



# The Fitness Owner's Guide to Earning More Money Through Merchandising

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# Retail is your ticket to greater profits

Wouldn't it be great if there were a single strategy that offered additional revenue opportunities, built brand loyalty and allowed customers to market your business for you at little cost?

## There is, and it's called merchandising.

Offering apparel, equipment, food, drink and other wellness products is a great addition to just about any fitness business. Clients love a one-stop shop where they can buy everything they need for a class, and they enjoy showing their brand loyalty by purchasing products with your logo on them. This is especially true if you sell stylish fitness apparel — just think about the athleisure craze going on now. Merchandise also has the potential to increase client engagement and encourage retention. Whether it's with healthy pre-packaged meals, apparel or protein powder, clients have another opportunity to engage with your business, and keep coming back.

Furthermore, merchandising provides an additional revenue stream that is great for your business. Selling big-ticket items improves your profit margins, as do consistent smaller sales that add up.

## Ready to get started?





# What you should sell

## The basics

Make sure you have a good stock of items appropriate for your fitness classes. Clients may forget to bring essentials for working out, and new customers might not know what they need beforehand.

Even if you have a stash of spare items on hand for classes, your clients may want to purchase equipment for home use. Merchandise doesn't have to take up much space, so retail is an option for most studio sizes.

## Some good basics to sell include:

- Water bottles
- Towels
- Applicable equipment (yoga mats, weights, resistance bands)
- Gym apparel
- Gym bags

## The fuel

It's always a good idea to have snacks, nutrients and drinks available. You'll undoubtedly get a few impulse buyers purchasing these items before or after an intense class. Consider stocking your shelves with:

- Protein bars or powders
- Electrolyte supplements
- Nutritional shakes or juice
- Bottled water

## The extras

Small, inexpensive accessories can bring big bucks when sales start racking up. Catch your client's interest with items like:

- Socks
- Hats
- Books
- Hair ties
- Lip balms
- Keychains





# Creating a retail strategy

Getting your merchandising section up and running is easy as long as you know what you're doing and start with a plan.



**Set your budget and sales goal.** How much money can you spend on retail — not just the product itself, but the space, time, manpower and even the price stickers? How much do you have to sell to break even, and what's an achievable but ambitious goal? If you don't know any of these answers, look at how other gyms in your area have priced their merchandise.



**Know what your clients need.** When **Be Hot Yoga** realized it wasn't anywhere near an upscale fitness apparel retailer, it partnered with lululemon to become the chain's only boutique in Southern Utah. Think similarly: Analyze what your clients need that your market lacks, and add that to your retail section.



**Stagger product orders and allow time for delivery.** If you place an apparel order after selling your last size small shirt, you're too late. Make sure you know how long it takes your supplier to ship items so you always have something on hand for clients to purchase. Also, stagger your orders so your business isn't swamped with new inventory.



**Create an incentive program for your staff.** Incentive programs encourage trainers and staff to sell products, boosting your retail section and increasing sales. They could get a percentage of each sale made or credits toward free merch or classes.



**Offer prepaid gift cards.** These are perfect during the holiday season, and they're a relatively inexpensive business purchase. Plus, you can [create your gift card online](#).

# Creating your own branded merchandise

Branded merch is how you turn your business into a lifestyle for your clients. You become more than a fitness studio — you're now a style ambassador, and, by wearing your apparel, clients become advocates for your gym's community.

You may even be able to partner with larger brands like Be Hot Yoga did with lululemon. If you display this merchandise in your window, you might just see an uptick in foot traffic. Depending on your type of gym or studio, a boutique athleisure provider may be a better partner than a larger company like Adidas or Nike.



**"It's been crazy how many people come off the street wanting to just buy the merch. People walk in drawn to the clothing, then take a tour and don't ever leave."**

— Bizzie Gold, founder of B MVMNT <sup>1</sup>



# Selecting retail partners

Once you've got an idea of what products to offer, start looking for vendors. The best partners are ones that:



**Offer low minimum order quantities.** Purchasing smaller orders helps with your cash flow and keeps your back stock from getting out of hand.



**Are easy to work with.** Your retail partner should be communicative, proactive and willing to correct any issues you encounter. Returns, for example, should be easy.



**Create products with a long shelf life.** You don't want unsold merchandise to go bad sitting on your shelves. Look for providers of packaged drinks and snacks. If you have a cafe, figure out what to do with unsold goods at the end of the night — maybe donating the food or composting it.



**Match your student's needs or aesthetics.** Chances are a weightlifting gym will have a harder time selling barre equipment than pull-up bars. Stock up on products that appeal to the majority of your clients before branching out.



