

The Subscription Model: The Hidden Key to Winning in the Fitness Industry

Muscle Nerds uses the subscription model to deliver top-tier fitness education to would-be fitness pros. Co-founder Zoe Knight shares their story.



Zoe Knight

James: James Schramko here. Welcome back to my podcast. This is episode 1023. Today, we're talking about applying a [membership subscription model](#) to the fitness industry. So, I've brought along Zoe Knight, welcome to the call.

Zoe: Thank you. Thank you for having me.

James: Now you're over there, you're running a website called [musclenerd.net](#). And you're serving fitness professionals.

The fitness pro education market

It's a huge, like, exploding industry, I seem to be surrounded with them. And there's lots of famous YouTubers, there's business people now talking about fitness and calorie counting. I've had a few of them in my own world, even [helping me improve my health](#), but it just seems like it's just blown up over the last few years. Is that an accurate sort of assessment, or is that just my anecdote?

Zoe: It is absolutely an accurate assessment, for a multitude of reasons. [laughs] We started Muscle Nerds coming up eight years ago now, kind of by default. It was a situation that we never set out to start, but it just very luckily, organically happened for us. At that point in time, the only continuing educators within the industry were more focused around like, athletic development, really high end, like cool stuff.

And you would get a lot of coaches and personal trainers going to attend these seminars, learn how to write advanced program design, you know, advanced athletic training methods, how to get someone on stage, really, and they would go back to their business, and 95% of their clients were general population people.

So, they were moms of four that work 60 hours a week, they was going through a divorce, and you know, stress level's really high. So, when we started out education services, we targeted them at general population, like how to train general population, because they would take these advanced training methods and go and apply them to the clients and wonder why the hell they're not working.

And again, for a host of reasons, they would work recoverability, just the stress is too high, they can't train as hard as needed to elicit the response. So, we really kind of, I guess, paved the way for talking about how to train your general population client with stress physiology as the core. Since we started that, we're seeing a lot more conversations in the industry in regards to recovery, good nutrition, stress management, the stuff that lays the foundation to be able to more easily get results.

And we're just seeing, obviously, you can credit social media for the rise of a lot of people being able to more easily start online fitness training coaching, online fitness education, especially throughout the last, what, three to four years of when, you know, the spicy flu came about. And a lot of the industry, depending on the country, was shut down physically, they had no choice but to move into the online space.

And you get a lot of people that are now very easily able to become educators in the space, influencers in the space, online coaches in the space. So, it appears at surface level to be a fun, easy option, where you can make a lot of money. But kind of think, once you get into it, you realize it's actually a lot of work, which is good.

So yeah, it's definitely growing. I think we can credit social media a lot for that as well. But from when we started now, there is just with so many more options in regards to where to get your continuing education from in the health and fitness space, for sure.

Addressing the issue of stress

James: Gosh. I mean, stress physiology, that sounds like a great market to be in at the moment.

Zoe: It is super cool. I mean, look, you get people who say, I'm not stressed, you get people say, But I thrive off stress, I work best under stress, or I don't feel stressed. But you dig deep and you very, very rarely come across someone who is not just living in that heightened stress response. And like, you know, stress alters the way your body responds to exercise and nutrition. So having a good understanding of it as a coach is like, super important. So that's kind of what a lot of our principles are rooted in. And very, very relevant. You see great results when you get your stress kind of under control.

James: Well, you know, part of [Work Less, Make More](#), in my field of work is to help people be a little less stressed. I had someone yesterday tell me that they had a really hard week, they spent a lot of the time crying, and they ate a lot of chocolate, and it was like an immediate reminder that I think some people's stress response is to overeat. Comfort eating.

Zoe: Oh, a hundred percent, yeah, and that's it. And like, stress presents itself in so many different ways. You can have someone in the same situation, but the way they deal with it or manage it is vastly different. A really good example is, we held a seminar a good few years ago in alignment with a counselor, who they specialized in coaching and helping the morbidly obese, like 200, 250 kilos. And we had two people that had the same presentation, which is, I'm not good enough.

And this person responded I'm not good enough by over achieving, by always going to uni, getting straight A's, just constantly striving, striving. And this person's I'm not good enough froze them. So, they never started anything, they didn't do anything. So, you can have so many different presentations of the same root issue, which, again, is just awesome to understand, but you're right, some people binge, and overeat, and come to food as their comfort. Some people lose their appetite, get nauseous, won't touch food. So that's why we always got to dig a little bit deeper.

