



Dear Martial Arts School Owners,

A Quick thought about Industry “Best Practices” vs. “Industry Norms.”

What I promise you is that all of us....Myself, Master Milroy, Grand Master Smith, Bob Dunne, the rest of the NAPMA Staff and our expert guests, will clearly and concisely tell you EXACTLY what you must do to be both financially successful in the coming months and years and will NO LONGER worry about stepping on the toes of those part-time or low performing school owners with misplaced self-righteousness about a background or history of martial arts instruction that they mostly don't understand.

Although as an organization that caters to all Martial Arts Schools regardless of style or target audience we will always give you teaching resources that cover a wide gamut. Some of which I might personally use in a school that I operate, others that I wouldn't. That's to be expected. We are certainly not trying to push anyone towards the kids market and away from the adult market (or, vise versa) or towards a particular style or type of martial arts.

**There are, however, CLEAR “Best Practices” in Teaching Pedagogy, Management Systems, Marketing Processes, Sales Methods, and Financial and Statistical Controls.**

We will be VERY clearly sorting what works from what doesn't. We'll aggressively edit who you are exposed to as a member so that like them or not... you will only be presented opinions and practices that WORK.

**In the Real World of PROFESSIONAL School Operations.  
In the Current Market.  
Under Current Conditions.**

**I'd ask that you give me and my team permission to occasionally offend or irritate.** That you give us permission to “Take off the Gloves” and truly work for what's in YOUR best interest to become the premier PROFESSIONAL School in your region and for you to have an income commensurate with your years of training and exhausting work schedule.

In the coming year we'll teach you how to have MORE Students that you have ever dreamed. How to have a higher Gross Revenue and more importantly Net Profit. We'll focus on helping you multiply yourself with effective hiring and delegation. And, most importantly only share strategies that insure that your students will improve more rapidly than ever before and that your reputation in your community will be truly “gold plated” not only now but 10, 15, 20 or more years from now as well.

As a final note in this vein: Our association was founded with a clear purpose in mind. It's in the name: The National Association of PROFESSIONAL Martial Artists.

Let's examine that one important word:

**pro-fes-sion-al** (pr-fsh-nl)

*adj.*

1.

a. Of, relating to, engaged in, or suitable for a profession: *lawyers, doctors, and other professional people.*

b. Conforming to the standards of a profession: *professional behavior.*

2. Engaging in a given activity as a source of livelihood or as a career: *a professional writer.*

3. Performed by persons receiving pay: *professional football.*

4. Having or showing great skill; expert: *a professional repair job.*

*n.*

1. A person following a profession, especially a learned profession.

2. One who earns a living in a given or implied occupation: *hired a professional to decorate the house.*

3. A skilled practitioner; an expert.

Clearly our Association has always been designed to support PROFESSIONAL School Owners and Teachers.

A professional can be distinguished from an amateur by level of expertise, by time and energy engaged in their profession, and by level of expected income.

We intend to represent individuals who are willing to achieve comparable expertise in their chosen field of endeavor: Managing Professional Martial Arts Schools and being a Professional Teacher and Dean of their chosen School. Clearly there are many who've trained in the arts for many years and perhaps have competed as a professional or amateur but have not moved to professional stature as a school owner or teacher. Don't let their opinions get in your way.

Let's not forget that the key distinction between a professional and amateur is level of financial contribution and ability to devote full-time energy to the professional career. We certainly expect all truly professional school owners to be able to earn a six figure, plus income. We'll promise to give you a clear step-by-step guide to achieving maximum financial results.

Each of the best practices and implementation steps outline broadly below NAPMA gives you the tools and strategies to implement thoroughly and consistently. Through our regular "Maximum Impact Program" content mailings, through tools provided to member online, and through our regular tele-coaching programs.

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# **10 Things you must do to Thrive in the Martial Arts Business.**

## **Number 1.**

### **Premium Pricing is the Quickest Route to a High Net.**

Know your value and price your tuition accordingly. We are not in an industry where low price buys market share. In almost all cases all low price does is limit your revenue per student and convince your students of your limited value.

#### **“Absent other Criteria, Price Determines Perception of Value.”**

It's my belief that you should be in the range of \$200 a month for a new student's lessons in your school. I'd recommend two to three months "down payment" to initiate a minimum of a 6 months and preferably a 12-18 month initial contract for lessons.

## **Number 2.**

### **Focus “Internally First”**

Take out a blank legal pad and focus on what you can do to improve student perception of value. Value starts with Rapport. Hire only sincere and honest people who truly care about their student's achievement more than their own.

## **Number 3.**

### **Have a Strong Sales Process in Place.**

Have a STRONG introductory, Enrollment, Orientation, and Upgrade Process in place. Implement a focused SYSTEM to support that process. Vigorously train all staff on that system, continuously. NAPMA provides extensive training on all sales and marketing processes as well as comprehensive programs

## **Number 4.**

### **“What gets measured gets done”**

Keep COMPLETE operations statistics on your school and always have an up to date Profit and Loss statement. Learn how to read your numbers. Learn what your benchmarks should be for each area. Pay attention, daily, weekly, and monthly.

