

Losing Money to Become a Tycoon: Starting with Games

Chapter 532: President Pei's Gym Model Solves the Industry's Biggest Pain Point

Ding

A notification from the messaging app sounded on the phone.

Pei Qian was in the middle of an intense battle on the big-screen TV. Only after finishing the match did he put down the controller and pick up his phone.

It was Coach Yaling, sending him today's "training progress report."

Although Pei Qian believed that DGE Club's inability to participate in any official tournaments had completely eliminated the possibility of it coming back to bite him, he still believed in the principle of *better safe than sorry* and refused to let his guard down.

Besides planting a Management Trainee inside the club disguised as an assistant coach, Pei Qian had also arranged a second layer of insurance.

That was having Coach Yaling send him daily reports on the players' training results, ensuring she was doing her job properly.

Of course, these so-called "training results" weren't things like how many scrimmages they had played that day or how many ranks the players had climbed.

Instead, they were photos.

After every day's training, all these internet-addicted youngsters had to put on tight-fitting workout clothes and take pictures. Pei Qian would judge Coach Yaling's work based on those photos.

The logic was simple.

If these gaming addicts were spending huge amounts of time and energy on fitness training every day, exhausting themselves in the process, then naturally they wouldn't have the strength left to train seriously in esports.

And checking whether they had actually been training was equally simple—just look at how their physiques changed.

After all, fitness was something you couldn't really fake.

You might not see results in the short term, but over time, every bit of effort would inevitably be reflected in your body.

Of course, everyone's physique was different.

Some people built muscle after only a couple of workouts and lost it just as quickly after taking a few days off. Others trained for a long time before seeing any noticeable improvement.

But generally speaking, fitness was a field where you got exactly what you put into it—far fairer than most things in the world.

And Pei Qian intended to use this fact to supervise DGE Fitness Club—

No.

DGE Esports Club.

Scrolling through the photos one by one, Pei Qian nodded repeatedly.

Excellent.

The results were immediate.

It was obvious that Coach Yaling was conscientious and hadn't been slacking off.

She had trained these gaming addicts very well. Every one of them had gotten noticeably bigger. Their biceps and pectorals had filled out, and their hunched posture from years of gaming had improved dramatically.

Now *that's* reassuring.

Pei Qian set his phone aside, feeling rather proud of himself.

After these players retired, perhaps he could even arrange jobs for them as fitness coaches at Managed Fitness.

That would solve the long-standing problem of retired esports players finding new careers.

Such an advanced model was far ahead of every other esports club in the industry.

Perfect.

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May 28th, Saturday.

Managed Fitness Flagship Store.

Guo Licheng had just finished a workout. While wiping the sweat from his face with a towel, he stretched to cool down after training.

Another coach walked over.

"Coach Guo, can I ask you something... in private?"

Guo Licheng nodded.

"Sure, Old Bian. Just say it."

Coach Bian looked around to make sure no one else was nearby before lowering his voice.

"Does it seem like... we've been getting even fewer new members lately?"

Guo Licheng was an honest man and had no intention of hiding it.

"Yeah."

"Our Fitness Meals got another price increase. They were already expensive to begin with, and now every meal costs even more. Customers who are short on money naturally don't want to sign up anymore."

"And Coach Yaling leaving also had some impact..."

Coach Bian whispered, "Then... how much longer do you think this gym can stay open?"

"If we keep losing money like this, won't the boss start panicking in another month or two?"

Guo Licheng remained calm.

"Who knows?"

"But from what I've observed, the boss doesn't seem like he's planning to give up. If anything, he seems even more motivated."

"Besides, those branch locations are doing much worse than we are."

"If any stores are going to close, it'll probably be those branches before this flagship store."

Coach Bian lowered his voice even further.

"Have you ever considered... the possibility that all the stores might shut down together?"

The two men's voices became quieter and quieter.