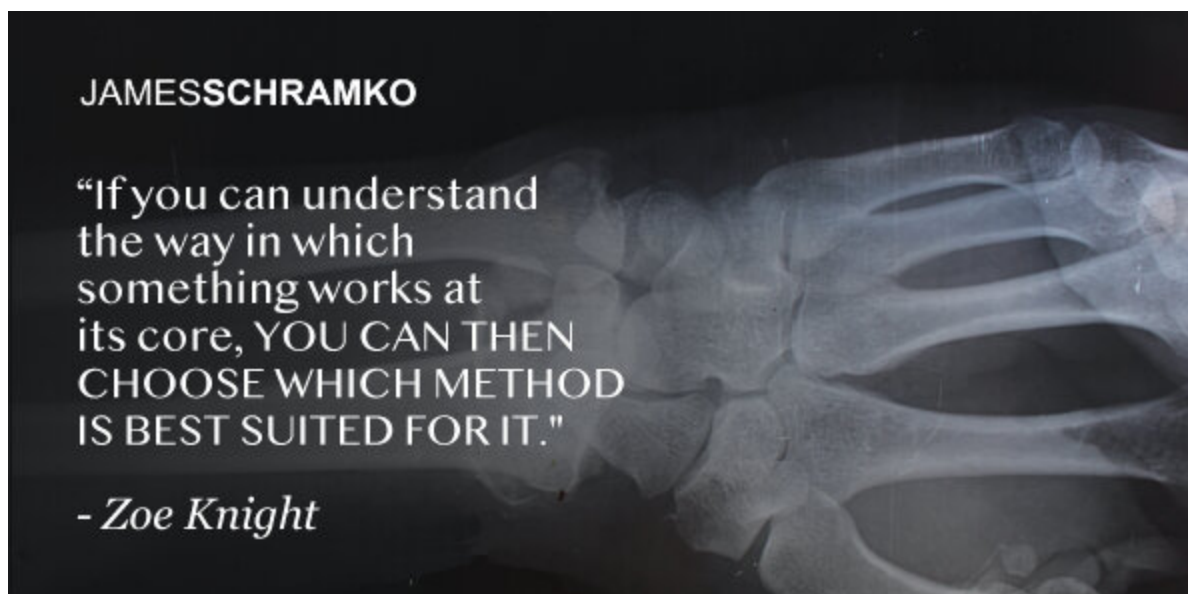
Giving clients what they really need

James: Well also, I think in our field with the entrepreneurial thing, there's a lot of celebration of stoicism and taking on challenges and being tough. And I'd say even, you know, through the pandemic, and now and because of working with a lot of stressed people, I noticed that as soon as the pandemic came, people were really drawing on their support, like, you know, I'm helping them, coaching them, mentoring them, and they draw on me more than ever before.

Pre-pandemic was like an insurance policy. And pandemic, it's like, they're claiming. They're going to take every call, they're going to milk it, and their leads run dry, the people are panicking, that stress can transfer. I had to just correct myself. I've recently lost, so far, about eight and a half kilograms in the last few months, just from correcting course back to being on track.

And I've been doing that with the help of a fit pro, which is really interesting, because in terms of the planning, when they send the exercises and when they send the routine or whatever, I believe that's where you've been really helping fit pros, is with helping them figure out programming, educating them on how to meet their client's needs, and bringing them out of the dark ages of, you know, writing it down on a piece of cardboard in the gym or whatever.

Zoe: [laughs] Yeah, kind of trying to get rid of that broscience. I mean, look, you've got your fitness industry and then you've got mini subset industries within it. So, you've got your broscience, you've got your bodybuilders, you've got your power lifters, you've got your movement specialists, and you know, all of that.



What we like to think of ourselves as, and what we have strived to do, is strip away the top layer essentially. And looking at like, well, okay, so yeah, you've got a powerlifter, you've got a bodybuilder, you've got a calisthenics guy. At the core, what is it that is working? Like, what is it that they are all trying to achieve? And if you can understand the way in which something works at its core, you can then choose which method is best suited for it.

So, we, all of our education goes right down to like, the cellular level of like, okay, so what makes a muscle contract? And like, what instances does it respond in what ways, and all that sort of stuff. So, if you've got a good understanding of that, you don't need anyone to come along and tell you like, Oh, okay, so for hypertrophy, you need to do 10 sets of 12, like you know, 10 to 12 reps, four to five sets, whatever. And then for strength, you need to do five sets of five. It's like, if you understand how something works, you can come to the conclusion yourself.

And we have a lot of emphasis on like, what is it that the individual needs? Like, get rid of your dogma, get rid of your preferences, get rid of what you've done that's worked for you, let's assess your client, what is it that they need? What methods in your toolbox can you use to elicit that? Because I think there's so much - (am I allowed to swear on this podcast?) [laughs]

James: Go for it.

Zoe: There's just so much bullsh*t, where people just become dogmatic against something that they have seen work for them or that they prefer, and that's the answer to everything. But it's never the case. It's like, let's just fill your toolbox with all the tools, understand why they work, why they don't work, what instances they work, who they would work for.

And when the person comes along, you give them what they need for the right person, the right time, for the right reason, who cares what you use, like, as long as you understand the pros and cons of it and what you're trying to elicit and you can mitigate any of the negative things that people say everything's got, you know, like, you've got people slamming everything, everywhere.

