

PELOTON INTERACTIVE, INC.

The Future of Fitness is at Home

Shaping Perceptions for Peloton

PR 664 Final Report: Kate Winckler, 12/15/2021



Changing Perceptions



PELOTON

COVID phenom or industry innovator?

01 Landscape Analysis

02 Media Sentiment

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04 Strategy & Research

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Intro

How can public relations
change perceptions
about Peloton
Interactive, Inc.?

01

Mainstream Perception

Peloton is a situational success story; they will fail once the impact of the pandemic has worn off and consumers go back to “normal” fitness habits.



02

Desired Perception

Peloton is a true disruptor in the \$4.5 trillion wellness economy by providing innovative home fitness products in an immersive experience.



Founders

John Foley, Tom Cortese, Yony Feng, Hisao Kushi, and Graham Stanton



Landscape Analysis

2012

Peloton Interactive founded; first bike launched in 2014

**Pelton
Idea**

Bring challenging workouts to people in ways that are immersive, accessible, affordable, and efficient

Products

Software, hardware, media, treadmills, stationary bikes, digital fitness subscriptions, digitally-connected community

Members

Currently 6 million; goal is 100 million

Revenue

\$4.8 billion

Employees

8600+ globally

Background & Environment



- **Mission:** to use technology and design to connect the world through fitness.
- **Goal:** to democratize access to high-quality fitness by making it convenient and accessible to anyone.
- **Competition:** Technogym, SoulCycle, NordicTrack, Apple, Amazon Halo, Nike Fitness, Equinox Fitness, Planet Fitness.
- **COVID:** Tremendous growth during pandemic lockdown; growth is leveling off as people return to gyms.
- **Brand Messages:** Persona values include, "I feel like I belong to something," and, "I am "tech-savvy". Customers are affluent, avid exercisers, and oriented toward self-improvement.

BRAND WHEEL

WHAT DOES THE
PRODUCT DO
FOR ME?

FUNCTIONAL INWARD

HOW WOULD I DESCRIBE
THE PRODUCT?

FUNCTIONAL OUTWARD

HOW DOES THE
BRAND MAKE
ME FEEL?

EMOTIONAL INWARD

HOW DOES THE
BRAND MAKE
ME LOOK?

