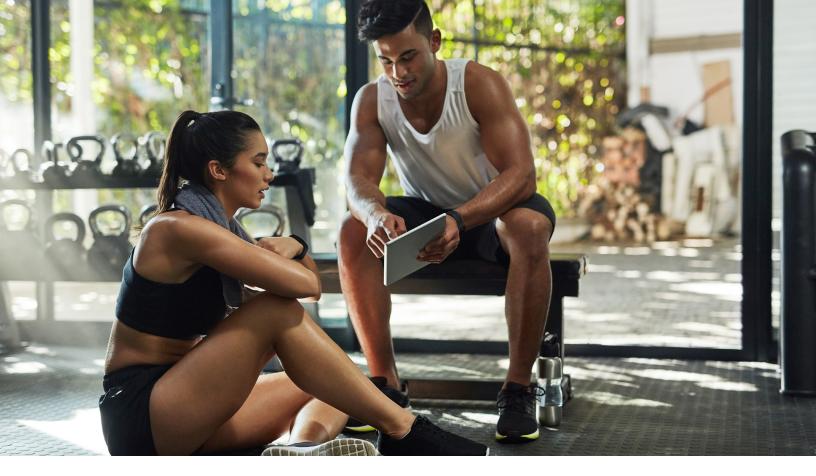
# CLUB INDUSTRY

# THE FUTURE OF TECHNOLOGY IN THE FITNESS INDUSTRY

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#### **EDITOR'S LETTER**

# THE ACCELERATION OF TECHNOLOGY'S ROLE IN THE FITNESS INDUSTRY

t should come as no surprise that Club Industry is once again bringing you a report on technology in the fitness industry. Had this been 10 years ago, you may have wondered if there really was more to cover on this front in just a year since the last report on this topic.

But truth be told, a lot has changed in a year. Last year, we were in the midst of the COVID-19 pandemic and club shutdowns. Operators were uncertain about what the future held for their businesses and for the industry.

Technology was a lifesaver in many ways, allowing operators to move fitness online, allowing touchless access to their facilities, collecting data on club usage and membership freezes, and even the technology that allowed temperature checks at front desks.

Technology's role in the industry had been growing for years; the pandemic simply accelerated it.

U.S. health clubs have now reopened, and operators have learned a lot about their business, their strengths, their weaknesses, their brand loyalty, their executive team and staff, their ability to pivot and be nimble, how to engage members differently, how to communicate with staff and members and so much more. But club operators have so much more to learn.

In this report, we share the effect that technology is having on sales and marketing as well as training and group fitness. Our sponsors share their expertise and insights on how technology will help you grow, how it is being used to best present a hybrid model, how technology will help clubs connect with every generation, and the impact that social media technology has had on reshaping the industry.

We hope the insights will help you as you move forward and make decisions about the future of your business.



Sincerely,

Pamela Kufahl Director of Content Club Industry

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In today's world, In-Shape Health Clubs, which has clubs in California, is using data to create more personalized communication. (Photo courtesy In-Shape.)

# TECHNOLOGY'S IMPACT ON SALES AND MARKETING

Giving technology a larger role in sales and marketing is necessary to get your health club noticed and new members through your doors.

BY LAUREN BEDOSKY, CONTRIBUTING WRITER, CLUB INDUSTRY

The COVID-19 pandemic was chock-full of lessons for the health club industry. Namely, that technology plays a significant role in running a successful fitness business.

"On a broad scale, what the COVID shutdown did was thrust technology to the forefront, where technology is both an enabler of the modern fitness club, and a direct competitor," said Eric Goodstadt, CEO of <u>UpSwell Marketing</u>.

When gyms closed, members were forced to find a DIY fitness solution. Some clubs were able to provide that solution via technology in the form of virtual fitness classes or personal training, but many were left scrambling. For those clubs, getting members back from their at-home fitness routines is going to be a significant challenge going forward, according to Goodstadt.

On the other hand, technology has played a large role in the reopening of fitness clubs.

"The ability to report capacity numbers in real-time, reserve fitness classes, make online appointments, book services in advance and join a club through a desktop or app portal has been a game-changer," said Merikay Marzoni, director of marketing and public relations at *Fitness Formula*  <u>*Clubs.*</u> "Add to that the automation communication for these features and fitness businesses are able to run their businesses safely and efficiently."

Ultimately, the message is clear: Technology is here to stay. And to stay competitive, health clubs need to embrace technology in some form or another moving forward.

#### Technology in the Post-Pandemic Era

Any club owner who only hopped aboard the technology train because of the pandemic should consider the many ways it can help them with their sales and marketing post-pandemic. For one, technology can overcome many natural barriers to gym membership, including the sales process.

"Millennials in particular prefer not to talk directly to salespeople," Goodstadt said.

By addressing common membership questions online and allowing people to enroll from home, gym operators may be able to attract members who might otherwise be put off by the membership process. This way, new members can simply show up to the gym and get right to their workout without ever talking to anyone in sales.

#### How Technology Can Improve Sales and Marketing

Technology has essentially blurred the line between sales and marketing.

"I think we're in a unique era where sales and marketing are becoming less distinguishable," said Garrett Marshall, president of fitness streaming for <u>Xponential Fitness, LLC</u>, a portfolio of nine brands of boutique clubs

In the past, the customer journey was more linear, where marketing came first and sales came second.

Marketing would spark interest, which allowed for sales to take place.

"But today, technology has created a multi-dimensional customer environment where interaction with customers and prospects is done in real-time. So technology and automation are virtually required just to keep up," Marshall said.

In particular, any technology that provides customer data is a must-have because this allows health clubs to take their sales and marketing a step further with personalization.

"Data is more important than ever," said Sandra Lei, senior director of marketing at <u>In-Shape Health</u> <u>Clubs</u>, which has clubs in California. "With the competitive landscape, data-driven marketers gain valuable insights into their prospects' behaviors. Applying this data results in much more personalized communication. You want your prospects to say, 'They get me. They understand what I need.'"

#### The Role of Artificial Intelligence

Artificial intelligence (AI) technology can help clubs personalize their sales and marketing. Chatbots, mobile apps, and wearable devices are just a few examples of AI technology being used by the health club industry today.

"Artificial intelligence is a good tool if used correctly," Lei said. For example, delegating repetitive tasks and data-gathering to AI sales and CRM technology helps sales and marketing teams stay on top of leads while allowing them to focus on tasks with the most revenue potential.

Importantly, AI doesn't replace humans in the sales process.

"Instead, [AI] gives reps the tools and insights they need to work smarter. AI can streamline workflow by providing important information quickly and

"Any club owner who only hopped aboard the technology train because of the pandemic should consider the many ways it can help them with their sales and marketing post-pandemic. "

efficiently," Lei said.

Xponential Fitness uses <u>CIPIO</u>, a customer intelligence platform, to support lead nurturing at every step of the sales process.

"We're tracking prospects before they even volunteer any information," Marshall said.

A prospect may come through the sales funnel at any number of digital touchpoints, such as social media, email or blog posts. Once they enter the funnel, the system sets up a contact record and tracks their behavior.

> "What that allows us to do is, once you actually decide you'd like to know more and you pass on some information, we can much better personalize our communication with you," Marshall said.

On the member side, AI can help extend the in-club experience, often via mobile apps.

"Think of it as a way to motivate your members when they're away from the gym," Goodstadt said. For example, the app could send messages encouraging members to get out of their chairs throughout the day or to order a salad instead of pizza at lunch.

