



A Simple PT Financial Plan To Make Taking Action Easier

By Yvette Nevrkla

Starting Your Financial Plan for 2012

Step 1 - So what do you want?

Four Important Numbers

Before you can begin creating your financial plan you need to be clear about what you want and one way to do that is to think about these four important numbers:

- 1 The income I need to survive?
- 2 The income that would be ok?
- 3 The income that would good?
- 4 The income that is my ultimate goal?

You need to know these numbers so that you are clear about your financial goals and they will serve as a measure of success along the way. When you are clear on these numbers you are better able to take action to ensure you are achieving what you need or want. And once you have your basic financial plan you'll see how simple it can be to take your income to the next level by tweaking your plans.

Income Level 1 – What do I need to survive?

This is the minimum you need to survive as a PT so tat you can pay the bare essentials and not have to get another job or quit. Hitting this income means you're not failing and whilst you might need to make some short term cut backs, you are basically ok.

The income I need to survive this year is? _____

What is this per month? _____

Income Level 2 – What income would be ok?

This is the level of income where you are completely ok financially. You're not stressed or worried about money. You are covering your expenses comfortably. You can't necessarily do all the things you want – take holidays, or save much money but you are ok.

The income I need to be ok this year is? _____

What is this per month? _____

Specifically what would this allow me to do?

Income Level 3 – What income would be really good?

This is the level of income where you can really relax and enjoy yourself. You easily cover all your essential expenses and have enough for doing other things that you want to do. This is the level of income that if you earned this for a few years you would be happy.

What is the income that would be really good? _____

What would this be per month? _____

Specifically what would this amount of income allow you to do?

Income Level 4 – My Ultimate Income Goal

This is the income level that, for you, means you've achieved your ultimate financial goal. You have all the income you need to live the lifestyle you desire. It is your dream number.

What is the income that would be my ultimate goal? _____

What would this be per month? _____

Specifically what would this income enable you to do?

Now that you have those four numbers in mind, your next task is to pick one of those numbers as the one you want to use to create your financial plan. It's your choice here. One thing to consider, however, is how new you are in your business as this might influence where you want to begin. Equally you might want to think about what has happened over the last 12-24 months and how steady or easy the money has been for you. Building a business is a process and learning to build a strong foundation and generate the first layer of income allows you to continue and grow.

I'm all for thinking big and aiming high. However, too many aspiring PTs aim high and go straight for their ultimate income goal, but do so without any of the foundations in place to achieve it. So they aim high and achieve very little.

Step Two – Evaluate the last 12 months

This is an opportunity for you to get honest with yourself about what the last 12 months have been like for you and your PT business. This information is for your eyes only so honesty is key if you're going to get a handle on what's been happening and what needs to change in order to achieve that next income goal.

Q1. What was your total income for the last 12 months?

Q2. How much did you earn after all your business expenses?

Q3. How much do you want to earn in the next 12 months?

Q4. Where did the majority of your income come from?

On a scale of 1-10 with 1 being lowest and 10 being the highest...

Q5. How satisfied are you with your earnings for the last year?

1 2 3 4 5 6 7 8 9 10

Q6. How important is it that you achieve better results in your business this year?

1 2 3 4 5 6 7 8 9 10

Q7. How willing are you to do what it takes to achieve what you want?

1 2 3 4 5 6 7 8 9 10

Q8. When you look at the answers to the previous questions what does it tell you?

Step Three – How Will I Generate My Income?

This is where you start to think about exactly what products and programmes or services you will offer, how often and at what price in order to achieve the income you want for the year ahead. You might not know the answers to all of these questions immediately which is fine at this point. Just go with your initial thoughts here – that’s the point of creating a plan.

Q1. The income goal for the next 12 months is...

Q2. The products and programmes I will offer to achieve this income goal are:

I’ve listed some options on the following pages to help to get you thinking. You do not need to use all of these ideas and you might think of different ones too. A top tip, however, is that less is more here, especially if you are starting out or if you are setting about the process of redesigning your business. Focus on doing a few things really well rather than trying to do too many things and getting nowhere.

1-1 Personal Training

How much of my income will come from 1-1 training?

How long will I work with my 1-1 clients?

How much will my 1-1 clients pay me?

How many 1-1 clients will I work with over the year?

Who are my ideal 1-1 clients?

