

# UNDERSTAND YOUR MEMBER: THE 5-STEP BUYING PROCESS

**IS SALES AND MARKETING A SCIENCE, OR AN ART?** Is it about following a proven system, or is it about mixing unique creativity with a charismatic salesperson? And what is its *real* purpose?

When we sit down at our clubs and develop a sales and marketing plan it is firstly about getting people through the front door, secondly about getting them to buy our 'product' and finally about getting them to tell their friends about how fantastic the product is. So what do we need to do in order to move the consumer through that process?

## Hitting and missing

Too many independent clubs around the world use a 'hit and miss' approach to sales and marketing. They might do a bit of branding on television (if the price is right), they may run a '14 days for \$14' advert in the local newspaper (because they saw another club do this), or they may attend an industry convention and follow through on '101 great promotional ideas' (only to lose enthusiasm when results don't appear instantly).

When it comes to results, sales and marketing is like fitness. We all know that fitness results are about formulas; getting the right mix of aerobic exercise, resistance training and nutrition. Sustainable results are only achieved when the formula is followed consistently, and the same principle applies with sales and marketing.

## The sales and marketing formula

The consumer moves through 5 steps when making a purchasing decision; the aim of sales and marketing is to stimulate the consumer and lead them down the path of the 'consumer buying process'. These 5 steps are understood by corporations like McDonald's, Apple, Holden and Ford – and it is critical that we in the fitness industry understand it as well.

### Step 1. Awareness of the problem

The consumer must have a problem before we can solve it. Business is about solving other people's problems for

a profit. Consumers become aware of a problem through an inherent deficiency of some type. If they are thirsty they seek drink (physical need); if they read about the lack of government pension funding to support baby boomers, they may start investing for their retirement (safety need); if they move to a new city, they may feel lonely and join a social group (need of belonging); if they want to fit into the culture at work they may buy a certain type of car (status need), or if they feel like they want to be the best they can be, they will challenge themselves (self actualisation). Consumers become aware of these problems through feelings which are created through peer influence, education, and advertising or simply through their own instigation.

The media is doing a great job of educating people about the global warming issue, creating a problem in the consumer's mind which opens doors to 'green' products. Infomercials do a great job of showing you how unhygienic your doona covers are under a microscope (advertising), before solving your problem with their product. Social expectation did a great job of ridiculing the act of talking on mobile phones while driving, which created a problem since solved by hands-free kits. And barmen may be the best at need creation, giving you complimentary salted nuts to encourage thirst.

Television shows like 'The Biggest Loser' and regular media stories about heart disease, osteoporosis and diabetes aggravate the problem that we are here to solve – and for that we should be grateful. But you should go the extra step; develop a relationship with your local newspaper or radio station and write a column or produce a segment on fitness, educating your community about the risks of a sedentary lifestyle and creating the problem in their mind. Apathy is why people are still sitting on their sofas. By running open days, shopping centre demonstrations and corporate morning tea sessions offering free blood pressure and body fat percentage testing, you can make your community aware of a problem that you can solve. Of course, this awareness might drive some people to your competitors, but you are making the pie bigger, and that is the first step. Without a pie in the first place, none of us can have our slice.

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## Step 2. Look at alternatives

Type the words 'weight loss' and the name of your suburb into Google. This indicates how many options the consumers in your town have when they accept they have a weight problem and want to do something about it. If there are 17 different beers on tap in a bar, most people will not look at all 17 beers. They will look at the two or three they are familiar with and start to consider. This step of creating a shortlist is what we call a 'consideration set'; if a marketer does not get their product on the consumer's consideration set, they are knocked out of the customer acquisition tournament in straight sets.

Products earn their place on a consumer's consideration set (familiarity) through repetition. Familiarity and repetition go hand in hand. This is why Coca-Cola has signs in Times Square New York, London's Piccadilly Circus, Kings Cross in Sydney and in the local milk bar in Gympie, QLD. They are keeping their name 'top of mind' so they remain in the consideration set of consumers.

