

# Fitbit Brand Audit Report

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## Executive Summary

The purpose of the Fitbit Brand Audit is to develop a deeper understanding of the Fitbit Company and its current status in the fitness wearable industry. The Fitbit company represents a certain type of consumer and thus, this audit will describe the brand's purpose and how their products strive to meet the various personalities and preferences of its consumers.

This audit begins by introducing the company's history and market standing in the fitness wearable industry. The audit also explores what type of consumer Fitbit target based on demographics, personal traits and desired product features.

The Fitbit company has excelled at being the leader in the market and so, a brief analysis for the brand's desired promise and delivered service is highlighted. Brand Personalities looks to explore the different values Fitbit represents in all facets of their business from brand development, to product creation, to customer service, and customer satisfaction.

We move forward and explore how Fitbit's marketing and communication campaign strategies have continued to support their strong brand presence and image, despite close attempts from competitors to steal their market position. These campaigns have been created to build awareness of the functionality and customizable features of newly released Fitbit products. To stay in the lead, Fitbit continues to reveal new products to their product line and creates opportunities to market the quality, affordability, and ability the product has to fit the consumer's lifestyle.

Lastly, we analyze the Fitbit company in a SWOT analysis to determine the strengths, weaknesses, opportunities, and potential threats that face the company. With this information, my personal insights and recommendations are given to reflect as a reflection of the Fitbit brand audit, designed for us to understand their current market position, future opportunities, and areas to improve upon for the years to come.

## Introduction

### Company History

In 2007, founders James Park and Eric N. Friedman innovated the product, Fitbit. The purpose of this innovation was to create a product that was now capable of introducing technological services to the experience of fitness activity. Their purpose for creating Fitbit was to develop a product capable of empowering and inspiring individuals to transform their lives. “Fitbit was built on the idea that- fitness is not just about the gym time, it’s all the time” (Fitbit, 2016). Together, Park and Friedman decided that with their experience and expertise in innovative creations, Fitbit was to be created and be the preferred wearable fitness wristband in the industry. The Fitbit Headquarters is stationed in San Francisco, CA with nearly 1,000 employees nationwide.

Fitbit strives to meet the daily activity goals of its customers, by providing them with a variety of products to fit the individual’s style, goals, and everyday preferences. By providing a quality product that’s versatile to fit a customer’s needs, Fitbit promises to continue to be the preferred company in wellness technology services through supplying the customer with well designed products, exceptional customer service, integrative services, and innovative plans for each customer.

Over the years, Fitbit has established itself for being the product that can suit the individual needs of one’s life. Health and fitness goals can vary from individual to individual, so Fitbit has put forth the effort to make it a product desired by all. Fitbit has created a family of products designed to fit one’s budget, preferred activity levels, apps, and fitness goals.

Fitbit proudly forged the path to creating innovative technologies when it designed the first automatic, wireless syncing, and algorithmic compatible device. Over the years, Fitbit has faced newly entering competitors in the market, yet has continued to one up these competitors with sleek wristband styles, longer lasting battery life, GPS, heart rate features, and the lightest weighted devices of them all. With continued efforts to combine style and technology, Fitbit stands as the major leader in the industry. Fitbit remains at the top of the industry, with revenues from the 2015 year to reach \$1.86B, with a projected 2.5B for 2016 (Fitbit Investors, 2016). “Fitbit also holds 25.9% of the market share in wearables, leading other fitness wearable companies by nearly 10%” (Pressman, 2016). Fitbit products are carried in over 50,000 retail stores and more than 63 countries around the globe (Fitbit, 2016).

## **Customer Story**

Although it's difficult to determine the exact target age for the customer groups, Fitbit aims to target their products to the general population, with their devices carrying different value for each consumer based on their individual preferences and levels of affordability. The general age demographic for those who wear fitness trackers according to a NDP group report is between the ages of 18-54 years old (Gustafson, 2015).

When fitness trackers were first invented, the general consumer was your typical gym goer, yet since then the majority of consumers Fitbit aims to target are those who are just starting to exercise (Henderek, 2015). Moreover, Fitbit aims to create devices suiting the consumer's preferences by offering trackers of various styles, color, weight, and other overall functions.