"In today's multi-connected environment, you cannot lose sight of how technology must become an extension of your club experience," Goodstadt said. "A gym today is much more than clean equipment, a nice locker room and a solid music track. It is an extension of my fitness regimen in that it provides my data in a personal and encouraging manner."

Goodstadt encourages club owners to look into apps, smartbands and other digital methods that can keep members connected to the gym at all times.

"If you're a gym owner and you're not embracing technology that monitors and recognizes the activity your members are doing, you need to get on it," he said. Find the method that fits your facility the best.

The app for <u>Blink Fitness</u> has made a major impact on member acquisition and retention, according to Blink CEO Todd Magazine.

"We didn't think of the app as a selling tool, but a lot of our leads are actually downloading the app, seeing what features we offer and joining through the app, so that's been a huge surprise for us," Magazine said.

Though technology has been an important element of its business since Blink Fitness opened a decade ago, its app only launched a few months before the COVID shutdown. Initially, the app only



Blink Fitness found that many of its leads are downloading its app, checking out what the club offers and then joining through the app. (Photo courtesy Blink Fitness.)

provided information about fitness, nutrition and recovery, but as the pandemic progressed, the company made changes to better address the challenges its members were facing.

"During the heart of COVID when we had a lot of capacity restrictions, people were frustrated that they couldn't get in, so we added a reservation feature to the app," Magazine said. Now, the app includes a capacity meter so members can check to see how crowded a facility is at any given time.

The app also includes more than 500 classes, customizable workouts, tips and recipes, along with virtual personal training. It keeps tabs on user engagement and sends personalized content to help each member continue their fitness journey outside of the gym.

Nearly 80 percent of Blink members use the app frequently.

"The app has really become a portal for members and nonmembers alike," Magazine said.

Still, there are downsides to AI – cost being the main one.

"[Al technology] can be expensive, especially for small and medium businesses just trying to survive right now," Marzoni said.

It can take a great deal of time and resources to see any returns from AI, which, in today's climate, is not a luxury most can afford, Marzoni said.

If you're on the fence about AI, consider trying it out on simple, repetitive sales and marketing tasks, she advised.

#### **Getting Sales and Marketing Back on Track**

"Right now, everyone is trying to do more with less," Marzoni said. So don't be afraid to lean into technology while you ramp up your sales and marketing. Automated email campaigns, apps, online sign-up services and even online ordering from the club cafe can help free up human labor to focus on other areas of club management.

However, there are instances when technology should take a backseat to old-school practices. For example, coaxing back former members, as well as members on freeze, may require a human touch. Goodstadt and Marzoni agree that calling and direct mail campaigns are the way to go here.

"It can take a great deal of time and resources to see any returns from AI, which, in today's climate, is not a luxury most can afford." "Direct mail will continue to be one of the top channels for member acquisition," Goodstadt said. The conversion rate for direct mail is between 5 to 7 percent, compared to less than 0.5 percent for social

media, according to Compu Mail.

"It's difficult to match member profiles with social media due to privacy laws, but in almost every case you have a physical address," he said.

While you ramp back up your day-to-day operations, be sure to keep an eye to the future. One clear takeaway from COVID is that club operators need to be able to serve their members through multiple channels – both digital and in-person.

"Make sure that your Achilles' heel as an operator isn't that you have a single distribution channel," Marshall said.



Xponential Fitness, which owns CycleBar among nine brands, is seeing a thirst for a return to live experience, but a lot of its members have other factors in their life that prevent them from coming into the studio. (Photo courtesy CycleBar.)

# TECHNOLOGY AND TRAINING: A PERMANENT MATCH FOR TODAY AND THE FUTURE

The use of technology will continue to increase the ways in which health club and studio operators can engage and motivate their members both inside and outside their facilities.

BY SARAH PROTZMAN HOWLETT, CONTRIBUTING WRITER, CLUB INDUSTRY

Be it large group training, small group training or personal training, consumers have come to expect – even demand – upgrades to their engagement with their classes that are rooted in the latest technology. Although offerings such as ondemand classes, heart-rate monitoring and club apps took shape long before COVID-19, their continued use may expand the ways in which operators can engage and inspire customers both at home and on premise.

#### **Demand for Interactive Components**

Technology continues to raise the bar for group exercise and training. The forced adaptation to virtual during temporary gym closures during the height of the COVID-19 pandemic allowed easy access to workouts and time savings for consumers juggling the demands of at-home life.

Pre-COVID, only about 1 percent of class bookings through the Mindbody app were virtual, but once shelter-in-place orders hit the United States in mid-March, that number skyrocketed. The number of people who attended virtual classes on Monday, March 23, 2020, was 230 percent higher than the previous Monday, according to <u>data from Mindbody</u>.

Although gym restrictions have been lifted in the

United States, live and on-demand virtual classes will continue.

"We're seeing a real thirst and hunger for a return to live experience, but a lot of our members have other factors in their life that prevent them from coming in," said Garrett Marshall, president of fitness streaming for <u>Xponential Fitness</u>, <u>LLC</u>, a portfolio of nine brands of boutique clubs.

Club operators who continue to offer virtual training must keep at-home classes engaging, according to Anthony Wall, director of professional education at the American Council on Exercise. One popular way they are doing so is to incorporate leaderboards, real-time heart rate monitoring and personalized feedback. Connected via Bluetooth, an individual's heart-rate tile can be displayed in overlay to the instructor and to others taking the class, which bolsters the community environment.

Smart home exercise options such as Peloton, Mirror and Tonal are setting the expectation for what at-home workout experiences can be, Marshall said.

"If you're really going to compete, you're going to have to up your game," he said. "A streaming experience isn't enough anymore. Consumers want to see their data in real time." Instructors can leverage real-time biometric data to not only prescribe the exercise but also the intensity, said Mike Leveque, CEO-Americas at Myzone. An instructor can say, for instance, that this set of burpees should yield 80 percent to 90 percent on a heart-rate tracker, which is more motivational if it is personalized, he said. They know they are performing the correct exercise at the correct intensity. Further, as the expansion of Orangetheory and F45 Training have established heart rate as a standard, virtual classes can overlay video exercise demos as a form of quality control while the instructor motivates and provides injury prevention, Leveque said.

Xponential was already broadcasting livestreams weekly across all its brands pre-pandemic, and those offerings become on-demand options for subscribers. (Digital subscribers can follow along

with many live, on-premise classes from their homes.) Xponential also offers small group virtual training with a local instructor on-premise at one of its franchise locations.

In February 2020, out of the 40,000 clubs in the United States, there were 7,000 to 8,000 operators with some form of digital offering.

"Now it's 25,000 to 30,000," Marshall said. "In 12 to 16 months, you have 20,000-plus commercial

operators who have built a digital offering for customers."

It's not enough to record workouts; they have to be well produced, according to Jarrod Sarraco, COO of World Gym.

"If you do it, invest in the resources to do it well," he said. "Make sure you've got your music license and insurance in order. We were forced to do these things; now it's time to make sure that we do it right."

At a time when many people are wary of coming back to a gym, operators need to give users everything at their fingertips, which is why a great club app offering digital check-ins is a must, Sarraco said.

"The club app should be able to digitally send a guest pass to a friend, make it easy to pay for and cancel classes, and your member ID should connect you to your account," he said. "Make it easy for people to do business with you and refer their friends. Referrals are a lost art for a lot of people, and some gyms have gotten rid of salespeople. And as an owner, I should be able to track all that data."

"Smart home exercise options such as Peloton, Mirror and Tonal are setting the expectation for what at-home workout experiences can be. "

Pre-recorded workouts or courses-such as instruction on how to safely use equipment- are great revenue adds that welcome people into your experience at a lower price point, according to Michelle Blakely, founder of See Jake and Jane Train.

