

Shake it 'Til You Make It: Zumba Creator Beto Perez's Rise to Success



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Full transcript

Announcer:

Welcome to THRIVE, a Paychex Business Podcast, where you'll hear timely insights to help you navigate marketplace dynamics and propel your business forward. Here's your host, Gene Marks.

Gene Marks:

Hey everybody, it's Gene Marks. I just had a wonderful conversation with Beto Perez. Beto is the founder of Zumba Fitness. So if any of you are familiar with Zumba, so many of us are, there are millions and millions of people that participate in his fitness program in 185 countries around the world. This guy has an incredible story to share, that I think that you'll really find interesting.

Gene Marks:

The guy grew up in Colombia, arrived in the U.S. With no money at all, and has built an absolutely ginormous brand that services, again, millions of people. And it's not just fitness, but it's also accessories and Zumba Wear, and other products, videos are associated with it. He's working on a potential deal with Netflix. He's got all sorts of things going on. A true inspirational story of a Latino entrepreneur that started with nothing, and has grown himself into somebody that is very inspirational to us all.

Gene Marks:

So I'll be back in just a moment with Beto Perez. I think you're going to love his story. And if you're a fan of fitness, you're going to love it even more.

Gene Marks:

So Beto, thank you very much for joining us.

Beto Perez:

No, thank you. Thank you for the invitation.

Gene Marks:

So let's get into the history of the company and the history of yourself. I mean, let's — let's start at square one. How did you grow the company to this level? And tell me about how you started it.

Beto Perez:

Yeah. Everything started in my city, Cali, Colombia. I'm from Colombia. Cali is a very musical city. Everybody dances, everybody parties like Brazil. This city in the east coast of Colombia and the Caribbean, and more from this part is very different. That means the music is different, the flow is different. But when I was six years old, my mom invite me to see the movie in the movie theater. And the first movie that I watch in my life, it was "Grease" from John Travolta and Olivia Newton-John. It was rock and roll. And after this, when I watch this music, I think I was John Travolta. I put a jacket, put gel in my hair. And when I went to my neighborhood, every party, I danced like John Travolta. And I was very popular because I dance, you know, rock and roll, and they love it.

Beto Perez:

Later, I grow up with this passion for the music and the dance. But my mom don't pay attention to me because she working. She's a single mother, and she really was working. And I went to the college. And then college, practiced my dances, my dance with my friends. And that's it. She never paid attention to this.

Beto Perez:

Later when I was a teenager, like a 13, 14 years old, the Michael Jackson and the breakdance come in this age, '83, '84. And I love to dance on the head, the head spin, the windmill ??? [Inaudible], all these steps, the popping. And again, it was American music.

Beto Perez:

When I was 15 years old, my mom had the opportunity to come to America for start new life. And she didn't want to leave me alone because I was a single ... I don't have brothers, I don't have family. But I tell to my mom, "Go. Go there because, yes, if you have the chance, you need to do it. Don't worry for me."

Beto Perez:

And she say, "Are you crazy? You live -- you have 15 years old. You're a baby." And I say, "But you challenge me." She say, "Okay. I will go to America if you working, study, and show me that you can maintain yourself for yourself. You know, working and study, and you don't need me."

Beto Perez:

And she think that I can't do it. And I went to one club. And a famous model show me in the club, and she gives me the business card. And she told me, "Okay, you need to come and see me this Saturday in this agency." And I went to the agency. I was 15 years old. And they have, like, 15 models, regular people. They were professional models. And I start to teach classes to them, one choreo, one choreo for them. My first choreo was "Holiday" of Madonna. And they all there ... he bring to the studio and he say, "Who do this?" And then he say, "The guy here."

Beto Perez:

"How old are you?" And I said, "15 years old." And he say, "Do you want to work here?"

Beto Perez:

"Yeah. I want to work here." And I tell him, "But I need more work. You want a messenger? You want people help you, assisting?"