You can do this by signing off the educational newspaper article/radio segment you did in Step 1 as 'Bob's Health Club', by handing out branded balloons at your community outreach initiatives, and by rewarding your staff or members for displaying branding stickers on their car. Other options include sponsoring local sports clubs, having keyrings as your membership card, or running 'drip' feed advertising on radio, television and in the press. Let's get creative; what about having a billboard trailer that does ten hours a week (\$220 in labour and fuel) driving past schools at pick-up time, and along the main street at lunch time? How about attaching a blimp to the roof of your club to cut through the clutter of shops around you? Or having a trivia question on your A-board each week, encouraging local people to discuss 'Bob's Gym Trivia Question'? To keep your brand name 'top of mind', people must be familiar with it, and you can achieve this through frequency and repetition. It won't make you money in itself, but it will get you into the finals.

## Step 3. Choose the best alternative

Once the consumer has their shortlist of two or three, they need to decide which alternative is best for them. It is important to understand the power of brand and emotion here. Hands down, the product the consumer will select in the 'grand final' is the one which makes them feel the way they want to feel. Do they want to feel inspired and aspirational, or do they want to feel comfortable and safe? Do they want to feel affluent, or do they want to feel tough?

I am at the bar; I'm looking at a Crown lager, a VB and a Heineken. They are my three beers. It has been proven that most beer drinkers cannot tell the difference between beers when blindfolded. This illustrates that they select beer based on the emotion attached to the brand rather than on the actual taste. A Crown says 'premium', a VB says 'Aussie bloke' and a Heineken says 'international player'. Choose how you want to feel.

Clubs can build a brand through testimonials, through the look and feel of their communication (photos and wording) and through what they associate themselves with in their community.

## Step 4. Induce action

Once you have knocked off your other two competitors, you have the agreement of the consumer that they think your product can solve their problem. But decision-



making is a funny process. Consumers are petrified that they may be making the wrong decision. The fear of loss is a strong emotion – what happens if this is the wrong decision? It is human nature to seek assurance, and it is human nature to procrastinate. In order to come out on the top side of these two realities, we need to provide social proof that the decision being made is the right one (testimonials) and we need to take away any risk on their behalf (cooling off period offered at every sale). We also need to spin the fear of loss around, so that rather than the fear being a reason *not to* join, it is a reason *to* join – so we need to give the consumer a reason to make a decision today (limited offer). At the end of every financial year, Holden and Ford have a 'financial year runout sale' where the offer is, you guessed it, limited.

Get some posters printed which feature half a dozen testimonials and place them in your closing area. After showing a prospect around your facility, and before sitting down to present prices, pick the most relevant testimonial and explain it to them, briefly discussing the testimonial giver's 'experience' to help assure them.

When you present prices, tell your prospect that every membership has a seven-day cooling off period (take away all buying pressure) and present a limited offer. This can be a first visit incentive or it can be an offer which changes every month. Remember: 80 per cent of those who shop around for a gym will join somewhere, so if you don't induce the action, someone else will.

### Step 5. Reassure

The concept of 'post purchase dissonance' describes the 'guilty' feeling you get after you have purchased something and you are not sure if it is the right product after all. The motor industry claims that half the reason it advertises is not to drive more traffic through the door, but to reassure their buyers that they have made the right decision, because they don't want the car to get a bad reputation and they want repeat purchases.

Put a membership pack together, and in that membership pack include '100 benefits of exercise'. Simply ask every new member to go home and do the only five minutes of homework you will ever give them – reading through these 100 benefits. This will galvanise their belief that they have made the right decision (e-mail Emmett@creativefitness.net and mention this article for a copy of '100 benefits').

### The most relevant area of understanding you could hope for ...

There you have it, the 5 steps consumers need to go through when making a purchasing decision. And you must give equal attention to every step – as with fitness, you can't just address one or two aspects and expect overall results; you must get the mix right in order to achieve the desired outcome. Ask yourself every month, 'What are we doing as a club to win the battle at each of the 5 steps?', because concentrating on these will have more impact on the success of your sales and marketing than any other single focus. ■



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