

# Operations

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## Selling to Suits

Securing corporate memberships is different — and can be more difficult — than the usual sales process.

**IN URBAN** markets and suburban markets with a high concentration of businesses, corporate membership sales present an opportunity for fitness centers to develop large reservoirs of leads and prospects, which often result in high closing rates. For many facilities, the corporate market represents a majority of their membership growth opportunity. In reality, the process of generating corporate leads and prospects, then closing those leads, is different than the typical sales process.

### The corporate mindset

To gain corporate members, learn about what corporations are seeking when they purchase corporate memberships. The University of Michigan's Health Management Research Center produces an annual report that offers a useful overview of the cost benefit data that corporations typically consider when they evaluate the need for a corporate membership program. Another resource is the 1998 International Health, Racquet and Sportsclub Association publication *The Corporate Market: How to Capture and Keep Corporate Memberships*.

In general, most corporations purchase corporate memberships to use as a tool for recruiting high-caliber talent, help improve employee morale and productivity, reduce healthcare-related costs, improve the image of the company, and/or reduce worker's compensation costs, absenteeism and work-related disability.

### The corporate market

Develop a list of the most appropriate corporations to pursue by using the following guidelines:

- Identify which corporations are represented by your current members, and talk with those members, or contact the company directly.

- Compile a list of companies that fall within your market area. While not as effective as using your membership roster, this strategy is a good alternative.

- Identify the decision-makers at these corporations. In most cases, he or she is in either the human resources or medical departments. In smaller companies, it might be the manager or president of the company.

- Learn about the company's values and needs. Make an effort to learn as much about a company as you can. Start the effort by searching the company's website.

### Develop a presentation package

Prepare a professional presentation about your facility and the value of corporate memberships.

**Get an audience at the company.** This is often the most challenging aspect of corporate sales. Some steps that can be helpful in getting your foot in the door include member referral, building relationships in the community and forwarding a personalized invitation to the corporation.

**Make the first appointment a learning experience.** In corporate sales, the first appointment is not designed to close the sale, but rather as a means to learn about the company's needs and wants, and to present general information about the benefits your facility can offer. The basic goal of this first meeting should be to have the contact agree to allow you to forward a proposal that is specific to the company.

**Forward a customized presentation.** Prepare a customized proposal that is relevant to what you have learned about the company in your first meeting. It might include an invitation for the contact to use the facility, or an invitation that allows employees to have one week

of complimentary usage. Some fitness centers develop special corporate activities, such as featured evenings for targeted companies.

**Maintain contact.** Follow up the proposal with a call to confirm that it was received, and inquire about scheduling another meeting to discuss the proposal. Be vigilant; it may take a few months between the time you forwarded the initial proposal and your next meeting with the company.

**Prepare for additional meetings and counterproposals.** You will typically have to deal with additional meetings and revised proposals. It is a rare event that a club's first proposal is the one the company accepts.

**Throw a party for the company.** Once the company agrees to your proposal, a special function should be held at your facility welcoming the company.

### Assign a corporate representative

It is essential to assign a staff person to represent the account and maintain ongoing contact with the company representative. Have this person meet with the designated corporate representative on a regular basis. These meetings should include providing information about the usage of the facility by company employees and other relevant data. Maintaining regular contact with the company can help assure ongoing support from the corporation.

### Considering the odds

Corporate memberships are a high-risk but high-reward approach to membership sales. While they can lead to a relatively large number of sales, they can also lead to a high level of turnover. All factors considered, however, the effort to sell corporate memberships is a venture well worth undertaking. **FM**



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