After all, openly discussing their gym's financial losses—or debating which branch would close first—was terrible for morale. It definitely wasn't something they should let everyone hear.

Guo Licheng casually picked up a dumbbell and handed it to Coach Bian.

Coach Bian immediately understood.

Pretending to continue his workout, he quietly chatted with Guo Licheng while lifting the dumbbell.

Guo Licheng lowered his voice.

"We've known each other for years."

"I'll tell you something, but don't spread it around."

Coach Bian nodded.

"Of course."

Guo Licheng's gaze was firm.

"I think this gym is definitely going to make money. It's only a matter of time. Everything is proceeding according to the boss's calculations."

Coach Bian looked surprised.

"Really? Then tell me—what exactly is the boss's plan? Why do you think this gym can become profitable?"

Guo Licheng organized his thoughts before speaking.

"On the surface, the gym does seem to be struggling. Ever since the Fitness Meals got another price increase, we've had even fewer new members. Everyone can see that."

"But have you noticed that the regular members who keep coming have completely accepted this model, and their fitness results are outstanding?"

Coach Bian paused to think.

"Yeah... now that you mention it, that's true. But when I worked as a personal trainer at other gyms, I also had some students who improved really quickly. That's nothing unusual."

Guo Licheng shook his head.

"You're missing the key point—the ratio."

"When you were a personal trainer at other gyms, how many of your students trained well and made rapid progress? Just a tiny minority, right?"

"But here, every single member who sticks with the program improves quickly. That's a completely different story."

Coach Bian froze for a moment before suddenly realizing.

"Oh... you're right!"

After thinking for a moment, he continued,

"Well, it makes sense. We enforce workout plans and require everyone to follow our healthy meal program."

"Fitness, when you get right down to it, is simply eating right and exercising."

"They say it's 30% training and 70% diet. If both the training and the diet are guaranteed, then any normal person is going to get results."

"And now that the Fitness Meals have become tastier despite the price increase, it's actually easier for people to stick with them."

Guo Licheng nodded.

"Exactly! That's what I was getting at."

"Our gym really doesn't have many people. Most of those who can't stick with the program end up dropping out."

"But everyone who stays—without exception—gets obvious, visible results."

"In other words, we've filtered out everyone who couldn't persevere. The people who remain are guaranteed to see results."

"Think about it."

"In the long run, that's an incredibly valuable reputation to have."

"What kind of training programs are the most popular?"

"The ones that guarantee you'll pass."

"Nowadays, people aren't afraid of spending money."

"They're afraid of spending money and getting nothing in return."

"As long as you can tell people, 'If you spend your money here, you'll definitely improve,' then even if it's expensive, plenty of people will come."

Coach Bian frowned.

"But judging from our current situation, we don't exactly seem very popular."

Guo Licheng replied, "That's because our reputation hasn't spread yet."

"Think about it, how long has it actually been since we opened?"

"Once our first batch of members has trained for several months and people can see their genuine physical transformations, once even complete

beginners accomplish fitness goals they had never managed to achieve before through our gym, our reputation will naturally establish itself."

"And when that's combined with our gym's name—Managed Fitness—once word gets around, why would we have to worry about customers not showing up?"

"The reason President Pei decided to open branch locations while the flagship store was still losing huge amounts of money must be because he had already noticed this trend."

"He saw that our core members had developed lasting fitness habits and that the brand effect he was expecting was beginning to emerge."

"That's why he decisively chose to expand."

"Otherwise, someone as smart as President Pei wouldn't knowingly keep opening money-losing branches for no reason."

"That simply wouldn't make sense."

"He must have already seen the path to profitability."

The more Coach Bian listened, the more convincing it sounded.

He nodded repeatedly.

"Then, Coach Guo, when do you think this reputation will finally take hold? When will our gym really become popular?"

Guo Licheng thought for a moment.

"That's hard to say."

"Organic word-of-mouth spreads pretty slowly."

"But President Pei is a marketing genius."

