

[Luke Carlson – How To Generate More Revenue In Your High Intensity Training Business](#)

Lawrence Neal: Luke, welcome back to corporate warrior. Pleasure having you back on the show.

Luke Carlson: Lawrence it's my pleasure to be here. Thank you for having me.

Lawrence Neal: You're most welcome. So yeah, I mean the focus of this episode really as you know, is trying to understand what you've learned in terms of the most effective ways and the ways to think about business development and sales for strength training orientate business. Previously, we spoke about what you do once you get clients through the door in terms of the free introductory workout and the sales process thereafter. And I will point the listeners to learn about that in a previous episode. But what I'm really interested in learning from you today is this concept of trying to get clients through the door in the first place. So do you think we could, it be good to sort of start out by talking about what is the first thing that new businesses or perhaps businesses that are struggling should be thinking about when it comes to sales?

Luke Carlson: Yeah, so we're really talking about the broader category of revenue generation. So revenue generation is kind of the end of marketing or the marketing function into the sales function. And so if we're talking about how do we increase our ability to generate revenue. I mean there's clearly a sales component. There's a marketing component. Lawrence, you've heard me say this before. I think that every business has to start off and ask why would a consumer want to do business with me? Why do I want to come to discover

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strength? And then if you ask, if you have two or three personal trainers in your facility, if you ask them that question, why should someone come and train at our facility to train with us? I think there's a wide variability in the answers that you hear from that particular business.

Luke Carlson: And I don't think that's a good thing. I think we need to be able to understand what is the true value that we present. What is the value proposition that we present to our target market? And the way we capture that is by understanding what makes our business different, what makes our service different. What makes our workouts different from the rest of the fitness landscape that's out there. And the terminology that we use is unique. That every business should have three unique. If you don't understand what makes you different, if you don't understand the three things that really make you different from the businesses you're competing against, you do not know what to actually market about. Marketing is not having the website. Marketing is not an email campaign. Marketing is understanding how you're different from your competitors and then telling stories around those differences.

Luke Carlson: And so before we talk about a specific tactic that will really drive leads toward the business and we can get into that if you want to get into that, we'll definitely go there. You can't start with that. You have to start with what are the three things that make us different on paper. People are purchasing your service because of how you're different. And that's true of every service, every product in the

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market. We're not trying to talk about how we're better, we're trying to talk about how we're different. So I think that's where it starts. And I talk to so many entrepreneurs in our field that want to skip through that and just blow by it completely and go right to this specific tactic or this specific campaign. And I don't think you can start with campaign. I think you have to start with those three fundamental uniques are that make the business different.

Lawrence Neal: Yeah. I Love this. And this is, some of this is obviously you're repeating from before, but I don't think that's a bad thing. I think that's hammering home how important these principles really are for people. And these principles are timeless. So, you've obviously got three uniques for discover strength. Do you want to talk about your uniques? I'd love to hear how you came up with them. And how people listening to this can come up with their own.

Luke Carlson: Yeah, so Lawrence one of the things I want to mention before we dive into this too deep, is it's not just a matter of me understanding what our three uniques are. Everyone in the organization has to understand what the three uniques are. This is one of the only things that we actually require every employee to memorize because the old days we talked about the elevator speech. As you're on an elevator with someone and they ask you, "What does discover strengths do? What does the business, what does the training facility that you work with, what do you guys do?" Well your answer to that question should really be your three uniques. And we need everybody in the business to give the same answer. And for us

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it's number one, educated expert trainers. Number two, efficient. And number three, evidence-based.

Luke Carlson: And if you unpack each one of those educated expert trainers just means that all of our personal trainers are going to have undergraduate degrees in exercise science or something related. And then more importantly, we're going to invest a tremendous amount of time and resources into continually developing them. They're all going to have American College of Sports Medicine certified exercise physiologist certifications or credentials. They're going to go through a rigorous internal ongoing educational system that's going to focus on what are the first three weeks look like, what are the next six months look like? And then what happens over the next five to eight years to make sure that you're growing and developing. If there's a conference or a seminar going on, we're going to be there. So that's educated expert trainers.

Luke Carlson: So we're not saying that our trainers are better than another trainer, we're just saying they're going to be more educated. And that's something that we can prove. All these things have to be proven on paper. So you might like training with a different trainer better. Another trainer may be more muscular, another trainer may have more experience, but there's not going to be a group of trainers out there that have more education and are truly experts in the area. Okay. And like I touched on a few things there, but that topic, that unique is like endless. So many different ways that we can establish that educated expert positioning. And number two is efficient. So

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our workout's 30 minutes long. We want to work with a client one to two times per week.

Luke Carlson: Now that's not going to sound novel to your audience, but of course we're competing against fitness options where the class or the workout, the session is an hour long and someone should be training four, five, six times per week. When we're selling two times a week at 30 minutes a workout, man that really positions as different from everyone else we compete against. And the last one is evidence based. So more so than being married to a high intensity training methodology, we're very much married to an evidence based methodology. So we want to constantly look at what the scientific literature says and bring that into our programming. So to that end, every week we read one scientific journal article as a staff. I send it out on Monday, we read it, we discuss it on Tuesday at each one of our different locations and we talk about how we can apply that information.

Luke Carlson: So our exercise prescription and how we're actually performing or coaching a workout over time should change as the scientific evidence shifts. And yes, the scientific evidence supports what we would call high intensity training. Largely there's nuances here or there that the scientific literature allows us to just get a little bit more dialed into a particular area. Have a greater understanding of how we prescribe exercise. And so that's what we want to be married to is the evidence based and not simply the high intensity training approach. So none of those three things Lawrence make us good or

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bad, right or wrong. They just make us different. I think another business, one of their uniques could be high intensity training. It could be literally Bolton one and Bolton two style training. We will only do what comes out of Bolton one and Bolton two that makes you unique, that makes you different.

Luke Carlson: I think most high intensity training practitioners are going to have or have the potential to have efficient as unique. Although I do know some, I mean I have one guy that I have tremendous respect for that's been in business for a long time. He schedules 45 to 60 minutes for each workout and he has a client come in twice per week. I would argue that is not very efficient. So that is not a unique that that person can utilize. The vast majority of that business can utilize. The vast majority of high intensity training practitioners can utilize the unique of efficiency. So it's on paper looking at your competitors and then analyzing what you do as a business and picking three things that make you different than your competitors. They can do one or two things the same as you, but they cannot have, they cannot claim all three of your uniques.