Stated by Global Marketing VP for Fitbit, Mark Rosa said, "Users from baby boomers to millennials have found functions for Fitbit fitness trackers and may even use the same product for different reasons" (Agomuoh, 2014).

## **Brand Inventory**

### **Brand Promise**

Fitbit has made a brand promise is to help you "find your fit." Fitbit's brand promise is simple and direct, by placing value in the consumer's desires. Fitbit is made to be whatever the consumer needs, by helping each customer find value in the product, achieve fitness goals, and exceed their expectations with their products. "How you spend your day determines when you reach your goals. And seeing your progress helps you see what's possible. Seek it, crave it, live it" (Fitbit, 2016).

## **Brand Personality**

Excitement- Fitbit values excitement in the industry and continues to grow in developing desirable products with its integrative products.

- *achieve, desirable, growth, integrative*

Sincerity- Fitbit offers sincerity through its personalized features and different styles, inspiring consumers to reach whichever goals they may have.

- *inspiring, wellness, personalized, privacy*

Ruggedness- Fitbit embodies a sense of ruggedness in which they strive to lead the industry and offer diverse consumers with seamless types of technological services along with their products.

- *technology, seamless, diverse*

Competence- Fitbit values competence by building a positive reputation that's based on consumers' positive experiences with their products.

- *reputation, experience, accomplished*

Sophistication- A sense of sophistication is present in the Fitbit culture through their affordable product line that offers consumers a sense of freedom to choose which product is most fitting for their individual needs.

- *freedom, fitting, affordable*

Fitbit has chosen to differ itself specifically in the areas of excitement, sincerity, and sophistication from others in the industry. Their products acknowledge consumers with their achievements, whether they be smallest of triumphs in reaching desired steps, or achieving bigger mile stones in weekly challenges. Furthermore, Fitbit has distinguished itself as being a company that shows sincerity since they value making personalized options to help inspire the wellness of its consumer. Finally, Fitbit has presented sophistication in the most affordable way by offering consumers the freedom to pick from more than one style that best fits their personality and personal preferences.

## Brand Elements



An advertisement for the "Tory Burch for Fitbit" collection. It features the Tory Burch logo (an orange circle with a white cross) and the Fitbit logo (a teal circle of dots) separated by a plus sign. The text reads "Tory Burch for Fitbit" in orange, followed by "Fashion meets fitness." and "Transform your Fitbit Flex® tracker into a super chic accessory with this exclusive collection from Tory Burch." At the bottom are two buttons: "VIEW GALLERY" and "SHOP THE COLLECTION".

An advertisement for Julianne Hough. It features her name "Julianne Hough" in bold, followed by "The Triple Threat" in a smaller font. Below is a green box containing a bulleted list: "American dancer, singer &amp; actress", "Won a Primetime Emmy Award for Outstanding Choreography in 2015", and "Two-time Dancing With the Stars champion, returned as a judge in 2014." At the bottom is a button that says "GO TO FULL BIO".



An advertisement showing the "Find the perfect fit." headline above a row of Fitbit products. The products are: Zip, One, Flex, Charge, Alta (marked "NEW"), Charge HR, Blaze (marked "NEW"), Surge, and Aria. Below the products are four categories: "Everyday Fitness" (Zip, One, Flex), "Active Fitness" (Charge, Charge HR, Blaze), "Performance Fitness" (Surge), and "Wi-Fi Smart Scale" (Aria).

## **Brand Portfolio**

### **Products, Experiences, Fun**

Fitbit has categorized their services into three different categories; Products, Experiences, and Fun. The 'Products' category features the actual devices and accessories offered by Fitbit. The 'Experience' category includes integrated services who have partnered with Fitbit to provide health and wellness programs functional and accessible across all Fitbit products. Lastly, the 'Fun' portion of Fitbit services, promotes continual support and consumer involvement by supplying engaging online content. The 'Fun' category also serves as one of the major platforms for brand image and brand promotion for Fitbit products.

