

[HIT Business Membership: Luke Carlson - How to Drive retention and Referrals with Seminars](#)

- Luke Carlson: 00:00 The third thing we do that's a little bit more untraditional but absolutely works for us from a retention standpoint and a generating referral standpoint is, and we've done this again for 11 years, is our monthly seminars. In the monthly seminars each Tuesday, or excuse me, the first Tuesday of each month we do a 30 to 45 minute seminar.
- Luke Carlson: 00:23 We actually do it at each one of our locations so our downtown Minneapolis location we do it at noon, right over the lunch hour. At our Plymouth location we do it at 7:30 p.m., right before we close. Chanhassen location, we actually do it on Wednesdays at 7:30 p.m. We do a seminar once per month and any client that attends that seminar actually gets 10% off of their next month of auto pay, their next month of purchases.
- Luke Carlson: 00:51 And at Discover Strength we do not believe in discounting whatsoever. I mean everyone pays the same price. There are no discounts. There's no discount, there's no class pass, there's no starter package, it's less expensive, and we want to be a premium luxury brand where you are paying full price. The only time we give you that discount is if you come to a seminar and learn.
- Luke Carlson: 01:12 If you're going to come and learn we will essentially reward you with that 10% discount. Now, why would

[HIT Business Membership: Luke Carlson - How to Drive retention and Referrals with Seminars](#)

we do that? We do that because one, if we didn't provide the discount no one would come to the seminars and if someone does come to the seminar, we know that they're going to learn so much and as Howard Schultz, the longtime CEO or former CEO of Starbucks would say is, "We understood that when you're passionate about something, everyone assumes you'll go out and learn more about it. We at Starbucks found out that that was actually inverted. That if you learn about a particular topic, your passion for that topic would grow." It's not the passion leads to learning, it's that learning actually drives passion.

Luke Carlson: 01:55

If we can teach our client more about strength training, the science behind strength training, their passion for strength training and the way we do strength training grows and then we're arming that person with material and information so they can be more effective referrers. In addition to that, we're going to retain that client. I knew from the day we opened the business, if someone really understood high intensity training and strength training they would never leave. They would want to strength train with us forever because if you really know the facts, you can't not train this way. If you really knew the facts, you can't not engage in strength training.

[HIT Business Membership: Luke Carlson - How to Drive retention and Referrals with Seminars](#)

Luke Carlson: 02:31 Anyone that doesn't continue with this is solely because they don't "get it" and if we could just get them to get it. Will sometimes it's hard to have the opportunity to educate somebody and get them to really get it and so the seminar has been a way for us to do that so 12 months out of the year we just pick a different topic. A classic topic for us that we'll do once a year is called Five Recent Research Studies and How They Influence Your Training, or How They Impact Your Training. Whoever's giving that seminar will just take five papers that have been published in the last year. We talk about the results, we talk about how the study was designed, and we talk about how that informs training going forward.

Luke Carlson: 03:13 But we've done seminars on everything you can imagine from the history of Nautilus, Arthur Jones and the advent of high intensity training to we've done seminars no how strength training impacts marathon preparation to this coming week we're going to break one of our cardinal rules and that rule is that we never let anybody give a seminar at Discover Strength other than a Discover Strength staff member because hey, it's our brand. We want to tell our brand story. We want to tell the story our way. And we want to position us as the experts. We would never let a chiropractor or physician or someone in town come in and give that

[HIT Business Membership: Luke Carlson - How to Drive retention and Referrals with Seminars](#)

seminar. We're not trying to build business for them, we're trying to really position ourselves as the experts.

Luke Carlson: 03:59 The few times that we break that are when Dr. James Fisher happens to be in town so we always have him give a seminar when he's in town. And it just so happens that Dr. James Steele is going to be in town next week for the American College of Sports Medicine annual meeting which happens to be in Minneapolis and so he's going to ... I'm going to pick him up at the hotel and he's going to come out for a workout. And after the workout he's going to give our seminar to our entire client base. We're going to do it at our corporate office, we have a big training room there. And we'll have just a huge turnout to hear Dr. Steele speak. He's going to give a talk about effort, what effort really is and what it isn't and why it matters. And everyone that attends that seminar will get 10% off.