Luke Carlson: And of course, the litmus test is on paper. You have to be different. So they would have to agree with you that, yeah, that absolutely makes you different. Even equipment could be one of your uniques. If I'm Roger Schwab or Josa [inaudible 00:14:29], Iliana [inaudible 00:14:30] and I have X-Force equipment. Those are some of the few places in the US that have X-Force equipment. I might have X-Force technology as part of my uniques. That doesn't say that I'm better

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just means that I am absolutely different. You can not go anywhere else in the east coast and find X-Force besides X-Force Philly that absolutely makes Roger Schwab and X-force Philly different on paper. So again, not how we better? But just how are we different on paper?

Lawrence Neal: Yeah, I love this concept. What would you do in the, I mean, I know this is perhaps unlikely in some of the uniques. But what if suddenly a ton of, so give the example of Roger Schwab and the X-Force equipment, a ton of gyms sprouted up who had X-Force and that was no longer unique. Would you have to change that or is it about being first?

Luke Carlson: Absolutely. Nope, absolutely. I would change it over time. So just a broader example of that Lawrence, is if there is a proliferation of high intensity training studios or gyms in one given area, and collectively we're thinking guys, we all kind of do things in a very similar way. There's still subtle and important differences. So you have to understand, okay, I can't talk about efficiency anymore because we're all doing workouts that are 30 minutes long. So efficiency will no longer be one of my uniques. But what can be a unique, and remember some of these things may appear to be a little bit more superficial.

Luke Carlson: A unique could be for one business shirts and ties. Okay, so we're one of the, I think the last remaining kind of high intensity training practitioners that wear suits and ties. We're always going to wear

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shirts and ties that will make us different on paper. That will create or work at creating a different brand than any of our competitors. Now, right wrong or indifferent, it just makes us different. So as a marketplace becomes more crowded, you have to have differentiation. You have to understand how you're different when there's more competition. And I think about that all the time.

Luke Carlson: I think about, wow, if I was in New York City and there's multiple really good high intensity training practitioners in Manhattan, they have to just think a little bit harder about how am I different than the people I'm competing against. And then they have to understand who am I competing against? Does my consumer know about all these other high intensity training options? Or is it, I'm going to train here or I'm going to hire a personal trainer at Equinox, which is a big box, upscale, big box health club. So you're completely right, that those uniques will shift as the competition increases or shifts.

Lawrence Neal: That's really interesting. So is the reason for three just that one might not be enough? Is that what where the three comes from?

Luke Carlson: So I think you need to understand like what your actual niche is, like what's the sandbox that you plan. So we would describe that or we would define that as your strategic niche. Some people would call it your sandbox. I mean this is the one thing that you want to be known for. For us that's what we call personalized strength training. I mean, that's what we want to be known for, is personalized strength training. But within that personalized strength training, I

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think you have to have three uniques. And I think a business could have four uniques, but around three is about right and your storytelling and marketing around those. If you have one, it's too easy to emulate. I mean there could be a number of other competitors that do one thing in the same way that you do it. And so therefore you're probably not actually different.

Lawrence Neal: Okay. So that's awesome. So important for the listeners to really understand and articulate their, what makes their business unique. Where do you go from there?

Luke Carlson: So from there I think you have to understand who your target market is. The reason the high intensity training and broadly fitness practitioners struggle, but specifically high intensity training practitioners struggle, is we are well aware that high intensity training or evidence-based training really is for everyone. It is the perfect exercise prescription for the 10 year old. It's a perfect exercise prescription for an NFL football player, American football player. It's the perfect exercise prescription for someone who's 83 years old and has metabolic syndrome and osteoporosis and a number of other issues and ailments and orthopedic concerns. It is the perfect prescription for anybody who wants to strength train. And so we struggle with that because we know that to be the case. You can't market that way. We can't communicate that way. We can't sell that way. We have to understand who truly is our target market for our business.

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Luke Carlson: And so you have to describe exactly what that person looks like. Because I've said this on the podcast before that I'm an advocate of yeah, I'm an advocate of having an actual avatar for who that person is. Because then your staff, I mean, you as the owner, as an operator, as a trainer, and the rest of your trainers and your staff understand who we really built for. We will let in a 15 year old and we will definitely work with an 82 year old, but we were built for a 42 year old female. That's who the business was designed for. And so that's what we really have to understand and we have to understand that we're not going to turn anybody else away. But who are we really communicating to?

Luke Carlson: And if you think about all of the brands and all of the companies that we interact with, they all have a target market. I'm thinking maybe, because I'm talking to you Lawrence, and your accent is making me think this way, but I think about Burberry as a brand, an iconic British higher end fashion brand. They know exactly who their consumer is. I mean, they knew who they're selling to. They know what their ads are going to look like. Now if someone outside of that demographic, outside of that target market purchases from Burberry, they're okay. But they know the bulk of their revenue, the bulk of that is going to come from just that target market. So that's who they want to tell stories to. They know what that person looks like.

Luke Carlson: They know where they shop, they know what their income is, and that's who they've built the whole brand around. They've designed

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messaging just to appeal to that person. And when you do the exact same thing, you have to understand the psychographic, the demographic, all these different elements of that target market and then only communicate to them. And that takes discipline. That means there's certain things we can't do on our website. There are certain things we can't do in an email campaign. There's certain social platforms we have to be on based on that. There's certain social platforms that we probably don't need to invest any time into because our target market is simply not there.

Lawrence Neal: Yeah. So for listeners what Luke was describing earlier is where he, in lots of detail talked about the exact male and female avatar that discover strength target. And you can learn all about that and the link to the episodes will be in the show notes to this. So I won't ask Luke to repeat that because we'll just be duplicating content really. But to that end, you obviously thought a lot about Luke, who your target market was going to be.

Lawrence Neal: And if I remember rightly, it's, broadly speaking, busy professionals. I mean, this might news to you Luke, but I'm actually in the process of starting a strength training facility here in Galway in Ireland, which is very exciting. But obviously I'm now trolling back through my podcast of you to learn how to do that. So I'm obviously keen to understand and learn who to target and how to target them. And there's a number of different target markets that come to mind in Galway. But how would you go about actually figuring out who that target market is for you?

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Luke Carlson: Yeah, well I would make sure that there's enough of the target market there to support the business. And generally when you dig into that, you find out there absolutely is. And that's why and maybe I've shared with you before Lawrence, but the phrase, and I'm not the one that created, the niche, the richer. So the more niche and the area you can be in that target market, the more money you make. When we launched the business in 2006, we just went through our 12 year anniversary. Our target market was marathon runners.