### **Products**

#### ***Fitbit Everyday***

- Fitbit Zip
- Fitbit One
- Fitbit Flex
- Fitbit Charge
- Fitbit Alta

#### ***Fitbit Active***

- Fitbit Charge HR
- Fitbit Blaze

#### ***Performance***

- Fitbit Surge

#### ***Wi-Fi***

- Fitbit Aria

#### ***Fitbit Accessories***

- Fitbit Blaze bands
  - o Leather, Metal, Classic bands
- Fitbit Alta bands
  - o Leather, Metal, Classic bands
- Fitbit Flex bands
  - o Classic, 3-Packs
- Fitbit One clip
- Fitbit charging cables
- FitStar Personal Trainer
- Fitbit Apparel

#### ***Tory Burch for Fitbit***

- Tory Burch bands


## Experiences

FEATURED APP

### Thermos Smart Lid

Use the Thermos® Connected Hydration Bottle with Smart Lid to track water intake, then automatically sync hydration stats by connecting the Smart Lid app to your Fitbit account.

Get The App



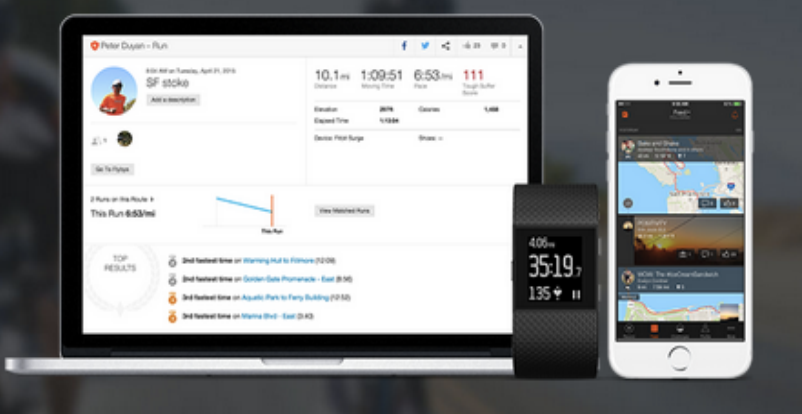
The image shows a smartphone displaying the Thermos Smart Lid app interface. The app has a dark blue background with a large circular gauge in the center showing 'Hydration Bottle 38°'. Below the gauge are three buttons labeled '4 oz COMPLETED', '86 REMAINING', and '2 LITERS'. To the right of the phone is a blue Thermos Smart Lid bottle with a white lid. A small icon of the lid with signal waves is positioned between the phone and the bottle.

FEATURED APP

### Strava

Track it on Surge. Prove it on Strava. Sync Fitbit and Strava for more ways to track workouts, compare stats & connect with friends.

LEARN MORE




The image displays the Strava app interface on three devices. On the left, a laptop screen shows a detailed run profile for 'Peter Dwyer - Run' on 'SF stock', including distance (10.1 mi), time (1:09:51), pace (6:53/mi), and a map. In the center, a Fitbit smartwatch shows a heart rate of 135 bpm and a time of 35:19. On the right, a smartphone shows the Strava app's home screen with a map and various workout options.

FEATURED APP

### FitStar

Fitness meets convenience. Get personalized exercise programs & customized video workouts from the biggest names in fitness.

