

10 Reasons People Aren't Joining Your Club!

By: John M. Brown

As I travel around the country consulting with clubs of all kinds I see very clearly why people join clubs. But it has been a mystery to me why people don't join our clubs, until I started looking and thinking, and I've even come up with a "Top Ten" list of reasons why they don't join. I imagine the list could be much longer, but these are the big ones that are quite frankly, self evident.

1. It's filthy! The best clubs, I mean really good operations, upon closer inspection (it doesn't take much) are filthy! I guarantee you that the owner's homes are not as dirty as their club. So why impart such an unnecessary burden on

the public and your customers? This is Business 101. Keep your club *clean all the time*. We know that members leave because a club becomes less clean and is always in need of repair. But how many people just won't come in because they are sure the place is dirty? Whether it is or isn't doesn't matter as much as the *perception* that it's dirty. I hear all kinds of excuses why clubs are not clean. I hear about and see clubs paying "cleaning companies" thousands of dollars a month to clean. Then a good one is "We have a cleaning company, they're supposed to clean these things every night". Well they don't. Because they know you aren't checking on them. The answer to this age old problem is to put a system in

place, put someone in charge of the system and ride herd on the system. If it's not sparkling clean, then someone needs to move heaven and earth to make it so. The "club impression" by the way, extends from the parking lot, the grounds, the surrounding area and every square-inch inside the club.

2. Club cosmetics and disrepair. I can't emphasize enough the concept of constant acceptance of the fact that the club has to look perfect. Every day, all the time. Why give the customers any excuse not to join just because you need a coat of paint or two, or you can't keep all your equipment in operation? Again we are talking about perceptions, but it sends mixed messages to customers when you have a "million dollar" front entry but the locker rooms smell or there are "out of order" signs all over your club. Your goal as a long-term operator should be to stay in business for the long term. That means the club should *improve* in looks, design, equipment and maintenance over time, not get worse. Too many operators neglect the requirement to put money back in their investment every year, instead of sucking every dime out of it. Some people call it "revenue for replacement" and it should be a *line item* in your operating budget every year. Good operations budget 5 to 7% of "net income" every year for replacement. It doesn't always mean it's needed or required but at least you have the funds available when it is and it usually is.

3. There are way too many options to joining. It must be simple. Almost every club I have worked with past and present has had this problem. First of all, understand this. *The more options you have the fewer memberships you will sell.* In many of our efforts to get every member, we continue to create and create and concoct membership structures and prices for almost every situation in the world! This usually results in an *A* for effort but an *F* for results. Simplify. The fewer the better. Sure there are extenuating circumstances once in a while, but most of the time, most of the people will fit into one of three very basic categories: single, couple and family. Then all you have to determine is which one is right for them and help them

figure out what the best way to pay for it is. Believe me, reduce the types and options for a membership, and your sales will increase 20%.

4. You don't ask them to join! Yep, it has to be in the "Top Ten." In fact, most of the time I would rank it as number one! Keep this little known fact in mind. More people don't join clubs than do join clubs! Hum, wonder why? There are a myriad of reasons and excuses why this occurs, but these would be at the top of the list:

a. Your people aren't trained properly

b. Your staff is afraid of rejection or its cousin, unable to handle it

c. You are ashamed to ask them for their money

d. You don't listen to them about what they want

e. You give too many opinions and not enough facts

f. Your staff talks more than Abraham Lincoln giving the "Gettysburg Address" and actually talks ready buyers out of joining because they've not been trained about when to stop talking

g. Your club seems too "needy".

It could be many other things or a combination but remember this *Sales 101 theory. They came there to join!*

5. Your member agreement looks like an SEC filing. Yes, I understand many states have specific consumer protection language required, and yes, the club has to be protected as much as possible, but when lawyers design consumer documents you're in trouble. How your document looks is as important as what it says. Make them as simple as possible for the consumer to read and understand while still satisfying your legal needs. Remember, it's basically a "promise to pay" not an indentured servant agreement. Get rid of the legal "overkill". I'm not a lawyer, nor would I ever dip to such a low aspiration, but simple is better.

6. They can't find you! You think everybody knows where you are, everybody you associate with thinks everybody knows where you are, but in fact, most people don't even know you exist! Remember to a novice looking for you, I don't need much of a reason to quit looking. Worse yet, and if you lived in

Texas you'd know what I mean, I can see you, I just can't figure out how to get there from here. A safe assumption would be that everybody is going to be lost, and you have to try to make it so they "can't miss it"! One recent example that comes to mind is that there's this really nice club that just opened here in Houston. Well, I've lived here awhile, twice, and I have traveled and been lost in most major cities in the US and abroad. But I'm telling you, this club is supposed to be like 4-5 miles from my house, I've gone to Map Quest, called the club, and been to the mall, which it's supposedly next door to. I've been looking; I just can't find the damn place, and it's supposed to be 200,000 square feet! Maybe it's me.