EMOTIONAL OUTWARD



#Peloton

Positive 23%, Neutral 70%,
Negative 7%

#OnePeloton

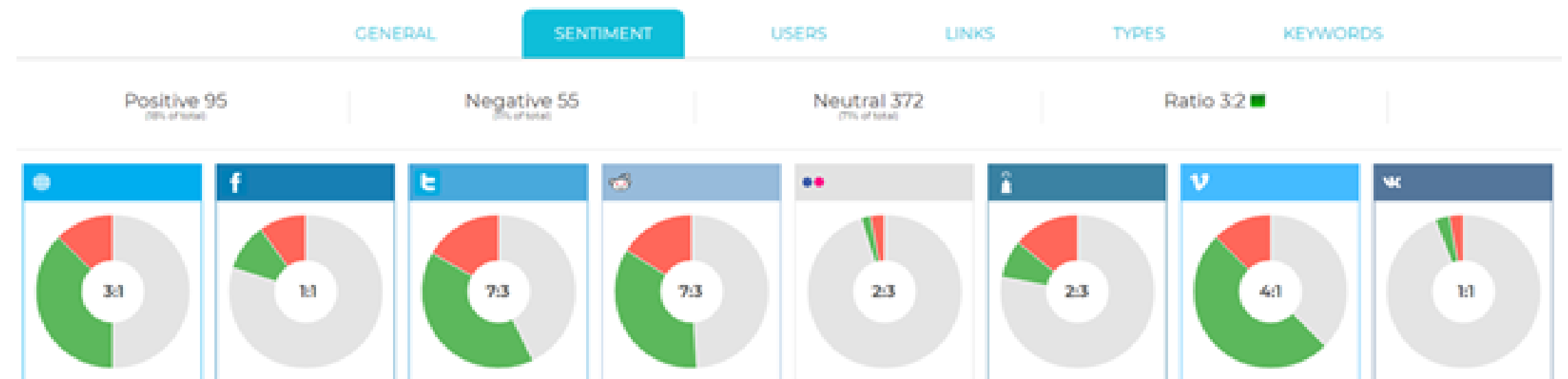
Positive 36%, Neutral 59%,
Negative 5%

Peloton + COVID

Positive 18%, Neutral 71%,
Negative 11%

Source: Social-Searcher.com

Media Sentiment





Objective

Improve negative sentiment of brand name “Peloton” when it is associated with “COVID” or “COVID-19” on all online sources (web and social media) by 10% over the next 6 months.

Target: 10% improvement over 6 months

- Flip the media's perception from, Peloton is a “COVID” phenomenon that will soon end to , Peloton is an enduring way to work out at home and will thrive beyond the pandemic

Keyword Sentiment:
“Peloton” + “COVID”

Current

New Target (+10%).