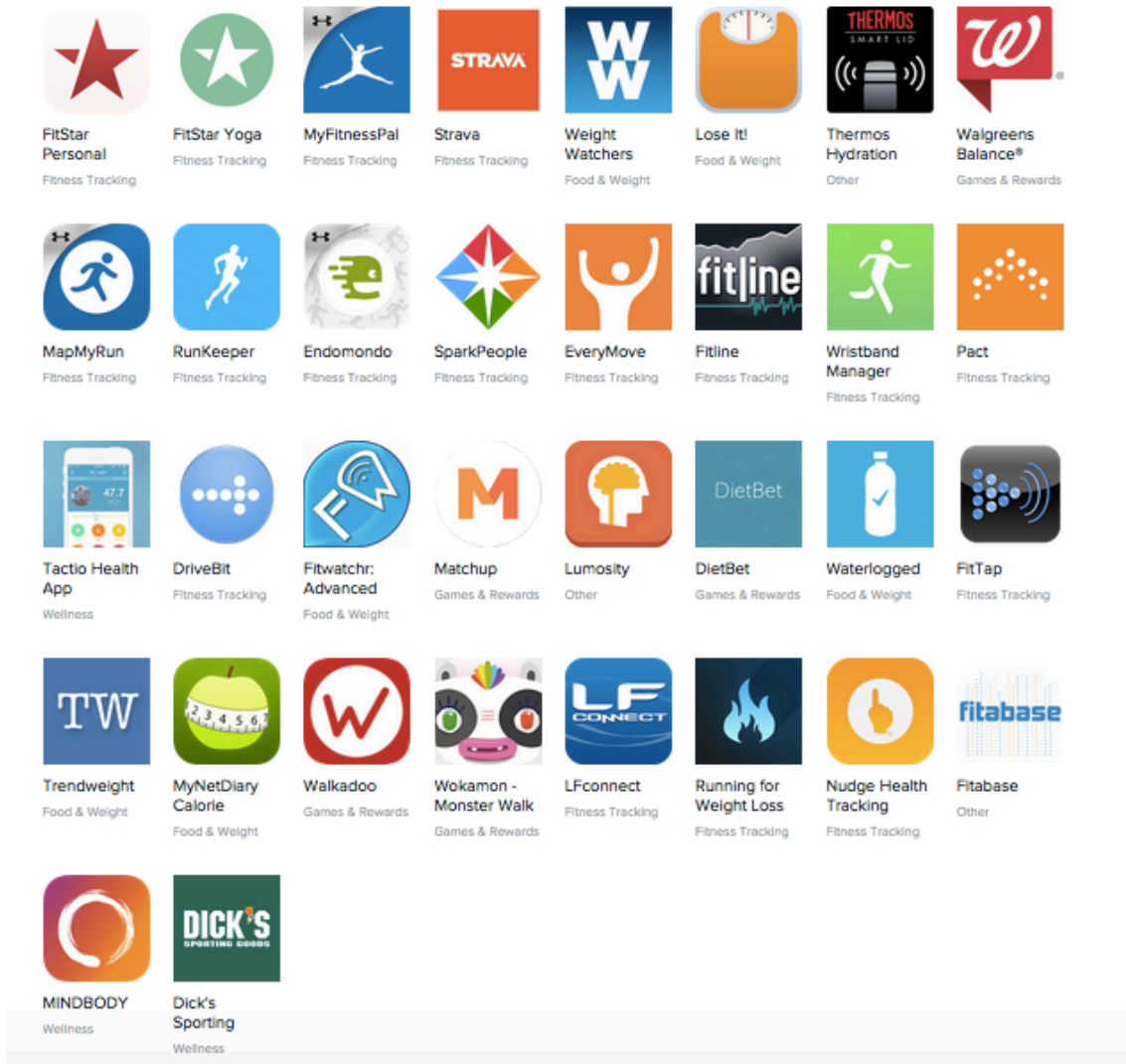
LEARN MORE



The image shows the FitStar app interface on a tablet. The main screen features a video of a person performing a 'Chest & Core' workout, with a large '7 minute workout' overlay at the bottom. To the right of the video is a social feed with posts from users like 'Sean Sanders' and 'Scott Moore', including workout photos and text updates.



## Compatible Apps



## **Fun**

**Fitbit Celebrity Challenges** - The Fitbit Celebrity Challenge took place this past March, 2015 and ran for five days. The purpose of the Celebrity Challenge was to raise awareness for the American Heart Association. At the end of the Challenge Segment, based on which Celebrity had the most steps, Fitbit would donate \$10,000 to the American Heart Association's My Heart. My Life. Healthy Living initiative in the name of the CEO who had the most steps.

**Fit Science**- This feature of Fitbit is designed to engage consumers with sharing statistical information in regards to the health and wellness. Fit Science shares the stories of Fitbit users and others with important data featuring relevant information that can be of resource to those looking to grow personal knowledge in health and wellness.

**FitforGood**- This portion of Fitbit is designed to raise awareness for multiple health Associations in the United States. This year, the American Heart Association, Multiple Scoliosis Association, and the American Diabetes Association were the three selected to participate in the challenge. Employees from each Association were invited to participate in the challenge to step for a cause. Once registered, employees for each association would be rewarded for the number of steps taken daily. At the end of the challenge, the Association with the most steps would be granted \$500,000 from Fitbit. This is one way Fitbit has chosen to market their products while also raising awareness for different Associations within the healthy industry.