"It could be three days of healthy family meals and workouts, a gift from us to you," she said. "Once they see the quality, they'll purchase. Get the best camera you can afford, a great mic, a ring light and a plant in the corner. It needs to look good."

#### **Platform Pratfalls**

When offering streaming, club operators need to select a platform partner who provides the ability to charge members and identify through an API that members are paying for an upgraded membership and should have access to the program, Leveque said.

"The technology needs to be able to discriminate," he said.

Marshall shared this view, adding that seamless scheduling and controls on who can and can't access that class are crucial for operators to protect their investment.

Wall is seeing a big evolution in the integration of these platforms for smaller studios and individuals. Apps that do everything from reservations, workout videos, choosing classes and streaming (both paid and free)

provide further opportunities to monetize.

"The longer you stay on that platform, I can sell you different services, clothing, maybe even food plans," he said.

Platforms such as MindBody, JiJo and Trainerize all create an environment where trainers can meet their clients virtually, Wall said.

But Blakely cautioned that not every operator needs such a complex program. The personal trainers she coaches get by with using Stripe or Square for billing, then training over Skype, Facetime or Zoom. A lot of operators are being sold bells and whistles they don't need, she said.

"You don't need to overhaul everything," Blakely said. "Don't build an in-ground pool if all you need is new lawn furniture."

This exchange of data between producer and consumer allows club operators to up their game, Marshall said. He may price classes differently depending on demand. Plus, he can access login information to see how many workouts a customer has done and whether those are done off-premises or in person. This fosters a better connection

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For Myzone app's two million users in 84 countries, 40 percent of their workouts are done in-club and 60 percent outside. (Photo courtesy Myzone.)

between producer and consumer, he said.

"As a club operator, you can use that data to build individual class experiences and to find out which classes produce the greatest turnouts," he said. "The more workouts we can get you to take, the more you're worth as a customer."

#### **Investment and Revenue Opportunities**

In small-group coaching sessions, further revenue opportunities arise with the addition of behavior and lifestyle change.

"Virtual really breaks down the intimidation factor, and we are starting to see some of these conversations bleed into group exercise," Wall said.

"Apps that do everything from reservations, workout videos, choosing classes and streaming (both paid and free) provide further opportunities to monetize." "I may ask at the end of a virtual class what someone has done differently this week, offer a reflection moment or spend time talking about goals. We can give exercise solutions but also help with goals and habits, and it's more accepted now to do that in a virtual world."

Heart-rate tracking could be a value-added piece to a higher-tier membership, Sarraco said, especially if consumers see the technology is used with clarity and intention. Operators should build them into the culture of the company and know how they are going to make the investment worth it. "Make it part of your membership tour, and don't just let the front desk do it," he said. "This doesn't set a way to seize these opportunities."

Virtual offerings can also benefit individual instructors, many of whom are parents who are no longer able to get to a club to teach a 7:00 a.m. class, for example.

"They have kids who have been home for a year and a half," Sarraco said. "Virtual instructors could fill open class times and this may be easier on the payroll."

So instead of a live 7 a.m. class anymore, members can press play from home and still enjoy their favorite teacher offering a class from their home.

Wall sees opportunities here as well. Although not every gym will keep offering off-premises classes, he worries those that don't will lose members – or at least lose their standing as a hub of wellness in their communities.

"Maybe your club was close to work but you're not commuting anymore, but you can still access the instructor or studio you like, or maybe just the best instructors - whereas maybe those people were only available at one club and you could never go," he said. "That seems exciting."

#### **Bundling Virtual with In-Club**

Although the hybridization of group exercise started prior to the pandemic, the forced closure of clubs has led to virtual classes often being bundled with membership. On-demand packages may offer access to a certain number of streaming classes per month. A \$5.99 charge for this upgrade provides a true yield enhancement to a \$10 or \$20 membership, where if clubs need to be closed again, they can rely on that certainty of revenue from customers, Leveque said.

Platform costs for streaming can range from under \$1 per month per member to a fixed cost of \$100 per facility regardless of the number of people using the platform.

"They can be steep for some platforms, but those are usually part of a pay-for-programming technology that is simply charging a member for the use for access to streaming outside the club," Leveque said.

XPonential owns all its proprietary apps but most other clubs do not, Marshall said.

"There are pretty significant engineering costs," Marshall said, estimating it at 20 percent to 25 percent of revenue for digital business.

#### **Other Engaging Tech**

Sarraco urges investment in technology such as large video screens that create an immersive instudio experience. Consumers expect screens on the

wall that put users on a road course during a hill climb and consoles on cardio equipment that can take the user on runs in different parts of the world. Clubs can invest in interactive video games for loss leader kids' areas to encourage kids to work out.

"That type of technology can reinvigorate a business," Sarraco said.

When it comes to technologies that are particularly valuable to users, frictionless and easy to use rule the day, Wall said.

"If I can use an app that's easy for me to understand and that offers a small menu of things for me to do, that's better than an app with 27 features," he said. "We know from research that kids have more apps on their phones than adults but don't necessarily use all of them."

Operators should remember that lighting and environment are also forms of technology, Sarraco said.

"Your sound system can be connected to your lights, and it's a truly amazing experience when you go in there," he says.

#### **The Future of Virtual**

Perhaps the biggest question facing the fitness industry after its pandemic pivot is whether virtual workouts stick around.

"I think it's pretty clear that digital is here to stay. But that's not to say that it becomes a replacement

"When it comes to technologies that are particularly valuable to users, frictionless and easy to use rule the day."

for the in-person experience," Marshall said.

Think of the ways you experience your favorite music: Phones and streaming services are a convenient way to enjoy it, but if you love Taylor Swift, then nothing beats seeing Taylor Swift perform live in Madison Square Garden, Marshall said.

Some members will still rely on virtual offerings, while others have tired of the computer screen, Blakely said.

"They've seen, with how busy their lives are, the convenience and effectiveness of doing things virtually," she said. Some people are returning to inperson workouts because they crave the connection and community, but a lot of others don't want to return.

Some operators will not continue with a robust menu of virtual options, but Wall fears complacency.

"If your demographic is the same one you targeted two years ago, you'll be missing new clients," he

> said. "Consider all the people working remotely now. They're not going to drive 45 minutes to the gym they chose because it's near their work. They are looking for more local solutions."

Other operators may continue to prioritize online workouts that customers can use when they travel for work or go on vacation, Sarraco said.

Likewise, Myzone's Leveque views online services as a staple of how clubs provide for their members going forward.

"The goal of the modern club is the fitness hub of the community, not just a destination to train one or two times per week," Leveque said, adding that for his app's two million users in 84 countries, 40 percent of their workouts are done in-club and 60 percent outside. By contrast, data from last April's lockdowns revealed that only 3 percent of workouts took place on premise.

"I'm firmly convinced that if a club wants to expand their reach and reinforce their brand, they have to have a combination of pre-recorded and livestreamed classes," Leveque said. "The challenge for clubs is members' habit formation of exercising at home in the pandemic. That will be the true challenge: whether this will be a supplement – or a replacement of in-club membership."

[Editor's Note: Lauren Bedosky contributed to this story.]

# ABC FITNESS SOLUTIONS 4 REASONS WHY INVESTING IN TECHNOLOGY NOW IS THE SECRET TO GROWTH

An underexplored engine of business growth comes from the technology in which you invest for your fitness facility.