Positive 18% --> Positive 20%

Neutral 71% --> ~Neutral 71%

Negative 11% --> Negative 10%

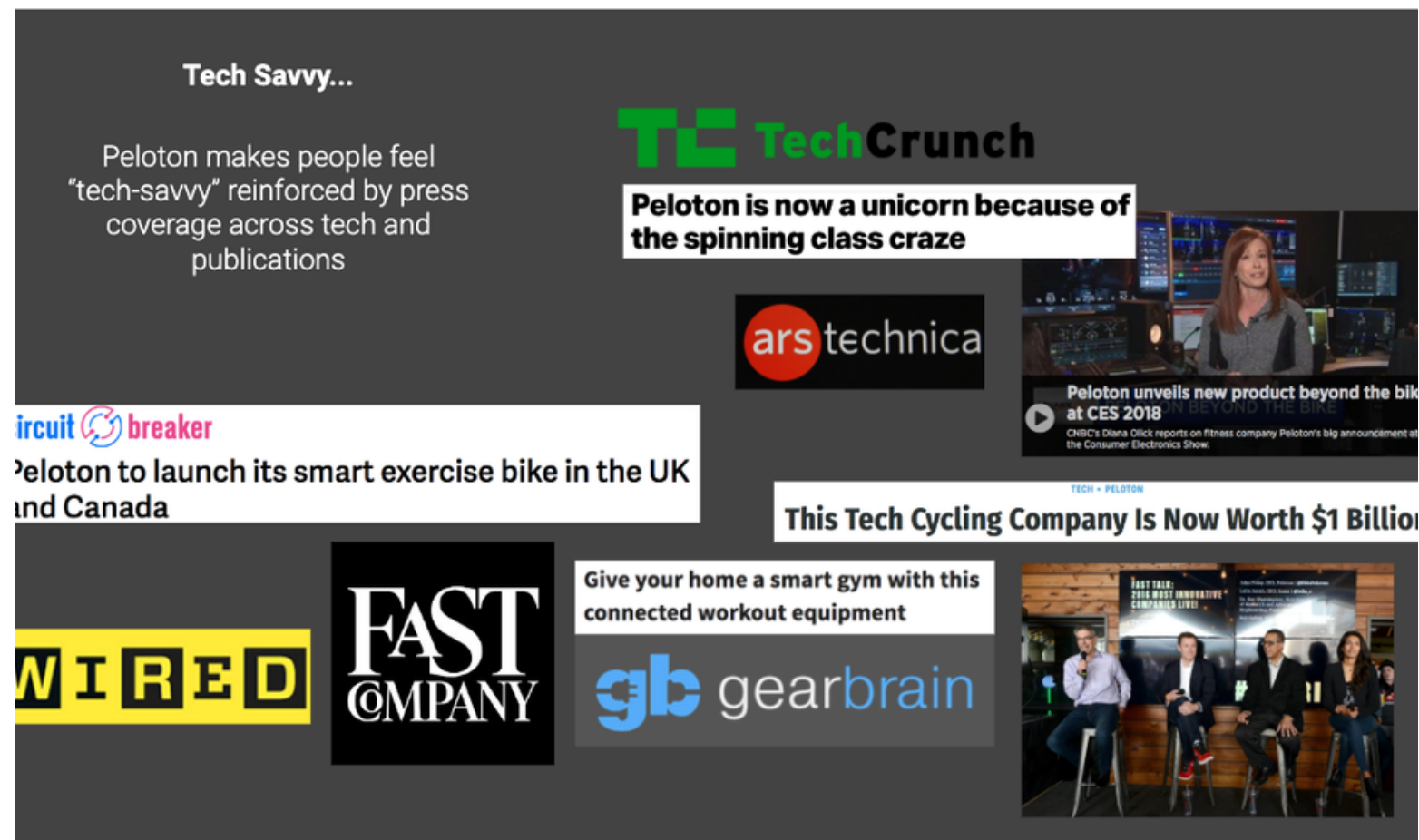
Inputs, Outputs, Outcomes

■ **Inputs:** Utilize internal resources and talent; devote 0.5% to 1.0% of their total ad budget to this objective (\$500,000 to \$1 million)

■ **Outputs:** Reasonable outputs for the objective are a 25% increase in owned and shared/shareable media content that tells the story of “Peloton For Life,” and a 25% increase in targeted media outreach and placement

■ **Outcomes:**

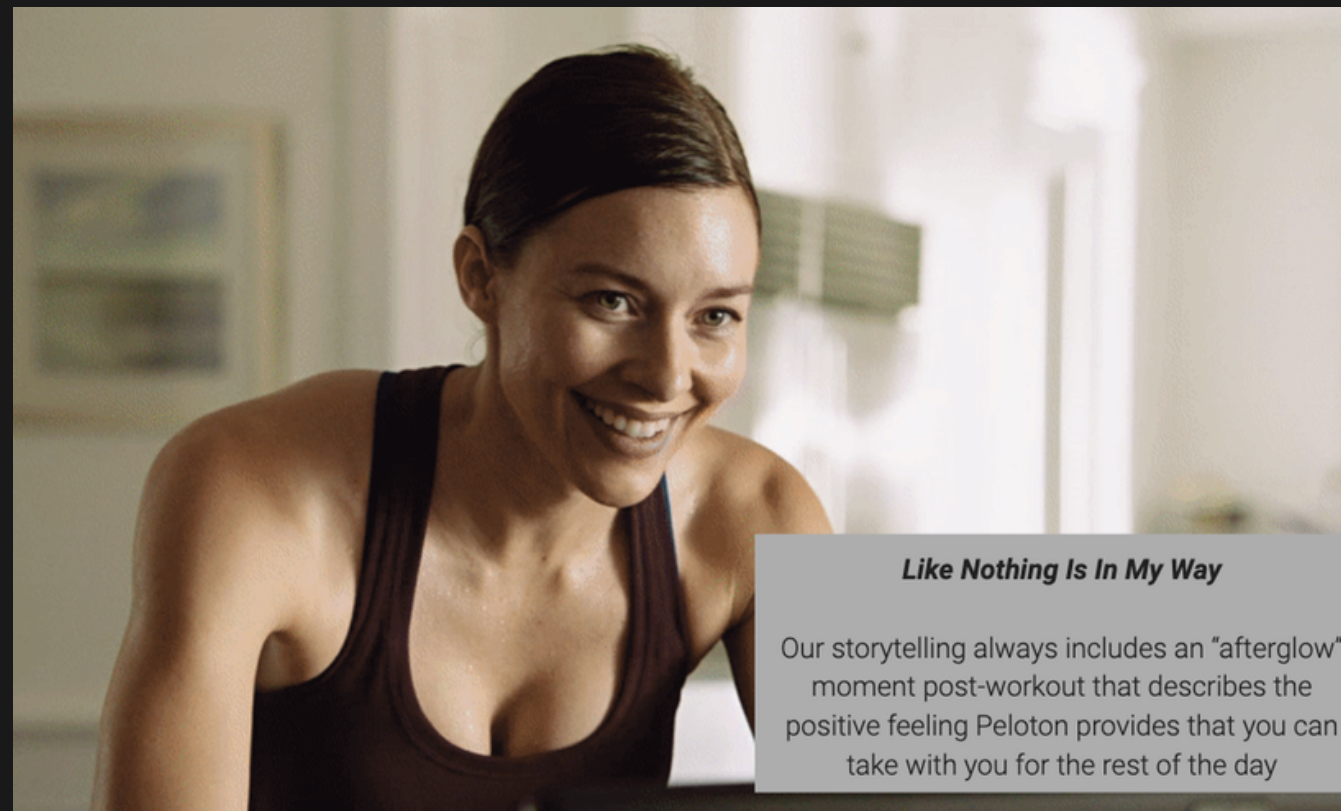
- 1) One outcome is positive increases in awareness, understanding, attitudes and behaviors in consumers and the media as measured by online sentiment change
- 2) Another is a measurable increase in the Net Promoter Score, improving NPS by 3-5% over the time period



