

MARTIAL ARTS BUSINESS SUCCESS STEPS



SUCCESS SECRETS

MIKE MASSIE

BEST-SELLING AUTHOR AND MARTIAL ARTS BUSINESS COACH

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Secrets of Successful Small Dojo Owners

I have to admit, I was reluctant to use the word “secrets” in the title of this guide. However, “Success Principles of Successful Small Dojo Owners” just didn’t have the same ring to it. And frankly, the word “secret” has an irresistible attraction that few people can resist.

See, I *really* want you to have this information, because I know for a fact that it will help you grow your dojo. That’s why I don’t mind using a little sensationalism to pique your interest in this 45-page guide.

Now, I know when you saw the cover price on this book, you were probably expecting to get a three-page report filled with thin, barely actionable content.

Well, sorry to disappoint you, but you’re getting 40+ pages of valuable content instead. I’ll explain why at the end of this guide, but for now just accept that I’m giving it to you because it contains valuable information that is absolutely worth reading.

And yes, there *is* actionable info in this book. Although some of the chapters in this guide deal with mindset and attitude, you’ll find plenty of info here to spur you into action.

So without further ado, allow me to cut this intro short so you can get into the meat of this book. Go grab a cup of coffee or a bottle of water, and find a quiet distraction-free place where you can dig into this material.

Because the information you read on the next several pages could very well change the way you look at your dojo, forever.

Let’s get started...

Chapter 1: Why Do Dojo Owners Fail?

So why do some dojo owners fail, while others succeed? Is there some mystery to starting and running a successful martial arts school? Is it because the financially successful instructors are "sell-outs" who are selling belts?

The truth is, there's no mystery to running a financially successful martial art school. And frankly, while there are certainly schools that make money selling easy rank and offering low-quality instruction, you don't have to sell out to make a living teaching martial arts.

In fact, I think it actually hurts you in the long run, because reputation is everything in today's digital economy. And once you lose your good reputation, it's very, very difficult to repair it.

Which brings me to the first topic on why martial arts instructors fail...

Attitude

Attitude tanks more would-be school owners than you might think. In fact, I think it often screws people up before they even begin.

Sometimes it's because an instructor will convince themselves that only sellouts make money in this industry. Then, they'll decide to open a dojo and "do it right" while hoping and praying that they don't go broke.

And they almost always go broke. Why?

Clients Pay Your Bills, Not Critics

It's because they're so worried about being labeled as a "sellout" by their friends that they don't do any of the normal, necessary things a business owner has to do to get and keep customers.

Look, there are only two things that will make you a sellout in this business:

1. Teaching crappy, watered down martial arts, and...
2. Cheating people out of their money.

As long as you are teaching a quality martial arts program and dealing with people honestly, nothing else you do will make you a sellout.

The 3 Basic Challenges of Running a Small Business

Consider that every small business owner faces the same challenges, no matter what business they are in. In order to stay in business, every small business owner has to:

- Generate a steady stream of new clients
- Keep the clients they have
- And charge enough to cover their expenses and pay their own salary

Folks, these are universal challenges for small business owners. And to solve those challenges, every small business owner must:

- Market their product or service effectively
- Provide exceptional customer service to keep clients around
- And not only charge enough to pay themselves and cover their own overhead, but also raise their rates regularly to keep up with inflation

It doesn't matter if you're selling widgets or teaching martial arts--these are universal challenges that every small business owner **MUST** overcome in order to stay in business!

No One Is Immune

So, when I see martial arts instructors and school owners who are hesitant to use effective marketing methods, or who are hesitant to implement certain retention strategies in their dojos, or who are hesitant to charge more for their services...

...it makes me wonder what kind of delusional reality they are living in, to think that they are somehow immune to the demands of the economy and the market just because they want to teach "real" martial arts.

So, get this straight before you start a dojo:

No one is immune from the three basic challenges of running a small business.

No one.

And wishing that reality could somehow be different from the way things are, doesn't make it so.

Which is why you have to accept reality before you start a martial art school. Accept that you will have to do things that you might find somewhat distasteful in order to keep your doors open.

The trick is to learn how to do those things that you find distasteful in ways that they are not distasteful. For example, you can effectively market your school without using all those P.T. Barnum style ads and websites. There are ways to use effective marketing methods without making your school look like a circus. But you still have to learn how to market and know what those methods are in order to use them in such a way that fits your personality and the image you want to present.

This doesn't make you a sellout--it only makes you a pragmatist and a realist. And frankly, if it means feeding my family and paying my mortgage, so long as I am teaching good martial arts and not compromising my morals then I'll do whatever it takes to keep my dojo open.

Chapter 2: Ego

The theme for this chapter was going to be "overhead."

But instead, I decided to go with "ego."

You see, having high overhead does kill a lot of martial art school owners right out of the gate, as I explain in [Small Dojo Big Profits](#).

But the reason why new dojo owners take on so much overhead when they are first starting out usually boils down to ego.

Let's be honest for a minute--no one wants to show off their new 1,200 square foot dojo that's nothing but mats and four walls to their buddies. (Well, I would... but I'm a horse of a different color.)

No, most NEW school owners want to show off their new three-thousand, four-thousand, or five-thousand square foot studio. They want to brag about how they have all the latest gear and equipment, the best mats, etc.

But the thing is, the money for all that space and equipment has to come from somewhere. So, they take out a loan or blow all their savings just to get the place open...

...then once the doors are open they realize they have to cover the nut on that lease each and every month. And that's when things get stressful, really fast.

Ego. It's a killer.

So, my advice to you if you're just starting out is to squash that ego. Don't worry about whether your school is bigger than your buddy's. Instead, focus on PROFITS.

That way, the next time your buddy starts bragging about how much space he has in his dojo...

...you can brag about how low your rent is and how high your profit margins are.

Chapter 3: How Overhead Kills Dojos

So far we've discussed attitude and ego, and how those two factors can absolutely kill a school owner right out of the gate.

And in the last chapter I also briefly discussed overhead, and how high overhead can bog your dojo's growth down and make it incredibly difficult to grow your school.

In this chapter I'd like to expand on that topic, to help you understand why it's so important to keep your overhead extremely low when you start your school.

Understanding Business Overhead and Expenses

First, understand that you are going to have three types of expenses in your business:

1. Fixed overhead costs
2. Variable overhead costs
3. And unforeseen expenses

Fixed Expenses

Fixed overhead costs are those which are mundane to operating your business day-to-day, and they generally do not change over time.

These costs can include:

- Rent
- Insurance
- Office expenses
- Owner salaries

Basically, any monthly expense that is necessary to the running of your business and that does not fluctuate over time is a fixed expense.

Variable Expenses

Variable overhead costs are expenses that fluctuate based on your business volume and other factors.

For example, if you run a restaurant, the more business you do the more your food costs will be. And if you run a clothing store, your inventory costs will fluctuate based on the time of year, because you have to buy more inventory each season.

However, in our industry we don't deal much with inventory costs or costs of goods sold. Unless you're doing a load of Pro Shop sales or you have a juice bar in your school (seriously?), your inventory costs and costs of goods sold aren't going to fluctuate much from month-to-month.