Luke Carlson: We wanted to do strength training for marathon runners. I mean that was our niche. Let me tell you, every marathon runner in our area knew about discover strength and strength train to discover strength. It was like when you get real niched, you will get everybody in that particular market. Now if we said, "Well hold on, marathon running is just a small niche of all athletes that are out there. Why don't we just say we're designed for all athletes." If we went to market and said we're designed for all athletes, our target market is all athletes, we would have literally got no athletes.

Luke Carlson: We would have got nobody because we just been white noise because everyone's competing after that athlete spend. By saying just marathon runners, then we really resonate with a niche market that was very much underserved. No one was doing strength training with marathon runners. And I knew because I had the background as a marathon runner, that my goodness, marathon runners need strength training to aid injury prevention. And it's

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something that makes their overall programming and approach to training for a marathon that much more well rounded. So that's how we started. And then we started to pivot from there and changed it to busy professionals, but we understood what that busy professional looked like.

Lawrence Neal: Why did you change it?

Luke Carlson: Because we just thought that over time if we want to grow and expand what it came down to, is did I just want to stare at marathon runners nonstop? Was that all we wanted to do? That didn't excite me as a brand to just work with marathon runners. Like I'm into marathon running, but it's just, it's not my life. And I think that I was just turned on and excited by working with busy professional people where our message of time efficient exercise just absolutely resonated with that person. Where when we worked with a marathon runner, we were very much an adjunct to the training that they were always doing. And I didn't want to be an adjunct to what they're always doing. I want it to be like the solution.

Luke Carlson: And anybody out there that's a high intensity training practitioner with their clients, they know, wow we are really like the solution for everything they need. And that was just more enticing and exciting than kind of being an afterthought. It's a little bit like your discussion with Mike Bradley who I count as a good friend and colleague. I'd think Mike just nailed it where he said, "Hey, most division one basketball players, they really don't care about strength training.

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They're just not into it." It's kind of an adjunct. It's something they had to do in addition. And that's kind of where we were with our marathon athletes as they did it because they want to perform better. But I loved working or I love working with the population where they look at high intensity strength training truly as the cornerstone of everything they're doing in their fitness approach.

Lawrence Neal: So, okay. So I understand the justification for the pivot. As certainly a huge factor you said there, which is who would you enjoy training? What's the bigger vision? How do we figure out then who our target market is? Can you just elaborate on, I guess the kind of exercises you would go through to figure out your target market?

Luke Carlson: So for an existing business, and I would always just say, okay, who's the one customer that everything that you sell, they buy? When you sell something, it's the easiest sell that you make. To retain them, seems to be so incredibly easy. Every message that you put out resonates with them. They're commenting on your social, they're giving you great feedback on their NPS feedback. Those are just your absolute brand advocates and you say like you literally catch yourself saying this repeatedly, "If I could only have 100 of Lawrence. If I could only have 1,000 Lawrence's." I mean that, who do we actually want to replicate? And just think about that person. And I think the best thing to do is not create that person. Is pick a specific customer that you currently have and say, we're building everything around this person.

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Luke Carlson: What they like, what their needs are, what their psychographic and demographic and their income. All of those things. Understand that particular person and build a business around that person. That makes it easier for you as you make decisions. You say, "Hold on guys, before we do this, before we build this new location and hire this interior designer and bring on this architectural firm and order all this equipment, is this what Lawrence would really like? Is this where Lawrence wants to train? Is this the kind of music Lawrence wants to listen to, etc." And I think that the, selfish is the wrong word, but the entrepreneurial nature of the business owner is that we make so many decisions for ourselves because we're this independent, free spirited person as an entrepreneur. And we sometimes make the mistake of making decisions for what we want.

Luke Carlson: We say, "I'm finally opening my gym and I'm going to do it in my way." And I think we have the freedom and the autonomy to do that. But I think we really want to grow. We have to think about, well, what does our customer want? What does our target market really want? And I don't think we have to abandon the freedom to do those things completely. Another one of your guests that I just absolutely love and I think he said the single most brilliant sentence ever spoken on your podcast is Doug Collins. He clearly is going to build his gym and do the things that he wants to do. And I don't think we have to give up that right or that autonomy. But I think we have to gear it toward what does the customer want, especially if

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we want to grow and if we want to scale. We have to understand what the customer's needs are.

Luke Carlson: But the thing that Doug mentioned that I thought was so brilliant, and this is a little bit of a tangent, but my goodness, this should be the cornerstone of sales and retention in any personal training business. He said, and I listened to the podcast and I was on an airplane and I listened to it and I typed it right away. I emailed it to myself immediately, shared with our staff a few days later because I couldn't, it was just absolutely, it was [crosstalk 00:28:38]. He said, "If I take someone through a workout and they're not talking about it for the next 12 hours, I haven't done my job." I mean that's everything.

Luke Carlson: Seth Godin wrote a whole book on it. Purple cows. Okay. He called the book. It was Purple Cow. He talks about that you have to create a product that is remarkable. Meaning the product or the service is worthy of someone making a remark about it. And that's exactly what Doug said. That's exactly what he commented on. And Doug wasn't suggesting that someone has to be so sore they're talking about how insanely sore their lats and their glutes are for 12 hours, but they should be commenting on some aspects, some element of that experience. I mean, that is how we create true viral word of mouth marketing referrals. I just thought it was brilliant. Just brilliant. So I tangented there a little bit and I apologize, but I just think that was a brilliant sentence.

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Lawrence Neal: No, it's fine. I'm just so chuffed that you enjoyed that podcast and the others and shared that with your team. That's just amazing. Yeah, I think I also really want to underscore something you said, which I thought was really cool. When you said you who would be the your 100 favorite type of, what would we want 100 of in terms of your target market. And I like it because you don't just think about, okay, who can we sell to? Is who would be good for us. All the different measures that you gave, like who'd be, I don't know, easier to retain and pay on time. Or I don't know, maybe there's other markers of quality in terms of the target market, but you're obviously thinking about the whole life cycle and the lifetime value of that person and the indirect implications they might have on your business over time.