"Maybe when he thinks the time is right, he'll just find the perfect opportunity to promote it—and it'll explode overnight."

"I actually looked into it."

"Tengda Group's internet cafés and custom PC business were both practically unknown at first."

"Then, after one marketing campaign, they suddenly became hugely popular."

"So I think President Pei is probably preparing to pull off the same thing again."

Coach Bian was completely convinced.

"I see now."

"If you hadn't explained all this, Coach Guo, I never would've realized our boss had thought things through this thoroughly."

"All I can say is—with a brain like his, he deserves to make a fortune."

"But honestly, Coach Guo, the fact that you were able to figure all this out isn't simple either."

"No wonder the boss chose you to be the store manager."

Guo Licheng shook his head.

"This isn't business vision."

"I'm nowhere near President Pei's level."

"I simply made a reasonable deduction based on my understanding of the fitness industry."

"It just so happened that my conclusions happened to line up with President Pei's way of thinking."

"I've thought about it, and I don't think it's just a coincidence."

"If a business model wants to succeed, it has to solve the biggest pain point in its industry."

"So what's the biggest pain point in the fitness industry?"

"It's the mutual distrust between customers and gyms. That distrust is deeply ingrained."

"Customers don't trust gyms. They think gyms are always trying to sell memberships and personal training packages just to scam them out of their money, so they don't even want to talk to the trainers."

"Trainers don't trust the gyms either. They're burdened with endless sales quotas, so they don't have the time or motivation to focus on coaching their clients or improving their own training."

"And gyms don't trust customers, either. Their attitude is basically, 'As long as we can trick someone into buying a membership, our job is done.' Once the membership card is sold, they stop caring."

"Think about it."

"When none of the three parties trust one another, how could things possibly turn out well?"

Coach Bian nodded.

"Exactly. That's why so many people have left this industry."

Guo Licheng continued, "But President Pei's model completely eliminates that distrust between all three parties."

"Customers no longer think the gym is trying to rip them off. Prices are transparent and fair, and the gym genuinely guarantees training results."

"Trainers can focus on coaching and guiding members instead of constantly thinking about how to sell more classes. They can simply do their jobs with peace of mind."

"Customers stop resenting the trainers, and the gym stops treating its customers like sheep waiting to be fleeced."

"See?"

"In this model, everyone benefits."

"As for why the results aren't obvious yet..."

"That's because trust takes time to build."

"It requires patience."

"Once enough time has passed and that trust is established, making money will naturally follow."

Coach Bian nodded again, but soon another question occurred to him.

"But if that's true, then this is a wonderful thing."

"Shouldn't we be publicizing it everywhere?"

"We should hurry up and tell everyone so they'll have confidence in the gym!"

Guo Licheng lowered his voice.

"What are you thinking?"

"The boss may have a plan, but that doesn't mean the plan has a 100% chance of succeeding."

"What if it fails?"

"If you go around loudly telling everyone about the boss's intentions and it doesn't work out, don't you think the boss will make life difficult for you afterward?"

"It's better to keep your mouth shut and watch quietly."

"If the plan really succeeds, then you can praise the boss all you want afterward. Wouldn't that be better?"

Coach Bian suddenly understood.

That actually made perfect sense.

He thought of Yang Xiu, the historical figure who was always eager to publicly explain his lord's intentions. In the end, hadn't he been executed for it?

After all, what boss likes a subordinate who acts smarter than the boss himself?

Coach Bian looked at Guo Licheng with newfound admiration.

"Not bad, Coach Guo."

"Your emotional intelligence has really improved."

Guo Licheng waved his hand dismissively.

"Come on, it's not that my EQ has improved."

"I'm just like the rest of you."

"I really love this place."

"So of course I don't want to see it go out of business."

Coach Bian nodded emphatically.

"Yeah, exactly!"

"Then let's keep a low profile and quietly wait to witness another one of the boss's miracles."