Increase Revenue & Employee
Retention with Smarter Software

5 Ways to Beat Team Burnout



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One year ago, by all standards the health club industry was flourishing. 2019 closed with a robust overall revenue of \$96.7 billion, up \$2.3b over the previous year, per the IHRSA Global Report. Health club memberships climbed 28% from 2010 and the swell was anticipated to continue.

And then COVID-19 hit.

Now, the health and fitness industry is weathering the most significant and unforeseen storm in its history, with absolutely no reprieve for ten grueling months and counting. With gyms closing and opening, and new protocols - and fear - driving less people through the doors, retention is dicey and new member acquisition is a long shot at best. The manpower and resources necessary to focus on lead gen and lead nurturing are now non-existent. Operators and staff are tasked with infinitely increased demands to prep training spaces, follow hygiene protocols and literally try to save their businesses.

As a result, the industry is facing a burnout crisis the likes of which we've never experienced or even imagined.

"We are so short staffed and overworked, I'm expected to respond to requests and emails immediately even when I'm on PTO," said one large commercial club brand employee.

"It's a tough environment for me to keep staff... they are overworked and underpaid and I have each LCD staffer doing the job of two or three employees," said Amina Daniels, Owner of Live Cycle Delight in Detroit, MI. "I'm trying to save the business and scale the business to reach others in urban communities but it's an uphill struggle every single day and we are all reaching the point of exhaustion."

The good news is, if clubs and studios can weather the storm, several indicators point to continued growth in the future since health has now become the new wealth.

In a **Harrison Co. survey, 37%** out of a thousand fitness club users state that they will work out more after COVID. Over 50% said that this is due to their "renewed appreciation for their health and well-being."

But how in the world do operators slow the viscous cycle of environment implications, exhaustion and lack of manpower perpetuating the decline of sales and retention and ultimately inciting massive burnout?

The answer is, quite simply, Automation.

Implementing software platforms to take on the heavy lifting of certain tasks can provide you and your staff significant relief - immediately.

"These days, we are working in a way that, as humans, we are not designed to be working," says Petra Kolber, Positive Psychology Coach and Digital Nomad. "We are never fully disengaged and never fully engaged. Humans are designed for periods of peak activity, periods of peak recovery and periods of rest. We need to seek and create opportunities for recovery and true rest."



According to a Forbes article 78% of business leaders posit that automation can free up to 3 work hours a day (360 hours per year).

"Not only can automation free up time and resources, it can significantly effect your sales and your bottom line," Said Nick Hahn, Vice President of Product for Club OS. "In fact, one Club OS client recently ran a text message campaign that increased prospect appointments by 12.8% and, of those, closed 50.1%. Additionally the execution of the campaign would have effectively taken a human 16+ hours a day.



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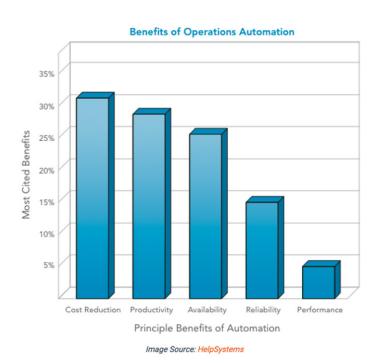


Setting the fallout of COVID aside, automation within the health club industry has been proving incredibly lucrative for the past several years.

Case in point, according to figures from **Marketo**, 76% of companies that implement marketing automation generate a return on their investment within the first year.

Says Nick Hahn, Vice President of Product for Club OS. "Automation, when done effectively, can augment your sales and marketing staff without adding costs to your bottom line. And that's never been more important."

Consider this brief snapshot of some of the principle benefits of automation.





So, What is Automation?

Automation is the automatic execution of tasks without interference. It reduces complicated tasks such as managing information, data and processes to the click of a button, making it infinitely more efficient than utilizing humans for every step.

