

# How to Build and Scale Your Video-On-Demand Fitness Business

As the COVID crisis keeps staring us down, many have realized the need for develop their online and digital channels to stay relevant. When it comes to the fitness business, things are no different.

Big fitness brands already realized the need to build a digital safety net around their brick-and-mortar locations, so they created digital channels long before the small club owners even thought about it.

For the smaller players, the idea possibly never hit them or they didn't have the necessary means or knowhow to get started. However, the ongoing virus pandemic has forced many businesses to go this route anyway.

The pressing issue for many is how to **build and scale the video-on-demand fitness business?**

## Building Your Video-On-Demand Fitness Business

### Understanding the Different Business Models

The Video-On-Demand (VOD) fitness business has two primary models. What you choose should depend on what your ultimate goals are in terms of revenue flow.

The two models are:

- Subscription-based VOD
- Transactional VOD

### What is Subscription-Based VOD?

You probably already understand even if you don't know it. If you're familiar with streaming services such as Amazon Prime, Netflix, HBO GO, and more, you're already familiar with this model. These are all subscription-based streaming services where you pay a monthly (or yearly) fee to enjoy watching content.



As long as you keep paying the subscription fee, you keep enjoying the content. When you stop paying, you lose access.

Subscription-based VOD is a business model that works great for the fitness industry. Albeit, there are advantages and disadvantages. But what exactly are the pros and cons?

**Advantages:**

- Subscriptions create a recurring income source.
- Monthly income becomes more predictable.
- Customers are more likely to continue with the low monthly subscription fee.
- The business model allows greater room for scalability as you add videos
- Promoting content becomes very easy. You can promote your content to both online and offline clients.
- It's easy to pick up videos and repurpose them for future marketing.

**Disadvantages:**

- You have to keep creating content all the time.
- There is no short-term financial gain. Significant revenue takes a long time to build.

## What is Transactional VOD?

In this model for the Video-On-Demand fitness business, you need to create a complete package that you can sell to interested clients at a premium price. There is no recurring pricing.

Transactional VOD is a one-time-payment model where the person who buys the package keeps it forever.

For example, you may specialize in providing long-term care for diabetics. Or, you may be a fat-loss expert who can chisel a Greek god(ess) out of anyone.

You may decide to create a whole package that will provide the following:

- Training goals.
- Exercise videos.
- Diet plans.
- Tips for recovery and maintenance.

You can create a complete package out of these things and make them available in the form of downloadable videos, DVDs, downloadable PDFs, etc. The Transactional VOD model has several advantages and disadvantages.

**Advantages:**

- You can sell at a higher price.
- Once you create the bundle or the package, you can keep selling it for years.
- It's also easy to promote. You can advertise the bundle to both online and offline customers.
- You can create an affiliate channel by allowing third-party trainers to sell your bundle.

**Disadvantages:**

- Continually finding new customers is difficult as the high price often deflects people.
- Unpredictable income.
- Creating the entire bundle will require a lot of time and effort.

Which model you want to adopt will be your decision. However, many people opt for the subscription model, as it has more advantages than the Transactional model. You can alternatively create a combination of both and maximize your base.

## Planning the Content that Sells

Just as important as deciding on a business model is creating content that sells. For any online fitness studio, two types of content come to mind.

- **Studio-level content:** More general content focused on the services your studio provides.
- **Individual-level content:** Content designed to address the individual needs of specific clients/customers.

### The Studio-level Content

Start by asking these basic questions:

- What is your studio offering? Yoga, cardio, strength – what is your specialty?
- When clients visit your online studio, what should they expect to see?
- What are you going to teach them, and how are you going to coach them online?

- What resources do you need, and do you have everything in place?



You will start to get an idea for the overall structure your online studio should take when you begin with these questions.

No matter what you do, you will need your website to look serious and professional. While having a YouTube and Instagram can be useful, having your own website is key for being a serious studio. Ask yourself?

- What type of branding will you need? (logo, color, etc.) The brand equity you build will define your success or failure.
- What should be the focus for your videos?
- Do you need to provide nutritional information?
- Should you provide equipment reviews and information?
- Should you provide printable workout plans?

You need to remember that for many people, the first impression is often the last. You need to convince both potential clients and existing ones that your online studio provides value and results. Think and invest a lot of time into the studio-level content creation phase and it will pay off for you.

## The Individual-level Content

Creating individual-level content is no easy task either. Every single client you have or acquire is different. Each one of has different physical needs. Although each client is different, you can still

group them into broad categories. For instance, if you are a strength trainer, you can arrange your clients by:

- Experience level
- Age
- Body type
- Gender
- Training environments
- Meal plans
- Work, timings, etc

Once you complete the categorization phase, you can think of the content you have to create for each category. Finally, you need to think about the delivery of the content. Consider the following:

- Do you need to create videos/courses that follow a sequence?
- Do you need to record your videos/courses in front of a class or alone?
- Do you need a live streaming feature?
- Do you need to have written content (blog posts) on your website?
- Do you need to create downloadable files like PDFs, images, etc.?

The content creation phase can be extremely overwhelming, but don't get discouraged. Just remember to ask the right questions, and you'll find yourself where you need to be.



## Launching Your Website

To launch your website successfully, you will need the following:

- A domain name.
- A server.
- A blogging service such as WordPress, etc.
- A proper theme.