Like, just make that critical think, make that really critical assessment and give your clients what they need. So yeah, we're very much rooted in, I guess, like just stripping it back a few layers, and just thinking, getting smart enough, and just using that knowledge with a good critical thinking brain.



James: Well, I think what you were describing perfectly describes all the biases that people have, you know, survivorship bias, hindsight bias, bandwagon bias, attribution error. I actually recently posted a playbook with all the biases in my membership, because I think, if you can't have someone external from you pull you away from those, you just get sucked into your own little echo chamber.

Zoe: You see it all the time. And you definitely see the divide in the health and fitness industry.

James: Especially in the nutrition side of it. These days, you've got these, you know, you've got liver celebrities, and carnivore celebrities, and vegan celebrities, and like, everyone's got their thing and their followers and who stack on. It's very hard to sort it out. And so, having a central source, where you are, of being able to corral those fitness pros and give them an education foundation, that's really interesting to me.

Where Zoe was when things locked down

But I'm also interested in what changed for you. As everyone else came online, were you already online before 2020?

Zoe: Yeah, that's a great question. We actually very luckily were. So, it was in 2018 that we released our first online course prior to, and it sounds much more elaborate than it is, we just traveled the world holding in-person seminars, teaching. I'm from New Zealand, live in Australia, my husband's from Texas. And when we met and were together at the time, we couldn't legally live in the same country together.

So, we just spent two to three years just traveling, and wherever we went, we'd hold a seminar. And we kind of just piggybacked off, like I mentioned, his reputation that he built prior to starting Muscle Nerds together. So, we're very, very lucky. When we finally decided where to settle and live and go through that whole visa process, it was then we started kind of exploring, okay, well, how can we settle a little bit and not live on the road, as well as still help and deliver good education globally?

So that's when we moved on to the online space, we released, a program design course was our first online course. And that grew from being like, an eight-week course to a 10-week course to now, we've got over 160 hours of video content in it, and we've just expanded it over the years. So, it became quite like a big-ticket item. And then that did really well at the start of COVID when that hit in 2020. Obviously, it was initially just like, we're just locking down for two weeks, we're just locking down for a couple of months, we're just going to like, what was it, flatten the curve?

James: It was 14 days, 14 days to flatten the curve.

Zoe: Flatten the curve. So, we were very lucky in the sense that at that point, we had an influx of people purchasing education. They could work, you know, they didn't realize that money and work was going to dry up anytime soon. So, at this early on in COVID, we did quite well. Our impact of COVID came later when people realized there was no light at the end of the tunnel, you know, nine months later, you know, Melbourne, Netherlands, they got it really bad, they were still in lockdown, not even able to open their gyms for one on ones, or you know, it was just as we know, pretty sh*t for all the fitness industry, and especially gym owners.

James: Well, even for the general population. I mean, Melbourne had army people blockading streets and flying drones, and they were surveilling people's phones to see where they are. It's outrageous. And I'm glad that we can talk about it now without getting canceled. You know, to me, it was just fascinating.

But most of the public still don't even understand how badly they got handed this. And I suppose, we're now seeing a lot of people who are getting sick, because they were forced inside and stopped doing their livelihood, or not getting proper nutrition, or delaying surgeries or whatever. And who knows what else, right? Probably can't say that yet. But it's coming.

And I imagine that health is, you know, we're seeing excess mortality in every country at the moment. So, I suppose there's a big crush on like, we've got to get that good education out there to help people get back on track.

Zoe: Yeah, we were - I mean, we all rode a lot of waves throughout that period. We actually purchased a gym here in Brisbane five days before COVID lockdown happened. [laughs]

James: Good timing. [laughs]

Zoe: Every day in the history of the world to buy a gym. But I remember at the time especially with the lockdowns just thinking, but what about the people who rely on exercise for their mental health, like that was where my mind first went. Because we do, unfortunately, have a facade of the fitness industry, especially gyms and weight training, being just like egotistical, all about image, big meatheads, but my God, it runs so much deeper than that.

And so, what really killed me throughout that period was the, I guess the message that exercise isn't as good for your health, as we know it is, and you know, there's a big wash of people. But anyway, we could go off on a tangent on that for a very long time. But back to our education, you know, we were really lucky that we had a big boom.



And then we really dried up towards the end, when people were like, Well, sh*t, like, I've been locked down for nine months, I've lost half my client base. I'm trying to move online, but everyone's trying to move online, you know. I think it takes a really unique client to be able to be coached online, like a lot of people need that in-person accountability, that coaching, you know, they don't have the motivation or discipline to do it on their own. They don't know what they're doing on their own.

Anyway, the big things that we learned in that period, that actually a lot of personal trainers don't know how to train their clients without gym equipment. So, we started kind of shifting our education towards - we released, like, an online training.