BY CRISTINE KAO, CHIEF MARKETING OFFICER, ABC FITNESS SOLUTIONS

Fitness industry technology is getting more sophisticated. Until recently, gym owners had to source and integrate disparate platforms to run their clubs: email marketing software here, website CMS there, and software for accounting and tracking sales somewhere else. On average, club operators use between six and eight products to manage their business, spending a minimum of 1.5 hours each day collecting and analyzing data to gauge performance.

As clubs reopen, operators are focused on expanded services, member engagement, increased wallet share and operational efficiency. Through this process, many are realizing the value of all-in-one club solutions that pull disparate technologies together, reduce friction, control costs and make it easier to check the pulse of an individual club or multi-location brand anytime, anywhere.

Here are the reasons why smartly investing in technology is an underexplored engine of business growth.

**1. Improve time and cost efficiency.** Although the price of most software solutions may be reasonable, multiple monthly fees add up. Additionally, maintenance, employee training and the transition between tools to complete tasks add costs to daily operations and reduce the time to focus on running the business.

**2. Provide timely data insights.** Your data is your goldmine. Store your data in a single place for better control and informed decisions. Pulling data from different siloed club management software tools is inefficient; identifying issues, making decisions and responding to the changing needs of the business all take longer. With a holistic solution, operators can easily access, digest and learn from interconnected data that can be leveraged into strategic decisions that improve club performance.

#### 3. Create a more collaborative environment.

As club operators navigate new and more digitized revenue streams, they will find that transparency, bottom-up decision-making and collaboration are key to a successful business model. With the increased transparency that comes from moving to an all-in-one club management suite, your team can see firsthand how their actions influence the bottom line.

#### 4. Optimize the user experience to boost

**sales.** Today, you can get a complete view of your members across all marketing channels in one place and in one dashboard.. By optimizing and personalizing the user experience, club staff can strengthen the relationship between members and the club as well as create new product offerings and sales touchpoints. Moreover, centralized access to insight on current and prospective members' buying journey also removes much of the guesswork for sales teams. Sales leaders can proactively target members through personalized messages that encourage continued engagement and build trust. These communications can be automated or scheduled, ensuring prospects don't slip through the cracks.

When shopping for new technology, it is important to ask critical questions. Does this technology configure well with my club's unique operations and member experiences? Can it perform at the same level of functionality as my current tool stack? How long does transition, implementation and training take? Does this suite offer the necessary flexibility and scalability for modules only when needed? Solutions built with a modular design make it possible to weather uncertainties and seasonality by breaking complex systems into manageable parts that scale effectively.

The best club management suite is modular, affordable and potentially achieves 99 percent collections within three months, a five time increase in lead pipeline software and a 25 percent uptick in member lifetime value. As hybrid club business models become mainstream, club operators should ensure their team and members are getting the most out of their valuable technology.

#### BIO

Cristine Kao is chief marketing officer for <u>ABC Fitness</u> <u>Solutions</u>. She has 20 years of experience in the health and wellness sector. Her knowledge of modern marketing and fitness includes demand generation, product marketing, sales enablement and client success. Kao has a bachelor's degree in science and business with a biochemistry option from the University of Waterloo. She is also an alumna of the Harvard Business School.



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## SPONSOR: EXER KEYS TO WINNING IN THE HYBRID FITNESS MARKET

In a hybrid world, fitness brands that build high-quality virtual experiences for their communities will retain members and grow faster than their competition.

#### BY CLINT GEHDE, CO-FOUNDER AND HEAD COACH, EXER

ore than 45 percent of consumers intend to make virtual fitness a part of their weekly routine going forward. Since March 2020, 85 percent of Mindbody consumers now attend livestreaming classes weekly versus 7 percent in 2019. Virtual sessions allow athletes to explore a range of experiences, avoid a commute to the gym and customize their fitness schedule.

This massive opportunity may require a seismic shift in how you think about your business. In a hybrid world, fitness brands that build high-quality virtual experiences for their communities will retain members and grow faster than their competition.

A recent Mindbody survey showed 40 percent of consumers are booking virtual workouts with studios they had never physically visited before, which means a large segment of the market will be reachable through first-time remote experiences. Taking digital seriously will give you a concrete advantage: reaching consumers where they make buying decisions.

But are you confident that your digital workout experiences stand out against the competition? That competition is only growing, and it includes digitally native brands such as Apple Fitness+ and Peloton.

It's not easy to deliver a digital fitness experience that lives up to modern consumer expectations, but the pandemic accelerated virtual fitness adoption, which means a recent explosion in tools and best practices that will quickly improve your offerings.

Questions to answer right away include: Are you offering live or pre-recorded on-demand workouts to your community – or both? What software will you use to livestream classes and provide on-demand content? What software or platform will keep your community engaged—with you and with each other?

We've seen thousands of virtual workouts – livestreamed and pre-recorded – from fitness brands all over the world. They included a lot of innovative approaches to differentiating a virtual workout experience – including a lot that you should probably avoid.

Only a small percentage of virtual workout options are doing more than the status quo – simply running classes that were previously in-person on a platform such as Zoom or Facebook Live. Rapidly growing brands recognize the remote experience is nothing like an in-person one. Virtual workout sessions deserve to be designed in ways that take advantage of what makes them unique. It's not too late to upgrade your digital strategy while your competitors are exploring similar options.

The right toolkit for virtual fitness is an important foundation. Best-of-breed streaming platforms, a metrics solution for accountability and a social layer connecting members are three areas to consider. These areas have benefited from the recent innovation explosion, so now is the time to review your technology choices.

Here are eight areas of virtual workout experiences to consider:

**1. Offer** multi-platform access to athletes, and broadcast to more than one streaming platform at once to meet them where they are.

**2. Choose** a broadcast location that reflects your brand. Consider backscreens or wall art that reinforces your mission or mantras.

**3. Be deliberate** about choosing video streaming platforms. This area has seen great innovation in the past two years.

**4. Leverage** breakout rooms to motivate small groups to compete with one another.

**5. Optimize** how you share music. Pipe it directly to athletes for an immersive workout.

6. Explore Al-powered tools that help with workout metrics, form correction and post-workout summaries.
7. Invest in better cameras and stage lighting for a high-quality production.

**8. Consider** a two-coach approach to virtual training, allowing one coach to focus entirely on attendees, social engagement and targeted instruction.

The brands that thrive in tomorrow's increasingly hybridized world will be those that leverage modern tools to craft better remote experiences. Going the extra mile will strengthen your communities and enhance the virtual experience you deliver, leading to a strong, growing business.

#### BIO

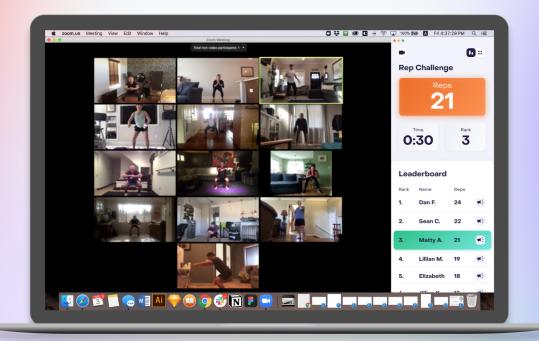
Clint Gehde is co-founder and head coach at Exer, a fitness AI startup building tools to empower coaches and practitioners. The Exer Studio app adds leaderboards and motion scoring to virtual fitness workouts using athletes' laptop or smartphone camera – no extra hardware needed. For more information, email <u>hello@exerstudio.com</u>.

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### SPONSOR: FREEMOTION FROM IFIT THE OMNICHANNEL APPROACH IS HERE TO STAY

The way people work out transformed during 2020. Consumers are now digital natives who are used to content-driven fitness experiences online. Clubs must adapt.