Going for WordPress is always a good option because of the following:

- It is free and immensely powerful. With WordPress, you can design and create any type of website conceivable.
- It is incredibly user-friendly. You don't need to know how to code.
- There is a large pool of free and premium themes. You can buy any paid theme for a small price.
- Hundreds and thousands of plugins available will allow you to add just about anything to your website.
- You can integrate online payment portals.
- Dozens of help forums will help to resolve any technical issue you face with WordPress.

## Setting the Right Price

Setting the price is the final stage of building your Video-On-Demand fitness business. But how to do that? Here is the rule of thumb to follow:

**"Don't be greedy!"**

Here are some figures that you should consider before setting a price:

- The average price range for the Transactional VOD model is \$75 to \$110.
- The average price range for the Subscription VOD model is \$12 to \$15 a month.
- The average monthly earning of online fitness studios with a 7-day free trial is \$9600.
- The average monthly earning of online fitness studios without a free trial is \$5600.



For pricing, try to stay within the given range for the Transactional model and Subscription model. However, you should consider offering a few more benefits such as:

- Rebate for a long-term subscription plan such as a 6-month subscription or a 12-month subscription.
- Rebate for purchasing two or more bundles or packages in the Transactional model.
- You can provide a monthly free group Q&A sessions when people buy a 6-month subscription plan.
- You may consider providing a one-on-one Q&A session through live streaming for anyone who purchases a 12-month subscription.
- Offer discount coupons for special times like Christmas, Halloween, 4th of July, etc.

Remember, pricing is an essential factor in business success, especially in the fitness industry, where there are a whopping 25,000 apps available on Google Play Store alone! That's a big competitor base.

But that's not the end. [A recent report](#) says that there are 210,000 health and fitness facilities across the globe, catering to 184 million members. The United States alone has 41,370 facilities generating a revenue of \$35 billion a year.

Bottom line? You will face unprecedented competition when you take your fitness business online. This competition will keep growing.

So, scaling your business is the next big challenge.

## Scale Your Video-On-Demand Fitness Business

### OTT Apps

You have to remember that a critical factor for the success of an Internet-based business is the ability to deliver high-quality video content through various digital channels.

When it comes to Video-On-Demand fitness business, you need to have the ability to stream your video content to as many platforms as possible with a single push of a button. It is possible through OTT or Over-the-Top apps.

With OTT apps, customers can stream videos instantly on their mobile devices and TVs using various devices such as Fire TV, Android TV, Roku Box, Apple TV, etc.

The real challenge is to create OTT apps for all such devices. It can be extremely costly. Small club operators may not be capable of significant investments.

So, what is the solution?



Using a third-party service like Uscreen, Vplayed, Hippo Video, etc. is the cost-effective alternative that many small businesses use. These are all OTT platforms that allow creating and deploying apps in as little as 30 days.

There are several benefits of using third-party platforms, such as:

- Some platforms also allow the creation of fully-functional websites without incurring any additional cost.
- They provide detailed analytics data on how your videos are performing and how much revenue they earned.
- They also offer a centralized Content Management System (CMS) where you need to update your new content only once from the centralized admin area.



- These platforms also allow adding in-app purchases, in-app notification, and offline viewing features.

The more platforms you cover, the wider you'll reach, which helps foster faster growth.

Studies have shown:

- Using OTT apps increases engagement by up to 50%.
- OTT apps also help to increase sales by up to 30%.
- OTT apps increase engagement because people can carry their favorite content wherever they want.

## Social Media Platforms

Social media platforms are powerful, and you must utilize them to gain a new audience base. Platforms like YouTube, Instagram, Facebook, Twitter, etc. are all great. However, since you are going after the Video-On-Demand fitness business, opting for YouTube and Instagram makes the most sense to focus on.

That, however, doesn't mean Facebook or Twitter or other platforms cannot work for you. Remember that these platforms are usually free, and you should be ready to give away free training sessions to gain new subscribers.

Once you gain subscribers, you can ask them to check out your website and the dedicated apps. Serious folks who love your free content will end up becoming paid subscribers.

As your subscriber base on these social media platforms keeps increasing, you can monetize those channels by participating in their revenue-sharing advertisement model.

One critical thing you should not forget is to ensure you are not putting geo-restrictions in place. Remember, your online business can reach people no matter where they are, so be sure to keep that door open!

## Friend and Customer Referral

Yet another great way to scale your Video-On-Demand fitness business is to go for friend and customer referrals. Ask any marketing guru in the world, and they'll tell you one of the most powerful marketing tools ever created is "word of mouth" spread.

Rely on it! It is a time-honored method that has worked again and again. Ask your friends and happy customers to refer your business to others in their lives.

People who know and trust your referrer are much more likely to subscribe to your VOD fitness business. This can lead to a chain reaction of sorts, potentially leading to a quick buildup of your subscriber base. Another massive benefit of this method is that it requires zero investments and minimal efforts from your end. Just take advantage of your existing happy customers and friends.

## Conclusion

Building and scaling your Video-On-Demand business takes a lot of effort and planning but can pay off in spades.

Now more than ever, to stay relevant in today's digital world, you have to invest time and money. You must work to come up with new ideas that are exclusive to your business and offer value to potential customers.

No one is looking to buy into something they don't think is going to improve their life. So focus on what you know, and get ready to teach the world!

Good luck!