That being said, there are other expenses that can fluctuate, namely payroll as your school grows. As your enrollment increases and you are forced to hire staff, your employee payroll can quickly match or even outdistance your rent as the number one highest expense you have to pay monthly.

And, your marketing expenses will fluctuate based on current marketing trends and the time of year. Most schools get this wrong, but your marketing budget should actually INCREASE during traditionally slow times of the year, to make up for the lack of ambient market interest in your programs.

Also, marketing expenses will increase (or decrease) when marketing channels evolve. We've seen this with digital marketing over the last few years. It used to be cheap to market online, because it was easy to get traction in the search engines and social media. Now, you have to run ads to get the same results.

Unforeseen Expenses

This is the fly in the ointment that bites many small business owners in the rear. Your camp van breaks down and you need expensive repairs. Your school floods in a freak storm and you didn't have contents insurance to cover flooding. You get sued for a slip and fall incident.

When unforeseen expenses occur, generally they are costly enough to create a crisis situation for the unprepared school owner. Best case scenario is that the school owner has to dip into their savings or take on more debt to see it through.

And the worst case scenario? Well, I think you can guess what that would be.

Why Keeping Your Overhead Low Matters

The thing is, fixed expenses are easy to plan and budget for, but variable expenses and unforeseen expenses are not. When variable expenses go up, it can cut into your profit margins considerably, and often you won't see a return on your investment in additional staff or more marketing for weeks or even months.

And when unforeseen expenses crop up, often a school owner won't have the money in their budget to cover it... so they have to dip into their savings (if they have any) or rack

up charges on their credit cards. That debt later becomes a liability that further reduces their profit margins until it's paid off.

These little (or big) hiccups can serve to drive a growing business into the ground. The number one reason failed small business owners give why their businesses went under is under-capitalization.

In other words, cash flow... or a lack of it.

This is why you need to keep your fixed expenses down when you're starting a dojo. The higher those expenses are, the greater the risk you take that when variable or unforeseen expenses increase, it's going to throw a wrench in the gears that you can't afford to fix.

So, keep your expenses down when you're starting out. Resist the urge to get a huge school and a ton of equipment. Start with only what you need, and you'll be in a much better position to weather any financial storms that come your way.

Chapter 4: Choosing The Wrong People to Advise You

Over the last few chapters we talked about ego, attitude, and overhead.

But in this chapter we're going to discuss something that screws up a good number of martial art school owners before they even get out of the gate.

And that is...

Taking Advice, And Why You Should Choose Your Advisors Wisely

Few martial art school owners start off knowing what it takes to start and run a successful martial art school. Unless you grew up helping your parents run a successful school, chances are good that you're going to start off not knowing much about how to make a dojo grow and run efficiently.

Sadly, as I mentioned previously ego is a rather common issue among martial arts instructors. So, many new school owners come into this game thinking that they are going to do things a certain way and still be successful.

Typically it only takes a few months of sweating whether or not you're going to make rent, or only getting one or two inquiries a week, or teaching classes of only three or four students to realize that you need some guidance and advice to grow your school.

But then, there are the outliers...

Winning The Martial Art School Lottery

One phrase you might have heard me repeat in the past is "winning the martial art school lottery." What I mean by that is, some inexperienced school owners start schools and have success right out of the gate.

I call this winning the martial art school lottery.

If this describes your situation, congrats. Sometimes it's because of location; the school owner just happens to pick a fantastic location with plenty of foot traffic and street traffic in an affluent area.

Sometimes it's due to timing. The school owner opens their dojo in the right place and also at a very propitious time. Perhaps the economy is on an upswing, or interest in their martial art is trending upwards.

And sometimes, it's inexplicable. The school owner is just plain lucky.

When You Catch Lightning In A Bottle, It's Impossible To Repeat The Process

Granted, there are always other factors involved in the success of any business. Hard work, dedication, and providing a quality service, for instance.

But the problem with catching lightning in a bottle is that it's often impossible to repeat the process. The reason is because the person who "made it" through luck often has no clue what they did to make their dojo a success.

Why Those Who Can, Can't Always Teach

Sure, they can speculate all day long... but when you stumble upon success, your chances of repeating it are nil to none.

Unfortunately, many of these people suffer from the delusion that they are martial arts business experts. And they start consulting businesses.

The obvious problem with that is they don't really have replicable, reproducible business systems and practices. But since they don't realize this, they just go and teach their clients to copy whatever they do in their own dojo.

But without a process of trial, error, and experimentation, they have no idea how to start and grow a martial art school under less than ideal circumstances and conditions.

You see, luck is a very hard thing to teach.

Don't Follow The Most Successful Person - Follow The Most Successful Teacher

There's an old saw in personal development circles that says in order to become successful in the shortest period of time, just find someone who is successful and copy what they do.

That approach may work if the person's actions led to their success. But if they became successful through sheer luck... well, good luck with that.

Because experience beats luck, every single time.

This is why I strongly suggest that you don't just follow the advice of the most successful person you can find. Instead, find someone who has a track record of helping other people succeed.

By doing so, you'll know you're following someone who knows how to teach others the steps to starting and running a successful school. And, you'll increase your own chances of duplicating their success dramatically.

Chapter 5: Location

I talked about school owners who "win the martial art school lottery" and then become consultants. I also wrote to you on the dangers of taking advice from someone who has achieved success more by luck rather than through trial and error.

So, today would be the perfect time to discuss the next topic in this series. Namely how your location has a tremendous impact on your school's growth and financial health.

Why Your Location Is Killing Your Dojo

I've observed that the decision-making process most school owners go through for choosing where to locate their schools goes something like this:

"I live in X town near Y neighborhood, so that's where I'm opening my school."

Unfortunately, this is not the best way to choose where you locate your dojo. The location of your dojo can have a huge impact on how well your school performs financially, and how quickly it grows after you open. Therefore, the process of choosing a location should involve much more research and forethought than just finding an empty space near where you live.

And as far as choosing a good location goes, I'm not just talking about what street or shopping center you choose for your dojo. I'm also talking about what neighborhood and town you choose as well.

There are many factors that go into choosing a good location for a dojo. Local median income, proximity to schools and neighborhoods, population demographics, local crime rates, average local rates on commercial space...

It goes without saying that your location choice is a rather permanent, lasting decision. That decision and the resulting repercussions are going to stay with you for a while, years in most cases. Which is why it's a good idea to spend a little more time choosing your location than most school owners take.

The bottom line is that there are a ton of things to consider when choosing a location for a new dojo. My advice is that you choose wisely, and get some guidance from someone who knows that they're talking about before you make your final decision.

Why Your Location *Isn't* What's Killing Your Dojo

On the other hand, starting a dojo in a "bad" location isn't always a deal-breaker. I've seen schools that did fantastic numbers that were in horrible locations.

For example, the standard wisdom in choosing a location for a commercial martial arts school has always been to pick a storefront location in a high-foot traffic center. Preferably one with an anchor tenant next door or a few doors down that will bring plenty of people in and out of that center on a daily basis (think supermarket or big box store).

However, I've seen plenty of martial art schools that weren't located in storefront locations and that didn't have traffic-generating anchor tenants nearby that still performed very well financially.