Not that humans are taken out of the equation. It's quite the opposite. By offloading certain duties, human resource is freed up for more crucial and engaging tasks. The result is **less burnout in tandem with greater results.**

Also keep in mind that certain automation platforms offer a combination of technology and humans to address your needs appropriately.

"The ideal automated sales and marketing system is a perfect synthesis of man and algorithm," says Hahn. "Your brand is unique and your messaging and communication should reflect that. This can be achieved beautifully with a hybrid of digitization and humans working together."

And the icing on the cake is, your prospects and members actually prefer this digital communication to address common topics and issues. A **study by AMEX** revealed that less than 15% U.S. consumers want to talk to a person. For you this is a significant win/win.

Consider the Following Problems that Automation Can Solve

PROBLEM: I'm drowning in dormant leads but have no time/no one to address them.

50% of qualified leads are initially, not ready to buy. They need to be nurtured. Nurtured leads produce, on average, a 20% increase in sales opportunities versus non-nurtured leads. The challenge is, the sales cycle could take as many as <u>five or more</u> touches to convert leads to members, and this is time consuming and tedious.

By automating, leads receive immediate responses and more touchpoints to navigate them through the sales cycle and then into the hands of a sales person to convert.

Statistics from **Protocol 80** suggest that an average of 15-20% of potential buyers that weren't ready to purchase were converted to sales through automated lead nurturing. That's potentially 15-20% new members you may be missing!

PROBLEM: I have members with class packages ready to expire and don't have the sales staff to work on renewals and upsells.

An automated Auto Convert Program will handle this seamlessly. You never need to worry about this - or have a team assigned to do it - again.





PROBLEM: I have a credit card chargeback issue to address and that takes time. My admin and front desk people are swamped. The member is getting frustrated.

Billing issues like these can take hours, many phone calls and much work to address, yet it's absolutely critical that they get addressed in a timely and professional manner. Outsourcing and automating tasks like these expedites the process and leads to greater customer satisfaction.

"Especially now, I need to focus my time on developing and growing the business. I began outsourcing my back office and billing to ASF eight years ago and it's paid for itself many times over," says Mary Schoepe, Owner of Mary's Fitness Concepts in Prattsville, NY. "It's saved me time so that I can run my business more effectively."

PROBLEM: I don't have time or the person in place to handle ongoing communication and follow up with members.

Now more than ever, communication and engagement with members is absolutely essential. Automation of these processes, such as targeted and timely emails and texts, will keep members fully informed and engaged while you handle other aspects of the business. The key is to ensure that the software platform you choose has the ability to extend and portray your brand and messaging accurately.

PROBLEM: I have cancellation requests, and frozen accounts I desperately need addressed.

Clearly now and always, you need to retain as many members as possible. Manually pulling contacts and reaching out to them takes time you don't have. Yet fully relying on automated emails can seem impersonal – especially with the fragile nature of this situation. Consider outsourcing solutions that offer technology in addition to humans to address these tasks, such as ASF. ASF offers a customer support team of nearly 30 individuals who will act as an extension of your team as your first line of defense with frozen accounts.

How will automating decrease burnout, and enhance my fitness business?

Not only does automating take work off your plate, it can do a significant portion of the work better.

"Humans can only do so much, and at a certain rate of speed. Especially if that human is experiencing burnout," said David Webb, SVP of Operations for Club OS. "Computer automation is a game-changer when it comes to running certain aspects of the business faster, better and more efficiently."

1 Enhance Member Acquisition - Never Miss a Sale

Automating the member acquisition process (Key: with the right software) essentially means creating a formalized, fully branded and efficient sales funnel that takes a prospect from initial lead (hopping on your website or social channels to check you out) to warm lead (now considering your offering and thinking about joining) to purchase decision seamlessly.



Put simply, an automated system offers the right information at exactly the right time and can even be more "on brand" and engaged than a sales person trudging through the mundane lead follow up process (think cutting and pasting a prewritten standard text and shooting it out to a list of leads – possibly weeks after some of those leads came in). "Club OS escorts the lead through the sales journey, then notifies the sales person when it's time for human touch, so they don't have to start the conversation, they simply need to finish it," said Hahn.

