



Fitbit Plans Book

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Fitbit Inc., Situation Analysis

The Company

In 2007, James Parker and Eric Friedman created the public company Fitbit, Inc. The headquarters is located in San Francisco, California. This company creates and designs wearable fitness trackers, scales and accessories like interchangeable bands. The goal of this company is to empower individuals to live a healthier, more active life no matter the level of fitness. The mission statement of Fitbit is “to empower and inspire you to live a healthier, more active life. We design products and experiences that fit seamlessly into your life so you can achieve your health and fitness goals, whatever they may be.” This company is most known for its Fitbit fitness bands that track steps, workouts and sleep. According to Statista, there were almost 17 million Fitbits sold since 2010. Business Insights: Global indicated that in 2014, the total revenue for Fitbit, Inc. was \$745.43 million.

The Product

There are many different models of Fitbit fitness trackers. Older models have fewer features that only track the wearer’s steps and calories, while the newer models track a number of things such as steps, calories, sleep, activity, heart rate and more. The Fitbit Zip, which cost \$59.95, is the least expensive of the models. The Zip is similar to a pedometer that you can clip onto an article of clothing and it can track steps, distance and calories burned. The newest model of the Fitbit is the Fitbit Surge, which costs \$249.95. This bracelet has many additional features such as GPS tracking, heart rate and multi-sport tracking, which can record the wearer’s runs and other activities such as cycling. There are a total of eight Fitbit fitness trackers: Fitbit Zip, Fitbit One, Fitbit Flex, Fitbit Charge, Fitbit Alta, Fitbit Charge HR, Fitbit Blaze, and Fitbit Surge. Each of these trackers can adhere to the users specific needs based on level of activity. The Fitbit Zip is categorized as an everyday band for people who engage in lower levels of activity such as walking or hiking, the Fitbit Charge HR falls into the category of active bands is for people who are moderately active and go running or exercise at the gym and want to track their workouts, and the Fitbit Surge is categorized as a performance band and is for individuals who are very active and want to track multiple types of workouts like cycling

and running. Having many bands with a variety of features is helpful for people to choose what is best fit for that user based on their activity level. There are also a set of 3 to 5 colors of Fitbits to choose from, so the band can match the users style and personality.

The other benefits of Fitbit are that it can track the users sleeping patterns and also send pulsing alerts to the user when they have not been active for a certain amount of time. Getting enough sleep is an important element in having a productive workout, so by being able to track sleeping patterns, it can help the user be more aware of habits they may need to change such as going to sleep earlier. Having pulsing alerts from the band is also a benefit because it can remind the user that they have not been active for a certain amount of time and that they need to get up and start moving. Fitbit also has the ability to sync data collected from the band (e.g., runs and miles) to the phone application to access the information on a mobile device.

Although Fitbit is one of the leading companies for fitness wearables, it is not the only company that sells fitness bands. Some of its competitors listed on Statista include Jawbone, Xiaomi, Garmin, Apple and Samsung. Fitbit, Inc., also had a rise in revenue since 2010, starting at \$5.18 million, and increasing to \$745.43 million in 2014.

The Market

Current Customers

Most Fitbit users are between the ages of 25 and 55. The younger users who are more active or play sports are more likely to use a Fitbit because of style and activity tracking. Older users are most likely to use a Fitbit for health purposes to keep track and maintain a healthy active life with a lower level of activity. With eight different models of the Fitbit fitness trackers, there is a wider range of options for people to choose from with different levels of activity. This fitness tracker is attractive to customers also because of its range of colors and how it is lightweight, sleek, and non-irritating to wear on the wrist. Most people are able to buy these trackers at any retail store such as Walmart or Target or straight from the Fitbit website itself.

SWOT Analysis

Strengths

The Fitbit fitness trackers are very versatile and can be worn by a variety of people of different activity levels and fitness goals they want to reach. It has many features and styles that some competing brands do not have such as an LED display screen and automatic syncing. This makes seeing and tracking workouts easier for the user because they can view their progress and activities automatically. The fact that Fitbit devices also come in a variety of colors is another strength because people like the option to choose a color and style that they know they will wear.

Weaknesses

A weakness to this product is the price. The Fitbit bands are fairly expensive, and if you want more features, you have to pay more. Most wearers want the latest and most updated model to track their activity levels more accurately and in more depth, but may not be willing to or may not be able to spend the money for it. Another weakness is that the Fitbit is not compatible with every kind of smart phone. It is only compatible with the Apple and Samsung, but not an Android, so Fitbit loses those customers who do not have phones that are compatible with the Fitbit.