Lawrence Neal: If that makes sense. But I suppose when you come to actually figure out who that target market is, I mean I just want to kind of, I guess get more into the type of thinking that you might do to do that. So you mentioned how obviously you pivoted and focused on the busy professionals, but is it a case of thinking, "Okay, what's my geography? Who's in my area, where the business is going to be set up, who's in sort of driving distance?" And then figuring out, I don't know, which target market you personally may understand better than others and then starting there or. Could you just kind of elaborate more on how you would identify that, if that makes sense?

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Luke Carlson: Well, there's two things. It's are you designed to solve the problems of a particular target market? Or do you want to design so that you can solve the problems of a particular target market? So when we talk about high intensity training, and this is a different conversation for so many different businesses and so many different industries. But when we're talking about high intensity training, we all have this kind of built in, well we want people to work out one to two times per week. There's a few of us that might say three times a week, but let's say two times a week, and a workout is about 30 minutes long. So we have this incredible advantage, this incredible unique that really resonates with a particular target market. And that target market is someone who views themselves as having limited time. So I firmly believe Lawrence, at high intensity training.

Luke Carlson: I mean taking each set, the momentary muscle failure, doing a relatively low volume. And I don't think low volume means five exercises, I don't think it means big five. I think it means under 20 exercises in a given workout and you're getting a workout done in about 45 minutes or under. That to me is high intensity training that does not resonate with the average 21 year old bro who wants to go to the gym for two hours. You take them through one workout. That guy will say, that's the best workout I've ever been through in my life. And I've never felt like this. I'm sore for four days. I've ever felt acute hypertrophy like this. This is just incredible. But I got time on my hands and I love hanging out in the gym, and so I want to go to the gym for two hours a day, five to six days a week.

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Luke Carlson: So this incredible advantage that we have that the workout is in fact time efficient, just doesn't resonate with that person at all. So I would just say abandon that population completely. That's just an example. We have something that's already built toward people that value time efficiency. Just pivot away from someone that doesn't value time efficiency. We are so fortunate that most people, or a huge percentage of the population looks at themselves as time-starved. I give about 50 presentations a year, so I'm on a plane about once a week giving a presentation somewhere. I give a three hour talk on exercise to executives, to CEOs and people that run businesses of all sizes. And as the talk starts, I interview all of them. I ask them, "What's the number one barrier you face to doing the exercise that you think you should do?"

Luke Carlson: Whatever you think you should be doing, what's your primary barrier?" And nine out of 10 respondents say, "It's time. I just don't have the time." And the corollary of time is I don't have the energy. By the time I'm done working along day and doing a few things with my family, I just don't have the energy to actually engage in exercise. So time and energy are so related. And then as I get into the presentation and I present that, you can actually exercise in a way that's very time efficient and produced tremendous results, that really resonates with this audience. And so I think we have to understand that when we look at that target market from a high intensive training standpoint, we'd be nuts not to think about people that are time-starved or that that is their mantra, how time-starved

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they are. Let me give an example of a group that really works with attorneys.

Luke Carlson: So attorneys not only are time-starved like so many white collar professionals that have families and lives and so forth, but they also understand the concept of trading time for money. I mean everything they do is hourly work. So they're constantly saying, "Hey, my rate right now is \$175 an hour or it's \$320 an hour or it's \$600 an hour." It makes sense to them to say, "Well, for 30 minutes would I give up \$60? Would I give up to \$60 to get 30 minutes back?" Well, my 30 minutes is worth, if I'm billing at \$300 an hour is worth \$150 to me. So absolutely is worth it for me to do that.

Luke Carlson: They understand that because that's their industry. And I think that a particular niche could be, in high intensity training in the right area, is only working with attorneys. I mean, you could build a high intensity training business in the right office complex in the right city where you are solely focused on attorneys. That could be your entire business. And in that case, you interview that person, you do a focus group with that person, you understand their pain points, you make them the hero of the story. You tell the story about how they are busy and what the demands of their lives look like and how high intensity training fits in with what their day in their life looks like.

Lawrence Neal: Yeah, that's brilliant. And I noticed a lot of strength training entrepreneurs will have that type of client as their target market. Not

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just attorneys but just affluent busy professionals in general. Because it kind of makes sense. Just like you're saying there, time-starved. Their time is worth a lot of money. Very busy. And also they have the income to be able to afford this type of training as well. So it does make sense. But yeah, go on.

Luke Carlson: Here's the key there Lawrence, and I don't want to be rude and cut you off there. I've seen so many businesses, so many high intensity training businesses say this is my target market, but then they make the mistake and then they don't build the business around that. What they're doing is they're saying, "You're good for me because you have money, but am I really good for you besides the fact that my workout's 30 minutes." They do business in a way. I mean literally the studio does business in a way that is not conducive for that person. We have to think about what that person's work life, personal life, social life is like. And we have to build the business around that. And what I've noticed is so many high intensity training practitioners. A lot of people that I really love and respect. They provide the 30 minute workouts.

Luke Carlson: Okay. So that makes sense. The time efficiency makes sense. But they don't do the other things in their business that actually appealed to that person. Because remember that attorney eats at the finest restaurants, they often does. And stays in tremendous hotels and the spas and salons and all the different personal services that this person engages with, there's a level of expectation around customer service and customer experience and

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how we pay for the sort of the service or the product. And I think that we have to be mindful as high intensity training practitioners that we can't just meet their need in terms of the workout as time efficient. Every decision we make in the business from how the client schedules, to how they purchase, to how they rebook or reschedule when the workout's over with, to how we communicate with them, how we decide to market with them, how we engage with them, all of it.

Luke Carlson: Whatever we do from a loyalty standpoint, has to be geared toward what matters to that target market. And that's where I think so many of us fall short. We say, yeah, our workouts short and people love that. The busy professional person loves that. But we don't make the rest of our decisions in a way that are conducive to the way that person wants to do business. And you know how you figure that out? You sit that person down. And I'm telling you we have so many businesses all that I have tremendous respect for. If you sat there, their target market persona, if you sat that living avatar down and talked about the pain points of that business and the things they think that business could do better, that personal training business, they would name all these things.

Luke Carlson: They would say, "I love that it's short. I love that it's intense. I love that I get my bud kicked in 30 minutes." But they would say boom, boom, boom, one through 10 things that really have not been designed for me. I mean, that really gets back to the true definition of customer service. I mean customer service is only customer

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service if what you're doing matters to the customer in front of you. Okay. You can't think that it provides value. The customer has to think that it provides value. And I think that, that's where we have just this massive opportunity to improve and grow as personal training businesses and high intensity training businesses.

