



Power Fitness Business Proposal

Company: Power Fitness (Victoria Academy)

Team member: Hsin-Min Fang, Tzu-Yi Liao, Tien Han,

Chia-Ching Wu

General introduction:

Power Fitness promotes all modern people to switch from outdoor exercises to indoor exercise. Therefore, we plan to provide the gym equipment and facilities. Our customers can choose to rent or buy facilities. The purpose of offering renting equipment is to

satisfy nowadays people's needs. "New things are more attractive than old ones," So, when they are sick of the same fitness equipment all the time, they are able to switch equipment from us. We are willing to help other entrepreneurs, communities, and also the individuals with the lowest rental price in order to allow them to enjoy their fitness training.

a. How did your team come up with this idea?

Every year, Taiwan holds more than 600 road-running races, and the air pollution had become worse. Furthermore, the weird weather has started to appear. Outdoor exercise is not as safe as before and that is why indoor activities had increased in demand. There are different features for every kind of fitness equipment. However, the price of each equipment makes customers to buy one only. In addition, few people have perseverance for long-term use. In Taiwan, Fitness centers (gyms) are not so popular, thus we expect to establish the Fitness Point. The purpose to have a Fitness Point is to allow anyone who loves to exercise can exercise, and make them to be able to work out near where they are or where they live, to enjoy the newest fitness equipment, and become healthier at the same time. Through the service and co-operation system, we see the niche market and the best business opportunity because we believe everyone can work out in an easier and cheaper way.

b. Describe the current problem or opportunity

Problems of providing fitness services:

Fitness centers are not popular enough in Taiwan. The fitness equipment stores are usually slack and a set of fitness equipment is also very expensive and with less usage rate. The lack of a professional fitness instructor is a common problem as well. These reasons have caused fitness resources idle and wasted. Accordingly, we wish to use Uber service as the blueprint to start up our business.

Power Fitness team's opportunities:

1. Our team will cooperate with the fitness equipment industry, famous Fitness centers, local communities, related entrepreneurs, and the Department of Physical Education in the university to start up a Community. In this way, the fitness manufacturers could not only could increase their purchases of different sets of equipment, but also reduce the cost because they do not have to worry too much about selling problems and can depend on our team to rent out the fitness equipment to various customers in needs.

2. Fitness centers can become different Display spots. Families, communities, and entrepreneurs can use reasonable or low prices to rent, change or renew a variety of equipment seasonally to increase the freshness of usage and also to avoid laying the equipment aside in the storage room.

3. In order to increase population to join fitness, we can periodically hold Fitness workshops and some meetings, inviting the students from Department of Physical Education with Fitness certification to become the gym instructors and to deliver the knowledge and skills of work-out to the beginners.

c. Describe your proposed solution

Business Team Organization:

Set up the General Manager, Marketing Director, Chief Financial Officer (CFO), Chief Information Officer (CIO). Start up with less manpower; however, gradually recruit necessary staff according to the increasing number of members and expansion of business items.

Our business team and fitness manufactures serve as B to B; our team, manufactures, and enterprises serve as B to B; our team and Fitness enthusiasts serve as B to C, fitness instructors and the communities serve as C to C.

To enhance capital we will initially collect two hundred thousand USD to buy the equipment from the fitness equipment industry and 18-month payment without interests. We will share the responsibility of the cost of replenish the stock of merchandises with

12-month rental. The rental balance will be our team's profit. Furthermore, the cooperating manufacturers will give the team extra 10% of additional revenue as feedback.

Our team will attract people who love to do fitness training through "Facebook fan page", who can get free Fitness Alliance VIP cards. The equipment rent will be paid as Deposit Point System. According to the level of different fitness equipment, the members pay the Deposit Point monthly. All the fitness equipment stores and fitness centers will allow the members' registration. The Fitness Alliance VIP cards will provide certain discounts when the members are shopping, enjoying fitness training, or hiring an instructor for themselves.

d. Who experiences your problem the most, or needs your products?

Fitness Marketing Evaluation:

According to the recent official counts, more than 80% of the population in Taiwan exercise, we know that workout is getting more popular. In Taiwanese community website "PIXNET DIGITAL MEDIA", shows that 370 million text analyze the "PIXNET website reports" and indicate that it had nearly 2,500,000 website visitors in 2013. It had reached up 5,400,000 page views in 2014, which grew by multiples. This explains that no matter jogging or gymnastics, sports have already become the main trend in Taiwan!

PIXNET website reports add up all the places that the texts referred and they all have a variety of courses and fitness equipment. Fitness Centre Chain is always the best spot for the masses. More than half of Internet friends will reflect to Taipei District One Sports Centre if they want to exercise. The second choice that people will pick is to exercise at home, which is the cheapest way. It is interesting that the percentage of the second and the third choices that people choose to exercise are sports centers and at home which is even lower than that of the expensive Fitness Centre Chain. As a result, the data clearly points out that the Fitness Centre Chain is incredibly appealing to those net pals, who are in love with exercise!