Beto Perez:

And he say, "Yeah."

Beto Perez:

Okay. I work in the morning, like assistant. In the afternoon, I was a dance teacher. And at night, I went to the school. And I bring my first check to my mom. It was like a \$100. And I say to my mom, "Mom, I have job."

Beto Perez:

And she start to crying, and she say, "Really, you want me leave here?" I say, "Yeah, mom. I want to dance. You stay here. You want me maybe go to university and study medicine, doctor, or engineering, something like that." And I was very clear that I wanted dance in my life.

Beto Perez:

Anyway, my mom come to here. It was so hard moments when we separate, but I know that this, I need to do it. I work in this time, in the famous ice cream store, ice cream, like a ice cream store.

Gene Marks:

Sure.

Beto Perez:

I work, and then teaching classes there, and helping, assisting. I do many things. But when the boss let me my work, I need to pass for the famous Dance Academy next to the ice cream store. And I show through the window, but they close the window because they think I'm watching the girls or something like that. You know [inaudible] ... teenager.

Beto Perez:

And the only thing I want to watch, because my dream is to come to the Dance Academy, I never was there. Anyway, they closed the windows, the curtains of the windows. I work in this ice cream store. And one day, I don't know, maybe you don't know, but in the '87, a famous rhythm from Brazil, it was very famous in the world. The name is the Lambada. The Lambada, okay, maybe the song Despacito? Despacito song very famous. It was very popular dance style from Brazil. And I learned this rhythm. And one of the most important TV news channel make a contest for an all country. "The winner — who is the winner of the best Lambada dancer?" And I was there. And they make a contest in all the cities, all the cities, and like, 3,000 couples, 1,500, 200, 300, 20, 5. And I was the winner of this rhythm.

Gene Marks:

That's amazing. You, alone, or did you have a dance partner?

Beto Perez:

No. With a girl, yeah. But I watching only the video, the video of this. I remember this time, it was on MTV, the only TV channel of videos. And I was very, very ... People of the clubs call me every night for dance Lambada in every club. And I take the taxi, and I went three, four shows in one night. They take me very well, for this time. And finally, finally the Dance Academy called me, and "Hey, you want to teach classes?" Remember, the Dance Academy, they close the curtains? And they don't know I was the boy when they closed the curtains.

Beto Perez:

I say, "You know, I am the guy that come here." And they say, "Sorry, sorry."

Beto Perez:

Anyway, they give me, they tell me, "You want to teach classes for these teenagers?" And I start to teach classes for teenagers. Anyway, dance, like dance, hip-hop, you know, modern music, American music. One day, the owner tell me, "Beto, do you want to teach ... Why you don't teach aerobics for the mother of these kids?" And I say, "Mm, okay, let me see." And I ...

Gene Marks:

Can I interrupt you at this part? How old are you at this point?

Beto Perez:

I was like, 17 years old.

Gene Marks:

17 years old? Okay. Carry on.

Beto Perez:

Yes. And I don't know nothing about aerobics. You know? And I went to the public library, and I watch in the books. Okay, ah, aerobics.

Gene Marks:

You rented the Jane Fonda workout tapes at the time, right?

Beto Perez:

Jane Fonda book. And I watching the pictures, and I learned. I teach my first aerobics classes, and they love it. Anyway, I teach my classes. They love it. But one day, after three months, I forgot, I forget the cassette of the aerobics music. And the only thing I had with me, it was a cassette with music they're recording for the radio station, different kind of music, Latin American, like a ... you know, hobby. And I forget the music for aerobics, and the class, it was full. And I say, "Listen, I will try to do something different. I practice this class for a long time. And I think you are ready." But it's not true. People don't know that it was improvised and I forgot my music.