Luke Carlson: 04:41 As the expert, I mean all of your listeners are truly experts in high intensity training. They have just a tremendous opportunity to be teachers and to prepare these seminars for their clients. Because what we all make the mistake of Lawrence, is we all think that our clients get it. We all think they understand the high intensity training. And then that client leaves and we find out six months from now that they are at a CrossFit gym or they're doing Orangetheory Fitness or they're

[HIT Business Membership: Luke Carlson - How to Drive retention and Referrals with Seminars](#)

doing something that is actually the opposite of safe evidenced based high intensity training. And we're thinking, "Oh, I thought they got it. I guess they didn't actually get it." And they demonstrated that they didn't get it by doing essentially the opposite of what we've always done.

Luke Carlson: 05:23

And so I think you've got to take advantage of every opportunity to teach your client so they understand. And yes, a small percentage of your clients are never going to really care. They're just going to say, "Hey, as long as I don't get injured and as long as this is time efficient I'm going to keep doing it," but I think it behooves us to continue to teach and tell the story and let that person understand why they are spending the money, why they are putting in the effort and so that we retain them for a longer period of time, number one, and number two, they can now refer and be a more intelligent storyteller around the brand and drive referrals.

Lawrence Neal: 05:57

Yeah, that's awesome and you're absolutely right. I think even myself, we get caught in a bubble. We think that ... It's the Dunning-Kruger Effect or one of those where you think that everyone is at the same ... I'm probably thinking of a different thing now.

Luke Carlson: 06:14

I'm not sure. I haven't heard that terminology before.

[HIT Business Membership: Luke Carlson - How to Drive retention and Referrals with Seminars](#)

- Lawrence Neal: 06:18 It's not, I think it's not Dunning-Kruger. It's probably where you think you're more intelligent than you actually. But no, I don't have to use that but I'm just saying that when you get really into anything but as an example, high intensity training, you start learning about it. You forget what it was like to not know that and then it becomes harder for you to relate to people that don't know. And I think it just goes to what you're saying now is that we assume that even people that start doing this type of exercise, that they understand all the benefits and the reasons why they shouldn't do anything else but the truth is they might not as you pointed out. I can see where there's such value in doing seminars. Do you drive new registrants, like non-client seminars as well?
- Luke Carlson: 07:05 No, that's not the focus at all. Occasionally we'll have a spouse or someone that comes in but from the day we started those seminars we did not want to have this kind of tacky approach where there was going to be a seminar and at the end there was going to be some type of sales pitch. I mean our seminars are ... We receive compliments, and I love this, "The 11 years that I went to a seminar and all we did was learn. And no one tried to sell me anything." And in the back of my head I'm thinking, "That's awesome that you feel that way but we were trying to sell you."

[HIT Business Membership: Luke Carlson - How to Drive retention and Referrals with Seminars](#)

Luke Carlson: 07:37 Because we taught you so much, you're not going to ever going to go anywhere else because now you understand it and you get it. We didn't sell you in that moment but we're always playing the long game. I mean, we're always thinking the long game. We maybe didn't sell a new person in that evening but we sold or we retained somebody or we armed you with knowledge that allowed you to refer someone so we're playing long game and long game we absolutely were selling. I just think our mindset is so much with selling is are we selling in the moment and are we closing in the moment but are we always positioning ourselves to earn that sale over the long haul and I think that's exactly what that seminar does.

Luke Carlson: 08:13 And you know, because I mentioned this at the [REC Conference](#) that when we're talking about building a profitable business there's only four levers and the first lever is always client retention. Before we acquire new clients or make more money from the clients that we have, our first focus has to be retain the clients that we currently have. The seminar works powerfully to do that as well.