James: Well, you couldn't even buy equipment, remember? You couldn't buy a dumbbell or a barbell. This was like, take away all the things that people have relied on, like an in-person place, the ability to buy equipment, and now see what you're left with. It would strengthen the strong and destroy the weak, right?

Zoe: Yeah, the cream just kind of rose to the top. That's exactly right. And so, but that's where our education really shone. Like we had a lot of our students, because they understood the core concept of like, tension, how you can go mechanical advantage or disadvantage, not necessarily through weights, but through positioning, like they had a base level of knowledge that they can draw upon to critically think and make assumptions on like, okay, how can I train this client when they've only got a band, or like, they've only got three-kilo dumbbells?

So, during that, like when we started to try out, like people just were not purchasing the bigger ticket items anymore. So, we started releasing shorter, smaller, cheaper courses. I shouldn't use the word cheaper. But... [laughs]

Is there an advantage to having more stuff?

James: Well, can I ask you about that? I made a note to ask you about it because you said your original course, it got a lot of hours, you actually mentioned how many hours. And I just made a note about - there's more stuff for the bigger, does that mean you can charge more because there's so much stuff?

Zoe: Absolutely, you could.

James: This comes up a lot with memberships, because I often say, look, it's not about the stuff. It's about getting someone a result. Is the reason you have 160 hours is because you're not able to teach it in 10 hours, or you make it long because people want big?

Zoe: We go deep. So we go deep, and we go broad. And also the stuff that we teach is not easy to learn. A lot of biochem, like a lot of anatomy.

James: Oh, you've already mentioned some words I don't know the meaning of. So I get it.

Zoe: Yeah, so we go big. And so, there's a lot of ways, like a lot of - without sounding like it's a bad thing, like a lot of repetition, repeat explanations, explaining the same thing...

James: It's structured, it's structured learning in a specific way to get an educational outcome, I totally accept that.

Zoe: We also do a lot of like, live group calls that we record, and then add to the group, because we find that people learn a lot easier in those settings, not necessarily attending them and having that interaction, but listening to them post, where it's like, you know, when you have a podcast, you've got two people back and forth, you've got that conversation is it easier to listen to than an audio book for a lot of people. And you get stories out of it, you get real life examples, you get how they apply to real life a lot better.

So, we have a lot of like that type of dialogue that's also added into the course, which is great as well, because we then are able to explain stuff. Like, I know we just dig deep, we can also go broader, we can start touching on topics that aren't necessarily part of the core curriculum of our education, because people are asking questions that we just hadn't even considered to add or, you know.

James: What's an example of that?

Zoe: So, our core, like I said, we have stress physiology, we have anatomy, we have biochem, we have exercise metabolism, then we move into like, structural and functional assessments. But what's really cool with a lot of like, the discourse you have with conversations, is they kind of tie a lot of those things together in like, client case study questions.

So, they say, Well, I've got a client that's got this from, you know, your street, that is dealing with this but also dealing with this. Like, how would you consider those two aspects in one group? So, it ties in a lot of stuff, which is really great. So, we grew out to that. We've never changed the price of our program design course, like we've kept it the same price from the get go.

James: How much do you charge for that?

Zoe: It's 4000 Australian, 4000 if you pay upfront, four and a half thousand if you go on a payment plan. That was the price when we released it at 2018, and it's still the price now. I have a mentality of, I want to look after the clients that invest in it, the students and the clients that invest in us.

So, we will always - anyone that's in our program design course, they get discounts to any other course we've done, they get discounts on any of our coaching services, we give them free resources all the time, instead of going and doing sales to get a new, like, I just think we should thank the people there.

Delivering a lifetime solution

James: So, you're essentially getting, you know, in raw terms, if we took out the emotion, you're getting the lifetime customer value upfront, and then serving them for a lifetime.

Zoe: Yeah, and then they have lifetime access to the course, like we'll never remove it, we'll never take it away.

James: And how do you deliver that?

Zoe: So at the moment, our big course is through our website, just through like a WordPress plugin, but we're actually going to move that over to [Kleq](#) soon because we just have further issues with...

James: Updates, conflicts?

Zoe: That, but also things like, you know, if someone goes to reset their password, they never receive the password reset email, or like they log in, and then it's telling them they're not enrolled, but they are enrolled.

James: So tech challenges.

Zoe: So many, and it's not a realm I'm overly familiar with or want to become familiar with to try and troubleshoot and figure out.

James: I'm on the same page as you. So, you mentioned you've got a Kleq installation. Obviously, that came along sometime after the main course. And it doesn't matter what you've got on there, at least you can have a lifetime access to a course, in a bundle, if you still have a recurring subscription.

I think some people don't realize that you can have a one-time course that people can always have. And then you can have a recurring subscription that they can pay for and have access to while they pay, and if they don't pay, then they could still have their lifetime access to the lifetime thing but not to the recurring subscription program. What did you put on the Kleq installation?