Threats

Some threats to the product would be other competing companies that are producing other types of fitness bands as well. Trying to keep up with style and affordability and incorporate new features that will set Fitbit apart from other competing brands are other potential threats that may limit the success of the product. Also, keeping up with the trend of fitness wearables is another threat. Some trends are just a fad for a short amount of time, so finding a way to keep up with it could be challenging.

Target Market

Primary/Selective Demand

In 2013, the primary demand for fitness trackers, which include pedometers and heart-rate monitors, was 43.8 million units. By 2017, that number is predicted to rise up to 56.2 million units shipped worldwide (iSuppli, nd). This shows that the demand for fitness wearables is rising, which means there are going to be more companies trying to create similar products. The selective demand specifically for Fitbit was 10.904 million devices sold worldwide in 2014 (Fitbit, nd).

Target Market

The target market for this campaign is adult males and females who have a college degree. They could be single or married and have one to two children and have a job to support them. This target market typically stays fairly active throughout the day and wants to keep a healthy lifestyle or improve it.

Demographics

The target market for Fitbit is lower-middle class males and females ages 25 to 45. The younger individuals starting at age 25 are more likely to be involved in more physical activities and hobbies and go to the gym more regularly than those who are in their 40s. Fitbit also allows people to connect with their friends and other Fitbit users to see how much activity others are getting. The individuals in their 20s would be interested in this feature because they are able to connect with their friends and compete to see who can log the most activity, which promotes more physical activity. The older individuals would most likely buy a Fitbit to keep track of their health and make sure that they are reaching the recommended amount of physical activity for their gender and age. The individuals who are married are tech-savvy and have a job that can support them.

The Fitbit is a sleek and simple looking device that is not noticeably a fitness tracker and is not bulky when worn around the wrist, which would appeal to this demographic because it can be worn all the time.

Psychographics

These consumers would typically fall under the “experiencers” and the “achievers”

categories of the VALS framework. Experiencers want the latest trending item on the market, enjoy the visual aesthetics of things and typically get a good amount of physical activity in their daily life. These descriptions match the characteristics of consumers who are in their 20s. The Fitbit comes in a variety of colors and styles, which would appeal to the experiencers as well. The achievers in the VALS framework are typically people who work in the professional world who hold a steady income job and believe in the use of technology to help achieve greater productivity (Strategic Business Insights, 2016). Fitbit has many features that achievers would like. It can track sleep, steps and activity levels and is on a single platform that is simple and quickly accessible.

Behaviors

This target market is fairly busy with their career and children and is health conscious and focused on keeping in good physical shape. With this kind of mindset, Fitbit can help them keep up with their activities and fitness goals and make it easy to track their physical activities. These individuals also typically get a decent amount of physical activity such as hiking, going to the gym or participating in other activities that involve other types of exercise. The older individuals might want to keep track of their activity levels in the day to make sure they are getting enough exercise.

Benefits Sought

Why this specific target market would want to buy this kind of product would be to track activity levels and to help motivate them to be more active or reach a specific fitness goal. For people sitting at a desk all day working or at home, the Fitbit can alert the user if they have been too inactive for a certain period of time. The Fitbit can track sleep, steps and activity level, and it is simple and easy to use and view the data on the tracker and the progress that the user has made. It can be hard to workout alone sometimes with little motivation, so Fitbit also allows people to connect with other Fitbit users and compete with friends to see who is the most active or has taken the most steps. This kind of feature drives competition and more will to be active.

Geographic Locations

The individuals in the target market live in urban areas where there are large populations. Most lower-middle class individuals typically reside in an urbanized area

where there is lots of interaction with people and many buildings surrounding them. With most places in close walking proximity, this allows for a more active lifestyle for people to walk to the store, go to a gym nearby or play at a park with their children.

I decided to choose this specific target market because through personal experience, I have seen most people in their 20s through 40's wear Fitbits or another type of fitness band. Some of my friends wear Fitbit's and I have seen younger parents wear them as well. Also, when viewing the Fitbit commercials, it seems like they are trying to sell to a younger, but mature active audience. The commercials show a lot of different activities that can be tracked with Fitbit, ranging from playing sports, running, or just hiking. The diversity of activities and activity level depicted in the commercials provide a range of ages to use the device for their specific needs whether it is playing a sport or just walking your dog.

I found that demographics and psychographics were the most useful in identifying my target market. When choosing my target market, I looked at what demographic would wear fitness trackers, and I thought of people in their 20s all the way up to 40s, both male and female. These people are typically physically healthy and are more aware of their physical looks and want to maintain a healthy weight at those ages. I then thought of the lifestyle and personalities of my target market and similarly, saw that this target market is interested in the newest gadgets and trends, and Fitbit and fitness trackers in general are trending.

