



THE COMPETITION SELF-ASSESSMENT

FOR HEALTH, WELLNESS &
FITNESS BUSINESSES



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Jumpstart Services

Google My Business
Full Professional Optimization Package

Google Ads Launch Package

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Online Marketing Courses

Free Resources

Online Google My Business
Self-Assessment

Friday Monthly Success Hours

The Business of Wellness Content Hub:
advice, research, how-to's & guides for
health & wellness businesses

HOW TO USE THIS TOOL

This 16-question self-assessment helps you assess the vulnerability of your business to competition.

Keep your most serious competitor top of mind during this exercise.

Since you can't access their confidential data, base your best guess on customer comments, reviews, social media discussions. Check the Better Business Bureau, too.

Then, review each question and answer "yes" or "no." Keep in mind:

There are no right or wrong answers to these questions.

The goal is to develop nuanced, detailed insights into the similarities and differences between your business and your competitor's.

Why? So that you can then commit your energies to **protecting, preserving and capitalizing on those differences.**



THE DIMENSIONS OF COMPETITION

ITEM 1: Is your scope of services similar to theirs?

Scope of services means the full range of services, programs and products that you offer customers.

For example, perhaps you both offer sports massage, chiropractic services, a weight loss program with advice from a dietitian and degreed kinesiologist, and 24-hour access to the same types and amounts of equipment.

Or perhaps you offer one-on-one nutritional counseling and personal training while they offer a group-oriented weight management program and unlimited gym access.

ITEM 2: Do both businesses have the same ideal customer?

Your ideal customer is the one who's most loyal to your business. This customer is likeliest to send you referrals and provide enthusiastic word of mouth via live conversations with friends, family and coworkers as well as posts on social media. They're invested in your success!



For example, your fitness club's ideal customer may be a slightly overweight woman who's struggled with baby weight and failed diets. The ideal customer for another health club might be families, serious recreational athletes, people who live to lift, or folks in their twenties who want to blend working out and social connections. Yet another business might emphasize complementary and alternative approaches while the other focuses on strong informal referral relationships with local physicians.

ITEM 3: Do both businesses have similar hiring strategies?

Consider whether you're both using the same approach to attract, hire and retain your staff. Consider both financial and non-financial benefits for employees (for example, business reputation in the community). Coonsider whether both businesses mainly hire employees or use independent contractors to provide customer-facing services and programs.

For example, you may share the profits of your business with your staff while another business uses mostly independent contractors that tend to turn over fairly frequently.

They may offer flexible schedules while your business uses fixed schedules every week.

Perhaps one business recruits heavily on campus while the other posts positions online. One may accept a higher turnover rate in exchange for paying less than the going rate for salaries in your community, while the other prefers to keep staff and therefore pays above-market wages.

ITEM 4: Do both staffs have similar resumes?

Consider the education of your staff, their track record of success and positive interactions with paying customers, relevant certifications and licenses, years of relevant experience, prior places of employment.

It's not enough to say, "Yep, we both hire people with at least ten years of personal training experience and a certification." Perhaps one business requires an exercise science degree while the other business doesn't require a degree at all. Perhaps one business requires accredited certifications while the other will accept any certification.





Compare the previous employment experience of key managers and staff. For example, perhaps all of your staff have worked in rehab hospitals. Or your management team may have solid experience in successfully managing growing businesses while theirs lacks experience in managing growth.

ITEM 5: Do both businesses provide services in the same way?

Consider how you actually provide service. For example, your health club may always have a fitness professional on the floor for advice. They may offer services on a walk-in basis, whereas you require appointments. Your healthy lifestyle program may emphasize peer support and group meetings, whereas they provide online coaching and rely heavily on a mobile app.

ITEM 6: Are both businesses about the same size and scope?

Factors to consider:

- total number of locations
- number of employees &/or contractors

- number of customers
- total revenues from customers
- numbers of programs, classes, quantity of equipment
- operating hours and days

Evaluate whether both businesses have a similarly narrow or broad scope. One may specialize while the other is more general.

For example, a large wellness center that focuses most of its programming on women's weight loss and healthy lifestyle change is probably not really competing with the weight loss programs run by a national health club chain.

ITEM 7: Do both offer similar levels of personalization?

Consider whether both businesses offer programs and services customized to individual clients or members or personalized in some other way.

We're talking true personalization here. Flashing a client's photo up on a computer screen so that a front desk staffer can pretend to know his or her name is not personalization.





On the other hand, small group training is less personalized than a one-on-one sports conditioning program. Both are more personalized than a group fitness class. Small-group lifestyle management classes are less personalized than one-on-one lifestyle coaching.

ITEM 8: Are customer loyalty rates and turnover similar?