Lawrence Neal: Now I'm really starting to understand what you mean by being obsessed with the customer, which you mentioned in a previous episode with me. But yeah, I have not thought about it like that. In terms of actually, I often think about, of course you would want to mold the service or products around the target market, but to actually mold your entire business and all of the touchpoints that the customer might have with your business to that customer completely makes sense. And I can also appreciate it and sort of understand why some high intensity training business owners have an aversion to that. Because like you say, they want to create something that's like their baby and their lifestyle business and they don't necessarily want to mold it for someone else. But, at the end of the day, if you want to be a successful business, that's the way you have to think, right?

Luke Carlson: Yeah. And Lawrence, you just nailed it. And I respect anyone that's out there that I have met or haven't met that wants to run their business that way. I have tremendous respect for someone that does that. And that's fine. You just can't 10 minutes later say, "I wish I could grow my business." Because that is why you're not growing your business. So you can do it that way. But then you

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have to pay the consequences, which means you won't grow to the same level that you would grow if you put the customer at the center of the entire business. When you put the customer at the center of the entire business. All of this changes and how we make those decisions changes. And so that's a choice you have to make is do I want to do it my way or do I want to grow and grow revenue and become more profitable? And I'm not about to suggest what the right answer is. I think each individual entrepreneur and each individual business has to decide that.

Lawrence Neal: Yeah, and I think-

Luke Carlson: But if you think about it. Go ahead Lawrence.

Lawrence Neal: No. You go.

Luke Carlson: I was just going to say that, think about just purchasing. I think about our customer. I wish all of our customers would pay with a cheque. Okay. Because we don't have to pay credit card processing fees. I mean I pay literally hundreds of thousands of dollars in credit card processing fees and I wish we didn't have to pay that. But then understand that Mary and Michael writes maybe one cheque. That's our target market. That's our avatar. Mary and Michael, they write like one cheque a quarter. They don't write cheques. They take out their credit card and they use their credit card.

Luke Carlson: So if we want to continue to serve Mary and Michael, we better build the business in a way that is conducive to what Mary and

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Michael Want to do. So that meant moving from cheques to credit card. Then it moved from credit card to using a membership or an auto pay where we don't have to pull out a credit card at all. I mean, why do you think Uber has been so wildly successful in their launch? It wasn't that they could just come pick you up on demand. It was that there was no friction when you actually had to pay. I mean, I have arrived at my destination and I can just step out of my car.

Luke Carlson: There's no transaction. There's no, "All right, let me hand you cash. Let me swipe the credit card. Let me wait for the receipt. Let me add the tip." It's just letting me out of the car. And we can do the same thing. We can eliminate. We can reduce all those friction points in our businesses and have someone end the workout and just let them go because they've already paid. They'd been charged via an auto pay system. And that's, if you look at so many brands, I mean that's what the brands are truly obsessed with is let's understand in this customer journey, let's understand the pain points, the friction points, and let's continually try to eliminate the friction points.

Lawrence Neal: I imagine you've Luke, as your business has evolved, you've built up some probably quite good relationships with have a lot of your customers. And actually you've become pretty quite good friends with a lot of them. Do you, is that the case and do you actually, I can imagine you're the type of person you'll sit that person down and take them out for dinner and just ask every question and just

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find out every nuance about their personality so that you can improve your business for them. Is that been the case with you?

Luke Carlson: Yeah, I think Lawrence, I 100% agree with you. I think listening is so incredibly underrated. I mean if we have the strength as a business, it's that we listen. And we don't listen where we're prepared to respond. In my early years, I absolutely did that. Like I was, I wanted the person just to stop talking so I could regurgitate my response. I was so excited to respond to whatever their issue, their question, their comment was. And now I like to sit back and just listen and not respond and then just listen. And so and there's a number of different formats that you can do that. And so what you said is a 100% true.

Lawrence Neal: Cool. Okay. So we talked about, I think you've given some great thoughts there on how the listeners can and identify their target market and then also design their or come up with their differentiators or their three uniques or things that make themselves different, which they can then tell their story through to their target market. And obviously, I suppose you need to think about how will your uniques going to benefit that target market? Is that important to as part of all of this?

Luke Carlson: Yeah. I mean the unique has to resonate with who the target market is. Absolutely.

Lawrence Neal: Okay. Once those pieces have been defined and put together, how do you want to talk about some of the, I mean actually I've engaged

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Hannah to talk a little bit about actually the marketing side of what's worked for you guys. But I'm also interested to hear from your perspective Luke, like what, when you first started, how did you, because I actually don't really know the story and maybe we'll do another episode where I'd love to hear obviously another time like how you started. But, when you started, how did you get your first few clients exactly?

Luke Carlson: Well, I will tell you that the mantra when we started was everything that [inaudible 00:45:10] said. I would say I have 30 minutes with this person in front of me to do such a remarkable job that they're going to go and tell somebody else about it. And then I'm going to get a referral and do a free introductory workout with that person. And so the only difference I guess between Doug and us when we started is that we were always into the free introductory workout. And that comes from a consultative selling approach. The idea that you provide value first. And you can provide value by giving someone an article. You can provide value by teaching and explaining something. You can provide value first by actually delivering a workout. So we always believed in provide value first, just value, value, value, value.

Luke Carlson: And then you ask for the sale. You've already demonstrated that you're able to provide value, you ask for the sale and then that person becomes a customer. But you've built so much trust and so much rapport by providing value in the first place. But when we launched, I mean that was it. It was this person's coming in the

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door and every workout has to be an exceptional workout. It has to be a remarkable workout. So someone is willing to go talk about. Someone's willing to go tell a friend. They have to go to their car, pick up their phone and call their friend, call their spouse and say, "You can't believe what I just did. I can't believe how incredible that workout was." And if we were providing mediocre workouts, someone was just not going to do that. And that was such a struggle.

Luke Carlson: I think about this, and I remember being 26 and 27 years old and having a million different things going on, trying to grow the business. And I would remind myself literally before each session, whatever stress you have going on right now, whatever financial stress you have going on in the business, whatever stress you have or angst you have over an employee, you have to find a way to put that all aside right now. Because the only thing that matters is this next 30 minutes in front of you. Because if you can't win this person over and get this person to refer somebody else to you, and more importantly, if you can't retain this person in front of you, then all those other worries you have they don't matter.