**Provide instructor discounts.** Many brands offer their products at a deep discount to instructors and key influencers. This allows your staff to use the products you are selling and truly be able to recommend it.





# Arranging inventory

Having a lot of cool products is great, but no one will buy anything if they can't see it. Arranging your inventory is surprisingly important, as an attractive display draws the eye while a messy one deters sales.

Create color-themed sections, placing merchandise of similar hues in the same area, to avoid clashing. If your products are all over the rainbow, spread them out to give clients' eyes a little breathing room.

Place your products at eye level and within reach. If there's any packaging, make the labels easy to see so customers don't have to shift things around. Keep your inventory stocked to make the display look appealing.

Need more space? Slatwall panels, decorated cork boards or colorful magnetic panels help you maximize your display with only a few square feet. You can set up a nice-looking retail area for as little as \$200.

Need some inspiration? Check out our [Pinterest board](#) for examples of actual fitness businesses with a knack for merchandising.

# Managing inventory

When should you restock: on a consistent basis, or when you notice merchandise getting low? How much should you order? When should you bring in new products?

For most retail products, monthly orders are a good place to start. Try to get around \$300 worth of merchandise or 15 or more pieces from each vendor. If you have a cafe, only order when stock is low to avoid wasting produce.

You can bring in a few new items (for example, a new t-shirt design) every few weeks. And don't forget to think seasonally. You may need to stock up on tank tops in late spring or holiday-themed merchandise in early winter.





# Going online

If your clients are booking classes online, they'll appreciate being able to pay for merch in the same way. For example, an out-of-town family member of one of your clients may purchase a gift for that person. You'd have missed out on that sale without an online store.

You can easily integrate a retail store into your software to sell through your MINDBODY site and in person. Adding products and shipping options is just as easy.

On that note, make sure someone is responsible for fulfillment, ensuring merchandise gets out in a timely manner and according to the customers' selected preferences.

# Understand your merchandising with MINDBODY

MINDBODY's inventory management capabilities keep you on top of what's selling and what isn't. You can review numerous reports to improve your merchandising, get rid of products that aren't moving and reward your top-selling employees.

Curious? These screenshots show you a taste of how in-depth you can get:

**Inventory Reports**

FILTERS  
[All Inventory Reports](#) [Management](#) [Sales](#)

- Inventory on Hand** [View Report >](#)  
Check and adjust your inventory levels.
- Sales by Product** [View Report >](#)  
View all your product sales for a given date range.
- Cost of Goods Sold** [View Report >](#)  
Find out which retail products are generating the most revenue for your business.
- Sales by Supplier** [View Report >](#)  
Pull sales data about each of your different product suppliers.
- Manage Online Orders** [View Report >](#)  
Check for new online product orders and update existing ones.
- Inventory Change Log** [View Report >](#)  
View changes that have been made to your inventory levels.
- Retail Sales Performance** [View Report >](#)  
Find out which staff members are best at upselling products during their appointment services.
- Inventory Age** [View Report >](#)  
Identify your slowest moving products.

Check out everything you need to know about your inventory, including sales, costs and online orders.

**Staff Reports**

FILTERS  
[All Staff Reports](#) [Productivity](#) [Payroll](#) [Administrative](#)

- Ratings and Reviews** [View Report >](#)  
View feedback about your business that was submitted through the MINDBODY app
- Staff Performance** [View Report >](#)  
Get an overview of how efficient your staff members are compared to the amount of time they are scheduled.
- Clients per Teacher** [View Report >](#)  
See how many unique clients each of your staff members provided services to.
- Appointment Metrics** [View Report >](#)  
Find out how your appointment-based staff members are doing in terms of productivity and client retention.
- Retail Sales Performance** [View Report >](#)  
Find out which staff members are best at upselling products during their appointment services.
- Trainer Conversions** [View Report >](#)  
See which staff members successfully used a promotional appointment type to retain clients.

**Retail Sales Performance** [View Report >](#)  
Find out which staff members are best at upselling products during their appointment services.

See which of your staff are great at upselling and who might need a little help.



For more educational resources, including webinars, guides, conference presentations and online courses, visit [www.mindbodyonline.com/resources](http://www.mindbodyonline.com/resources).

To learn first-hand how MINDBODY can position your business for success, schedule a guided tour today at [www.mindbodyonline.com/business-software](http://www.mindbodyonline.com/business-software), or give us a call at [877-755-4279](tel:877-755-4279).

If you're a MINDBODY customer and want detailed information on how the software supports your retail efforts, watch the [MINDBODY University On Demand Webinar: Retail and Inventory Management](#) for additional tips and tricks.



1. May. 2018, Moneyish,  
<https://moneyish.com/ish/soulcycle-y7-and-brrrn-are-pumping-up-profits-with-branded-merch/>