Our team would like to collect the advantages that the Fitness Centre Chain, sports centers and exercising at home possess in order to create the most convenient environment for exercises. We hope that no matter where people are, they can exercise with convenience and ease. In addition, we merge with fitness Facebook to run the procedure in order to let Fitness Exercises Services to be more interesting, multiple, and common. Folks that like to exercise are the target groups our business team would like to strive for.

e. Value Proposition

1. Set up a Professional Fitness Service club: “Where there are crowds, there is business.” If we can attract 10,000 people to join our fitness training, then it is worthy to make and create advertisements and promotion.
2. Provide the Fitness Alliance VIP cards In order to collect members’ information and to offer them to share each other’s sources. Using the card in the gym, fitness equipment industry, or having fitness instructors can earn 10 percent profited feedback from the cooperating manufactures.
3. Rent for fitness equipment: buy hot fitness equipment with the wholesale prices so that there’s no stress in stock. In addition, members can give the rent to the manufactures in installment. Although the rent is a little bit high which will have 50 percent in return for the investment, all the members can enjoy a variety of fitness equipment.
4. Hiring fitness equipment pays a little bit more money. However, members who live near the center can learn through Facebook and neighborhoods that provide places for them to use fitness equipment with lower prices. It subsidized rent for the members and they can also make good exercising friends to keep moving every day.
5. Working with Department of Physical Education in the universities and inviting experienced coaches to manage their timetables for research. In addition allowing members to get more opportunities to learn while improving the coaches’ payment. The first year we will retrieve 10% of their earning and then reasonably reduce or cancel the

price of servicing if our members have good comments on them. This can also enhance the enthusiasm of the members.

6. Assisting entrepreneurs, local communities, and schools to use the space suitably by adapting the fitness equipment that our team possesses and setting up a fitness classroom. Help to switch different fitness equipment in different seasons and finding other VIP members who can share the rent with and let the service of fitness become enjoyable and permanent.
7. The purpose of setting up our team is to make people love to exercises. The best value of our team is helping people to live happily and healthily.

How do we work with manufacturers and customers in different aspects?

Our team's idea is to allow people to exercise at home with ease. Our role acts as the transaction broker and will regularly order a large amount of fitness equipment from the manufacturers, at the same time, encouraging our customers to try different equipment every season. Our goal is not only to let the costumers experience different advanced fitness equipment, but also help them to learn the safety usage and various functions of different exercise tools. Once they know how each tool can work on different body parts, it will increase their interests and willingness to work out more and rent new exercise tools from time to time. However, in order to maintain the diversities of our promotions, simultaneously, we have to strengthen the cooperation with the manufacturing companies in order to receive first-handed information about brand-new fitness equipment. Keeping a more stable and reliable relationship is surely very significant due to the long-term plan. Naturally, the very critical job that we also have to proceed is to enlarge the consumption marketing, recruiting more members to join us. So that the manufacturing companies can steadily offer us supplies and reduce the cost of orders.

We have to emphasize that we are not only selling goods to users, but also functioning more. For example, we would like to offer our customers different fitness lesson plans by using different equipment at home without worrying about losing their interests. Our team's value is to solve different individual users' problems and provides them with the latest health information and correct concepts. At the same time, they just need to pay the rent instead of buying, reducing the waste of sources and money and making the best use of sources.

Q and A:

1. The ideal partner for most of the fitness equipment manufacturers were those teams that have new and critical thinking. Our team's idea is:
 - a. The problem about air pollution became worse, if the customers chose an indoor exercise, their exercise will not be affected.
 - b. To rent the fitness equipment instead of buying it.
 - c. To established the Fitness Points, and by the way promote our service content.
 - d. Our team will buy all the equipment from fitness equipment manufacturers so the fitness equipment industry will increase the purchase volume and reduce the purchase cost for the equipment.
 - e. We will invite Fitness instructors periodically to have a speech about fitness knowledge.
 - f. We also encourage customers to plan their own fitness course to increase the amusing of fitness, and further increase their interest about fitness.

2. Why fitness equipment manufacturers would like to cooperate with us?
 - a. The amount of our team to purchase equipment is a lot larger than other competitors, which can reduce the cost of the manufacturers for advertising products.
 - b. Our customers are dispersed which can make us easier to sell to the customers.
 - c. We serve a variety of customers that can make more businesses to the fitness equipment manufacturers.
 - d. We encourage customers to change fitness equipment every season in order to experience different ways of fitness.

3. Why do costumers need our services?

- a. It is the first time for most of the people to exercise so that they need an instructor to help them to be familiar with fitness.
 - b. We will request some students from universities that are good at physical education to teach them some brief knowledge of fitness through speeches.
 - c. Make more chances for customer such as:
 - i. gyms
 - ii. sports centers
 - iii. houses
 - d. The purpose for setting up this team is to let all the people exercise. The best value of our team is the healthy fitness for all the people.
 - e.
4. How can we annotate the character of Intermediaries?

We will order a large amount of fitness equipment from the fitness equipment company. Also, we will encourage every customer to change their equipment every season. Not only the customers can enjoy different types of fitness equipment, but also we hope to use a long term way to stabilize the cooperation between the fitness equipment company with us. Furthermore, we will set a “fitness experience point”

