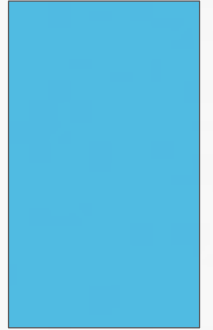


FITBIT

GROUP 3



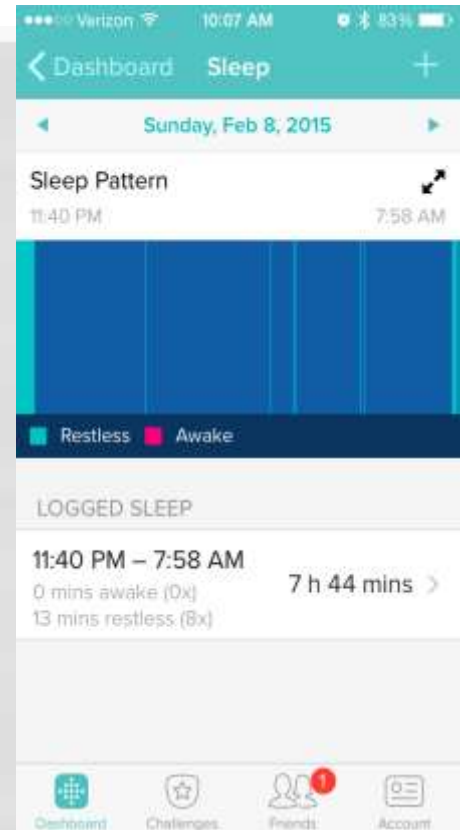
FITBIT'S ROOTS

- Fitbit was started as fitness tracker to encourage personal responsibility for one's health.
 - Mission Statement: Help people lead healthier, more active lives
- Making fitness FUN
 - Keeping motivation high *past* New Year's
- Award winning products carried in over 20,000 stores and 17 countries.

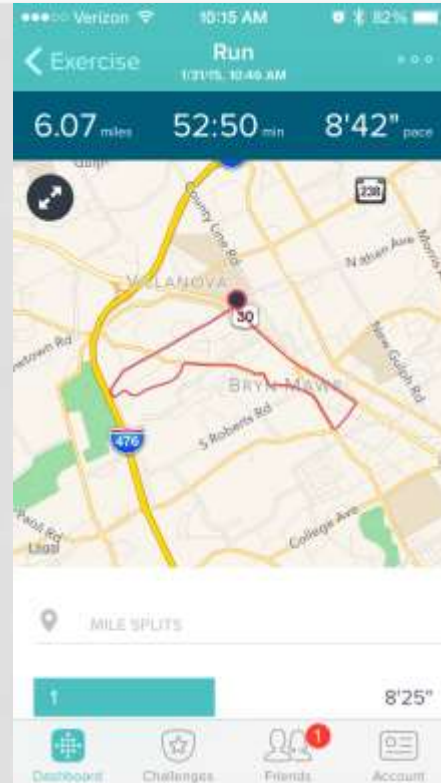
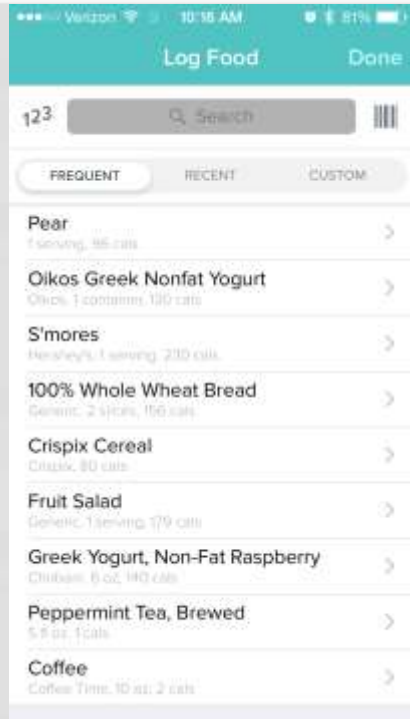
WHAT DOES THE FITBIT DO?

- Geared towards helping individuals reach fitness goals through developing everyday activity.
 - Helps the average person, not just the marathoner
- The wristband primarily tracks sleep and steps each day.
 - Also can be used to track food, water, and exercise
- A user can track progress from any smartphone in an easy to use and appealing app!
- You can “cheer” or “taunt” friends and participate in challenges
- FitBit sends you a weekly e-mail recapping all your progress, and even rewards you with “badges” for what you’ve done!
 - You also get push notifications when you reach your goal, or you’re almost there!

HOW DO I USE THE APP?



HOW TO USE THE APP CONTINUED



FITBIT WEEKLY RECAP

- As a FitBit user, this is what I see at the end of the week! It comes in a convenient e-mail.
<https://www.fitbit.com/user/32K5NQ>
- As you can see, the leaderboard could be a major source of motivation!

FITBIT FEATURES RECAP

- The wristband itself easily tracks your steps, active minutes, distance traveled, and sleep.
 - Your device vibrates when you reach your goal!
- You must manually enter your choices regarding food, water, and exercise.
- If you use all features, you get an extremely detailed picture of your health
- You do have to charge your device about 1 time a week, and it takes about 3 hours to charge.