Beto Perez:

And I played the music. They love it. They have fun. And I say, "Wow, it's so cool." I improvised for one hour, about 70 [inaudible] per one hour. Anyway, after that, I was very popular. The class was full. And I moved to Bogota. When I moved to Bogota, the capital, I start to teach class in the various gyms there. I was very popular. Shakira, they know me, and they want to be choreographer for the second album. And I working with her, I working with a lot of famous artists, you know, like a Backstreet Boy, like a New Kids on the Block, but Latino, Latino.

Beto Perez:

I was choreographer for them. I teach classes for, I teach my class, and the name of the class is Rumba, the same, like Zumba but different rhythms. But the name is Rumba. Anyway, it was very popular in Colombia. And I start to thinking, "Okay, it's time to go out here." And my dream is to come here to America. And I finally, when I was 27 years old, I start to come here for the first time in Miami. But I didn't speak English. I don't have documents. You know, this part, it was very hard. I don't have a car. In Miami, you need to have car because public ...

Gene Marks:

Was your mom in Miami at the time when you arrived?

Beto Perez:

Yeah. Yeah. And when my mom ...

Gene Marks:

She did have family here, in other words.

Beto Perez:

No. My mom come back when I was 25. I didn't see my mom for 10 years. When my mom come to Colombia, I decide to come here to America.

Gene Marks:

Right. Great timing. I'm sure she must have been thrilled.

Beto Perez:

Exactly. And I make three trips — Colombia, America, Colombia, America. I say, I need somebody give me the opportunity to teach my, to show my job. I don't want to work in valet parking. I don't want to work in clean plates. You know, I want to ...

Gene Marks:

Well, you want to do what you're passionate about doing, you know?

Beto Perez:

Yeah. I want one chance. I need one chance. It doesn't work? Okay, I will do this process.

Gene Marks:

Okay.

Beto Perez:

Finally, one person in Williams Island here in Miami, the north of Miami, very American place, very Jewish-American place, she gave me the opportunity. She told me, "Okay, give me an audition. The audition is 15 minutes. Show me what you do." And I start to teach my class to her. But people going to training, to weights, they're coming into my class. They don't know it's audition — they think it's a class! And it's two people, three, four, five, six. I have 25 people, American. And every song, they laughing, they clap. They love it.

Gene Marks:

Can I stop you there? Was that, was it Zumba at that point? Was it your variation of Rumba? Was it just you dancing?

Beto Perez:

No. The name is, this dancing, the name is Rumba, continue to Rumba. And this person tell me, "Okay. You want to teach class for the [inaudible] start of the gym?"

Beto Perez:

"Yes."

Beto Perez:

"Okay. It's in one month."

Beto Perez:

"Okay. I will do it." And I come back to Colombia. I sell my things, I take my bills, change my money for dollars, come back again. And I come to this class. Anyway, I was late because at this time, I don't have GPS or cell phone. I lost in the car, whatever. I come 10 minutes late. Oh, my God, I feel so bad. I teach my class, and everybody love it. They forget I was late in the beginning of the class. And I have, like, 55 people there. And they give me job.

Beto Perez:

They're like, "You want to work here? You are very successful."

Beto Perez:

And I start to work in there. When I start working there, a woman from Colombia, they take my classes in Colombia, but she lived in this condo.

Beto Perez:

"Oh, my teacher." And like, "Beto, how are you? I live here."

Beto Perez:

"Hi. How are you?"

Beto Perez:

"I have a son. My son want to talk with you. It's Alberto Perlman. It's a guy, with 25 years old. And I say, "Lend me two seconds, because I have a guy with, I think, maybe 65 years old. He, after two weeks, while he was in Miami, he told me "Beto, I have \$1 million. I want to do something with you." You know, like, a propose. And I have this guy, 25 years old, with no money, is the son of my student. And I say, "Let me see. I will talk with Alberto." And I sit down with him. And I have good feeling with him. He say, "What do you want to do?" I say, "I want to conquer the world, my friend."