Advertising Objectives

Since Fitbit is already a well-known company that produces fitness wearables, most people are already aware of the product. So, the main effects that the ad should portray to the audience are comprehension of the product to provide more information about Fitbit and the many features that it provides. Depending on the level of activity of the user, there is a Fitbit that can help them reach their fitness goals. Many people only comprehend fitness trackers as just counting the number of steps someone takes, but not much more from there. By conveying how there are different models of Fitbits that go with that individual's physical activity levels will help aid in the decision for people to buy one.

Once I have displayed the features of the product to my audience in my advertisement, my secondary objective would be to develop conviction about Fitbit. I want people to believe that Fitbit can help them make working out a more fun and easy experience and that they can reach their own personal fitness goals by using Fitbit to get them there.

After explaining the benefits that come with using a Fitbit, my third objective would be to develop desire for the product. Since there are many other competing brands of fitness trackers, I would want to show how Fitbit is better than their competitors by emphasizing the variety of colors, styles and features that the Fitbit has. Most other fitness trackers have a few varying colors, but the same style band. Fitbit has a variety of colors and accessories that offer interchangeable bands so that the user is not just stuck with one color or design.

Creative Brief

Client

Fitbit, Inc.

Product

Fitbit

Problem

Differentiating Fitbit from other competing fitness trackers on the market. Fitbit should aim to help individuals live a healthy and active lifestyle in fun and adventurous ways.

Advertising Objectives

The three objectives the advertisement should achieve are comprehension, conviction and desire for Fitbit. The ad should point out what the Fitbit can do and all of the different features for the tracker. There is a range of different models of Fitbits that can track different things, so by identifying and grouping Fitbits by different levels of activity would be good to point out in the ad. There would be one group for users who have a low activity level, which includes walking and only exercise 1 to 2 times a week. These bands would only track a user's steps and sleep. The second group would be for people who get a moderate amount of exercise, which include running and biking and exercise about 3 to 4 times a week. The third group would include people who have a high level of activity who workout 4 to 6 times a week. These bands would be able to track workouts, heart rate and calories burned as well as record workouts for comparisons to previous workouts.

The ad should also show how simple it is to use and keep track of health and fitness goals and help the wearer become a healthier individual. The Fitbit can motivate a user by alerting them with a vibration from the band when they have been inactive for a certain amount of time. Also, the band has a feature that can allow any other Fitbit users to connect with each other and compete for the most physical activity. Syncing with friends and family can be beneficial because it can help motivate the user and stimulate them to log the most physical activity. Being connected with friends can make working

out a more fun experience as well. With friendly, fun competition, it can lead to weight loss and higher energy levels in the long run. Some Fitbits also have the ability to track a user's sleep. This can be beneficial for users to capture their sleeping patterns and whether they are getting enough sleep during the night. Users can make changes such as going to bed earlier or starting a ritual before bed to get a better night sleep.

All of these objectives should convince the individual that there is a Fitbit for every person no matter what activity level. The Fitbit comes in a variety of colors and styles, so emphasizing the multiplicity of it and how it can be altered to fit anyone's style and personality is good to put in the advertisement. The Fitbit also has a sleek look to it and is a fairly lightweight product that is not bothersome to wear around the wrist. It can be worn at work because it has minimal distractions and comes in black, which is a neutral color to wear in the workplace.

Target Market

The target market for the Fitbit ad consists of adult males and females between the ages of 25 and 45. The individuals who are 25 to 28 would typically be single, active and adventurous. The individuals in their 30s or older would be married or have children, and their activities would be more family based.

Brand Character

The product experience should be defined as simple and fun. Using Fitbit is easy to use, while also fun and exciting to track progress of activities or workouts each day. The shared need of the target market is receiving motivation from the Fitbit by alerting them with a vibration from the band when they have been inactive for a certain amount of time. Another shared need is receiving information of the amount of activity the user has gotten in their day instantly. The Fitbit comes in different colors, so the mood of the ad should be colorful and energetic, but also portray the intensities of different physical activities. The personality of Fitbit is fun, simple and engaging for all types of users.

Benefits

The benefit of using a Fitbit is the ability to track physical activity and progress that will lead to a healthier lifestyle and a happier outlook on their physical fitness. The Fitbit comes in many different styles and features depending on the type of physical activity

that the user engages in. Depending on the activity level, there is a Fitbit that will help the user achieve their fitness goal. Displaying the different colors of the Fitbit can show how the band can fit different personalities of the wearer as well.