DISCUSSION QUESTION

We all go through phases of activity and it seems to be cyclical. What motivates you to be more active?
Would a FitBit motivate you?
Do you think having a FitBit would get tiring?

GROUNDING IN TECHNOLOGY

- “Wireless technology had advanced to a point where they could bring amazing experiences to fitness and health”
- Eric Friedman and James Park (Fitbit Co-founders) took advantage of this

TECHNOLOGY BEHIND FITBIT FLEX

- Accelerometer:
 - Turns movement/acceleration of a body into data
 - Counts steps, Measures how you are sleeping
- Algorithm:
 - Looks for motion patterns most indicative of people walking
- Fitbit Software and Apps
 - Lets you keep track of your activity on your phone or computer
- Bluetooth 4.0 - sync with smartphones
 - Wireless syncing on iOS and Android phones
- NFC Technology:
 - On some Android devices
 - Hold Fitbit up to device and it launches your Fitbit stats

FITBIT CHARGE HR

- PurePulse Heart Rate
- Workouts and All-Day Activity
- Caller ID
- Exercise Tracking
- Auto Sleep and Alarms
- Wireless Syncing



FITBIT SURGE

- GPS Tracker
- Heart Rate
- All-Day Activity
- Multi-Sport
- Long Battery Life (up to 7 days)
- Notifications and Music
- Auto Sleep and Alarms
- Wireless Syncing



DISCUSSION QUESTION

Do you think Fitbit should stick to solely tracking fitness and health related data or should it keep expanding into Smartwatch territory like it is with the Surge?

MANAGERIAL APPROACHES...

- Obesity: Affected $\frac{1}{3}$ of U.S. adults and costs companies more than **\$73 billion** a year
- Companies are offering wellness & weight loss plans in an attempt to save money
 - Could save employers 9% of the money they spend on health care
- Example: L.L. Bean Inc.'s Bangor
- Fitbit already has teams up with **BP, PLC,** and *Anthem Inc.*
- Fitbit work accessory



PSYCHOLOGY...

The Fitbit reinforces, motivates, and rewards exercise by turning it into a game

- Fibits make getting in shape addictive... But how?
 - Measurement & Motivation
 - “If you cannot measure it, you cannot improve it.” -physicist Lord Kelvin
 - Social aspect of the app creates a conditioned stimulus

DISCUSSION QUESTION

- Would you consider using a Fitbit at work for a company's wellness or weight-loss program in return for rewards or an insurance premium discount? Why or why not?
- What potential issues could arise?

LIKELIHOOD OF SUCCESS...

Forrester Research found this market to be “bullish” and that wearable health trackers are the “next wave of consumer technology product innovation”

- Fitbit dominates the U.S. fitness tracker market with a **69%** share
- The company is in the process of expanding to Asia through China, India, Indonesia, Philippines, and Taiwan this year

THREATS

- Fitbit faces a few threats to their market share
- Jawbone
- Apple's Fitness apps

FITBIT SWOT ANALYSIS

Strengths

- Nimble
- First Mover Advantage
- Great Technology & Value
- Platform Openness
- Broad Device Portfolio
- Corp Wellness/Affiliate Channel

Opportunities

- Build Richer Data Set/Tracking
- Build Dietary Expertise
- Big Data Analytics Investment
- Expand Corp Wellness &

Weaknesses

- Lack of Fitness/Health Credibility
- Brand Awareness

Threats

- New Tech Start-up



JAWBONE SWOT ANALYSIS

Strengths

- Early Mover
- Broad Tracking
- Analytics/Insights
- Brand Awareness & Channel

Opportunities

- Further Innovate on Tracking
- Expand Big Data Analytics Investment
- Build Corp Wellness & Affiliates
- Brand Confusion
- More Nimble Start-ups

Weaknesses

- Lack of Health & Fitness Credibility
- Complex

Threats

- Brand Confusion
- More Nimble Start-ups



NIKE SWOT ANALYSIS

Nike Strengths

- Established & Credible Brand
- Strong Marketing & Sales Engine
- Large and Strong User Community
- Early Leader in Technology
- Platform Approach with Rich Ecosystem
- Strong Partnerships

Nike Opportunities

- Richer Tracking/Data
- Training/Coaching Advice
- Leverage Athlete/University Sponsorship
- Segment Expansion & Performance Leadership
- Connected Ecosystem
- Sensor-enriched Apparel
- Rumored Apple AAPL +2% iWatch
- Maintaining Simplicity

Nike Weaknesses

- Large Company Atmosphere
- Not a Technology Company
- Semi-closed Architecture
- Limited Tracking

Nike Threats

- Rumored Apple iWatch
- Maintaining Simplicity



FITBIT RECALL

- In March 2014 Fitbit recalled 1 million Fitbit Force units in the United States and about 28,000 units in Canada
- They received nearly 10,000 complaints about itching and 250 complaints of blistering after wearing the band
- Problem was cited to be the result of “the stainless steel casing, materials used in the strap, or adhesives used to assemble the product, resulting in redness, rashes or blistering where the skin has been in contact with the tracker.”

DISCUSSION QUESTION

- What can Fitbit do to stay ahead of its competitors?