Compare the levels of customer turnover, repeat business and the percentage of customers who would recommend each business to their friends, family or coworkers.

Google, Facebook, Instagram, Yelp and Better Business Bureau reviews, recommendations, comments and complaints are an obvious source of competitive intelligence.

Also consider what you hear informally from your past, current and potential customers, vendors and suppliers, your professional relationships with attorneys, accountants and bankers plus friends, family and coworkers.

ITEM 9: Do both owner/manager groups share similar goals?

Consider the objectives that the investors, owners and managers have for each business.

For example, one business may be interested in expanding nationally, another may want to launch new franchises regionally, and someone else may simply want to make a reasonable profit while maintaining work/life balance.

ITEM 10: Do both businesses have similar sales philosophies?

First, compare the types of consumers and businesses that each of you sells to. Then compare your respective selling philosophies. Typical approaches include:

- Consultative problem-solving selling which may involve multiple interactions over a period of time
- Question-based selling designed to discover a match between your capabilities and their needs
- One-size-fits-all sales tactics focused on getting an immediate buying decision from every prospect.





Next, compare the sales tactics that each businesses uses.

Examples include:

- Tours or other introductory experiences
- Time-limited free class cards
- Case studies and client profiles
- Free assessments or consultations
- Free trial memberships
- Introductory discounts
- Money-back guarantees
- No-questions-asked refund policies

ITEM 11: Do both have similar physical facilities and locations?

Factors to consider:

- Square footage
- Newness and upkeep
- Style of decor

- Features like locker rooms or separate entrances
- Similar neighboring businesses (schools, retail, restaurants, etc.)
- Similar neighborhood environments (office district, industrial park, strip shopping center, etc.)
- Any other physical characteristics of the spaces occupied by the two businesses (parking, general reputation for safety, etc.)
- Similar demographics (age, gender, income, etc.) for the locations of both businesses

ITEM 12: Do both businesses have similar online capabilities?

Factors to consider:

- Detailed online information about programs, services, products
- Detailed online information about pricing
- Detailed online information about guarantees, warranties and similar assurances
- Testimonials, case studies, and other proof statements
- Hours of service, contact info, and directions to your location
- Ability to buy or enroll online for programs, services or products





- Availability of similar online tools (e.g., calorie calculators, food and exercise logs, self-assessments of emotional wellbeing) and other handy resources
- Online community forums, message boards and similar social networking features
- Weekly or monthly e-mail newsletter or similar communication
- Integration of website and online marketing activities with marketing activities that occur at your physical location
- Exclusively online program or service offerings

ITEM 13: Do both businesses follow the same pricing strategy?

Factors to consider:

- Pricing structure
- Rates
- Discounting
- Special offers and promotions
- Cancellation and refund provisions
- Other key terms and conditions

One key question to consider here is whether one business consistently follows the other's pricing changes. For example, perhaps you respond with an identical holiday promotion when they offer a special deal, or vice-versa.

ITEM 14: Do both businesses serve the same trade area?

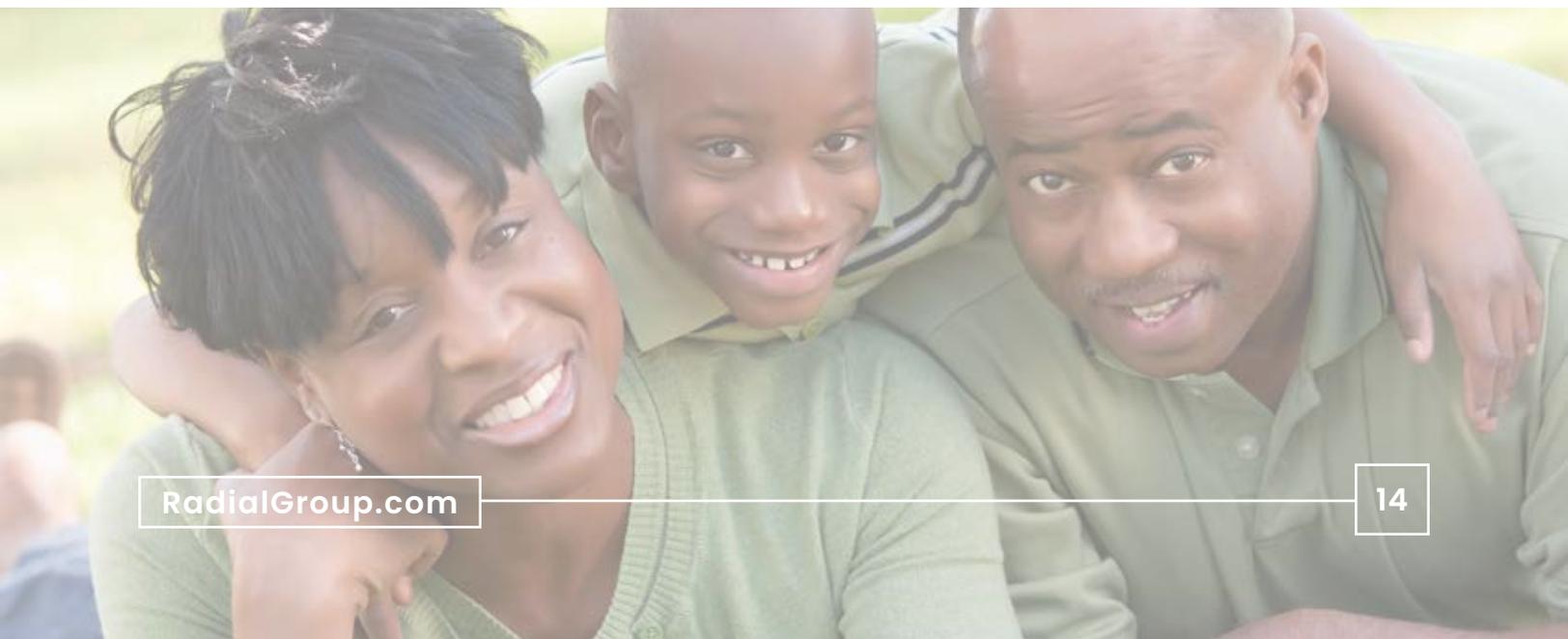
Consider whether both businesses are located so closely to each other that they essentially have overlapping trade areas.