Luke Carlson: Okay. And if I am able to retain this person in front of me, and if I can generate a referral from them, all these other problems that we have, they're going to go away because we're going to continue to drive revenue, grow revenue and grow profitably. And so that sounds so simplistic, but I know that your listeners have been in situations where training the client in front of them almost feels like

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a burden because they have so many other stresses and so many other things that they want to do in terms of growing the business. Well, that client in front of them is everything. Our thematic goal as a company, each year we have it thematic goal. One thing we want to focus on for the year and last year and 2017 our thematic goal was what we called one rep, one set, one client. And that to me is the only way I know how to grow a business. I mean we just opened on Monday, today's Monday, but [inaudible 00:47:59] Monday we just opened up our fourth studio in a suburb called-

Lawrence Neal: Congratulations.

Luke Carlson: Thank you. Thank you. It's called Woodbury, Minnesota. It is the most stunning like physical structure in terms of a training studio that I've ever been in. It's just beautiful. It was designed by the interior design firm [inaudible 00:48:15] Fabiano Design and they're the leading kind of health club interior designers in the world. And when I was 24 years old, I heard him speak at a conference and said, "Someday we'll have Rudy Fabiano design one of our gyms." And so now we've had that happen. It's just beautiful. And we're about to sign a lease on a fifth location.

Luke Carlson: It will open up at the end of October. And our plan is to do five more over the next two years. And our longer term plan is to open up 100 studios by the end of 2025. And so you get caught up in thinking, "Well, we're going to grow fast and this is going to be exciting." But every trainer needs to be reminded, and I remind myself daily, that

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the only way we're going to grow is if we continually adopt this one rep, one set, one client mentality. The only thing that matters is, are we coaching the one rep that's in front of us?

Luke Carlson: Are we coaching that one set? And do we care about creating a relationship with the one client in front of us? And as soon as we skip over that one rep, as soon as we let one client incorporate momentum during a transition and not focus on a pause, the brand dies. And our ability to scale and grow to dies because scale and growth is not largely about infrastructure and financing and people and leadership. Those things matter. But what matters is can we keep the magic of one rep, one set, one client. And as soon as we can't, we absolutely compromise our ability to grow. And by the way, I had no idea how we got onto that time lapse. I apologize if tangent in there.

Lawrence Neal: No, it's gold. I feel like I should be wiring a few grand to you Luke, for this free consultation.

Luke Carlson: Well, that's not deserved, but hopefully it will help.

Lawrence Neal: Okay. This is really good stuff and I think this is are really good principles and important principles that listeners need to really think about in terms of, if they're having issues attracting new clients, maybe it's a problem with one of these areas. Let's talk a little bit more about like practical actual tactics. I know you're not so much a big fan of talking tactics, Luke. But just keen to learn as you grew

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your business, what worked most successfully for you in terms of just getting more people through the door?

Luke Carlson: So the biggest tactical marketing campaign for us, and we started it about two years into the business was what we called bring a friend week. And the magic of bring a friend week is you can do it in frequently. So we did it two times per year. We've done it basically two times per year for about the last 10 years. And bring a friend week works where every client that brings a friend in for an introductory workout, in that week receives a free workout themselves. So we are truly giving away a lot. Your friend does not even have to become a client. You just have to bring a friend in and you get a free workout. So for us it'd be very normal for us to drive 60 to 90 free introductory workouts in a week, where a normal week for us is at like 13.5 introductory workouts.

Luke Carlson: So for us to drive 60, 70, 80, 90 introductory workouts in one week is really powerful. Now here's the deal, our closing percentage on those introductory workouts is not going to be as good as it normally is. We normally close 70 to 71% of our free introductory workouts. Well, for bring a friend week, it's going to be much lower because a lot of our clients are going to bring in a friend that they know probably is not going to become a client, but it just gives them a free workout. But on the other hand, our customers are, we just are loaded with Mary and Michaels. They respect us as a business. They respect the brand. They're generally only going to bring a friend who is really the right fit for Discover Strengths.

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Luke Carlson: So thankfully we just have tremendous customers who are understand the brand and are respectful and they bring in really good referrals that week. And of course, Lawrence, they can refer somebody 52 weeks out of the year. But this one week out of the year, specifically two weeks out of the year, because we do it twice, we say we want you to bring a friend in and we will give you a free workout. And so we, from day one, I shouldn't say from day one, from the first time we did this, which was about our second year of operating, we would have all our trainers just geared up and ready to go for this one week because we were going to work with so many free introductory workouts and we knew this was our big chance to really, really grow the business. And we did. We would acquire, I mean our last bring a friend week, we acquired 33 new clients.

Luke Carlson: And so yeah, we give away a few free sessions in that. But our lifetime value of a new client is massive. And so we would gladly give away. I mean, that's the most cost effective marketing we can do is to give you a free workout if you bring somebody else in. So we do that twice per year. We have a bring a friend week coming up here in two weeks that we're getting geared up for now. And so we're excited about it. So we'll set a number, we'll set a goal for it. We'll promote it heavily internally in the facility. We'll promote it via mass emails. We'll promote it on all of our social media. And we provide that free introductory workouts. Now you have to get really good at that free introductory workout and understand how you provide value in that to get somebody to move toward closing. Or

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even if they don't close to talk about it. We have so many people during bring a friend that we don't close, but they talk about the workout to someone else. So that's a real tactical thing that's worked for us for forever.

Lawrence Neal: I love that. And yeah, I mean, and just to reiterate, what Luke was saying there in terms of the free introductory workout and every single detail of that is taking place, which I'm sure has evolved since we spoke about it last just a couple of years ago now. It is all in that episode that I mentioned before, which would be linked to from the show notes. So you can literally learn exactly how Luke and his team trained to take that client through a remarkable workout. But everything is very, very deliberate, including all the language and the kind of close at the end of it as well.

Lawrence Neal: And which I think is just brilliant. I think clients just really, really appreciate that. I mean, they really, prospective clients appreciate the thought that's gone into how good you've become at doing that. They appreciate that. I don't think it's, because I think some people might see that as being a little bit manipulative, but I don't think so at all. But anyway, I'm digressing a little bit here. So, okay. So you talked about a very effective tactic which is, yeah, it makes complete sense and I can see how that could work so well. What else is there that comes to mind that you might do like year round that drives people through the door?