Creative Concept

The creative concept for the ad is to show the different models and features of Fitbits and how each can help an individual reach their personal fitness goals no matter what level of activity. The ad will start off with a close up of a young girl and an older woman with determined faces at the start line of a 5K race. Next, there will be a flashback to how the young girl and older woman prepared for the race. One scene will depict the younger girl working out at the gym with high intensity with her Fitbit Charge HR, which has the ability to track different types of workouts. After, the next scene will depict the older woman preparing for the race with lower levels of physical activity such as light jogging around her neighborhood park or going on a moderate hike. During this scene, it will show the older woman using the Fitbit Flex, which has fewer features and mainly tracks distance and steps.

After both the young girl and older woman are shown using their Fitbits, the scene will flashback to present time and them nearing the finish line of the 5K race. The younger girl will cross first and then the older woman will come in second close behind. The final scene will be of the younger girl smiling, looking back at the older woman with an impressed look on her face of how fit the older woman is. The scene will then fade out and the phrase “Fitbit. Fit for your style” will appear, ending ad.

Media Plan

Media Objectives

Audience Objectives

To reach upper-middle class male and females between the ages of 25 and 45 who live in the U.S. These individuals are single or married and have children. They are adventurous and somewhat live an active lifestyle, but want to improve on their overall health and fitness.

Message Distribution Objectives

Desired message weight

The desired message weight for the Fitbit ad campaign is 120,300,000 impressions.

Desired reach

The desired reach for Fitbit is 45 million people.

Desired geographic reach

The desired geographic reach for the ad campaign is the U.S because about 55% of Americans consider themselves moderately active, so the goal is to increase that number of people who consider themselves moderately active.

Timing of campaign

The timing of the campaign will be from May 31 through August 31. This timing is typically when people want to start getting in shape for the summer season.

Desired average frequency of exposure to ad

The desired frequency for the TV ad is 15 and for the Internet it will be 4.

Media Strategy

Class of media

The classes of media that will most effectively reach the intended audience will be

TV, and Internet. About 53% of individuals ages 25-49 watch television and 84% of U.S adults use the Internet. Advertising on the Internet is often fairly inexpensive and Advertising on TV offers a greater impact on the audience because it displays sound, motion, and full color, which draw the audience's attention. TV also is considered the most authoritative and influential medium, so it offers advertisers a prestigious image.

Media vehicles

The media vehicle for the advertisement for television will be the show Modern Family, which airs on ABC. For Internet, it will be YouTube. 18-49 year olds with a total of 8 million viewers watch modern Family. YouTube users in the desired target audience consist of 170 million users.

Size/length of ads

The length of the ad for TV will be a :30 spot and YouTube will be a :30 video.

Positioning of ads

The position of the television ad will be a participation ad on the show Modern Family, so the ad will be shown within the episode for more exposure. This particular show airs May 31 and into the summer, which goes with the timing of the ad campaign. For YouTube, a TrueView in-stream ad will be used. This type of ad positioning allows the ad to appear before the video the viewer has chosen to watch and can be skipped after 5 seconds. In-stream ads are typically cheaper and cost about \$.04 per click. This positioning also works best for ad campaigns that have a specific niche market and can be placed before videos that match the content of the advertisement.

Schedule of insertions

The TV ad will run every Wednesday, which is when Modern Family airs at 9:00pm. The scheduling tactic of the ad will be pulsing. The ad campaign starts mid-spring and goes till the end of summer, so it is best to use pulsing to concentrate on that period of time in the summer because that is when people want to start exercising more to get in

shape for that season. The ad for YouTube will be an in-stream ad that will be placed before videos that have to do with the outdoors, adventure, and fitness because the target audience is defined as adventurous and health conscious.

Budget

Media Vehicle	Ad size/length	Cost per insertion	Number of insertions	Total cost for schedule	Audience size (or rating)	CPM (or CPP)
Modern Family on ABC	:30 spot	\$236,296[1]	15	\$708,888	8,000,000 [2] x 15 = 120,000,000	\$236,296/8,000 = \$29.53
YouTube	:30 spot	\$0.04/click[3] (up to \$3,000 per month worth of clicks)	4 months	(\$3,000 x 4) \$12,000	3,000/.04 = 75,000monthly views x 4months = 300,000	(\$3,000/75) = \$40.00
Totals				\$720,888	120,300,000	

[1]<http://variety.com/2015/tv/news/tv-advertising-prices-football-empire-walking-dead-bigg-bang-theory-1201603800/>

[2] <http://tvbythenumbers.zap2it.com/2016/01/14/wednesday-final-ratings-jan-13-2016/>

[3]<https://searchenginewatch.com/sew/opinion/2169740/youtube-advertising-options-budgets-sizes>

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