**Fitbit Local**- Fitbit local is another form of consumer engagement movement, which calls Fitbit users to gather and connect on behalf of using Fitbit products. This movement creates opportunities for Fitbit users by putting on events in various cities all across the U.S. Fitbit local is designed to bring together Fitbit consumers, to connect, workout, and share experiences.

**Buzz**- Fitbit Buzz is another way Fitbit has chosen to share relevant information with users and prospective consumers. Here you'll find great value and recognition Fitbit has received on their products. On this page you'll find the most current information for Fitbit including, press releases and reviews, Fitbit Brand Ambassadors, awards and recognitions, celebrity sightings, and Instagram feed with everything Fitbit related. This also is a form of marketing Fitbit chooses to use on their website.

**Blog**- The Fitbit blog is another form of online consumer engagement. The Fitbit blog features different resources to help users stay active, eat healthy, be inspired, and stay in the know with Fitbit news. The blog serves as a strategic communication form for building brand awareness and positive branding image.

## Current Brand Communication Strategies

### Marketing Campaigns

*'Get fit in Style'- The 'Get fit in Style' campaign is specifically designed to address the functionality of the Fitbit Blaze to fit the day to day activities of the consumer. In its campaign message, the Fitbit Blaze is not limited to tracking fitness. Instead, the Fitbit Blaze has the ability to change in appearance to fit your daily needs, whether you need the watch to be worn casually in the office, or dressed up for an evening out with the friends, the Fitbit Blaze is interchangeable for any type of occasion.*

*'Sweat and Swagger' Advertisement-* Based on consumer research, it's important for consumers to customize their Fitbit experience and interchange their device with different accessories based on their personal preference. The 'Sweat and Swagger' is the digital advertisement supporting the 'Get fit in Style' campaign for the Fitbit Blaze. The advertisement is designed to market the Fitbit Blaze, Fitbit's newest model, and to promote the product's versatile functions, making it the best "Smart Fitness Watch" (Ad Age, 2016).

### Programs

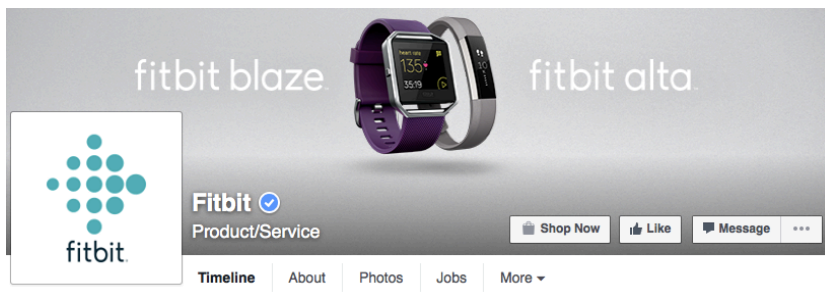
*Corporate Wellness Program-* The corporate wellness program is designed to invite corporations to join the Fitbit movement and invest in the wellness of its employees. This program is designed to "create culture of well being, increase employee productivity, improve employee health status, and create a sense of community" (Fitbit, 2016). The Corporate Wellness Program has multiple platforms to suite the individual needs of a company. To meet your company's wellness goals, Fitbit offers different packages including the Starter, Select, and Partnered packages. As the Corporate Wellness program promotes, "Power you program with products people love" (Fitbit Wellness, 2016).

## Online Presence

image retrieved from (Fitbit Twitter, 2016)

**Twitter-** Fitbit has been active on Twitter since 2008 and has 277,000 followers. Fitbit actively posts to Twitter averaging one tweet per day and shares content that hopes to inspire, motivate, and support followers looking to live an active lifestyle.

**Facebook-** Facebook for Fitbit is used to share content similar to Twitter. The purpose is to share information that will help the individual get one step closer to their goals.