Group Training

How many people do I want per group programme?

How many groups do I want at any one time?

How long will the group programme last?

How much will each group member pay?

What will be the frequency, duration and format of each group session?

Who is my group programme for? What will it help my clients to do?

How much will I earn from my group programmes?

What are the estimated costs for marketing, selling and delivering each programme?

VIP Experiences – VIP Days, Retreats

How many VIP days or retreats will I run?

What will be the duration and format of these days?

What will I charge for these?

Who are they for?

What are the costs involved in marketing, selling and delivering these VIP experiences?

How much of my income will come from running VIP experiences?

Membership Programme

What kind of membership programme will I offer?

How much will I charge per month or per year for membership?

Who is my membership programme for?

What will I include in my membership programme?

How many members will join my membership programme each month?

How many clients will I have on my membership programme by the end of the 12 months?

Products

How many products do I want to have?

What type of products will they be? (audio, video, written, equipment, other)

What will they be about?

Who are they for exactly?

What will I charge for each product?

When and where will I sell these products?

What are the expected costs involved in creating, marketing and selling these products?

How much income will come from product sales?

Paid workshops

How many paid workshops will I run?

What will they be about?

What will be the duration of each workshop?

How many people do I want to attend?

How much will each person pay?

What are the expected costs of marketing, selling and delivering each workshop?

How much income will I make from workshops?

Paid Online events (webinars, teleseminars?)

How many online events will I run?

How long will they run? (one hour per week for 6 weeks?)

How many clients do I want per event?

How much will they pay to attend?

Who are they for?

What will the content be for these online events?

What are the expected costs for marketing, selling and delivering these online events?

How much money will come from online events?

Step Four – Build in the costs

It's important to remember that there will be some costs involved in generating the income you want. This might sound completely obvious but in the plans I see it often gets left out. There is no thought given to costs of learning, support, technology, marketing or delivery costs which has a significant impact on your ability to implement your plan and achieve your targets.

It's very possible that you don't know the costs involved for some of the things you would like to do and in some instances you won't know until you do it. It's a learning process. But it is far more effective to build some costs in to your plans because it means your plans are more realistic and that you are better prepared to invest in achieving them. Over time you will get better and better at predicting costs as well as knowing the return you get on the money you do invest in your business.

Step Five – The Missing Ingredient

All of the income figures you've come up with so far are great and can help you to see what's required to achieve your income goals. But there is something else you need to build in to your plan if those figures are to become a reality. I've mentioned it already and of course it has to be the marketing you will do to achieve the sales that generate the income.

How will you get your 1-1 clients? How will you fill your group training programmes with the number of clients you want? How will you sell the number of products you want or fill your workshops or your retreat?

This tends to be something that gets forgotten or at least is not given the thought and planning it needs if you're to be successful.

Your ability to generate your income from any and all of the services, programmes and products you've identified for your business is dependent upon your ability to market and sell.

If you want 10 1-1 clients paying you £2000 each, how will you sign up these 10 people? Where will you find them? Are you assuming they will come to you? Are you assuming a 100% conversion rate? How will you achieve this one?

If you want to sell 100 copies of your DVD product, how will you sell it? How will you get in front of the right people and how many people do you need to get in front of in order for 100 people to buy it? Is it 1000 people with a 10% conversion rate?

This can be the part of the process of building a successful PT business that causes the greatest challenge and biggest frustration. Expectations are often unrealistic, especially when you're starting out and before you've perfected your launch and sales strategies.

If you use the "Free PT Session" as a strategy for getting new 1-1 clients on board, then it's possible that you have discovered that this strategy perhaps isn't as easy as you thought and doesn't convert the numbers of clients you need as easily or as quickly as you expected. (The better you get at delivering the right kind of free session, the better your conversion rate can get but on the whole it seems to be a struggle)

So I want you to start giving this some thought now. Think about what you will do to achieve the sales you need to achieve the income you want for the year ahead.

To a great extent this becomes a numbers game as I've suggested above.

Example, if you want to sell 50 copies of a product you've created and you decide that you will sell that product to your people on your email list, then how big does your email list need to be to achieve those sales? What percentage conversion will you work on? 1%, 5% 10%?