And, in some cases choosing a high-foot traffic, storefront location can actually hurt the inexperienced school owner, because those spaces come at a premium, and that usually means the rent is going to be sky-high. (Refer back to part II in this series on ego for reasons why this is not always the best direction for new school owners).

It Might Be Your Location +/- _____ That's Killing Your Dojo...

Then again, I've seen schools open in lousy locations that floundered.

So what makes the difference between schools in less-than-ideal locations that succeed, and those that don't?

In a word, *marketing*. [Marketing](#) is what almost always makes the difference for those schools that have less-than-ideal locations. And needless to say, spending less on rent gives you more money in your budget to market your dojo.

Sure, it's a trade-off--you're trading foot traffic for lower rent--but it's the way I'd go nine times in ten when starting a new dojo.

Some Final Thoughts On Location

The thing to remember here is that you still have to pay attention to all the demographic and other research factors when choosing a location for your dojo, whether you're looking for a storefront, high-foot-traffic location in a busy shopping center or cheap warehouse space.

So, get someone to guide you through the process of finding a good location who knows what they're doing. Otherwise, you might end up in a location with crappy demographics that are killing your school, and no amount of marketing can fix that.

Chapter 6: Ethics

Now, let's talk about ethics.

Winners Never Cheat, And Cheaters Never Win... Sort Of

Well, I suppose Lance Armstrong proved that old saying wrong, didn't he? But, look at where he is now.

Sure, he's still fabulously wealthy. But he's also facing several lawsuits from former sponsors (including the U.S. Postal Service) who are trying to get their sponsorship money back.

Looks like his estimated \$125 million net worth could be swindling... er, I mean dwindling.

Here's a guy who was once loved by millions, who ran popular charities and was the darling of the media. Now, he's one of the most hated people in sports, right behind O.J. Simpson.

Heck, even Michael Vick got a do-over. But Lance won't, and it's all because he lied for years to the public about his doping.

What Can We Learn From Lance?

So what lesson can we take from the fall of Lance Armstrong? It's that people will forgive stupidity, and even cruelty... but they won't forgive a down and dirty cheater.

Cheating people and swindling them out of their money is probably the worst thing you can do as a business owner. Sure, you might make some short-term profits, but in the long run it's going to come back to bite you in the rear.

Chomp. And there goes your dojo, and all your dreams of being a self-employed school owner.

And Yet, People Still Insist On Being Cheats

Knowing this, you'd think that some people would clean up their acts. Yet, I see martial art school owners doing stupid, ethically deplorable crap all the time.

Some examples:

- Making up stories about why they charge a registration fee. No, it's not to cover insurance on your students, and no one believes that B.S. anyway, no matter how many times you say it.

- Telling people that your contract is "just a formality." Right. Everyone knows that a contract is a contract. Trying to downplay it with weasel words is just making you look like a douche.
- Creating money-back guarantees, that aren't because they have clauses in the small print that are designed to set the client up for failure. This is a double-douche move, and if you're doing this it means you're scum.

I could go on and on with these examples, and mention items like ever-increasing belt test fees that go up the longer you are training. In this scheme, yellow belt costs you \$25 bucks, but brown belt costs you \$200 to test. In other words, the more emotionally invested you are, the more they charge you.

That is a truly crappy approach to doing business.

Or I could mention people who enforce their contracts regardless of circumstance, sending their students to collections when they don't pay. I even heard of one business (a dance school, but still) that insisted a family pay for their daughter's ballet lessons, even after she'd passed away.

Wow, way to express your sympathy for another family's tragedy.

But Here's The Thing...

It used to be that you could get away with this stuff, back in the days before the internet. But now, even if you wanted to you can't. People have cell phone cameras and social networks and review websites, and the power of the viral post can ruin you overnight.

Let me state for the record, I really and truly believe that the majority of the people who read this are highly moral and ethical people who are not looking to cheat anyone out of their hard-earned money.

But, I am also aware that about 4% of the population exhibits sociopathic tendencies. And, knowing what I know about those personality types, I also know that they enjoy getting one over on other people, and they feel absolutely no remorse about doing so.

Chances are good there are a few of those people on my newsletter list as well.

So, my general advice today is to be honest in everything you do in business. I know that most of you don't have to be told this - you're going to be honest regardless of circumstance or what it costs you.

But for that small percentage of people who don't have an innate moral compass that keeps you from screwing people over, listen up...

You can't get away with this stuff anymore. So, don't even try.

Chapter 7: Staying Stuck In The Past

In this chapter I'm going to talk about one of the more common reasons, which is also something that tends to affect instructors who have been around for a while.

Remembering The Past

Ah, the glory days. Remember those days? You were a young stud or studette, tearing it up on the competition scene, in peak condition 24/7, and living like there was no tomorrow.

Life was simpler, too. Maybe not easier, but simpler. You had fewer responsibilities, less to worry about, and it felt like you had the world at your fingertips.

Don't you wish you could relive those days?

But Is That Really How It Was?

You know, it's funny--we all tend to remember years gone by in this way. But the truth is probably more along the lines of something like this...

When you were younger you were nervous all the time and filled with self-doubt. Your competition wins probably weren't all that impressive; heaven knows that they weren't to you back then.

You'd win a medal or a trophy, and feel good about it for a few hours... then you had to go back to your crappy job on Monday morning. Nobody cares that the guy who's doing clean-up on aisle B is a tournament champion.

And while you had fewer responsibilities, you were broke all the time and lived in constant worry about how you were going to pay your bills each month.

In short, your life back then wasn't any better than it is now. Today, you just have different problems than you had back then... but you also have different things to be grateful for in your life now as well.

Memories Lie

If that's the case, then why do we tend to look back on the past with such nostalgia and fondness?

In short, it's because memories lie. Consider how often it happens that when someone dies, everyone forgets about all their faults and mistakes, and suddenly that person is made out to be a saint.

See, the mind remembers what it wants to remember. And, it does its damndest to protect us from bad memories... even to the point of altering our perception of the past to make it seem more idyllic and pleasant than it actually was.

Why Being Stuck In The Past Hurts Your Dojo

Well guess what? We do the exact same thing when it comes to how we view the way we were taught and trained.

I remember training with this one particular instructor when I was in the military. We worked out in an enclosed racquetball court that had a mishmash of old wrestling mats on the floor. It was hotter than hell in there, and the workouts were brutal.

Some days, I could barely drag myself out of that room. Besides that, the instructor was one of those military types who yelled at you regardless of what you did.

And he was arbitrary, too--he'd make the whole class do push-ups or some other crazy exercise, just for the hell of it. It was a lot like basic training, because you were always wondering what you did to get in trouble.

In other words, the training was definitely not fun. Sure, it was hard training... but was it good training? Was it productive training?

Things Change, Things Improve

Not necessarily. I've learned a lot about coaching and teaching since then, and I can tell you that there are many more effective ways to motivate athletes and students. And, there are definitely better approaches to conditioning and training athletes to improve their physical skills.

So why is it that for years I looked back on those training sessions so fondly? And why is it that I emulated that style of training when I first started out as an instructor?