NAPMA has a complete set of statistics tracking forms that are available at the member website. See [www.NAPMA.com](http://www.NAPMA.com).

## **Number 5.**

## **Upgrade your staff.**

The most important thing you can do once you have employees is to run regular (weekly or twice weekly training.) An employee either does or does not have the aptitude to perform the role that you need filled. They bring their own motivation to the job. Your most important role is to have One good thing about an economic downturn is that it's an ideal time to buy a house or a car and, it's a perfect time hire. As unemployment has risen, more and more high quality people are on the job market and therefore potentially interested in a career with you.

There are many sources of staff. These include internal development, referrals from current students and staff, and external recruiting from a variety of sources. Your priority does not need to be advanced rank Black Belts that have been developed within. Certainly, it's nice to hire from within. However, many quality candidates can be discovered from external recruiting.

An accelerated staff training program can yield excellent quality and prepare those who are not Black Belts with you for roles in program director and instructor roles.

### **Number 6.**

#### **“Martial Arts Without Philosophy is Just Street Fighting”**

The move towards mixed martial arts has allowed many to abandon the underlying personal development aspects of martial arts training.

Certainly, simple things like having a student creed make a huge difference. Teaching weekly “character development lessons,” having a “leadership team,” and sharing positive “life skills” are essential. Reinforcing mental development as well as physical skills is essential to developing really high quality students.

It's essential that you institute or maintain the many formal rituals of martial arts training. Bowing in and out of class. Full uniforms that maintain formality and uniformity are extremely valuable. Proper titles of respect used for all instructors help students maintain respect and discipline in their training.

### **Number 7.**

#### **Focus on Retention.**

The least expensive sale you ever make is the second or third sale to the same student. Unfortunately in most every case it's expensive, either in time or money to enroll a new student. You may spend \$500 to \$1,000 or more in paid advertising to get a new student. Or, you may average several hours of time in community outreach activities to generate each new student.

To grow your student body it's infinitely easier to lose fewer students than to enroll more students. The best way to insure quality student retention is to improve your ratio of renewals. A student who has set their goal and committed to train to their Black Belt is much less likely to drop out. So the best way to retain a student is to renew them to their Black Belt (or beyond.)

## **Number 8.**

### **The Marketing Parthenon.**

Relying on only one or two methods for generating new students is not only lazy but inherently dangerous. You must develop a wide range of systems and methods for creating introductory traffic consistently.

Your systems must include each of the key areas:

- 1<sup>st</sup>. Internal Marketing Events and Processes that help great friend referrals and family add-ons.
- 2<sup>nd</sup>. External “Community Outreach” events that inexpensively introduce your school to individuals and groups in your community.
- 3<sup>rd</sup>. Effective Advertising methods that are not time intensive but which create a cost-effective stream of introductory students.

## **Number 9.**

### **Separate Your Hobby from Your Business.**

The vast majority of school owners confuse their interests as a “hobbyist” with their role as a professional educator. You must not forget that your interests and needs as a Black Belt are different than the interest and needs of most of those who are interested in taking lessons from you.

While you should never lose your zest for your personal training you must structure an appropriate curriculum for your target audience. Once that’s done you basically teach the same thing over and over to a constant changing group of students (ie. New students coming in all of the time.) Beginners turning into intermediates, intermediates turning into advanced students, and advanced students turning into Black Belts.

## **Number 10.**

### **Eliminate Self-Defeating Thinking and Elevate your Expectations**

Just like in the recent phenomenon “the Secret” ultimately you get what you expect and attract what you focus on intently. It’s important to look for references that support your goals and objectives and to ignore the naysayers. Be very careful that you pay attention to the top 10% of our industry and ignore the opinions, pricing, results of the rest.

You must be careful to surround yourself with people who have achieved what you want to achieve. The great sales trainer Tom Hopkins puts it this way: “Never take advice from someone more screwed up than you are.”

If you watch the news then you will see that in the United States a very small percentage of the population earns most of the income. One statistic that I found shows that a little over 15% of the population earn over \$100,000 a year and less than 1.5% earn more than \$250,000 a year.

So looking at that number alone you know that if you want to earn over \$100,000 a year then 85% of the people (and probably a lot higher percentage in the martial arts business) are doing the wrong things and have opinions that are not useful to you. If you want to earn \$250,000 or more then 98.5% of everyone is wrong about how to get there.

I've been in the top 1% in our industry for over 25 years. We now have most of those who have been in the top 1% for 10 or more years sharing ideas with you and contributing on an ongoing basis to NAPMA. Most of the "experts" really haven't grossed more than \$300,000 per year much less had NET Profit of that much or more consistently.

Thank you.....

I look forward to personally helping you grow your school in 2011 and beyond.

Stephen Oliver, MBA

8<sup>th</sup> Degree Black Belt

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