1,485,699 likes

image retrieved from (Fitbit Facebook Website, 2016)

**Instagram-** Fitbit on Instagram is perhaps the most user preferred form of social media, with nearly 543 posts and 318,000 followers. Fitbit uses Instagram to promote pictorial images to portray the various active lifestyles of Fitbit users. One of the many taglines Fitbit promotes can be found on the front page of their Instagram account, *'Fitness isn't just about the gym. It's all the time. Seek it. Crave it. Live it. Find your fit'* (Instagram, 2016).

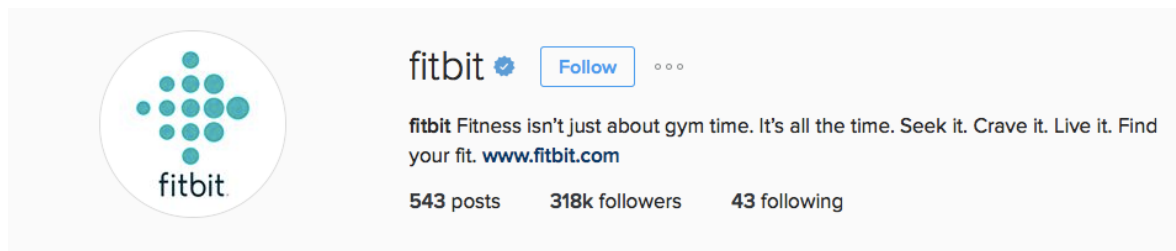


image retrieved from (Fitbit Instagram, 2016).

## Competitor Analysis

Image retrieved from (Mi Band website, 2016)

### Xiaomi Mi Band

Based on my analysis of the Xiaomi Mi Band, their devices were created on the idea to inspire consumers in believing that *"Something wonderful will happen"* (Xiaomi website, 2016). Their brand promise is to make cost efficient technologies affordable for all, and in doing so provide what the 'Mi' experience stands for 'Mobile Internet' technologies, with the 'Mission Impossible' attitude.



image retrieved from (Sohill, 2016)

### Xiaomi Products

- Mi Band
- Mi Band 2

### Points of Parity

- One Year Warranty and 30 Day Money Back Guarantee
- Multiple band colors to suit individual preference
- Ability to sync with phone for constant updates and sharing services

### Points of Difference

- Identity sensor: Unlock your phone with your Mi Band, no passcode necessary. Compatible with Android, Mi phones, and iPhones.
- 30-day battery life
- military grade sensor technology featuring aluminum alloy sensor and hypoallergenic wristband
- Lost Mi Band Function- Locate your lost Mi Band within Bluetooth service range.
- Extremely low prices \$14.99 per band.
- Limited to one style
- 'Tested to be Tougher' *featuring: drop tested, heat tested, cold tested, and corrosion tested*
- Most popular in international cultures and international markets



## Market Comparison

Despite its cheap price and supreme quality, Mi Band has nearly 24.6% of the market while Fitbit remains in the lead at 34.2% (Sohill, 2016). Mi Band's sleek, military grade sensor technology and unbeatable price makes it the second leading company in the fitness wearable industry.

## Communication Campaign

Surprisingly, no specific campaign has been designed to promote Mi Band products. Since this competitor is highly influential in Asian markets, the campaigns in western culture appear to be less influential. However, a new product, the Mi Band 2, will be the Xiaomi's first product with a screen and will be sold for \$23 each. Although no information has been officially released, the Mi Band 2 will enter the market on June 7<sup>th</sup>, 2016. The product has a patent deal with Microsoft and for that reason, could very well be sold in other western markets (Palladino, 2016).

## Apple Watch

Based on my market research, Apple markets their product to be whatever you want it to be. With customizable features, the Apple Watch promises to offer a product that's reflective of you. Their tagline demonstrates this promise, in which the product is made to be 'You. At a glance.' (Apple website, 2016).