I can't use the excuse that it's all that I knew, because I'd trained with a lot of instructors who had different teaching styles. The real reason why I looked on those military-style training sessions with such nostalgia was because memory lies, and frankly it made me feel like some sort of hero or stud to have survived it.

But the fact is, things change and things improve over time. And, students and people change as well. You can't treat students today the way you might have treated them twenty or thirty or forty years ago. These are different times.

Besides, there are much better ways of doing things now. Sure, you can say that "the old ways are the best ways" and look all smug about it. But the truth is that we have exercise science studies, and scientific research, and an improved knowledge of anatomy and physiology today that says a lot of those old methods are madness.

And your students have Google. Heaven help us, but we are teaching the most informed clientele ever. And they will call you on your bullshit.

Or, they'll quit and find another school where the instructor isn't stuck in the past.

Grow, Adapt, Improve

So if you want to attract more students and keep them around longer, you have to adapt to changing times. Look, everybody hates change. I don't care if you're a zen Buddhist monk who believes that the only constant is change; everyone hates change.

But change can be a good thing, and it's a philosophy that's worth embracing. Especially when the evidence stands in favor of there being a better way of doing things today.

My advice to you is that you don't fear change, but embrace it while hanging on to the traditions of the past that matter. And that's something you're going to have to figure out on your own, what to keep and what to improve upon.

In doing so, you may very well find that you enjoy teaching more than you did in the past. And you may also find that your students enjoy their training much more as well.

Chapter 8: The Elephant in the Room...

Over the last few chapters we've been discussing reasons why dojo owners fail. Sometimes they fail due to errors in their mental attitude toward business. But in many cases it's because of a faulty operational strategy.

Typically, having a faulty operational strategy when running a small business can lead to only one thing...

Cash Flow Issues

When small business owners who failed in business were surveyed, the number one reason they gave as to why their businesses failed was a lack of cash flow.

Martial art schools are no different, and as I've mentioned in previous chapters we are not immune to the challenges other types of small businesses face.

Every small business--heck, every business, period--operates on cash. Whether it's cash that your business generates as revenue, or cash that investors put up, or your savings, or cash from a loan or line of credit...

...your business needs a steady flow of cash to survive.

Ignoring The Elephant In The Room Doesn't Make It Go Away

What's interesting to me, however, is how many martial art school owners are seemingly unconcerned with generating cash flow for their businesses. I say this because the martial art school owners I coach are often preoccupied with aspects of their business that don't generate income.

For example, curriculum. I can't count the number of struggling martial art school owners who have come to me for advice who focused all their efforts on curriculum instead of cash flow.

"If you build it, they will come" only works in the movies. In real life, you have to generate cash flow to grow your business and keep it alive.

A Business That Doesn't Make Sales Won't Be In Business For Long...

One of my friends has a rule for running his martial art school that seems like common sense to me, but to many school owners it might seem strange. That rule is to enroll someone every single day they are open.

To illustrate why, he poses a rhetorical question: "How many businesses do you know that don't make a sale every day, that can still stay in business?"

The obvious answer is, "not many." But yet, I still regularly come across struggling school owners who are farting around with their curriculum or equipment or competition team, when they should be trying to enroll more students.

But, I'm getting ahead of myself. Over the next few chapters I'm going to talk about reasons why school owners struggle with cash flow issues, and I'm going to explain how to correct those issues.

Chapter 9: Being Too Nice For Your Own Good

In the last chapter I spoke to you about faulty operational strategies that lead to cash flow issues, that in turn can greatly contribute to the failure of a martial art school.

Over the next several chapters I'm going to go over several reasons why martial art schools end up having cash flow issues. And I'm starting with...

Being Too Damned Nice For Your Own Good

"How many students do you have? In other words, what's your active student count?" I asked.

"Oh," he replied. "Around seventy students." After getting him to check his attendance records to get me an accurate number, we found that he did indeed have around 70 students actively training in his school.

"And what do you charge per month for tuition?" I asked.

"\$99 a month." A little low, but even so he wasn't pricing himself as a bargain basement service.

"And what's your gross profit every month? Meaning, the sum total of what your school brings in each and every month, before you pay any bills."

"Let me see... oh, here it is. Last month we brought in just under \$5,000."

I paused. "Wait a minute. You just told me you have 70 active students paying you \$99 a month. Between tuition, equipment sales, testing fees, and other various sources of income, your gross profit should be well over \$7,000."

"Well, they don't all pay for lessons," he said. "And they don't all pay \$99 a month."

The Difference Between A Friend And A Client

The conversation I just shared with you is one that I commonly have with new business coaching clients.

The number one issue that clients come to me with is that they're having cash flow issues. And typically after a little digging I find that they are contributing to those issues by not collecting their own damn money.

In the scenario above, the school owner was in fact undercharging for his services, but that's really not his most crucial mistake. His worst mistake was being too nice for his own good.

School owners do this all the time; they become too close to their clients, trying to befriend everyone in their school because they want to be liked by their students. And I did the exact same thing early on in my career as a martial art school owner.

Why You Can't Be "Friends" With Your Clients

However, this will eventually become a problem when students decide that they shouldn't have to pay their "friend" for lessons. Because they are "friends" with you, they figure they deserve a discount, or that their "friend" won't mind if they miss a payment, because they're having a tough month.

And you, as their "friend," feel really strange bugging your "friend" about money. After all, a "friend" is supposed to do you a solid when you're hurting for cash, right?

Besides, they just told you they couldn't afford to pay you the full tuition rate anymore, or that they only needed a few weeks to get the money, or that they really needed to skip this month's tuition payment.

I mean, they must really be hurting, right?

So, in order to avoid any uncomfortable situations, you stop bugging them about their tuition payment and just let them train for free at your school. For FREE. At YOUR SCHOOL.

Never mind that this is your livelihood, or that you have bills to pay, too.

Let students do this to you a few times, and before you know it you'll have a rather sizable percentage of your students paying you what they want, when they want for your services, instead of paying you the full tuition rate on the first day of each and every month.

And as a result you'll soon find that you can't pay the rent or utility bill for your dojo on time, each and every month. Unfortunately, your landlord and utility company won't be nearly as understanding as you are with your clients. Funny how that works.

The Raw Truth Of The Matter

Allow me let you in on a sad truth about being in business...

Here it is:

No matter how much you think your clients "like" you, they really don't give a damn whether or not you can pay your bills each month.

That's a fact. People are generally highly driven by self-interest, and their primary concern is whether they can pay their own bills each month.

And, when you get too familiar with your clients, they are going to take advantage of your kindness and goodwill, each and every time.

Oh, not everyone will do this to you, because not everyone is a turd. But enough will take advantage of you to make it harder on you financially than it should be. And those people who do take advantage of you won't miss a wink of sleep about it.

And they are definitely, most certainly NOT your "friends."

The Solution

The solution to this issue is to run your business like a business. "Business" being the key word.

A "business" provides something, be it goods or services, in exchange for money. A REAL business doesn't adjust their prices based on who is standing in front of them at the counter, what day it is, or whether or not that customer is "having a bad month."

