

# **BLOCKBUSTER REFERRAL PROMOTION PULLS IN 410 MEMBERS IN 60 DAYS.**

Are you looking for new ways to motivate members to bring in their friends? What about new ways to get existing members to use the club more?

Here's a dynamite promotion that satisfies both these needs. New York-based Greg Buttle's Health and Fitness Centers first tried the promotion in one of their Long Island clubs. It was so successful they're doing the same promotion in all their clubs.

Debbie Carlinsky, membership and marketing director for the three-club chain, told us how their referral promotion works.

The promotion is called "Compete for Paradise." Participating members earn points for bringing in guests, referring new members and using club facilities. Referring a new member is worth 50 points. Brining in a guest... 2+0 points. Using hair salon... 5 points. Pro-shop purchase... 5 points. Massage... 5 points. Workout... 3 points.

The member with the most points at the end of the two-month promotion wins a week for two in Hawaii. Second prize... \$200 off the next year's membership renewal. Third prize... \$100 off.

"To enter the contest, members must first bring in a friend to join," says Carlinsky. When the friend joins, members receive a "Compete for Paradise" I.D. card, a T-shirt and their first 50 points.

"Members may enter the contest any time during the 60-day promotion. But most referrals come in during the first two weeks," says Carlinsky. "People serious about winning the contest refer a new member right away so they can start accumulating points."

"Participating members must show their I.D. card immediately after each activity to receive points," explains Carlinsky. Members also fill out separate cards for each activity they do... Recording the points they earned. The member keeps the original. Instructors keep carbon copies.

Instructors turn in carbons each day. A club employee adds member's points to a computer that keeps a running tab of members' totals.

By allowing members to keep copies of their cards each time they earn points, they can also keep a running total. That way, discrepancies between the clubs total and the members' can be settled easily.

How does the club pump-up motivation to participate? "We started promoting the contest two weeks in advance," Carlinsky says. Here's how they spread the word among members.

Fliers throughout the club headlined... "Compete for Paradise...Hawaii... A Competition for points to WIN A WEEK FOR TWO IN THE BEAUTIFUL HAWAIIAN ISLANDS." Body copy

included contest rules, a list of activities and points, prizes and the dates of the promotion. To incite urgency, the bottom of the fliers read... “Be a winner... Get started early!”

Signs throughout the club and an article in the club’s newsletter similarly described the contest. Staff wore T-shirts that read... “Compete for Paradise. Win a Hawaiian Vacation.”

While 200 of the club’s 3,500 members participated, Carlinsky says next time they’ll promote it differently. “We should have mailed a flier to every member,” Carlinsky explains. “It would have been worth the extra \$700 postage.” Why? “People who don’t use the club very often and don’t read the newsletter, may not find out about the promotion.”

To heighten motivation among participants during the final three weeks, Carlinsky posted a sign in the lobby, ranking members by the number of points they earned. The sign was updated daily.

The promotion climaxed with a Hawaiian Luau. “We decorated the club with sand, palm trees and grass huts,” says Carlinsky. Winners of the contest were announced at the party. “The members really enjoyed it.”

How much did all this cost? According to Carlinsky, cost for printing in house promotional materials came to about \$1,500. Carlinsky arranged to get the trip to Hawaii FREE in exchange for promoting the airline and hotel among members.

The club achieved remarkable results. The 200 members who participated referred a whopping 410 new members – in just 60 days... Pulling in about \$190,000.

Carlinsky warns there’s only one problem they did not anticipate. Two members tied for first place. As a result, the club had to pay for an extra trip for two to Hawaii... At \$2,500. “Near the end, the two people who tied were so close to winning the trip, they kept bringing in guests for a quick 20 points,” Carlinsky says. And in an effort to win they probably grabbed any friend they could find – regardless of whether or not they were interested in fitness.

To avoid this problem, Carlinsky suggests awarding more points for bringing in new members versus guests. Make sure you plan ahead for a tie breaker... Such as a drawing. Let members know in advance what the tied breaker is so there are no hard feelings if someone doesn’t win a trip.

The benefits of the promotion went beyond the incredible boost in sales revenue. “Our goal was to pull in new members,” says Carlinsky. “But members didn’t feel the contest was just a promotion to get them to refer friends,” she adds. “Everyone had a lot of fun.”

Participating members increased the frequency of their workouts... Helping them get in better shape. “The contest got members to use the club concessions – such as the restaurant and hair salon,” says Carlinsky. They also had tremendous guest traffic... Boosting exposure of the club.

Consider a promotion such as “Compete for Paradise.” It could be just the ticket to revive your club sales and boost member satisfaction. ■