#### BY JEFF ESSWEIN, VICE-PRESIDENT OF STRATEGIC ACCOUNTS & DIGITAL CONTENT, FREEMOTION FROM IFIT

The one impact of COVID-19 that will perhaps most shape the industry's future is the way the pandemic accelerated adoption of digital and online services. At the beginning of the pandemic, as facilities closed their doors, the "pivot to digital" saw operators create and adopt a plethora of new services to keep members engaged.

Some were more successful than others. Some trainers offered services through Zoom and Facebook, some independent operators did "their own thing" and some multi-site chains created their own sophisticated platforms in record time. Others partnered with existing online fitness platforms and made them available to members.

In a matter of weeks, the health club industry was turned on its head. In the absence of face-to-face interaction, digital and connected fitness solutions took center stage. The pandemic fast-forwarded the march of digital services within fitness by at least five years.

#### **Changing Landscapes**

Exercisers have embraced workouts at home and outdoors, driven by the explosion in digital fitness solutions: 71,000 new fitness apps were launched in 2020 alone, according to App Annie.

The pandemic has affected every area of business and life. From staying in touch with family and friends to retail and healthcare, digital is now part of everyday life. As a result, consumers have become digital natives. They are used to content-driven fitness experiences online, which have enabled them to maintain their fitness routines even when team/group environments are off-limits or restricted.

In short, consumers have become much more techsavvy, and they have built entirely new workout habits.

#### Bridging the Experience Gap

So, as lockdowns lift around the world and fitness businesses return to action, facility operators are faced with challenges, including how to successfully integrate a facility-based offering with a digital one and how to reach members outside the club or studio. The solution is to bring down the four walls of a facility. To create a genuine omnichannel experience that can truly engage members – whether they are at the gym, at home or on the go.

Omnichannel means shifting from purely brick-andmortar to a model in which operators provide an entire ecosystem of fitness options to meet the increasingly diverse needs and expectations of exercisers. Any genuine omnichannel approach needs to cater to consumers who see the gym floor and/or group classes as one of many channels delivering their overall fitness experience.

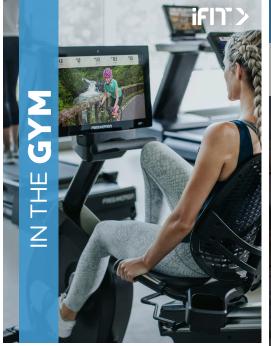
Modern fitness consumers want a connected fitness service that allows them to train wherever they are and records their progress and performance.

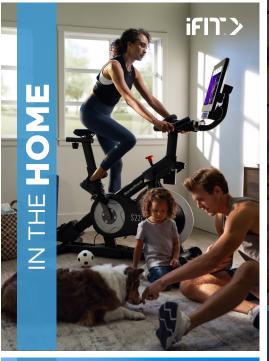
Brick-and-mortar facilities can't expect to have a successful omnichannel model if they offer a traditional gym experience focused on equipment but then launch a digital platform offering, say, yoga or a "no equipment" functional fitness service. Combining two such different experiences will feel disconnected, and the operator risks losing engagement.

For an omnichannel to work, the member has to feel that the experiences offered at the gym and at home are identifiably similar and connected. They can never be entirely identical because a home will never offer the variety of equipment a gym can. But if operators can bridge the "experience gap" between what they offer in their facilities and what they provide outside of them, the members will keep tapping into that experience. Link the experience somehow, connect the "stories," and you have yourself a genuine omnichannel that will keep members engaged.

#### BIO

Jeff Esswein is vice-president of strategic accounts and digital content at <u>Freemotion from iFIT</u>. He built two 150,000-square-foot multipurpose athletic facilities in the 1990s and has operated them since. He has served as the executive director of six health and wellness centers, president of a sports and entertainment business for an investment firm, the COO of Velocity World Media, and founder and executive vice president of ClubCom.





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## SPONSOR: INTELIVIDEO WHY DATA IS KEY TO THE DIGITAL TRANSFORMATION OF THE FITNESS INDUSTRY

Data will allow you to leverage your digital platform to improve the member experience, retain your members and gain new ones.

#### BY ADAM ZEITSIFF, PRESIDENT AND CEO, INTELIVIDEO

The past year transformed the fitness industry with the forced closures of brick-and-mortar locations. Many gyms, studios and fitness businesses turned to technology to survive, offering existing and prospective members alternative ways to work out. The hybrid model kept countless facilities in business.

As gyms reopen and members return, technology will still play an important part in the member experience. A <u>recent study on consumer trends by The New</u> <u>Consumer</u> revealed that the pandemic prompted 76 percent of all consumers to switch to at-home exercise. What may be surprising is that 66 percent claim they now prefer it. The hybrid model is not going away. Members continue to demand options to work out whenever, however and wherever they want. How can you leverage your digital platform to improve the member experience, retain your members and gain new ones? The solution revolves around one key factor: data.

Your digital platform is a data warehouse that provides a holistic view of your members' behavior and engagement with your platform. Knowing how to streamline the silos of data it provides opens a new world for operators. Using business insights and artificial intelligence, gyms and fitness facilities can effectively and efficiently leverage the capabilities of their digital platforms.

More than just a way to stream content, your digital platform offers member and business insights that can enhance engagement and increase retention for continued growth and revenue. Whether tracking which days of the week members most often use the platform or following which classes are most frequently viewed by members, this data can help you create and grow your media library with targeted training and content your members will find most engaging. And by tracking which device is used to access content, operators can offer engaging, hyper-local digital experiences through customers' preferred channel (on-demand, livestream or in-person).

Business insights can also reduce churn by tracking member counts, scheduled cancellations and lost members. By analyzing data in real time and combining it with check-in and activity data from an in-club pointof-sale system, operators can quickly reassess offerings and/or enhance membership plans by identifying trends associated with turnover.

Artificial intelligence takes digital platforms to another level by unifying the data lifecycle steps, operationalizing automated workflows and incorporating operational insights directly into engagement systems. Al can help operators better understand members based on consumption and interaction patterns. This data empowers fitness stakeholders and nontechnical users to rapidly uncover trends and engagement patterns to enable timely decision-making to consistently engaging members across channels and devices. Through predictive recommendations generated from data, operators can guickly reassess offerings and enhance and improve the customer experience, resulting in increased engagement. This targeted customer personalization reduces churn while increasing the customer lifetime value and positively affecting the bottom line.

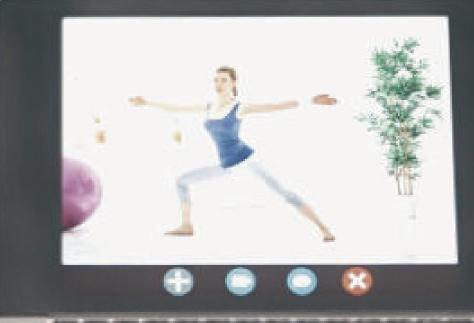
Understanding how to leverage the data your digital platform provides can unleash numerous opportunities for fitness club operators. However, for the data to be useful, operators need to put in time and effort to make it work for them. Invest in your team to "own" the digital side of your business, hire the right support and incorporate appropriate advanced systems to allow you to engage with the data and implement suggestions. Once you've applied those learnings, your online platform will be an engaging, hyperlocal digital experience for members and one that empowers you to retain and grow your customer base – and, ultimately, your business – year after year.