Try calling up a plumber or HVAC repair company and telling them that you need them to fix your plumbing or HVAC system, but you can't pay them full price because you're having a bad month. They'll laugh right in your face.

Or try going to your electric company or mortgage company and telling them that. They'll only let you float for so long before your utilities get turned off or they start foreclosure procedures on your house.

And why is that? It's because they understand that businesses run on capital... cash. And they know that they won't stay in business long without getting paid.

So, set your prices, and stick with them. Set your tuition payment policies, and stick with them. Stop giving favors, stop making deals with people just to get them to enroll (that's really poor [salesmanship](#), by the way), and stop letting your students walk all over you.

If they don't pay, they don't train. Simple. Problem solved.

Once people figure out that you're not a push-over, they'll stop asking for breaks on tuition, they'll stop asking for discounts and deals on enrollment, and they'll stop shafting you on their tuition payment every month.

While you might lose a couple of deadbeat students, you don't need those people anyway. Trust me, it is much better to be respected as a business owner who takes their business seriously, while being able to pay your bills on time each and every month...

...than it is to be "liked" by a bunch of deadbeats who are taking advantage of your kindness and generosity in order to skate on their tuition every month.

Chapter 10: Not Charging Enough

In the last chapter we discussed martial art school owners who are too nice, and who let their students skate on tuition, causing cash flow issues that hurt their dojo.

But I also briefly mentioned the topic of this chapter, which is another common issue among school owners who struggle with cash flow issues.

Not Charging Enough

I don't have to tell you that this is another issue I often see among school owners who come to me for advice. That's because you already know that most martial art school owners and instructors just don't charge enough for their services.

But what's really interesting to me are the things they say when I ask them why they are charging so little for their time and knowledge. In response to my question, they'll make statements like:

- "I don't want to charge too much for classes."
- "I don't want to price anyone out of training with me."
- "My instructor charged 'X', so I decided to charge 'X' too."

But none of those statements addresses the real issue.

The Real Reason Instructors Charge Too Little For Lessons

I've heard every excuse in the book as to why martial arts instructors don't charge more for their services. But in truth, what every single excuse really boils down to is this...

People who lack confidence in the value of the product or service they offer will always feel guilty for charging a premium price for that product or service.

When I dig a little deeper and confront an instructor or school owner with this, they'll almost always admit that yes, they aren't quite confident enough in the value of what they offer to feel "right" about charging more.

Why The Service You Offer Is Worth More Than You're Charging

Even if you're charging rates that are at the top of your local market for martial arts instruction, I'm here to tell you that you're still not charging what your services are worth.

Let's look at what martial arts training provides, compared to other, similar services like gym memberships, boot camp fitness programs, personal training, gymnastics, dance, cheer, group sports like soccer, and golf and other sports instruction.

There are three unique and highly valuable benefits that a good, quality martial arts instructional program can provide to the martial arts student. Taken separately, these benefits can be had from other services (all except one).

But none of those other services I mentioned offers all three at once. Not one.

These benefits are:

Physical Fitness - There are few workouts that are more challenging and more exciting than a good hard martial arts class. Unless you're taking it easy on your students, or unless you're a lazy instructor, your students will be getting an amazing full-body workout that offers improvements in strength, cardio, and flexibility in every single class. The only thing that comes close is yoga, but yoga isn't really all that fun to do, is it?

Mind-Body Training - There are very few sports or workouts that offer a combination of mental discipline and focus along with a challenging workout. There's something about martial arts training that forces your mind and body to learn to harmonize and not fight each other. Certainly, learning to get into flow doesn't happen immediately, and it often takes years of practice to achieve a flow state in your martial arts training. But when it happens, it's a feeling that students want to repeat, time and time again.

And let's not forget the stress relief that comes from martial arts training. Some of it comes from the so-called "moving meditation" that you'll find in traditional styles. But also, you can't argue with the fact that getting to hit stuff as hard as you can over and over again is therapeutic in a way that you just don't get with other activities.

Self-Defense - This is the benefit that all those other activities can't match. The only other activity that might offer self-defense benefits are firearms classes and shooting competitions. But, you can't always take a gun with you everywhere you go, and firearms aren't always the solution to every altercation. In fact, I'd say that they are rarely the solution to an altercation (although when you need one, you really do need one).

Consider that a martial arts student not only enjoys the benefits of getting a great workout, improving their mental focus, and relieving stress; they also are learning

valuable, potentially life-saving self-defense skills in every single class. What other recreational or sports activity offers all three of these benefits together?

The answer is, none of them. Not a single one.

The Value Is Inherent To The Benefits

So when you look at what you offer from that perspective, you soon realize that what we offer our clients is so much more valuable than other similarly priced services.

Never mind that many of us also teach [character education](#) in our children's classes, or that our schools also offer a sense of belonging, camaraderie, and family that students would be hard-pressed to find somewhere else.

So, stop feeling guilty about charging a premium for your services. What you offer is worth so much more than you could ever charge a client.

Obviously, you can't charge what your services are worth, because who can put a price on what we offer? However, you can charge enough to make a decent living doing what you love and helping people.

By doing so, you'll stay in business to help others for years to come. And, you'll be more satisfied with your career choice, which in turn will make it more rewarding and enjoyable to do the job you love.

Chapter 11: Collecting Payments On Time

This chapter is going to be short and sweet, because I'm going to share with you one of the simplest ways to solve a common cause of cash flow issues school owners face.

When I started my first dojo, I was plagued with slow and late payments. I had a billing company that would send out invoices to all my clients, and then the clients would send in checks, which would get cashed and eventually find their way into my account, minus the billing company's cut.

This was an incredibly inefficient way to collect tuition. Eventually I switched to invoicing clients myself to cut out the middleman, but I still had issues with late and non-payers.

So, I switched everyone in my school over to electronic credit card or debit card billing. Not EFTs, but only payment by credit or debit card.

It took a while for people to get used to the fact that they couldn't bring in their payment whenever they wanted anymore. But once I got every single student in my school on electronic billing, suddenly my tuition collection (and cash flow) issues went away.

There are a million ways to set this up today, because the technology for accepting payments and moving cash from customer to vendor has improved drastically. The thing is, you don't need a third-party company to handle this for you.

In fact, you can probably do it yourself through the online payment gateway your credit card processing company provides you. It's the way I have done it for years, and it's often the least expensive and most hassle-free method to set up recurring payments for your students.

Chapter 12: Messed-Up Marketing

To round out this guide, I'll be speaking specifically on the topic of marketing mistakes for the remaining chapters.

Why marketing mistakes?

Because frankly, *90% of the challenges that martial art school owners face can be solved with more, or more effective, marketing.*

So, let's get started...

The 4 Ways Dojo Owners Screw Up Their Marketing

There are several ways that dojo owners screw up their marketing, including:

1. Not marketing enough or consistently
2. Marketing the wrong message, or to the wrong audience
3. Unprofessional marketing
4. And, weak marketing

I'm going to address all of these marketing mistakes in these final chapters, starting with...

The Problem With One-Time, Inconsistent Marketing

One of the most common marketing mistakes I see school owners make is to treat marketing like it's a one-time thing you only do when you need more students. They look at getting students like a hunting expedition, when they should be treating it more like farming.