How the subscription program came about

Zoe: So, what we've done is, okay, so as we progress through like, 2020-21, like I said, we just kind of saw the big-ticket items dwindling. So, we put out smaller, lower-cost courses. During that time, 18 months ago, so, what are we in now, in 2023? The end of 2021, I had had an idea for a software that I had been sitting on for a couple of years. And I just said to myself, if I had just started when I had the idea, we would be two years, like, into progress of it by now.

So, I was like, you know what, stuff it. I'm just going to start. So, I got in touch with some software developers and UX designers. And we started working on this software that I had an idea for, which doesn't currently really exist in the fitness industry. So, we're chipping away at that. We've been bootstrapping it. When I realized, this is getting serious, and we're actually going to move ahead with this, how are we going to fund it?

So that's where my mind went to, okay, we should do a subscription-based service, for a multitude of reasons. First, I feel like - and we'd seen happen over the last couple years moving from the bigger ticket items down to something that's like a lower cost, higher value - now, Luke, my husband, who is the educator in our business, he prior to had been delivering a service of one-on-one mentorships, which was about \$10,000 to get 40 hours, it's usually spread over the year with him.

And we said, Why don't we take, he'd always kind of spoken about doing like, he was at capacity, he'd been at capacity for a while, he'd always spoken about doing - why don't we do like, group mentorships? Like, we get like five or six people, they pay a lower cost, they do it all, you know, same time once a month together.

And so, we said, Well, why don't we take your mentorship syllabus and turn it into like, instead of a one-on-one, a one-to-many, and just go really like, low cost? And we can just try and reach many more people at the same time as in having that recurring income that can fund the build of the software. On top of that, we're already getting people used to that subscription model, which we had never done before. We'd always just done a one-off course, you buy it, it's yours forever, you've got access to us forever, like, you know.

So, we'll get people used to that subscription-based software as well as testing the waters. Like, you know, we can release our MVPs, get user feedback, do user testing, concept validation, all that sort of stuff. So, it just ticked a lot of boxes for us. And when we decided to go down that route, as I said, we'd had so many issues, kind of like with the backend of our website stuff, I was like, Oh, we're not going to set it up on that.

And that's when I started doing some research into like, what platform we could host that on. I also wanted to set it up in a sense the software's business name, which is Cerebro Coach instead of [Muscle Nerds](#), because I wanted to start people becoming familiar with, you know, that name and business and brand. So that was kind of the thinking that makes a lot of sense to me. [laughs]

James: Makes sense to me. I'm a big fan of the subscription model since 2009. Beginning of 2009, I've been doing the subscription membership.

Discovering the Kleq platform

Zoe: Funnily enough, so we've done a lot of free lead magnets over the years. And I remember being targeted by an ad on social media. I can't remember the girl's name. But she was talking about paid lead magnets. And she was talking about statistics on how like, if someone brings out their wallet to purchase from you once, they're more likely to bring it out and purchase from you again, as opposed to someone who's just downloaded a free.

So you go like really, really, really, really low-cost, high-value paid lead magnet, get someone in purchasing from you. I signed up for that, because I was like, this makes a lot of sense. Signed up for her. And then I was on her mailing list. And then I remember I had an email come through. She's a Kleq user. And she said in it, she spoke about the difference between Kleq and your other platform. [laughs]

James: Was it [Stevie](#)?

Zoe: Yes.

James: Yeah. I know it's Stevie.

Zoe: Yes. Has she rebranded?

James: Yes, she has. She's doing great. I speak to her often. She's inside my membership as well. And she's going all in on subscription as well.

Zoe: Yeah. Because I remember when I - because like I said, we started with Kleq five or six months ago now. And I remember when I was trying to look for her, I could not find her.

James: Used to be Stevie Says Social.

Zoe: I think it's where I purchased the ads.

James: And I think she was the cartel. But she's a great Kleq user. And I remember that email. She was talking about the difference between that. And all the same same, looks exactly the same, templated systems, it gets you the customization. I'd say she's in the top one or two most beautiful Kleq installations, and we just rebranded our website to make it more beautiful. It's so customizable that if you have a look and feel and design, you can actually update it to look like that, which is one of the big selling features, I think.

Zoe: Well, that was the thing. I remember receiving that email. At the time, I had no desire, like no idea of subs, no thought of subscription service, but I bookmarked it. Like, I literally like pinned it to the top of that folder.

James: Old school.

Zoe: Yeah, and then when I - we had the decision, and I was like, let me go find that email, found that email, and then went through Kleq. Because, as mentioned, we mentioned at the start of the podcast, this industry has blown up in terms of online educators, online influencers for pros, all that sort of stuff. And I know that a lot of them use other platforms.

And I was like, and I do want us to feel different. I don't want ours, someone to come and sign up without it. Because we are different, like I don't know many other educators that do what we do in the context that we do it. And I don't want someone to sign up with three different people over the year, and they all feel exactly the same. Like, I want to stand out.