#### BIO

Adam Zeitsiff is president and CEO of Broomfield, Colorado-based Intelivideo, a digital platform for gyms, health clubs and fitness operators. He also serves as a board member of the National Health and Fitness Alliance, which is part of the International Health, Racquet and Sportsclub Association (IHRSA). Before joining Intelivideo, Zeitsiff served as global president and CEO of Gold's Gym. His more than 15 years of fitness industry technology and club-operating experience guides Intelivideo as a trusted partner to gyms and health clubs worldwide. Connect with Zeitsiff and follow him on Medium.com.

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## SPONSOR: LES MILLS INSTRUCTORS ARE YOUR MOST UNDERVALUED RESOURCE IN A GYM

In an age when technology's role has increased in importance to the fitness industry, one element that remains critical to success is good employees, particularly instructors.

BY JAK PHILLIPS, GLOBAL CONTENT DIRECTOR, LES MILLS

n an age of automation and digital disruption, inspirational individuals remain the only unique selling point in the gym that rivals can't copy. One great instructor can attract and retain hundreds of members to a club over time, while a team of them can transform a club's future.

However, many club operators undervalue the impact of instructors and risk weakening their bottom line as a result.

That's according to a recent research whitepaper, "The Impact of Instructor Quality in the Physical Activity Sector," which examines instructor impact on key club metrics and looks at solutions to raise overall quality of instructors and provide pathways for progression.

The report comprises insights from industry experts including mainstream and boutique club operators, academics, training providers and multiple industry bodies.

Concluding that group fitness instructors are among the most undervalued assets in the gym, the fourpart report spans topics including core skills of great instructors and how to teach them, the impact of instructors on member experience, how to maximize the value they bring to clubs, and how instructors can be better remunerated while helping clubs increase revenues.

The report also draws insight from relevant in-club examples, including a case study of Village Gyms, which saw class attendance across 29 clubs increase by 40 percent after investing in greater training and pay for instructors.

Here are five key insights from the whitepaper:

1. Instructors play a central role in club

success. From member retention through club marketing, the sector cannot afford to undervalue the instructor role. Many members are more loyal to a favorite instructor than to a facility, and an instructor's soft skills remain more important to members than industry knowledge or high-level qualifications.
2. Group workouts are the future. Classes

are a major selling point for the new generation of gym members. Fifty-two percent of Millennials and 50 percent of Gen Z club members engage in group workouts, preferring to tap into the social benefits of "the group effect."

#### 3. Soft skills should not be underestimated.

By understanding that soft skills in a rockstar instructor attract and retain members, the industry must close skills gaps at qualification level and invest in training and continuing professional development (CPD) for instructors.

**4. Rewards and recognition matter.** Financial recognition of instructors has barely increased in 20 years. Although pay is not all instructors care about, it remains a significant motivator. Operators should reward instructors through increased pay and by investing in learning, rewarding with CPD points and giving titles and awards.

**5. Retaining high-quality instructors is key.** Instructors form the frontline of mainstream clubs and studios. They possess the most up-to-date insights into member experience. Operators who interact well with instructors (particularly freelancers) can harness feedback to boost retention and improve member experience.

Instructor pay remains one of the industry's biggest challenges, and it's where boutiques have stolen a march on traditional clubs. The average instructor fee per class in a traditional club is still \$27, according to IHRSA. This has barely changed since the 1980s. It's difficult to recruit a new generation of rockstar instructors when personal training and boutiques pay two to three times as much.

Traditional clubs need to pay more to attract great instructors who can compete with the boutiques and low-cost clubs. This can be done on a win-win basis in which pay is linked to qualifications and results.

#### BIO

Les Mills recently <u>published insights on five practical</u> <u>steps clubs</u> can take to unlock the extra cash that can safeguard star performers and attract new talent. Les Mills is a New Zealand-based fitness company aimed at creating a fitter planet. The company has 140,000 instructors across more than 100 countries who bring world-class group fitness experiences to life every day. Author Jak Phillips is part of the Les Mills New Zealand team and helps bring the content to life. Find out more at <u>www.lesmills.com/us/clubs-and-facilities</u> or email questions to <u>support.usa@lesmills.com</u>.

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### SPONSOR: MYZONE THE FITNESS INDUSTRY IS AT RISK OF MISSING ONE OF ITS BIGGEST OPPORTUNITIES

The fitness industry must promote that it is a health delivery partner to encourage people who have little inclination to go to a health club to become healthier. Two keys exist to doing that.

#### BY DAVID STALKER, CEO OF EMEA, MYZONE

The world is gradually reopening after the pandemic, and so too is the fitness industry. After many months of facilities being closed to the public, club owners and operators are frantically trying to sell memberships to recoup losses and inject much-needed revenue back into their businesses. Understandable, but in this pressure to sell, we may miss one of the biggest opportunities to ever present itself to our sector.

The pandemic has alerted people to the dangers of being unfit and that adopting a healthy lifestyle may be one of the best ways to protect ourselves from COVID-19 as well as any future pandemics. This is where our industry can play a huge role, but only if we can successfully shift from fitness to health. Organizations such as EuropeActive and IHRSA are leading with this message, but it's up to the industry to take steps to make this a reality.

To do that, we need to become recognized health delivery partners in our local communities and start working with people who currently have little or no inclination to visit our facilities. We must build relationships with this new audience, earn their trust and take them on a health journey that many don't want to go on, especially not in our clubs – some people would rather endure a dental procedure than visit one of our facilities.

It won't be easy, but there are two ways to make the transition from fitness to health. The first is by investing in digital technology. This will allow us to take advantage of hybridization and work with local health professionals to deliver our programs and services to people in our communities. The results will be available for both the customer and the medical professional to see; after all, "if it can't be measured, it can't be managed." This could mean a cardiac rehab session at a local medical center or a free exercise class in a park. Our new customers won't have to visit a gym if they don't want to, but by assisting them on their journey to better health and improved fitness, we can convert them into people who use our clubs and centers – even if they don't particularly enjoy it. Let's face it, many of us don't like going to the dentist, but we go because we know we need to.

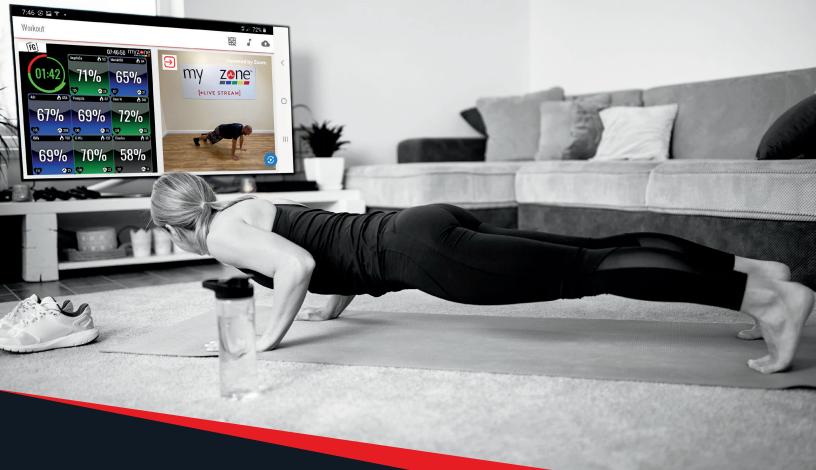
The second thing we must do as an industry is to improve our standards and professionalize our employees. We cannot market ourselves as health delivery partners if team members do not have the right skills, competencies or attitude to work with this new market.

It will be hard work, but we get the biggest rewards when we put the effort in. After what our industry has endured, I do not blame owners and operators for focusing on sales. For many, it is about survival, and some may feel they don't have the bandwidth to pivot to health right now. But the two are not mutually exclusive. You can drive revenue while catering to this new demographic, which is massively bigger than our current market.