A hunter decides they want to bag an animal for their meal that night. So, they go out and hunt specifically for a single meal. Fine, their belly is full for that evening, but guess what? When the meat runs out, they have to go out and do it all over again.

This is a huge mistake, and it's also an inefficient way to survive.

Looking At Marketing As An All-the-Time Thing

But a farmer cultivates his crops, preparing several fields at a time as he plants various different types of plants that grow in different seasons. He treats his work as a cyclical,

never-ending process and harvests from many fields and orchards at different times of the year.

And, he makes sure that he grows enough to store up for the winter months, when the fields are dormant or snowed over.

In the same way, the inefficient marketer decides they need more customers, so they'll do a one-shot marketing method, hoping they get a ton of new students from that one-shot deal. And if it works out, they coast on the results until the next time their floor and bank account are looking empty.

But the smart school owner looks at marketing as a cyclical process. They realize that the best way to get new leads and students is to have many different marketing methods working for them all at once, all the time. They never stop marketing.

The Results?

And the result of this all-the-time, [cyclical marketing approach](#)?

They have a constant stream of leads and students coming into their school, week after week, and month after month... even during the so-called "slow" months.

So, if you find yourself getting "feast or famine" results from your marketing efforts, it might mean you need to change the way you look at marketing your dojo.

Instead of looking at marketing as a single-shot deal, start looking at it as something you do all the time that never stops.

Chapter 13: The Wrong Message

In the previous chapter I wrote about not marketing enough and not marketing consistently. But in this chapter, I'm going to talk about...

Sending The Wrong Marketing Message

Let's face it, most of us aren't born with an innate sense for what other people are thinking and feeling. It's the rare individual who can put themselves in someone else's shoes and accurately predict their emotions and train of thought.

If you're currently in a relationship, you are probably all too keenly aware of just how difficult it is to determine what's going through someone else's head and heart. And as we all know, the misinterpretation of body language and other cues has led to many a heated argument and break up.

So if we're aware that this chasm between what we are thinking and feeling and what others are thinking and feeling exists in our interpersonal relationships, why would we think it should be different with our marketing?

Yet, for some reason martial art school owners (and business owners in general) tend to approach their marketing from a self-centric perspective. And, this inevitably leads to marketing that sends the wrong message.

How And Why It Happens

How it happens is simple enough. A school owner sits down to create an ad or other marketing piece, and they screw it up royally. But why it happens... well, that's a fairly interesting process.

For starters, I've observed that most martial artists tend to enjoy things that the vast majority of the population does not particularly enjoy. We "like" pain, getting hit, roughhousing, and all other manner of mayhem and violence.

I don't know about you, but when I'm at the theater watching an action flick and a bad guy gets their arm broken or the hero stabs them to death with a Bic pen, I don't react the way everyone else in the theater does. They cringe, I chuckle.

And that neatly sums up why martial artists often send the wrong message in their marketing. What you think is "cool," your market thinks of as cruel. What you think is

neat makes them cringe. And what you might think of as a good time will have them running for the door.

So when you sit down to write an ad and you write it from the perspective of what you think sums up all the best things about martial arts training, your ad is doomed to fail.

The Typical DIY Martial Art School Ad

The typical DIY martial art school ad goes something like this:

- **Headline** - Nonexistent, or something like "Hibatchi-Ryu Ancient Samurai Arts," which is total and complete gibberish to the average person on the street...
- **Image** - A black belt beating the crap out of someone else, usually doing the coolest move ever. Well guess what? The person reading that ad never sees themselves as the black belt. Instead, they will always identify as the person getting beaten up. This mistake alone kills many an ad.
- **Body of the Ad** - Typically all about "me, me, ME!" Martial artists tend to write about themselves in their ads, which is a huge mistake. "I have this degree black belt, we belong to that organization, our style is better than every other style because..." well, you get the picture. And the person reading the ad cares nothing about any of that. Not. A. Whit.
- **Offer** - Usually absent. I am frankly amazed at how many ads I see that don't include an offer. Why anyone would think that "Come train with us!" is a compelling enough reason to get a reader to pick up the phone is beyond me, but I see that sort of thing in ads all the time. People need a compelling reason to respond, and a good offer (and good ad copy) provides that reason.
- **Call to Action** - Usually weak or absent. Again, "Come train with us!" is not the best call to action. Instead, you need to tell people what you want them to do. "Call now!" "Call us today!" And so on. And giving them a deadline to do so with an expiration date on the special is even better (and so long as it's legit, there's nothing wrong with using that tactic).

Fixing Your Ads

If you want to fix your ads, you need to start looking at your marketing from the perspective of the average person who knows nothing about martial arts. Why would they want to take martial arts classes?

Not to get beaten up, that's for sure. So what would motivate them to take a class?

The same things that motivate everyone else. Weight loss and fitness. Feeling confident and safe. Being accepted by and receiving the approval of others. And so on.

Those are the things you want to focus on in your ads. Of course, there's a lot more to writing a good ad than that, but getting the message right is always going to be at the heart of what goes into a good ad.

So, fix your ads. Spend time thinking about things from the customer's perspective, and write your ads to them, not to you.

You'll be amazed at the difference this small shift in perspective will make in the results you get from your [martial art school marketing](#).

Chapter 14: The DiY Trap

I wrote to you about inconsistent marketing, yesterday I wrote about sending the wrong marketing message...

And today I'm going to write about unprofessional marketing.

The DiY Dojo Owner

When I started my first school, I had absolutely no extra money for anything. I was starting from scratch, I was dead broke from working a string of minimum wage jobs, and I had a stack of debt a mile high.

So, I had to do everything myself.

I wrote my own ads. I created my own fliers. I did the design for my own ads. I distributed my own marketing materials.

I also cleaned the school myself, did my own books, answered the phones and returned messages, taught every class on the schedule, did all the intros, and opened the school each afternoon and closed it late in the evening every night.

This was all while working a full-time job to support myself, so I could roll all my profits back in the school. And needless to say, I ran myself ragged doing it all.

In short, out of necessity I became a DiY dojo owner. I did EVERYTHING myself. And unfortunately, it took me years to figure out that I didn't have to do everything myself...

...and it also took me years to discover that maybe I wasn't the best person to be handling some of those tasks in the first place, either.

How I Learned This The Hard Way

A few years back I took the Myers-Briggs personality test and found out I'm an INTJ, which stands for "Introversion, Intuition, Thinking, Judging." My personality type is rare, and what it boils down to is that I'm a bit of a tinkerer/polymath who is only saved from serial dilettantism by being driven to excel at the many interests I pursue.

In other words, I tend to hop from interest to interest and I try to master whatever interests me. Combine that with the typical martial arts instructor's control freak

tendencies, and what you end up with is someone who thinks they can do everything better than everyone else around them in their business.

This makes for a business owner who is very poor at delegation and who tends to micro-manage. It also makes for one tired and stressed out individual.

Don't get me wrong, there is nothing wrong with having a strong work ethic and grinding to get what you want. However, the problem with not being good at delegating is that no one person can be an expert at every single task necessary to running a business.