According to CSO insights, companies with mature lead generation and management practices have a **9.3% higher** sales quota achievement rate.

2. Eliminate Time Consuming Back Office Tasks

Imagine if you had a full team of people and processes handling all the time consuming and tedious back office tasks, including billing, scheduling, following up on things like chargebacks, handling frozen accounts and cancellations, converting expiring memberships to new.

What if this team also focused on turning cancellations around to member renewals, unfreezing accounts, increasing retention and membership to increase revenue?

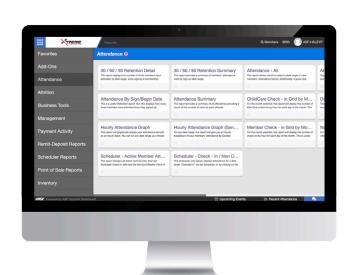
"Free up your internal resources to do the essential boots on the ground work, and rely on our platform and our team of nearly 30 experts as an extension of your business to handle the rest," said Webb.

3. Make Informed Decisions to Increase Efficiencies and Revenue

With automation, you'll have time to focus making pivots, and planning for your business. This, we've established.

The question is, do you have the right data and analysis to deep dive into the business to do so? If your business is all done manually, the answer is a hard no.

Software platforms such as ASF offer user friendly reporting on literally every aspect of your business with the click of a button (really - it's that user-friendly!)



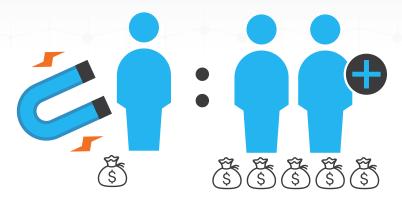


4. Retain More Members!

It costs five times more to gain a new customer, then retain one.

In short, retention should be your top priority.

Retaining customers means keeping them happy. Continually engaging with them and offering the best customer experience possible.



Conversely, don't give them any reasons or any time to consider leaving or going to your competitors.

Warning sign: Mary trains four days a week on her lunch hour religiously, but for the last three weeks she's only come in a handful of times.

Warning sign: Hannah attends 6:30 yoga class every Tuesday but has missed two weeks in a row.

Warning sign: You have 20 new members who signed up February 1 but you haven't seen more than a handful of them.

We all know the warning signs, but do you have the wherewithal these days, and the time to contact each one and invite them back?

Establishing marketing drip campaigns to reach out to members who have dropped off, or new members who aren't active is critical. Segmentation enabled by automation allows you to send customers targeted and personalized messages via email or text at the click of a button.

Software like Club OS is extremely user friendly in terms of campaign development. "Club OS also offers a customer support team that's essentially a direct line to advise and assist in the set-up of campaigns," said Webb.

5. Increase Member Experience

Member or customer "experience" is a term we hear a lot of late. Millennials in a large way have driven this movement, as report after report shows that millennials value experience over possessions or even money.

A study by Harris Group found that 72% of millennials would rather open their wallets based on experiences rather than on material items.

As a result (a necessary result) everyone is upping their game here, and you must also if you want to remain competitive.

A software such as ASF allows your members to create personal profiles to manage their class schedules, preferences, payments, billing information, membership packages and more from the comfort of their home. Your members expect and much prefer the method of logging in and swiftly handling these things within their own secure account that houses current and complete information.

The Long and Short of it...

"We will absolutely burn out if we keep trying to fight the inevitable," says Petra. But if we look through the lens of seeking change and opportunity - finding solutions that will help us to adapt - that will be the difference between those who thrive, and those who do not."

Automation saves time, frees up resources and increases your bottom line, period.

In an industry that's experiencing monumental burnout, identifying solutions for relief and - further - for sustenance and growth is critical. Automation can be the beacon and the redeemer. It can facilitate the change from barely hanging on, to prospering. It is the shift from burnout to opportunity.



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