7. They don't like you! It is very possible that you and yours are not giving off the sparkling impression that you think you are. Remember that most people make up their mind to buy within the first 30 seconds after they enter the door. Are your guests and members being greeted every time they come in or is it just routine check in? Are your front desk staff standing, making eye contact, smiling, saying hello? Or is it the all too often, you're interrupting me; I was just getting to the good part in my book! Are your sales staff actually friendly and sincerely nice people or just actors?

8. It just doesn't feel right? This is difficult, but I've heard it from many potential members. It's the environment. From your staff's appearance to the music blaring in the club to the arduous and ignorant sets of rules and processes we sometimes take them through. It just doesn't fit. Many times they can't quite put their finger on it. Stand back and objectively look and eliminate "environmental" excuses you may be giving the customers.

9. Your staff is not prepared or trained well enough. From the trash in the parking lot, to the "non greeting" people receive, they are looking and don't need to look very hard many times to find an excuse not to join. If your staff is trained and ready to handle customers properly, and manage the members and the guests' experiences at the club properly there should be no reason that they shouldn't
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...Active XL

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logo" line of products. For clubs who want to offer some form of member giveaway, buddy referral gift, or simply a line of products to sell in their pro-shop, the kanga-logo line of gym bags, caps, water bottles, and more and can be ordered in smaller quantities than the customized product. Tony and Gail, let's go back to 'memory-lane' here and recollect the days when here in Atlanta Tony made the Kangaroo logo for his Australian Body Works 23-club chain quite famous all across Atlanta, Georgia. If I recall correctly Tony, your logo was a Kangaroo including your Australian Body Works name. Now you're carrying on with the "ROO"! What do you have to say about that Mate? deLeede responds, "I think for sentimental reasons as well as for practical reasons, having a Kangaroo as a logo makes a lot of sense."

On The Horizon

The future plans for ActiveXL also include an addition of a full line of headphones for use with interactive exercise equipment. Gail deLeede explains, "Understanding that headphone sales can be a huge-profit center if managed efficiently, our continuous re-order system will ensure that clubs benefit from maintaining a constant stock of quality headphone products." Tony added, "Logo-ed and customized backpacks certainly has a lot of legs,

and I think a lot of people are going to start picking those up. I have a thought that goes way back to my very, very first business when I was 19 back in Australia (Tony is 52 now). The way I got that business going (rather than selling clothing item-by-item resulting in people only buying small numbers of items), the way that business really took off, was when I began to take goods on consignment. Essentially, as a lot of retailers do now, the manufacturer puts in the display rack and puts all of the items on there and the retailer only pays for what is sold. So, we have an idea that we will put customized displays in clubs and sell everything from headphones, socks, workout gloves, sun glasses, etc. and just load it up with a whole display of accessories that people can use in a club or outside of a club. We will provide items that may be health club related or may not be health club related. One club related product we intend to have is a choice of five different styles of headphones. So, in effect, this will provide clubs with a very simple to install and restock, turn-key little pro shop to go right in a high traffic area of the club."

Branding, Branding, Branding!

In our Club Insider November and December editions, we published a Cover Story on Larry Gurney - Master of Branding, Branding, Branding in a Part I and II format. Like Larry Gurney, co-owner of *The RUSH Fitness Complex* club chain in Knoxville,

TN., Tony deLeede is truly one of the club world's master branders, and he had this to say to all club owner/operators about branding, "As clubs have limited budgets to market themselves, I think the biggest value in this new business we are starting is 'top-of-mind' branding that we will help clubs achieve. Club owners should not underestimate the importance of and value of branding. We're encouraging people to give these logo-ed backpacks with premium gifts enclosed to every new member that joins so that they may get the volume of 'walking bill-boards' out there that will be necessary to do the branding job. Some clubs might just chose to use these backpacks with gifts enclosed as a 'buddy-referral' gift. On the other hand some of the people we're talking to have even suggested that they may give these backpacks to ALL of their members. These backpacks would make a great Christmas gift or just a 'loyalty' gift as well. Some clubs might say to their members, 'If you've been with us for one year we'd like to say *Thank You* for being a loyal club member!" Gail deLeede added, "A loaded backpack will cost a club between \$8.50 and \$9.50 and a normal retail price will be \$50 or \$60.

We wish Tony deLeede and his lovely former wife Gail the very best of luck with their new venture, ActiveXL. Their combined talents, along with their resources and ability to 'deliver -the-goods' as ordered and promised, will give this fledgling new company, headed up by Gail

deLeede, the ability to hit the ground running as they debut and launch ActiveXL at Booth #136 at the IHRSA Trade Show March 17-19th.

(Norm Cates, Jr. is a 31-year veteran of the health, racquet and sportsclub industry and the Founder, Publisher and owner of *The CLUB INSIDER*

News. Cates was the 1st President of IHRSA and a Co-founder of the Association in 1980/81. He was honored by IHRSA with its DALE DIBBLE Distinguished Service Award in March, 2001. Cates may be reached at: clubinsidernews@mindspring.com or by phone at: 770.850.8506.)



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