And by not delegating or farming out those tasks that you suck at, you end up hurting your business and stunting your business growth.

Your Ugly Marketing Is Killing Your Dojo

I almost made that the title of this chapter... honestly, I did. And it's because I see school owners making the same mistakes I once made all the time.

I look back at old ads and fliers I designed, and I cringe. After spending years (unnecessarily, I might add) learning the ins and outs of graphic design, web design, and ad copywriting, I can easily see the many mistakes I made with those ads from the past.

Quite frankly, they were ugly and unprofessional. And the only reason why I succeeded was because I did A LOT of marketing, and I knew how to do one thing right back then, which was putting together a decent offer.

Yet, I wonder what might have happened if I had spent some of those early profits on hiring a good graphic artist to help me design my ads. I'm sure my dojo would have grown that much faster, because the unprofessional look of my ads was hurting my school.

Why You Can't Get Away With Presenting An Unprofessional Image

Consider that everyone shops online now, and the first thing someone is going to see of your dojo is your online marketing, be it your website, Google + Business listing, Facebook page, or YouTube videos.

Also, consider that there are at least a half-dozen other school owners in your area who are competing for those same eyeballs. That means competition is fiercer than ever, and generally whoever gets the best marketing in front of the most eyeballs first, wins.

Which is why the level of professionalism that you present online matters so much more today than it did in the past. In years past when we only had a few marketing channels, all you had to do was buy the biggest ad in the local paper to win that war.

But not anymore. Now, you have to manage multiple marketing channels while looking like a champ doing it.

This is a hard truth that a lot of school owners refuse to face. Many of the school owners I meet are control freaks like me, who think they should be doing everything in their school themselves.

And I've seen that attitude kill more than one martial art school over the years.

Why There's No Excuse For Ugly Marketing

But now, we're living in an age where both online and offline marketing has become so competitive, that the quality level of small business design and image has been elevated considerably.

This is partially due to the digital revolution, because with increased computing power graphic design programs and software have become amazingly complex and powerful. What used to take a skilled commercial artist 10 hours to do by hand, a graphic designer can now do in under an hour.

That in turn has made graphic design cheap and ubiquitous. Meaning, anyone can afford to hire someone to elevate the level of professionalism in their ads, website, and other marketing materials.

Yet, the average school owner who comes to me struggling will present with the following:

- An ugly, ineffective, DIY website -
- Ugly DIY ads -
- Ugly DIY business cards and other marketing materials -

Maybe you could get away with that ten years ago, but today your competitors are more than willing to hire pros to take care of their marketing. So when your stuff is DIY and looks like your 11-year-old kid did it for you, guess what?

Your competitors are going to be getting the bulk of the lead share in your area.

Besides, Your Time Is Valuable

A business owner's time is their most valuable resource. I understand that early on when you're broke, you might be forced to do everything yourself like I did.

But, don't make the mistake of continuing to do everything yourself after you've started showing a profit. Instead, take a portion of those profits and spend them on farming some of that stuff out to pros.

Start with your [website](#) - invest in a professional design and good solid ad copywriting on every page. Also, start using [professionally-designed ads and images](#) to market your dojo. Or, hire a professional graphic designer to redesign your marketing materials, including your logo.

And finally, start making better use of the time that's been freed up by having someone else handle those things for you. Use the time that you used to spend doing \$10 an hour work in your school, on doing \$500 an hour work on your school.

In other words, spend it doing high-level strategy for your school. Spend it figuring out how you're going to grow your school from where it is now to where you ultimately want to be in 2-5 years. Start acting like a business owner instead of a self-employed professional.

Once you do, you'll be amazed at how much your stress level decreases while your school grows at a much more rapid pace. Sure, it's hard to let that money go out the door at first, but when you look at it as an investment in getting your time back, it makes it a lot easier to do.

Chapter 15: Weak Marketing

In this last chapter I'm wrapping up the series on why dojo owners fail with the final message on marketing mistakes...

Weak Marketing

Sometimes I have to remind myself what I was like and how I used to think when I started my first dojo. See, these days I have a difficult time understanding why many martial art school owners seem to be afraid of marketing their schools effectively.

That general fear of using effective marketing methods to get more students keeps many a martial art school owner from growing their dojo. And, more than any other factor, it's what leads to weak marketing that fails to attract new students.

What Is Weak Marketing, Really?

To answer that question, we need to determine what makes for an effective marketing piece. And to understand that, you need to look at reality versus fantasy in small business marketing.

Fantasy is thinking that a small business should market themselves like big corporations do. Large corporations use a lot of brand and product awareness marketing. Most of their marketing is slick and it tries to be witty, catchy, or entertaining.

That sort of marketing works not because it's effective marketing, but in spite of the fact that it's ineffective. It works because those large corps have a ton of money to throw at their marketing budgets. And the Madison Avenue firms they hire are more than willing to take their millions in exchange for coming up with the next ridiculous ad campaign that they can sell to the company board members.

But you, the small business owner, simply cannot market your business that way. You don't have to marketing budget to do so, and you can't afford to throw a cool million at a marketing campaign to see what sticks. So, you have to be smart about how you market your school.

Reality tells us that every marketing dollar you spend has to bring back an immediate return on that marketing investment. That's because you have a finite amount of money to spend on your marketing at any given time. So, your marketing has to be

self-supporting, and the marketing campaign you do today has to fund the marketing campaign you do tomorrow or next week.

That means you need to focus on marketing techniques that elicit an immediate response... *direct response marketing*.

"But I Hate Those 'Markety' Ads and Websites!"

Cry me a river of tears. I hate dieting, burpees, and doing cardio. Doesn't mean I won't do them to get in shape.

Reality doesn't care what you like or don't like, and neither does your market. Reality only cares about what works (add "on the street!" to that sentence for a little martial arts context).

Reality says that you have to use what works to get students. And weak, boring ads and marketing websites don't cut it. Ho hum marketing gets ho hum results. Your marketing has to have some punch to work.

"But My Instructor/Friend/Cousin/Guru Doesn't Use That Sort Of Marketing!"

Maybe they don't have to... have you ever considered that? Maybe they've been around for umpteen years and already have a sterling reputation and outstanding word of mouth on their programs.

Or maybe they have a killer location and very little competition in their area. And maybe they have an "in" with the local school system and that's where they get all their leads. Or, perhaps they're much better at closing and don't need to generate as many leads as the average school owner.

There are dozens of reasons why a school owner might not have to market as hard as the average bear. But just because someone you know doesn't have to market that hard, it doesn't mean you can get away with not marketing your ass off to get students.

Most Small Businesses Have To Market This Way To Survive

I could go on and on about marketing outliers, but the fact is the majority of small businesses have to use direct response marketing to succeed.

That's why you see real estate agents and pizza joints using direct response marketing (door hanger and flyer distribution). Those businesses are in the same boat as you - they eat what they kill, and if they don't get sales they starve.

And heck, that's why my ads and websites look the way they do. Roughly every month someone will contact me and say, "I was really hesitant to purchase your products because all your stuff looks like a get rich quick scheme. But man I'm glad I did."

