adjunct to our goal of helping people reach their goals,” Darden says.

We were interested to hear that all of the ancillary therapeutic staff are employees of Telos — not renters. “Not only do most clubs farm their therapies out, but often there is a disconnect



between the fitness and the therapy team as a result of that," says Darden. "The great thing here is that if you are working with a Personal Trainer your PT will be checking in with the person who handles your muscular therapy and your dietician, etc. They will actually meet and talk about your needs because they are a team. Traditionally, consumers have to go to all separate experts who compete — this way, it is the integrated approach," he explains.

*Darden has been involved in the health and fitness industry for over 25 years in a wide variety of settings, including private and church-based programs. He is a native of Dallas with an M.S. degree from Baylor University. Darden is a founding Board Member of the Texas Health, Racquet and Sports Club Association and an accomplished author. He was voted "Top Convention Speaker" by IHRSA and the Medical Fitness Association, and he is a requested industry speaker and has been interviewed by Good Morning America, Good Day Dallas and numerous network newscast and talk shows.*



**TELOS**  
FITNESS CENTER

### SOME TELOS FITNESS CENTER FEATURES

- State of the Art Cardiovascular and Weight Training Equipment
- Professional Fitness Services
  - Private Training Sessions
  - M.A.T. (Muscle Activation Technique)
  - Nutrition Services
  - Chiropractic Care
  - Clinical Therapies
- ∑Pilates
- ∑Spa Services — Including Full Service Hair Salon
- ∑Group Fitness Classes
- ∑25 Meter Lap Swim Pool
- ∑Dallas Judo and Ju Jitsu Club
- ∑Nursery & Kids' Activity Center
- ∑Caesar's Cafe
- ∑Dry Sauna, Wet Sauna and Whirlpool

## The White Bear Racquet & Swim Club of White Bear Lake, Minnesota

### CATEGORY: GOING GREEN ENVIRONMENTAL SUSTAINABILITY PAYS OFF

The club seemed to be doing just fine. After all, according to general partner Paul Steinhauser, White Bear Racquet & Swim (WBR&S) is the type of club that can "generate over \$600,000 in tennis lessons and over \$400,000 in personal training sessions. In all, its 3,000 memberships (5,000 adults and several thousand children) generated \$5.9 million in revenues, with a 26% net operating margin, in 2003."

The club was about to embark on a \$3-million renovation, and, serendipitously, a friend gave Steinhauser a copy of *Mid-Course Correction*, a book by Ray C. Anderson, the founder of Interface, Inc., the world's largest commercial floor-covering company. Anderson is a prominent champion of sustainable development, and *Interface* a compelling case-in-point.

"I'd long suspected that burning a quarter-of-a-million dollars of fossil fuel each year

was inconsistent with promoting personal health," reflects Steinhauser. "But, as I read the book, a light came on for me. I proposed that, as a part of our commitment to 'total' health, the club move towards sustainability, and the management staff went for the idea head-over-heels."

#### THE BUBBLE BURSTS

After a 2002 snowstorm destroyed their old five-court tennis bubble, WBR&S replaced it with a permanent, well insulated five-court metal building. Before the new building, they used gas for heating at a cost of approximately \$40,000 each winter. And the 12 light fixtures per court used to require 60,000 watts/hour of electricity. The new building has in-court radiant heat, which is quiet and powered by ground source heat pumps. The same system supplies air conditioning. Lighting is now indirect and efficient.

***"When our bubble died in a snowstorm of 2002, we decided to spend between \$6- to \$700,000 extra against the cost of the replacing with the coolest new bubbles available. We put that money on the line thinking — Oh God! If you total the cost of the other 5 bubble courts it runs us roughly \$49,000 to heat them against our new 5 court bubble which costs \$300 to heat. But, the best part is that our new building is so cheap to heat and cool that our total tennis revenue averages \$265,000 more in revenue than we did before."***

**Paul Steinhauser**  
**WBR&S General Partner**