My concern is that we will get lost in a drive for revenue and revert to what we have always done. And if we do that, we will lose this opportunity to position ourselves as health delivery partners who make a real impact on public health.

#### BIO

David Stalker is CEO of EMEA at Myzone, the leading provider of wearable technology solutions for the global fitness sector, and president of EuropeActive, the not-for-profit organization representing the European health and fitness sector. Represented in over 7,500 facilities in 85 countries and translated into 19 languages, Myzone is used by health and fitness clubs, corporate wellness sites, educational establishments or anyone wanting to track their physical activity. Stalker can be reached at david.stalker@myzone.org or visit www.myzone.org.

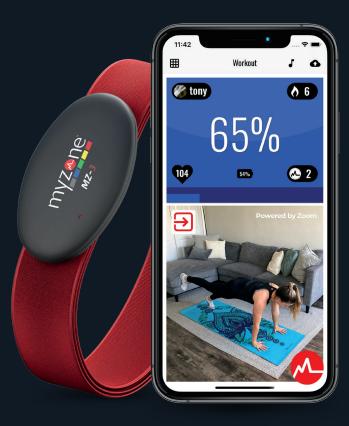


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# TECHNOLOGY-DRIVEN SOLUTIONS TO CONNECT WITH MEMBERS OF ALL GENERATIONS

Each generation has its own preferences, so to increase your revenue opportunities, connect with each generation in the way they want to be reached.

#### BY PRECOR INC.

To stay competitive and engage members, health club operators must strategically market their services and programming in a way that is meaningful to exercisers of all ages. This starts with understanding preferred modes of interaction, communication and rewards as well as spending habits for each generation of exerciser. Doing so helps you deliver a tailored experience to each generation so they will return to your facility for years to come.

#### Millennials (25 - 40 years old)

Millennials are comfortable with technology and stay connected via laptops, mobile phones and social media. They value convenience and expect flexible scheduling and use of technology throughout facility touchpoints. Millennials like to spend money on experiences and seek to support socially conscious businesses.

Reach Millennial exercisers by:

• Providing different ways to experience fitness through engaging, community-oriented programming.

• Offering on-demand fitness classes that include several workout styles and instructor personalities.

• Upgrading or enhancing your existing facility management system to provide an easy user experience that is seamless across all touchpoints.

• Engaging frequently through social media platforms.

• Sharing community volunteer efforts, fundraisers and holiday giving opportunities to encourage participation and build brand loyalty.

#### Gen X (41 - 56 years old)

This generation is independent and relies on their mobile phones to stay in contact. Direct text and email communication is preferred, and they like to make decisions their way. Gen X tends to be cautious with money and focused on saving. They are often busy caring for family, and their time is at a premium.

Engage with Gen X exercisers by:

• Ensuring that important facility information such as hours, childcare, programming and pricing are easily available on your website or app platform.

• Providing personalized and data-driven programming with features such as heart-rate tracking to allow for quick insights and performance feedback.

• Offering cost-effective programming that is easy to access on- or off-site.

• Making your facility family-friendly with childcare

services and programming for kids.

#### Baby Boomers (57 - 75 years old)

This generation prefers in-person or phone communication, though they are also embracing technology with mobile phones and laptops. Baby boomers have disposable income and spend money when there is factual relevance supporting a quality purchase.

They seek reward programs that provide a tangible reward. Help baby boomers become some of your best customers by:

• Connecting personally with these members by name. Market services interactively via staffed tables in your facility lobby.

• Providing technology support for class registration, facility app usage and on-demand services through dedicated staff assistance.

• Giving clear and scientific information in your marketing about the benefits of your facility programming or hiring a trainer.

• Providing discounts or facility credit for loyal

exercisers or those who spend money on services. All generations are getting more comfortable with technology integrated into all aspects of their lives. Simple ways to succeed include providing a high-quality website and an engaging social media presence with

educational posts and giveaways. Consider investing in a custom app to enhance the connection between your facility, your trainers and your exercisers. Fitness apps empower users by capturing workout data and allowing them to join group fitness challenges, set and track goals, and get workout ideas.

By providing a custom app, you can incorporate your brand and facility into one easy experience, allowing exercisers to check in via barcode, book classes or request a trainer. To increase your revenue opportunities, connect with members of all generations wherever they are.

#### BIO

This article was adapted from a conversation with Mary Edwards, who is a Precor master coach and fitness director and professional fitness trainer at <u>Cooper</u> <u>Fitness Center</u>. Precor Inc., a unit of Peloton Interactive, has been a pioneer in delivering fitness experiences for commercial customers and exercisers for over 40 years. Learn more at <u>precor.com</u>.



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# SPONSOR: STAGES CYCLING 5 TIPS FOR RE-ENGAGING YOUR MEMBERS WITH INDOOR CYCLING IN 2021

Follow these five tips for creating a more engaging cycling experience that gets people back into your club.

BY WHITNEY DAWSON, PRODUCT MARKETING MANAGER, STAGES CYCLING

Club and studio membership levels are between 50 and 60 percent compared to early spring 2020, with many members on freeze without a committed return date, according to a recent 2021 Club Industry report. Many states now allow nearly full capacity in gyms. New data suggests that members do eventually want to return to the club despite having grown accustomed to home fitness apps. Help guide members back through your doors with an engaging indoor cycling experience using these five tips.

# 1. Help members create attainable and measurable fitness goals. Achieving a short-

term goal provides a sense of accomplishment and leaves members wanting that same rush of pleasure again. It could be as simple as attending two classes per week or increasing their power threshold by five watts. Before they know it, they'll have a lasting fitness habit and be recommitted. Consider running a goaloriented challenge so members can keep each other accountable and work together toward success.

2. Offer personalized workout experiences.

Once members have an established goal, providing a workout they can follow along with can reduce the barrier to get started. They might prefer to regain confidence by riding a virtually guided bike on the cardio floor or feel more motivated following a workout personalized to their level but alongside friends in a group environment. Allow members to book a bike in the group cycling room so they have a bike waiting for them. Help keep them engaged with post-workout stats in their inbox.

**3. Invest in innovation in group class programming.** Bring elements of what members have grown to love through home fitness apps into the studio but with the unbeatable atmosphere of camaraderie. Offer workouts with visual stimulation and enable post-workout email summaries with members' analytics. These digital elements will attract tech-savvy Gen Z and Gen X – your largest growth opportunities. Incorporate their desire for challenging, personalized, results-driven experiences into your programming. Tech companies are creating competing solutions for your members to use at home, but an experience where the latest innovation meets group camaraderie is an unbeatable match.

**4. Bring your instructor team up to speed with online or virtual group training.** Topnotch, trained instructors are one of your greatest assets. Now is a great time for instructors to dive into an online training course from home to brush up on their knowledge, learn new skills and feel a renewed sense of excitement with a fresh education certificate in hand. Recruiting new instructors? Showing that you'll invest in their career by footing the continuing education bill will make for an attractive offer, resulting in a consistently high-quality member experience.

5. Offer a hybrid content strategy and unlock a new audience type. After a year of lockdowns, people grew accustomed to exercising at home in front of a screen. While some are anxious to get back into the club, many still want to access content remotely. A hybrid membership solution that supplements in-club workouts with streamed workouts ensures members remain in your ecosystem, working out with the same instructors as in the club, even when at home or at work. An added bonus to growing a virtual community is reaching folks new to fitness, those previously uncomfortable in the gym or those who are not local. They can work out remotely with your instructor team, grow confidence by participating with your programming and maybe even walk through the gym doors again someday. Tap into a new, growing segment of people that have realized the mental health benefits of prioritizing fitness from wherever they are most comfortable.