And I'm thinking, "Okay, you hate marketing. Got it." But for every person who tells me they hate the way I market my books and resources, there are ten more who don't care and who buy my stuff.

Do I care what that one person thinks? No, not at all. I only care that I am reaching people with my message and products, and thereby fulfilling my mission to help broke martial art school owners turn their schools around.

Get Over Your Fear Of Using Strong Marketing Tactics

Strong marketing tactics drive direct response marketing. It's as simple as that. And direct response marketing is your best bet for getting money back today on the ad dollars you spend.

So, get over your fear of using strong marketing tactics. And remember that just because you use emotional headlines, limited time offers, and special discount packages that are valued at 3x to 5x the sale price, it doesn't change who you are or the quality of what you teach.

Read that last sentence again if you have to, because it's important. No one would paint the Mona Lisa and hide it in a closet. No one sculpts a masterpiece and leaves it covered with a tarp.

And in the same manner, you shouldn't hide your life's work from the public.

Now, get out there and do some [serious marketing](#).

Final Thoughts

Before I close out this guide I'd like to summarize what I've shared with you over the last 40+ pages. I know this is a lot of information to cover in a short book, and it's a lot to digest.

I also know that due to the price of this book you were probably expecting a three-page report filled with thin content. Well, surprise! You got more than you bargained for when you picked up this book.

Take that as an object lesson in how you should run your dojo, if you want to stand out among your competition. Make it your mission to consistently surprise your clients by giving them more than they expect. Always under-promise and over-deliver. Always.

Okay, let's recap all the concepts I've thrown at you over the last 40 or so pages:

1. Face reality. Critics don't pay your bills. You have to run your dojo like a business if you want to stay in business.
2. Stuff your ego, and start focusing on metrics that matter. Square footage doesn't matter. Student count only matters if you're charging enough, but your profit margins and net profit (what you take home) are the most important metrics of all. Focus on what matters, instead of trying to impress your friends with silly, inconsequential numbers.
3. Keep your overhead costs as low as possible.
4. Be careful who you choose to advise you. Bad advice kills.
5. Location is important, but not as important as marketing.
6. Cheaters might prosper, but eventually it catches up to them. Maintain your integrity.
7. Get your head out of your... past. Evolve or die.
8. Cash flow is the lifeblood of your business. Make a sale every day.
9. Professionals are friendly, courteous, and honest... but they are never "friends" with their clients. Keep your relationships on a professional level, and avoid confusing personal feelings with your professional need for self-preservation.

10. Charge what the market will bear. It's probably still not what you're really worth, but it will be more than enough to ensure that you don't have to worry about money anymore.

11. Get your money, on-time, every time. Technology makes this easy -- use it.

12. Fix your ugly marketing, ineffective, weak marketing. Face facts: DiY marketing makes you look like an amateur. Stop trying to be an expert at everything, and instead hire experts to handle the stuff you suck at.

That's it. Twelve key concepts for you to internalize and implement in order to start thinking like a successful dojo owner.

Now, allow me to close out this guide with some final advice.

Often martial art school owners and instructors are their own worst enemies. I say that in the kindest way possible, because I've seen a lot of instructors and school owners fail due to good intentions.

Sometimes it's because the instructor has preconceived notions about what a martial art school is and isn't. "That's not a dojo; it's a daycare." "That's not a dojo; it's a health club." "That's not a dojo; it's a social club." And so, they fail to take action on good business advice, because they fail to realize that a business can serve many functions for its clients.

Other times, instructors fail because they think they already know how a dojo is run. Maybe they've been an instructor for a long time, or they've had a dojo for several years, and they think they've seen and heard everything there is to see and hear about running a dojo. So, they read about someone who is having success with the methods I teach, and they think, "I already do that, too."

Well, maybe they do... but obviously there's something they missed, otherwise they'd be getting the same results as that other school owner.

And in other cases, the instructor is simply afraid to take action, for whatever reason. Maybe it's because they are worried about what other people think. Well, I'm here to tell you that your peers don't pay your bills.

Moreover, if your peers are all broke, you need to find a new group of people to hang out with. Chronically broke people tend to like to see other people stay broke, too...

because misery loves company, and seeing other people fail at least means that you're not alone in your misery.

But what's really sad is that I've even seen people fail for no other reason than they didn't think success was possible. That's why I encourage the members of my coaching groups to share their success stories. Sharing their individual [successes](#), however small, helps others build belief that they can do the same.

I know I'm rambling a bit, so let me bring it home. My point here is that you need to stop being your own worst enemy. Stop sabotaging yourself. It starts with looking at what you're doing with an honest eye, and owning up to your own self-sabotaging habits.

Do you have a negative attitude? Fix it! Do you lack belief? Build it! Do you worry about what other people will think if your school becomes financially successful? Screw those people! They aren't your friends, anyway, because anyone who wants to see you continue to be miserable is a poor excuse for a friend.

But enough pep talk. Now it's time to match belief and knowledge with action. Get out there and start implementing these twelve concepts in your own dojo, because sitting on this knowledge won't do you a damned bit of good.

And if you want in-depth guidance in any specific area of your operations, here's a list of various products and resources that my clients have found to be very useful in growing their schools:

[Small Dojo, Big Profits](#) - This book is the last word on how to start and run a small, highly profitable martial art school, from scratch. Whether you are just starting out, or you're a seasoned school owner, this book reveals how to set a dojo up for success -- without selling out. (By the way, if you want the paperback version you can get it [here](#).)

[The Martial Arts Marketing Success System](#) - This is the course that shows you how to finally get consistent, repeatable results with your marketing. If you want to discover the systems I've used for years to consistently get 30 to 40 solid new student leads and inquiries month after month, this is the course for you.

[The Martial Arts Sales Success System](#) - For most school owners the idea of "selling" anything is distasteful. However, that's because they never learned how to sell martial arts lessons honestly. This course reveals the systems my wife and I used to enroll 50%

of our leads to memberships, and convert 90% of our intros and trials to long-term, paying members. If you want to learn the art of “selling without selling,” get this course.

[The Profit-Boosting Principles](#) - This book is the follow-up book to Small Dojo Big Profits, and I wrote it for school owners who bought SDBP and then asked, “What should I do next?” If you’re past that fragile start-up stage in your dojo and you’re wondering how to take your school to the next level, read this book. Incidentally, at less than \$20 bucks this book offers the most value, dollar for dollar, out of all my books and courses.

[Martial Arts Business U](#) - My private online coaching group. If you’re serious about growing your school fast, or if you want personal business coaching without the one-on-one coaching price tag, Martial Arts Business U is worth checking out. Be sure to watch the testimonial videos when you visit the site -- they are amazing, and every last one was submitted by a member who simply wanted to thank me for helping them grow their dojos.

Also, be sure to read the other books in my *Martial Arts Business Success Steps* series, which are available on [Amazon](#).

That’s all for now. Hopefully this info will help you achieve the lifestyle you want to live, while allowing you to maintain your integrity as an instructor.

Here’s to changing lives while you grow your dojo.

Sincerely,

Mike Massie

P.S. - Questions? Comments? Feel free to contact me via my customer support ticket system at <http://moderndigital.freshdesk.com/>