Example, if you find that you need to do 5 free PT sessions to get 1 new client and you want 20 1-1 clients over the year, then you need to do 100 free sessions. Alternatively you need to increase your fees so you need fewer clients or you need to get better at doing free sessions that sell! Or both.

Here are just a few of the strategies you might think about in order to successfully market and sell your various products and programmes.

#1 Free workshops

#2 Speaking at events

#3 Free PT Sessions

#4 Free webinar or teleseminar series

#5 Advertise

#6 Joint venture with related businesses and professionals

#7 Referrals

One of the activities that is a MUST if you want to improve your ability to grow your income is to build your database or list. Building a community of people who are interested in what you do and in what you have to say and in what you have to offer is arguably your greatest and most valuable business asset.

So here are some more questions to help you think about and prepare the activities you will do in order to actually market and sell your services and products. I've covered List Building and Free Teleseminars to give you an idea of how you would start planning and building these into your financial plan. You can continue this for the marketing and sales strategies you want to use.

List Building / Growing My Community

What is my list growth goal per month? _____

What free product will I use to grow my list? (Free Video or Audio training, Free report, make it something small but irresistible)

Brainstorm - How can I reach my target market?

Where are they and how can I get in front of them to invite them to exchange their details for my irresistible free product? What do they read? Which organisations do they belong to? Which websites do they visit? Who else do they do business with that is connected or related to my business in some way? Which events or conferences do they attend?

What are the top strategies I will use to grow my list this year?

Free Teleseminars or Webinars

What is the topic(s)

Is it a one off teleseminar or part of a short series? So how many will you do each time you use this strategy?

How many people do I want/need on the teleseminar?

What is the purpose of doing the teleseminar? (what do I want a % of the people on the call to do?)

What is the offer I will make to the people on the teleseminar?

How many will convert? (10% - 15% is a realistic number to work with but it can be lower or higher depending on the relationship you've built with the people and the offer you are making to name just two of the influential factors)

Step Six - Build your marketing into your financial plan – Example Plan

Activity	Frequency	Result	Income	Costs	Net Income
List growth	Monthly	40 names per month		£500	
Free workshops	6 per year	25 people per event with 5 converting to paid programme	Included in paid programmes	£600	
Free Teleseminars or webinar campaign	3 x per year	150 people per campaign with 10 converting to high paid programme	Included in paid programmes	£400	
Free PT Strategy Sessions	30 per year	10 1-1 clients	Included in paid programmes		
1-1	6 month programme	10 1-1 clients paying £2000	£20,000	£1000	£19,000
Group Training	3 month programme run 3x per year	10 clients per prog @ £1000	£30,000	£1000	£29,000
Workshops	4x 1 Day workshops per year	10 clients per workshop @ £197	£7,880	£1000	£6,880
VIP Retreat	1 x weekend	6 clients @ £2000	£12,000	£3000	£9,000
Total Income			£69,880	£7,500	£62,380

Now It's Your Turn

Activity	Frequency	Result	Income	Costs (estimated)	Net Income
Total Income					

Once you have this basic financial plan in front of you, you can begin to play with the numbers, the prices, the frequency, the products, and offerings to create the right scenario for you and your business.

You might find that you need more clients than you thought or maybe less. If you rely completely on 1-1 training then you might find you need to adjust your prices to achieve your income goals.

TIP – Remember to think about how your plans translate into time so that you have an idea of what this means for your work schedule.

Congratulations

You now have a draft of a simple financial plan for achieving your income target for the year ahead. This is a big step in the right direction and I hope you are feeling good about it. Of course the task of turning this plan into reality is the challenge that lies ahead but at least you are now equipped with a much clearer idea of what you need to do to create the income you want.

Unless you get focused on the money and pay attention to what you are doing to create it as well as what you are doing with the money you have and the money you earn, you will never have the income you need, want or deserve to have.

And now that you have this plan, don't put it aside, never to look at it again! Use it. Review it, adjust it, and act on it because it contains the keys to your success.

Here's to an exciting and prosperous year ahead.

About Yvette Nevrkla



Yvette is an expert PT business coach and specialises in helping personal trainers to build their perfect business – to generate clients and income in a way that suits them – using her signature PT Business Foundation Formula. She is the founder of The PT Business Gym which is her own successful coaching business and author of The PT Business Gym Book. She is also a speaker and trainer and a dedicated Mother of two.