Strategy

- creating compelling marketing communications content for owned and shared media

- delivering those compelling messages through targeted media placements



Research

Two-pronged approach:

01 Media Analysis

- Conduct in-depth media analysis to get a good picture on what is being written, in what publications, for what audience, and what gaps exist between existing media relations and the effort required for this sentiment change. This will help inform an approach to media segmentation.
-

02 Customer Insights

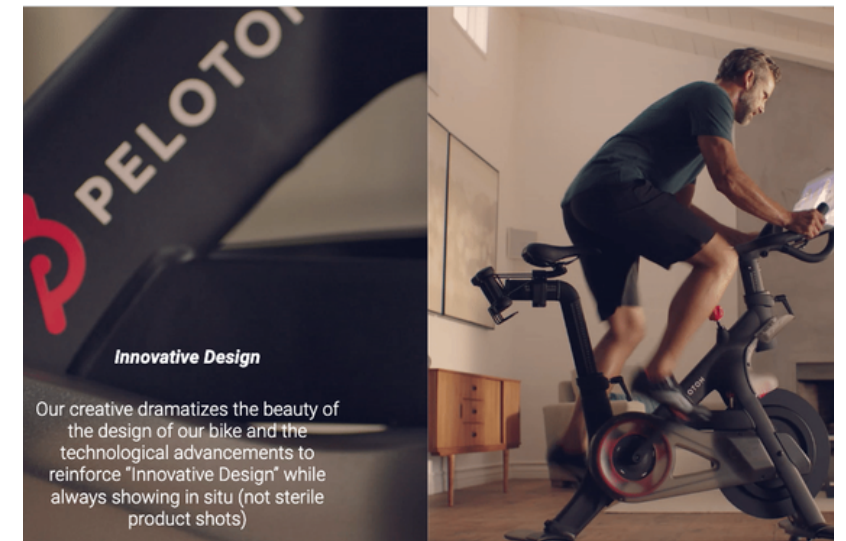
- In-depth dialog and surveys with long-term customers on their satisfaction with the product and their fitness intentions post-pandemic. Gather personal, authentic stories from real users to build the marketing communications key messages and content.

Tactics



marketing communications content

Owned media: website,
blog, mar comm, thought
leadership



tactical media relations

Earned Media: outreach
to journalists,
influencers and media
companies



social media storytelling

Shared media: create
emotional, compelling,
authentic and shareable
social campaigns



Evaluation

Measure sentiment at the beginning, middle and end of the six-month program period using a free or paid monitoring service for brand mentions in social networks and on the web.

Engage the Net Promoter Score process, incorporate into customer feedback across all touchpoints, measure NPS score monthly.

Measure media relations efforts before, during and at the end of the program to track earned media placements.



Business Outcomes

- Take the long-term view
- Dedicated media relations
- Share authentic customer stories
- Leverage passionate brand advocates

Current media and popular sentiment has a powerful effect on Peloton's stock price., i.e. Sex In the City plot twist. Try to stay out of controversial headlines!!





Thank you!

For more info about this report,
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