James: Great positioning.

Zoe: Yeah.

James: And so, you've got members in that now paying a recurring subscription.

Zoe: Right. Yeah.

The people that make up the community

James: Wonderful. And it's funding the next project. So, you're a big fan of the membership model. You know what will be interesting, is to see how long those members stay. Because I've seen members stay seven, eight, nine years. The longest one I have is about 13 years at the moment.

Zoe: Wow.

James: And so, the lifetime customer value can actually be much higher than a one-time product, but they're paying in installments. And over time, you get a community. These people bond with each other, and they never have to leave as long as they keep paying.

Zoe: Yeah, and what's really cool is like the community that we build, like I mentioned, because our education is difficult to learn - well it's not difficult to learn, it just takes a little bit of time and effort to kind of wrap your head around it and then learn to apply it - whereas a lot of other educators, you know, you'll go to these seminars and they'll say, Okay, here's Step A, Step B, Step C, take that and go and do it with your client.

So, because we kind of go a little bit deeper than that, the coaches that we get within our network are usually the coaches that give a sh*t, really, truly want to understand what they're doing. They want to do the right thing by their client, they want to be better, they want to have a deeper understanding of like, the how and the why, as opposed to just saying, Oh, you know, I found this program online, I'm just going to give it to my client.

So, the community that we build is just like, such great coaches. Like, they're all in it for the right reason. Like I said, a lot of people see the industry and they think, Oh, easy money, I love exercising, I can charge \$100 an hour. I just need to go do my set three and four. But we get the ones that are like, But I want to change someone's life.

And those are the coaches that we have in our community, and when they do connect with each other, it's a lot more refreshing to them to have that network than a lot of what you kind of see online with like, I'm not slamming it by any means, I understand why it's there. But you know, like the skimpy booty shorts and they're selling on image. Like, we try to sell on knowledge and education and just at your core being a good f*cking coach.

James: That's great. And, you know, the same parallel could say about my industry. There's a lot of bandits and fly-by-nighters. And people who have a stronger desire to pay off their car payment than to look after their actual customer. So, I celebrate that. And I think it's good. And I've certainly enjoyed having a community of really high values-based people.

How do the clients come in?

But I'm wondering a couple of things. I want to ask you how you actually attract clients to your membership. So, if you have this recurring subscription thing that you want to sell, how do you actually get people interested in buying that?

Zoe: This is a really good question that I'm going to be the wrong person to answer. But, as I mentioned, I think I mentioned it earlier on, my husband used to be an educator for another somewhat well-known education company in the fitness industry. He traveled the world for a good seven and 10 years helping teach with them. So, he had already built up somewhat of a reputation prior to us then starting Muscle Nerds together.

When we started Muscle Nerds, we were inundated with coaches around the world that wanted to work with Luke specifically, so we just rode the wave, right? So, the first maybe, like I said, we're coming up eight years in business, the first five or so years, we were lucky that we grew very organically from word of mouth. We've never used image to sell, we just always put our focus into providing really quality education that makes a coach reap rewards. And so, we grew from word of mouth.

It's only been in the last couple of years that we've actually had to start becoming strategic on trying to get clients, like we've almost exhausted the network that he had infiltrated prior to, and especially now with how many other people are now becoming educators and putting out courses like - I remember once, we were holding a seminar in London, and the hotel that we had it at, it maxed out at 60 people.

We put one Facebook post out that we were being in London, his seminar, email to purchase, like it was email, like we had no purchase page or anything. We sold that out off one, we could never do that now. So because we started Muscle Nerds without intending to become business owners, like we just rode it, like it just happened, we just managed it as it happened.

So now in the recent years, it's like, wow, okay, I actually don't know how to get clients. I don't know how to get students, to strategically advertise. I don't know how to market. Like, we had always just put ourselves, what we want to talk about, we spoke about. So, in recent months, I've hired a business mentor, because now it's like, how do I be strategic? I don't know, I've never had to do it before. And I know that sounds like, lucky, like, a lot of business owners would be like, Oh, my God, I would love that. I would also argue like, Well, no, because you don't really build the skill sets you need to build a business.

So, I'm in the throes of learning how. So we've got about 120 subscribers in there at the moment. That was just from initial launch, and we haven't really spoken about it since, and that's something I need to start doing, is talking about it constantly on social media, you know, doing email marketing. We've got a, you know, half an okay, emailing list. So that is something that I actually do, am currently working on figuring out how. [laughs]

James: Nice.

Zoe: Because just like, we haven't done referrals, we haven't done, you know, what did you say, like brand ambassadors or hype or anything like that, we've done none of that. So very much in the throes of figuring that out.

James: I think if you've got goodwill in the market, it wouldn't be a major step for you. You only need a book or a report or something and some small paid traffic campaign delivering you consistent leads, working off the brand. The gentleman who is helping me give my book away has been able to get me emails for 90 cents each, just off the fact that I've published good content.