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Luke Carlson: So a second thing. This is really tactical and I think this is probably what you're looking for, is we're at this point really, really in to Facebook and Instagram and we're into paid Facebook and Instagram so like a Facebook dark post. So we think investment in social media, investment in paid social media right now is the right thing to do. We didn't invent any of that. That really probably comes from Gary Vaynerchuk or Gary Vaynerchuk influence, but we think paid social works and works for our type of business. So that's a second really tactical really main stream. Most of your listeners are aware of that, whether or not they're putting that investment in right now. We would continue to say that whatever you're putting on your paid social or just your organic Facebook and Instagram should still speak to your three uniques. You shouldn't be leading with the program that you're selling or come in for a free introductory workout. You should still be storytelling around those three uniques.

Lawrence Neal: Yeah.

Luke Carlson: Go ahead, Lawrence.

Lawrence Neal: No, no. Go.

Luke Carlson: I was going to give a third one. So that one was just, it was very much just a lead generator and always, and that's filling the funnel. That is driving introductory workouts and that just traditional marketing and advertising. The third thing we do that's a little bit more untraditional but absolutely works for us from a retention standpoint and a generating referrals standpoint is, and we've done

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this again for 11 years, is our monthly seminars. And the monthly seminar is each Tuesday, or excuse me, the first Tuesday of each month, we do a 30 to 45 minutes seminar and we actually do it at each one of our locations. So our downtown Minneapolis location, we do it at noon or over the lunch hour. In our Plymouth location we do at 7:30 PM right before we close.

Luke Carlson: Our Chanhassen location, we actually do it on Wednesdays at 7:30 PM. So 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. And at Discover Strength, we do not believe in discounting whatsoever. I mean everyone pays the same price. There are no discounts, there is no discount. There is no class pass, there's no starter package. There'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. So if you're going to come and learn, we will essentially reward you with that 10% discount.

Luke Carlson: Now, why would 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 this 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 something, or if you learn about a

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particular topic, your passion for that topic would grow. So it's not the passion leads to learning. It's that learning actually drives passion. So 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.

Luke Carlson: Okay. In addition to that, we're going to retain that clients. I knew from the day we opened the business, if someone really understood high intensity training and strength training, they will 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. So anyone that doesn't continue with this is solely because they don't quote and quote get it. And if we could just get them to get it. Well, 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 the 12 months out of the year we just pick a different topic.

Luke Carlson: 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. So 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. Okay. But we've done seminars and everything you can imagine from the history of

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Nautilus, Arthur Jones and the advent of high intensity training. So we've done seminars on how strength training impacts marathon preparation. So 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 as Discover Strength staff member.

Luke Carlson: Because hey, it's our brand. We want to tell our brand story. We want to tell the story kind of our way and we want to position us as the experts. We would never let a chiropractor or a physician or someone in town come in and give that seminar. We're not trying to build business for them. We're trying to really position ourselves as the experts. So the few times that we break that are when Dr. James Fisher happens to be in town. So we always have him give us seminar when he's in town. And then 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 them up at the hotel and he's going to come out for a workout. And then after the workout he's going to give a seminar to our entire client base.

Luke Carlson: 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 then everyone that attends that somewhere will get 10% off. So as the experts, I mean, all of your listeners are truly experts in high intensity training. They have just a

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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 often see 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 orange theory fitness or they're doing something that is actually the opposite of safe, evidence-based, high intensity training.

Luke Carlson: And we're thinking, "wow, I thought they got it. I guess they didn't actually get it." And they demonstrated they didn't get it by doing essentially the opposite of what we've always done. And so I think you got to take advantage of every opportunity to teach your clients. 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 moves us to continue to teach and tell the story and let that person understand why they are spending the money. Why are they putting the efforts 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: Yeah. That's that's awesome. And you're absolutely right, I think even myself, we get caught in a bubble. We think that it, it's the is it a Dunning-Kruger effect or one of those where you think that

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everyone is at the same ... I'm probably thinking of a different thing now.

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

Lawrence Neal: It's not, I think it's Dunning–Kruger is probably where you think you're more intelligent than you actually are. But no, I don't have to use that, but I'm just saying when you get really into anything, 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 of the benefits and the reasons why they shouldn't do anything else. But the truth is they might not, as you pointed out. So I can see where there's such value in doing seminars. Do you drive new registrants like non-clients to the seminars as well?

Luke Carlson: No. Well 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 do not want to have this kind of tacky approach where there was going to be a seminar at the end there was going to be some type of sales pitch. I mean, our seminars are, we received compliments. And I love this, for the last 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 because we

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taught you so much. Like you're not going to ever 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 long game.

Luke Carlson: 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 as 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. And because I, 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. So 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.

Lawrence Neal: Awesome. Yeah. And just to jump back a second, obviously you've mentioned a couple tactics that you employ to get more clients. And then you also mentioned there some of the social media you've been doing lately. Would you say there before, in terms of how the listeners should be thinking about how they target. Where they should spend their money or their time in terms of promoting their story and their message and their service. It's understanding exactly

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where their target market hangs out. Like are they on Facebook, are they on Instagram, what blogs do they visit? What events they go to? Is it more important, like would you be personally trying to understand all of that first before obviously trying these tactics out?

Luke Carlson: Yeah, I would understand the platforms and the mediums that your target market are interacting with where they're spending their time and then make sure you're storytelling there.

Lawrence Neal: Good stuff. Okay, cool. Okay. So I think this has been pretty all encompassing in terms of, because I don't think there's much value necessarily us going into more and more tactics unless there's anything that comes to mind Luke, in terms of things that have been effective for Discover Strength in terms of attracting more clients.

Luke Carlson: Well, the thing that I would say and this is tactical but it's not as specific campaign, is that you have to track some key data. So I think, and I fell into this way of thinking early on, I always thought, "Well, I'm too small to track it. Like I'm not going to track the percentage of closed introductory workouts we have." We do like two introductory workouts per week. I'm going to remember. We had two of them, we closed one of them. Like I don't need to track that, but I think so imperative that we come up with a few of the key measurables. So the key performance indicators that we're looking at on a weekly basis. So we understand which one of our campaigns are working, how are we doing when we actually have a free introductory workout? How long are we retaining our clients?

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Luke Carlson: Client retention is one of the least understood topics in not just the high intensity training studio world, but in all of the studios and boutiques and the entire health club space. Very few people truly know what retention is. And how is retention different from attrition and are they opposite of each other or is there more nuanced definitions? I think we have to just track these things so we have good data because we should constantly be rifle shooting new ideas. Or we should be A and B testing different things that might work that might drive retention, that might increase our sale. Like, if you tweak one aspect of your sales process, you should do that. And then you should see what happens to your close percentage.