Beto Perez:

"Okay. Let's do it." Okay. Yeah. Shake your hands. We're business partner. And we start with nothing. And I say to the guy, "Hey, sorry. I start the society with this guy. I don't know why, but I have good feelings."

Gene Marks:

The partner that you then bring in, so he had financial, he had capital, in other words, to put in the business. Because I'm assuming you, at that point, didn't have much capital to put into this business. Am I right?

Beto Perez:

Yeah. My, my — the guy, 25 years old, he don't have money. He don't have nothing. I have other guy, other guy, older, with \$1 million. But I don't want to be with him. I want to do with this guy, with 25 years old with no money. And I take the risk, but I trust him. I see something.

Gene Marks:

Right. So you turned down this financial backer, so you can go into business with this 24-year-old guy, because you thought long-term, that's going to be better for your business, correct?

Beto Perez:

Yeah. I think I have a good chemistry with him. Good connection.

Gene Marks:

Okay, good, good. Okay.

Beto Perez:

Anyway, he introduced me, his best friend, the name is Alberto Aghion. "Hey, this is my good friend. Make the society between our three." And I say, "Yeah, let's do it."

Beto Perez:

We shoot in a video, in Miami Beach, with my students. And he make the appointment with a company in Ohio. The name is Fitness Quest. This company make infomercials, TV infomercial for fitness products and TV. Okay. And finally, he went there. He showed the video. And they say, "We want to know this guy. We will go to Miami." But he call me from Ohio, and say, "Well, Beto, these people calling to know you. But they ask me if you speak English. And I — What do you do?"

Beto Perez:

"Don't worry. Come here to Miami. All right? [Inaudible]"

Gene Marks:

We'll figure it out.

Beto Perez:

And when he come into Miami, he say, "What do you do?" And I say, "Listen, show me, and — sorry, tell me how you say "Mucho gusto. Perdon, me tengo que ir."

Beto Perez:

"Ah, you say 'Nice to meet you. Sorry! I need to go.'"

Beto Perez:

Okay. Anyway, these people come into my class. They show the class, they love the class. They comment to me. They talk to me in English. I don't understand nothing. And I say, "Nice to meet you. Sorry, I need to go." And I escape. And Alberto say, Alberto say, "Sorry. He's so busy. He's too famous. He have other interview." Whatever. And the people say, "Don't worry. It's okay. Don't worry. We understand." But they think I speak English.

Gene Marks:

So I have to interrupt you right now. So, so far, we have learned that, obviously you have to really be passionate about what you do. You work very, very hard at what you do. You have to be very good at what you do. You have to go with your gut. And in your example, sidling up with somebody else who didn't have the money, but you just had good chemistry with. And also, to have a little bit of moxie to take some chance, not be afraid to sing and dance, as it is, to use this example, even if, for example, you don't know the language of the people that are talking to you. You don't worry about that. You figure out some way to work around that.

Gene Marks:

Beto, what year was this at this point? Where are — ?

Beto Perez:

It was in 2000, 2001.

Gene Marks:

So we're still pre-YouTube, I'm assuming, right? Like, we're still before the explosion of online video and mobile apps and all of that. We're still in sort of a video-cassette world. Am I right?

Beto Perez:

Yeah. The idea in the beginning, it was to sell DVDs in TV.

Gene Marks:

DVDs, right.

Beto Perez:

That's it. That's it.

Gene Marks:

Right. Okay.

Beto Perez:

But what happened, people start to call and send emails, "Hey, I want to teach this class. I want to teach this class. I want to be a teacher."

Beto Perez:

And we say, "Okay, wait a minute. I think this is other business, educational."

Beto Perez:

And we start to prepare like a training, training day. And it's so hard to teach something that I do for 20 years in two days. Anyway, we tried, we organized everything. And we're waiting for the first training, like 85 people and coming like, at 250, and explode. And every weekend, we had training, and people start to come into the trainings.

Gene Marks:

Weren't you afraid if you were going to teach people your business, that they would just take the business away from you?