I've actually put, in my own membership, playbooks for things like you're talking about, how to get together a group program. If you've just got a newsletter, you could start a group program within a week and have a membership. That playbook's very popular. I wouldn't underestimate email. I really do think you can email and ask people to reply back if they're interested in seeing you in person if you happen to be at a place. Because that's going to have less friction than sending them to a page where you lose a lot of the conversion and people have to click on an order button to buy. It's far more exclusive and intimate.

So, the old school stuff like, just reply back to the email, here's my phone number, give me a call or send me a message, those things will still be very effective. The great copywriter Gary Halbert, he said, you know, Everyone's doing it wrong, they should take these cart buttons off the website, they should just put a phone number, and your conversion will be so much higher. And I imagine you'll go down the track of building up the social profile, etc. Being a guest on podcasts in your industry would also be a wonderful thing to do.

Zoe: Oh, Luke's done a lot. We've actually got a page on our website with all the links to the podcasts he's done. He's been a guest on a heap of podcasts. And that's something that, every source we don't use, we got tons of resources that we can throw out there. And that's the really good thing about like, the knowledge we have within Muscle Nerds is the amount that we can give away for free is enormous, because we have so much back here that we can offer our paid subscribers. Then we can do, you know, the really low-cost paid lead magnets.

James: You know, you can log into Kleq and just click on a book campaign. And so, you could use it for a lead magnet and just give away the lead magnet, you can upsell the membership. It's all ready to go. Just click the button. That's one thing I do love about it, is that the campaigns are there as soon as you want to drive traffic.

Zoe: Yeah. And I love the amount of education that's available in it. There's a ton. I just remember I sat down for a day when I first subscribed and just like went through...

James: Tells you absolutely everything.

Zoe: Really easy onboarding.

James: and great support too.

Zoe: Yeah, yeah. Yeah.

James: So that's exciting. I think as you turn on the traffic, you'll lift the number of subscribers.

Have people been staying on the program?

Since you've been running this subscription, have people been staying?

Zoe: Yeah, yep. We've had only a couple of people unsubscribe under very unique circumstances, like one - I mean, one guy was just like, Hey, I'm really sorry, but my dog has attacked my grandma, she's in the hospital, I have to go, I have to like, I'm unable to work. It was just, he couldn't make that story up.

James: Very unfortunate situation.

Zoe: Very unfortunate situations. Yeah. And like, we had one of the subscribers, you know, his payment ran through a couple days ago. And he replied to his receipt email, and it just said, I f*cking love the service. [laughs]



James: That's a good endorsement. This is the single most important secret of a subscription membership, is retention. If you just keep the members you have, then it doesn't take a lot of effort to top it up. It's like a bucket.

Most subscriptions, if they don't deliver, it's just got big holes in the bottom and they're constantly filling it up and then running it out. And if your churn gets too high, and you can talk about it in terms of percentage per month, if it hits five percent, it's a concern, if it hits 10% per month, you're actually losing more people than you put in, because over a year, you lose 120% of the people.

So, you have to top it up with the same number you already have plus more every single month, and you never catch up, and you're out of business. So, if they don't leave, and you keep adding, then you'll actually grow the membership and maintain a nice steady flywheel. And I'd say from 2009 to about 2020, I had around 500 members consistently for that whole time. And it was just a joyous business. I love the subscription membership model.

Zoe: Definitely we will be pushing most of the people through to like, it's going to be our focus is just to get them in there. Because we don't niche down to one topic we can talk about, which is what's great. Like, we can touch on nutrition, we can touch on training, we can touch on program design, we really can cover all bases within the one service.

James: Well, some of the things that have worked well for me I'll share with you is to take a training or a course and split it out over 10 segments, and build a funnel in there where you can have people opt in, and then you send them an email each day with a new piece of information relating to that. And you'll get really high open rates, maybe 65%, even 70%.

And you'll be educating them and building value and getting them a result before they have to buy. And then under each lesson, you can put a link where they can go pro, you know, buy the full membership. And at the end, you can have your email sequence following up to ask for the sale. That works well if you're a broad like I am, as well.

And I think over time, if you bring your big course across to the platform, and everyone becomes familiar with that, you could actually upsell your membership to everyone who's already bought the course, ever. That campaign would be the number one campaign that I would be running in your shoes right now.

It's letting every single person you've ever sold the course to know. And give them a loyalty coupon as well to say, Hey, thank you so much for being a member. We also have regular chats or whatever. We update our program and this membership. And we'd like to invite you to come and join us, and because you already purchased the course, you can have three months for free or whatever, just activate it here. And then it starts building after that. And you have to remind them of course.

Zoe: Yeah, of course.

The difference in delivery

James: How do you deliver the membership differently to the one-time course?