*image retrieved from (Richter, 2015)*

## Apple Product Line

- Watch | Sport
- Watch
- Watch | Hermes
- Watch | Edition
- Watch Accessories
- Watch | Hermes Bands
- Watch | Bands
- Bluetooth earphones by will.i.am.
- Bluetooth Charging Port



*image retrieved from (Apple, 2016)*

**Points of Parity**

- Multiple band colors to suit individual preference
- Ability to sync with phone for constant updates and sharing services
- Partners with Hermes fashion line to create stylish wristbands similar to Fitbit's Tory Burch line.
- Partners with other fitness apps to create customizable experiences

**Points of Difference**

- Ability to use other others in conjunction with the fitness app features
- Customizable screen during workout sessions
- Ability to receive previous workout data and fitness reports
- Internal sensors to keep you active and get you active based on daily activity expenditure levels.
- Health initiative programs to maintain healthy living shared with health supervisors and physicians.

**Market Comparison**

Apple is gaining steam in the wearable fitness industry, yet is still climbing the rankings to beat out other competitors including Fitbit and Xiaomi. Apple's new watch has been receiving media attention for its functionality and sleek design. In relation to Fitbit, Apple ranks amongst a top competitor in the fitness wearable industry, however it's difficult to categorize the Apple watch in the market share due to it's distinct differences in functionality. However, Apple has still managed to make an impact in the wearable industry by selling 3.9 million wearables in the fourth quarter of 2015 compared to Fitbit's 4.7 million (Richter, 2015).

**Communication Campaign**

"Move," "Skate," "Travel," "Play," "Style," "Kiss," and "Dance" are the seven advertisements Apple has campaigned to sell their Apple Watch. Each ad has a purpose to target a specific audience who fits the desired style while pairing activity in the advertisement with attractive, cool music soundtracks (Sawers, 2015). Additional advertising campaigns have taken place to sell the Apple Watch. Star, Chloe Sevigny was featured in an Apple commercial as she changed in different outfits to match different watch bands. Apple's Chief Design Jonathen Ive said, "Both companies are motivated by a sincere pursuit of excellence and the desire to create something that is not compromised" (Drain, 2015). Apple continues to campaign the Apple Watch as being functional, integrative, and an attractive piece that's wearable and suitable to individuals' diverse needs.

## **SWOT Analysis**

<b><u>Strengths</u></b>	<b><u>Weaknesses</u></b>
<ol style="list-style-type: none"> <li>1. Strongest reputation in the wearable device industry</li> <li>2. Continually revealing new products</li> <li>3. Strong brand presence and social media involvement</li> <li>4. Affordable and multiple devices to choose from based on consumer needs.</li> </ol>	<ol style="list-style-type: none"> <li>1. Competing fitness wearables who have combined more phone type functional tools into the device, such as Apple Watch.</li> <li>2. Does not offer the best battery life options compared to its competitors.</li> </ol>
<b><u>Opportunities</u></b>	<b><u>Threats</u></b>
<ol style="list-style-type: none"> <li>1. Fitbit constantly looking to enter new demographic markets while expanding the products internationally.</li> <li>2. Has the potential to partner with other health and wellness companies to build stronger corporate relationships</li> <li>3. Continue to build upon its reputation through quality research and technological innovations.</li> <li>4. Multiple awareness campaigns have kept Fitbit products in the spotlight.</li> </ol>	<ol style="list-style-type: none"> <li>1. Competing devices that have lower costs.</li> <li>2. Fitbit's major threat is the Apple Watch, although pricey, has gained momentum and attention in the fitness wearable market.</li> <li>3. Without incorporating other functions, there could be issues with continuing to lead the market as the number one preferred fitness wearable.</li> </ol>



## Specific Insights and Recommendations

1. After conducting research on the fitness wearable industry, Fitbit has continued to be the leader in the industry despite constant competing devices entering the wearable market. The Fitbit culture was the first to frontier in the fitness wearable industry, and has therefore successfully created products to fit diverse consumer personas. Perhaps Fitbit's strongest asset is its various affordable and quality products.
2. Fitbit has been capable of remaining the front of the fitness wearable industry by constantly introducing new products each year to stay up to speed with the evolution of technology. In addition to these products being technologically attractive, Fitbit allows its consumer to select personalized features and different fitness band styles to suit individual needs.
3. Fitbit has strong competitors trailing close behind. With Apple Watch's sleek features and ability to do almost everything a cell phone can do, and the ridiculously affordable Mi Band made by Xiaomi, Fitbit has to remain balanced and create products that will be equally as integrative as its competitors while remaining functional and affordable for its consumers.

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