Beto Perez:

It was more for ego. Because I'm, supposedly I'm the creator of the program and the leader. And it's so hard that something that I do for 20 years, to give to somebody, "Listen, in two days, you can do it." It was so hard. But I understand it's the only way to grow up. You need to deliver, and trust the people, and create good team. And these people, yeah, we start with the first one. One person from Los Angeles, one from New York. Now I have 180 master trainers of Zumba around the world.

Gene Marks:

How big a company is Zumba now, if you can share that with us? I mean, if you're comfortable even sharing revenues or a number of employees, just to give us an example of the size.

Beto Perez:

Yeah. We have around 250 employees.

Gene Marks:

Amazing.

Beto Perez:

Yeah, yes. We are on 185 countries. More of 15 millions people do Zumba every week. And we are more 200 locations around the world.

Gene Marks:

How did you scale to that size? I mean, you were still just you and your partner, young guys, you know? And I understand you started training these instructors. But how do you go from just the two of you to a company of that size, really in the space of 15 years or so?

Beto Perez:

I think we work in something ... We work in, we are in the fitness world, but we don't working for, this program is not for lose weight. This is the focus that some, the market can do it, you know? But really, really we're working with the happiness. We do something that people make happy. And when you touch the feelings of the people, whatever product, they will be there. And when people come to my classes, people smile, be happy. And you know, the world is so crazy. People are alone. People have problems in the job. I don't know, but when they come into the Zumba class, people disconnect it, and they have a good time, enjoy dance, music, make friends. Zumba now is a big family. Now it's like a religion or something — very crazy. When I had my convention, a big Zumba convention, every year in Orlando, Florida, for 8,000 instructors, and the adrenaline and the happiness is like a Woodstock — Woodstock Festival, but, you know, in the good way.

Gene Marks:

You've branched out into selling accessories, clothing, and other things, other products, and Zumba Wear, and fitness products. What gave you the idea to do that?

Beto Perez:

We start, I remember ... 2000, maybe 2003. I had the T-shirt, and we don't have brand. We don't have T-shirt. Now then I say, "You know? I want to do something." I put the Zumba with a Sharpie. I design with T-shirt black. And people, "Hey, I want a T-shirt. I want a T-shirt."

Beto Perez:

I say, "Okay, guys" And we make maybe 200 T-shirts of Zumba. And people buy like crazy. Okay, next time we were working 300, 500. And later, I had invitation for the Fitness Festival in Italy. And there, it was very famous, the cargo pants, but for fitness, not like Abercrombie, and good material, very light. And I bring this idea, and we put these pants, and these pants make us a good business for us for many years. And now, we have accessories, shoes, socks, everything.

Gene Marks:

How about finances, Beto? I mean, you're a dancer. Okay. No offense. You're a branding person. I understand you're a visionary. But obviously, running a business and scaling it to this size, takes some financial acumen as well. Do you know that? I mean, are you good at math? Did you just bring people on to help you do all of that stuff?

Beto Perez:

Yeah. I think we make a good team between my business partners and I. Alberto Perlman, the CEO of the company. He's the guy of the business side. Alberto Aghion is the guy for the employees of the company. I am the talent, and the creator of the ideas. And when we make the meetings, we have all the ideas, and we respect every work, everyone. But they are so good to learn, to see what these people want.

Beto Perez:

Everyone, everything that we have is what people want. They tell me, "I want a T-shirt. I want a pants." And we put attention, design something. We test them. For example, the video games, and the video games, 2012, 2011. "Beto, we have Xbox, Wii. We need to do something." We find a partnership with a company. We

made it. And the Fitness Zumba video game, it was the most sold video in 2012. And I think we are good because we learn and pay attention to the customers, what they want, not what we want to sell. What they want, what did they need. At least, this is the key.

Gene Marks:

At this point in your life, Beto, what are you doing with your days? What is your, what are you focusing on now?