#### BIO

Stages Cycling works with its partners to create a connected and consistent member experience with industry-leading studio bikes, immersive group fitness software, virtual bikes for the cardio floor and comprehensive instructor certifications. Whitney Dawson is the product marketing manager at Stages Cycling and a 100 percent cycling enthusiast. Find out more about Stages Cycling at <u>stagesindoorcycling.com</u> or at <u>TheTeam@stagesindoorcycling.com</u>.



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## SPONSOR: UPSWELL SOCIAL MEDIA STRATEGIES THAT ARE RESHAPING THE FITNESS INDUSTRY

If used strategically, your social media gives users a look into your fitness facility, motivates them on their health journey and offers exclusive brand content to keep them engaged.

BY MADISON SOSEBEE, DIGITAL MEDIA STRATEGIST, UPSWELL

**C**OVID -19 pushed many people to pursue healthier habits and challenged them with the way they work out. With gym access strictly limited for months, consumers needed to adapt if they wanted to accomplish their fitness goals. Social media has helped do just that by becoming a source of inspiration and motivation.

As consumers gravitate toward healthier lifestyles and social media trends change, your fitness club must pivot to stay relevant. Social media allows you to give users a look into your club. Use it to motivate your members' health journey and offer exclusive brand content to keep them engaged. If used strategically, social media can be a useful tool to grow your business.

Consider these five strategies to help you gain new, valuable business:

#### 1. Promote your audience, not your brand.

This might sound backward, but there is power in connecting with your people. The fitness industry thrives on building community and lifting each other up through peer motivation, friendly competition and success recognition. This is the type of content your followers crave.

#### 2. Boost content with paid social advertising.

You have to pay to play. Direct some of your marketing funds to paid advertising. By promoting your social media posts and creating ads to run on multiple channels, you can multiply your reach and impact. For example, Facebook is a great platform for boosting your content's reach and creating social media ads. The organic reach on Facebook, without any paid advertising or promotional value, is about 5.2 percent (and declining), which means one in every 20 followers will see your content.

Those odds aren't great for getting your content to new users or for engaging with existing ones, but when you boost a post, the average conversion rate for a paid ad is 9.21 percent across industries with the fitness industry ranking a little higher on the scale at approximately 14.29 percent, according to Facebook's Ad Benchmarks. So not only will more people see your content, but it will also result in conversions and leads. **3. Frequency matters.** Post content to your social media platforms regularly and create a content schedule to be consistent. Posting frequently adds value to your channels, and more users will engage with your brand. But don't just post filler content. Content that serves no real purpose can cause users to lose interest. Your audience wants interesting and engaging stories in their feed. Using high-quality content boosts interactions and gives followers a clear vision of your brand identity.

**4. Timing matters.** The time of day you post and boost your content can make or break your campaign. Keep audience demographics in mind, and research when they are most active. If you don't plan to publish new content every day, consider which days of the week your social platforms see the most traffic.

#### 5. Leverage trending topics and user-

**generated content.** Focusing on topics trending on social media is a great way to start a conversation and improve your online engagement and reputation. Look at your audience on social media and dig deeper into what content is resonating with them. What type of content do they share or comment on? How do the profiles of businesses they follow compare to yours? Ask open-ended questions that can start a conversation with your followers.

Joining an ongoing fitness challenge or hashtag trend such as #TransformationTuesday can motivate fitness club members to share user-generated content. Instagram is popular for this type of engagement, and members sharing real experiences gives your gym more credibility and authenticity.

Use social media as a launchpad to create more qualified traffic and engagement, and you'll see a clear boost in gym memberships and customer retention.

#### BIO

Madison Sosebee is the digital media strategist at UpSwell, a direct response marketing agency that has served over 2,500 clubs and studios through datadriven, hyper-targeted print and digital marketing solutions. For more information and to receive a free marketing assessment, visit <u>upswellmarketing.com</u> or email <u>grow@upswellmarketing.com</u>.

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### SPONSOR: VIRTUAGYM 5 BENEFITS OF A HYBRID BUSINESS MODEL

As the fitness industry reopens, club and studio operators will see benefits if they embrace the digital changes that happened during the pandemic by offering digital and physical services.

BY HUGO BRAAM, CEO & CO-FOUNDER, VIRTUAGYM

A lthough digital fitness was trending before the COVID-19 pandemic, no one could have anticipated its transformative impact on the fitness industry during the past year.

Industry consumers have realized they don't have to rely on the four walls of a gym to achieve health and wellness goals. Meanwhile, technology has helped many fitness providers remain in business and uncovered a range of client engagement opportunities beyond physical offerings.

As the industry reopens, fitness enterprises have an opportunity to embrace this growing digital change and adopt a hybrid business model that seamlessly combines both digital and physical services.

Here are five key benefits of pursuing a hybrid model: **1. A more personal experience.** A hybrid offering enables a variety of personalized content offerings to existing and potential clients.

From livestreamed or on-demand classes to oneon-one online coaching, enhanced gamification and content for home workouts, nutrition and meditation, we have the digital tools to meet the desires of modern fitness consumers for meaningful experiences that go beyond just a space to exercise. This can all be centralized online and on mobile apps. The accessibility of wearable technology offers the ability to monitor and measure progress to set individualized goals.

It is vital for members to be able to engage with fitness and health how, when and where they want. **2. Creating community.** A hybrid model facilitates active community building that is imperative for modern fitness business, as well as a key means of interaction to keep a brand at the forefront of customers' minds by sharing news, competitions or answering questions.

The days when communication came mainly in the gym or via intermittent emails are no more. A hybrid model embracing in-person communication and digital community is key for retention, building brand awareness and creating a sense of belonging and empowerment.

**3. Reaching a wider audience.** Technology is making health and wellness more widely accessible. Embracing a hybrid offering means appealing and catering to a larger audience with varying backgrounds, motivations and preferences. Rather than rely solely on its physical offering, a fitness business can connect with clients any time, any place. It is important to accommodate those who want the flexibility of working out at home, as well as those who prefer outdoor fitness or cannot easily access a gym.

**4. Additional revenue streams.** A hybrid model offers the flexibility and opportunity to open additional revenue streams by owning the health experience outside of the physical gym.

Fitness technology enables you to provide more to a bigger audience, with the ability to offer different membership packages and cross-sell and up-sell products based on individual and group desires. This could mean equipment for home training, digital workout video subscriptions, tech-driven dietary coaching, integrated wearables or smart scales to sync body metrics with your member's mobile app.

By integrating this in the webshop of your mobile app, you can deliver a better, more holistic and personalized fitness experience for more people than ever before, growing your revenue in the process. **5. More data-driven decisions.** If tailored experiences are integral for retaining and attracting clients, it is essential to understanding what clients actually want. A hybrid model with effective digitization offers the chance to securely collect and utilize member data to inform crucial business decisions through a better understanding of motivations, behavior and preferences. For example, app interaction can help a coach to deliver a customized home workout plan based on a member's needs.

This data can fuel intelligent and well-timed communication such as class offerings, personalized messages, digital promotions or challenges. This can clarify a fitness provider's value proposition and build its customer base with data assisting in lead acquisition. What's more, it can address the needs of at-risk members by responding faster and more effectively.

The technology at our fingertips is not a short-term fix. It is a long-term solution – and we are only at the beginning of its transformative impact.

#### BIO

Hugo Braam is CEO and co-founder of Virtuagym.



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February (week3)

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