Zoe: So, at the moment we are dropping two - so on the first and the 15th of every month, we will release a new module. And that module will be - we've got two categories. One is, like I mentioned earlier, we took Luke's one-on-one mentorship syllabus that he's in, historically only ever taught in a one-on-one environment, we took that, and there's pages of, you know, topics that that covers.

So, one of the modules is a syllabus module. So, it'll just be a topic out of that syllabus. And then one is the people's choice. So, every once a month, we just get them to vote on what they want the next topic to be. So, there's a lot of, you know, they have a say in what it is they want to learn. And surprisingly so, they've been pretty unanimous on what it is that they want to learn, which is really cool. So, we're able to deliver that.

And then so we just release videos. It's like a module, some are just one big long video, some are five or six shorter videos, and then we've got the forum function in there. So, the forum is actually fairly active, which is great. But like I said, the level of coaches that we tend to attract are the ones that just do want to learn and understand. So, they are quick at questioning and asking for further clarification, or you know, so it's working really well, so far.

The more we get in it, the more we'll be able to deliver. So we could even do like four, because then we can then justify pulling Luke away from some of his other services. So there the plan is to just continue to grow that. And also, once we kind of release the software that we're building, our education will then start molding around supporting that as well.

James: I love it. And are you using things like mark as complete or issuing trophy points as they collect their modules?

Zoe: No, at the moment, no. But I have seen - I could figure out a way how it could work. But at the moment, I kind of saw that, and you're going to correct me I'm sure, but I saw that as more like, if you've got something lengthier as being marked as complete, but I suppose I could do it for just like, the shorter module.

James: I do it, I've got my whole back catalogue. Every live event recording, every monthly training, I did like 70 or 80 months in a row. And people can go collect, like, at least they can look at it and think, oh, I've already completed this. So even for their own purpose. And also, they increase their trophy rankings as they collect more or comment more. So, I think that making it fun is a good way to help the education process.

Zoe: Yeah. I guess it's also kind of like your to-do list, that you get a little dopamine.

James: Absolutely. So, some are very organized or systemized, they want to go in and tick all the boxes so that they know that they've consumed and used the information that's there, and they're applying it properly.

Zoe: Yeah, I'll set that up.

James: Very easy to do. Just a few tick boxes, I think ours was set up within a few hours of me asking them to do it.

Zoe: Everything is quick and easy. And like I said, the how-to guides are -

James: Phenomenal.

Zoe: Yeah.

James: And also, you know, the push notifications and stuff that helps people know when someone's interacting with them. What it's done for me, and because my Kleq installation has been running, probably getting close to a year now, I've seen the retention numbers change substantially. It's just a lot stickier, and it's a lot more user-friendly and enjoyable for my members to use.

And I also had to ditch a whole lot of content, you know, hundreds of thousands of forum posts to start again. But it was worth to start with less, and then to build it around the needs of the new type of audience that I attract. Now, if you ever, ever want to go beyond your current coach whatever, you should get in touch. I've got all these playbooks for you.

Zoe: [laughs] No, definitely.

James: And it's like, even the Connect level, it's like \$99 a month. You can see how I apply that membership. But there's lots of other Kleq users in our community. So, I'm excited to hear how you've applied it on a completely separate path. I'm so pleased to hear that Stevie influenced that, because she's a great example of what's possible. She's absolutely crushing it.

The final advice you can take away

What would be your final sort of advice for someone doing this online journey, going from an in-person environment to a subscription-based business?

Zoe: Do it sooner than - like, as soon as you have the idea, pull the trigger. Like, I wish we had set this up a very long time ago. Like I said, it is such a - I don't want to say low-effort, because it's definitely not low-effort.

James: Leveraged.

Zoe: Yeah, yeah. And I also think the benefits to the end user are greater for a, like I just said, they are in it and they're constantly just learning. So, if someone is wanting to move on to it, I would just say set it up, get it set up. Start, just start.

James: Look, it's already earning you a six-figure income, and no doubt it's going to keep building with your application.

Zoe: Yeah, once I start actually talking about it more. [laughs]

James: Well, look, you've got all the bait. You know, you've got the thing that most people don't have, is you've got an offer, you've got something people can buy. You have a leveraged delivery system that allows you to still do other things. And it's a great business model. That's why I like the [case studies](#).

So, Zoe, thank you so much for coming along and sharing. You don't have to do that. But when John told me that you're using the platform really well, you're a great example of best use case, I just asked if you could come along and share it for our other members. So, I appreciate it so much.

Zoe: More than happy to, like yeah, I just wish I'd put something sooner on something like this. It makes sense.

James: Well, you're still ahead of the rest of them. That's the good thing.

Zoe: Yeah, great. Thank you.

James: There you go. I've been chatting with Zoe Knight from [musclenerd.net](#). She's using Kleq as her membership platform, spelt [K-L-E-Q.com](#). Check it out if you're interested in a subscription membership business. If you're a fitness pro, then of course, I recommend you go and check out [musclenerd.net](#) as well. Sounds like a great place to be.



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