Beto Perez:

Now, I open my own gym in Miami. The name is City Zero. Because I love to teach classes. I want to, I continue to teach classes. This is the thing that I love to do it. But I create my own room with my best sound, the best stage, with best LEDs. And now, it's my new baby. I opened only one month ago. And I teach my classes. Of course, I continue to working with Zumba, with the choreos and the career field, take decisions, meetings. Yeah. But we continue to work in many things in Zumba.

Gene Marks:

Listen, you're a very inspirational guy. You're also inspirational just because of your background. I mean, there has been an, as you know, an influx of Latino and Hispanic immigrants into this country, over the past few years, which also caused a significant increase in Hispanic-owned businesses, Latino-owned businesses and entrepreneurs. What are your thoughts on that?

Beto Perez:

First of all, I love this country because when in this country, you're working hard, you have talent, you continue, it represent very well, the American dream. Because I come in here with nothing. I sleep the street for two nights. I didn't speak English. But I want to work. If you're working hard in this country, you can do it. You can make the home run.

Beto Perez:

And I never feel like a discrimination or something bad with the American people. Always, always there, they help me. And they say to me, "Thank you. Amazing. Good job." I feel so proud. I think this country adopt me from my country, and I feel so, so grateful. I need to say thank you to God for giving me this opportunity in this wonderful country. I love it. I'm more popular, more famous here in this country, in other part of the world, that my country. In Colombia, they know me. But no, I think ... When I travel and I saw on the plane, Miami, the city, coming to America, I feel so happy. It's my home. And I love it. Yeah.

Gene Marks:

Yeah. It's a very inspirational story. And Beto, as yourself, as a representative of Hispanics, Latinos, I mean, you couldn't ask for a better role model.

Gene Marks:

So what's next for Zumba? What can we expect to see in the next few years?

Beto Perez:

This is the question that [laughter] ... "What happen with you next year?" But now, we're working in something very special. It's ... maybe we're working in the Netflix, the Story of Zumba, serial story of my life, for Netflix. You know, for two years, everything is closed. Now prepare for the convention for the next year, the new collection of Zumba Wear is coming.

Beto Perez:

We have other program. The name is Strong. It's more for, it's not dance fitness. It's more of workouts, squats, abs for these people that don't love to dance, but they love working. This is my new baby. But always, we have a lot of work, always, always. So we don't stop.

Gene Marks:

Finally, Beto, have you ever met John Travolta, after all of this success that you had?

Beto Perez:

No. No. You know, I was in the very famous, like Oscars, but for India, like Bollywood. And it was in Tampa, I think. Very, very big event. I forget the name. I was there, but I was very separate. And John Travolta was there. He danced on the stage. And I say, "Wow. John Travolta, thank you. You inspired me."

Gene Marks:

Oh, that's great. Well, listen, Beto Perez, thank you so much. You're an inspiration. And like I said, your story is fantastic. And I hope it does get made into something on Netflix. It's certainly something I would watch. So, thank you. Any website or any place you would like to direct our listeners?

Beto Perez:

Yeah, you can go to Zumba.com. My Instagram is @zumbabeto, and my gym is at City Zero, Miami. City Zero, with Z. Miami.

Gene Marks:

Sounds good. Thank you very much for coming on, a great story. Thank you.

Beto Perez:

Thank you. Thank you so much.

Gene Marks:

Do you have a topic or a guest that you would like to hear on THRIVE? Please let us know. Visit payx.me/thrivetopics, and send us your ideas or matters of interest. Also, if your business is looking to simplify your HR, payroll, benefits, or insurance services, see how Paychex can help. Visit the resource hub at paychex.com/worx. That's W-O-R-X. Paychex can help manage those complexities while you focus on all the ways you want your business to thrive.

Gene Marks:

I'm your host, Gene Marks. And thanks for joining us. 'Til next time. Take care.

Announcer:

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