Luke Carlson: I know that Discover Strengths and we took the introductory workout away from all of our trainers and we just created a sales team that did the introductory workout. So it was a group of six trainers that did all of the introductory workouts. Our closing percentage increased. It almost doubled. And we said, "Okay, that was a good change." If we hadn't been keeping track of that data, we wouldn't have known that. And now we know that we will never have all of our trainers do free introductory workouts. We'll identify the people that have the interest in doing it that have the talent and doing it. And then we will spend a tremendous amount of time training and managing those people. So they continue to improve as the person's delivering that introductory workout, that sales process.

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Luke Carlson: And so I would just encourage all of your listeners to track key data points so that they know when I'm changing different elements, when I'm changing different parts of their process, what are the results look like? Those data points are so key. And then you have historical data to look back at and say, "Well, we used to retain at this rate." I'll tell you this Lawrence, we understood over time that we were losing clients in the first 22 workouts. So if you made it to about 22 workouts, we were going to retain you for years and years and years and years. But we lost a lot of people within the first 22 workouts and there was a number of reasons why we lost people. So what we did is we hired an entire position that we call the new client experience director that is going to walk you through those first 22 workouts.

Luke Carlson: And during those 22 workouts, we've changed the type of workout you do, how you get feedback and progress reports. You do a specific one-on-one seminar with this new client experience director that's 15 minutes long. So we make sure we don't lose you in the first 22 workouts because you don't understand it. You don't understand the methodology. We're going to do essentially a stay interview where that new client experience director is going to talk to you after the 15th workout and talk about if you were to leave Discover Strength what would those reasons be? What are we doing well that keeps you here? What can we improve on?

Luke Carlson: Instead of asking those questions after a customer leaves, we're going to ask them while they're with us. What we understood just

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from looking at the data is that we're losing people in the first 22 workouts. So we wanted to shore that up and we wanted to say, "Okay, let's make the first 22 workouts just an incredible thoughtful, planned out experience and journey that after 22 workouts, we have positioned this client to retain them for the long haul." And then they move into our, what we call our clients for life core process where we're doing other things to retain them for the long haul.

Luke Carlson: But let's make sure we really shore up those first 22. And my point in sharing all of that is we wouldn't have known that if we didn't have data. We didn't have data to understand, we're not retaining people as long as we thought we were. Because sometimes we almost get distracted by, hey, I'm staring at a client he has been with us for 12 years. And I'm staring at a client here that's been with us for 13 years because I worked with them one year before the business even opened. And we low ourself into thinking that we're really good at retention. And when we look at the data, we realized we were actually losing a lot of people. So have great data to look at and review regularly.

Lawrence Neal: That's awesome. And I know that we could do a whole two hours plus on retention alone because clearly it's huge. But you want to, I mean we've got a few minutes I think here Luke, if that's okay. Do you want to just go, would you be able to give a high level of view on that core process that you hinted at there? I don't know if that would take more time.

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Luke Carlson: Well, so I would make this recommendation. When you look at retention, you should have three separate processes in place. And you can make them as simple or as elaborate as you want, but three processes need to be there. There needs to be a process that guides someone through the early phase of the relationship with your company. So we're defining that as 22 workouts. You can define that however you want, but you've got to own the first 20 workouts and you have to understand what that journey will look like. So that's step number one. Number two is you have to have a proactive retention process. So proactive retention means what are we going to do to retain this client while they're still happy and still a client.

Luke Carlson: A lot of times, and I'm not picking on health clubs, but in the old days with health clubs, we looked at retention as someone said they wanted to quit the gym and then what do we do to get them to not quit the gym? So we're trying to retain them, but that's kind of like your last ditch effort. So we would call the second process your proactive retention process. So you better have a number of bullets. For us, I think it's like 22 pages of a process that's going to tell us all the things that we're going to do to make sure that a client stays. And by the way, and I'm not breaking any ground here, retention is really everything that you do. I mean, everything that the brand does contributes to retention.

Luke Carlson: So try to capture the high level things, the things that are really, maybe we pray to a principal, our retention, what's the 20% of the

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things that we're doing that are really keeping 80% of our clients and define those things, articulate those things, get them down on paper. And then lastly, you've to have a reactive retention process. So what happens when a client leaves? Okay for us, what happens when a client hasn't been in for 10 days? What happens when they haven't been in for 14 days, for three weeks, for a month, what happens at six months, etc. And so much of that now is automated. So early on it's our client, or excuse me, our trainer reaching out to the person and then it's the manager of that location working out.

Luke Carlson: And then it shifts to a different person in the company reaching out. And of course we have phone and we have email and we can send cards and letters, we have the right mix of all those things. And then eventually they're going to get dumped in to a workflow. I mean we use HubSpot, but HubSpot automate so much of this. So how are we getting in front of a client that hasn't been coming in and continually trying to communicate with them, make them the right offer and get them back in the door? Because we've been around long enough and I know you have so many listeners who've been around long enough, they have so many alumni clients that if they just marketed to those alumni clients, they would be wildly successful.

Luke Carlson: And so that's our reactive retention process. So I think you have to have those three things. What are the first 20 workouts look like? What is your broad proactive retention process look like and what does your reactive retention. And I think maybe at a different time,

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Lawrence, if you want to, we can go deeper on those things, but I would say that each business is going to be unique in how they do those things. I just think you've got to get them on paper so that everybody in that business understands these are our key steps to keep someone here early on. To keep someone here for the long haul and to get someone back in who's fallen off the wagon.

Lawrence Neal: Yeah, no, I think that's excellent advice and yeah, it'd be great to do a followup on that and focusing on that specifically. And Luke, this has been amazing as always and thank you so much for sharing all of your learnings. In terms of how to drive more business development into the strength training business. I really think this is a very niche topic, but is something that the people in our industry really need to learn more about. So that we can create more and more successful strength training businesses and ultimately help more people. Luke, what's the best way for the listeners to find out more about you and what you're up to?

Luke Carlson: So I would say really three things, our website is [discoverstrength.com](http://discoverstrength.com). So people can interact with our website. Our social media, so we're probably more active on Facebook and Instagram than anything else. They can follow us there. My email is [luke@discoverstrength.com](mailto:luke@discoverstrength.com) and so I'm pretty good at getting back to email. So those are great ways to get in touch or stay in touch.

Lawrence Neal: Cool, good stuff. And for all of the listeners to find the blog post for this episode, please go to [highintensitybusiness.com/podcast](http://highintensitybusiness.com/podcast).

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