For example, a few years ago in Dallas we had one national bookstore chain on one corner of an intersection and a competing national bookstore chain on the opposite corner—both head-to-head competitors.

ITEM 15: Do both businesses use similar promotion methods?

Every wellness business engages in public relations, promotional activity, advertising and marketing. Focus on the details, like:

- Publicity, public relations & community outreach



- Social media presence
- Google My Business (especially advanced features)
- Collaboration or comarketing with other businesses
- In-person events like open-houses or free assessments
- Webinars or other online activities
- Special offers for new customers
- Online and offline advertising
- Online and offline marketing

For example, perhaps you advertise in local "shopper" newspapers while they do high-profile events with a local radio station. Perhaps you count on organic Facebook posts on your business page and word of mouth while they rely mainly on Instagram and Google Ads.

ITEM 16: Do both have similar customer service philosophies?

Put another way: are both businesses equally easy to do business with? Check your reviews—and theirs—before you answer. A wellness center may make cancellation easy for consumers enrolled in their weight loss program, while another is notorious for billing errors and insanely long cancellation delays.

How many "yes" answers do you have?

Consult the Scoring Guide on the next page to interpret your score.

THE SCORING GUIDE

0 - 4 "YES" ANSWERS

Your position against potential competitors is strong. Your wellness business has different objectives and provides different services to different target market segments, using different sales, marketing and hiring strategies. Innovate in areas that resonate with your target audience, and focus on increasing awareness of your business.

5 - 7 "YES" ANSWERS

While you may have some overlap with potential competitors, the extent of competition is probably relatively minor. Double down on your differences. Focus on what your best clients say is unique. Your greatest risk is inadvertently *increasing* competition by mimicking others rather than amplifying your unique strengths.

8 - 12 "YES" ANSWERS

You likely face head-to-head competition. Revisit your business and marketing strategies. Dig deep into customer perspectives on your business. Capitalize on your program's distinctive strengths and capabilities. Appearances can deceive: don't assume that a competitor's strategies and programs are always successful.

13+ YES ANSWERS

You're directly competing with others in your market. Unless you find a way to differentiate your business, you may find yourself in a price war. Businesses who compete with similar programs for similar customers often find themselves "swapping" customers: whenever Business B wins a customer, A loses one—and vice-versa.



SUMMARY & NEXT STEPS

Ask yourself this:

Do you believe that competition is something that “just happens,” the result of external factors that you don’t control?

Sometimes that’s true. Yet for most health and wellness businesses, competition results from decisions YOU make and actions YOU take, not from the decisions and actions of others.

Want to avoid competition?

Simple: make different decisions and take different actions.

After all, if most of your inspiration comes from other businesses—their approach, their marketing, their website, their programs—and you hire similar people and deliver the same services the same way, you’ve CHOSEN to make them your competitor. You’ve CHOSEN to compete head-to-head!

There’s a better, smarter way..

Double-down on your *differences*. Use the insights you’ve gained from this exercise to capitalize on the standout strengths your most loyal customers prize, and forge your own path, free of distracting worries about what other businesses are doing.



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