



February 2020

What lessons must we learn from in 2019 (and take forward into our planning/operations/activities) to ensure the continued success and growth of our industry in 2020?

www.thefitsummit.com



Adam Zeitsiff, CEO, Gold's Gym

If our Gold's Gym team learned anything in 2019, it's that accountability will be the key to helping us reach our ultimate goal of helping people achieve their fitness potential. We've recognized that maintaining our status as the world's trusted fitness authority means embracing change through evolution. The innovation this requires is a never-ending project that requires extra work, getting out of our comfort zone, and putting our resources to the test. The simple route to take would be for us to rest on the tradition we have built after nearly 55 years of business, but that would keep us from staying relevant in an ever-changing market. At Gold's Gym, we hold ourselves accountable by instilling in our team an understanding that we must consistently evaluate and update our "Operating Playbook." As a franchisor, this means doing everything in our power to deliver all the tools, systems and supports required to streamline our gyms' operations for consistent success across our global network. Regardless of what accountability might look like for your organization, it's something we should all emphasize as we head into a new decade that is sure to bring even more change to our business environment. Because while the bar for excellence is constantly raising across the fitness industry as a whole, our shared goal of helping customers become healthier, happier versions of themselves remains the same. And it's our responsibility as club operators, vendors, and investors to keep up.



Chris Clawson, CEO, Life Fitness

The future of fitness is personalization, and it's here to stay. Exercisers today expect their personal, professional and fitness lives to be seamlessly connected both inside and outside of the health club. We believe that creating unique experiences will continue to be the most critical element to success for anyone in the fitness industry, whether they are exercisers, facility operators or manufacturers. We also recognize that no one company can solve for all consumers' needs. As an industry, we need to look inward to create organic or homegrown solutions for customers – through technology, innovation or new offerings – to succeed in the years ahead. We also need to look outside of our own walls to partner with companies that can bring in new or different ideas, such as app and software developers and content platforms. At Life Fitness we support an open API platform, allowing us to collaborate with innovative partners like NEOU to film Life Fitness™ On Demand cardio classes in their state-of-the-art production studio. Finally, we must continually scan the horizon for new and compelling ideas that may come forward from inside or even outside of the industry that can drive success for our customers. In this hyper-personalized age of fitness, companies that can quickly adapt and respond to consumer demands with products and solutions tailored to the individual experience will, ultimately, deliver the most value to club operators and to their clients.



Joey Gonzalez, CEO, **Barry's**

There's a massive opportunity to bring boutique fitness to international markets. At Barry's, we've focused on international expansion a lot over the past three years, even becoming first-to-market in cities like Milan, where we've seen tremendous success. We've learned that it's crucial to expand thoughtfully - listen to where the demand is, and then assemble the right local teams. This will allow you to incorporate the feel of the city - and what makes it unique - into your new location, and ultimately benefits the potential new customers and the brand as a whole. Of course, it's also important to listen to where the industry is headed. While the rest of the world is consumed by all things digital (and of course that's important), at Barry's we believe that people crave connection, and community, in fitness. We just celebrated our 21st anniversary because we've held that belief at our core - people want to feed off the energy and motivation from others. That's what is so special about our Red Room: when you're in there, the instructors and the people around you push you to be your best.



Francine Davis, Chief Strategy Officer, **Pure Gym**

2019 continued to demonstrate how the rise of digital fitness is shaping our industry, helping deliver a more convenient, affordable, and personal way of exercising. Tech-savvy millennials, who are fueling the global growth in fitness, expect to choose where, when and how they work out. They want the flexibility to exercise in a gym one day and at home the next, all at a time and a price that is convenient to them. Gyms that ignore or underinvest in the digital side of their business will miss an enormous opportunity. Thankfully the camaraderie of working out with other people in the same room will never completely be replaced by even the highest resolution on-screen workouts. However, as an industry we need to recognize that the way fitness is consumed is changing. The rise of Peloton, Mirror and similarly disruptive fitness operators, combined with the myriad freemium workouts available at the click of a button, are all fueling a new profile of gym member. One who will want to regularly swap between visiting the gym and online workouts, and who expects a completely seamless journey between these two worlds in a single membership subscription. An industry that ignores this steady evolution need only look towards the graveyard of retailers who said online retail wouldn't work in order to understand what the future might hold.



Lindsay G. Merrithew, President and CEO, **Merrithew**

With the rise of YouTube and Instagram ‘fitfluencers’, fitness apps and digital-only fitness programs, clients have come to want and expect high-quality workout content at the tap of a fingertip. This demand for digital content coincides with another trend: Clients’ desire to take ownership of their health and wellness journey and be empowered with information. All of this is putting pressure on traditional fitness franchises and bricks and mortar studios to provide a fitness experience that extends beyond the class or gym floor. We see this as an opportunity for brands and studios to elevate their existing offering, expand their reach and cultivate a more dedicated following. Give your star instructors a platform to connect with clients online, creating community around your business. At Merrithew™, we are responding by finding ways to engage and educate our audiences through various forms of digital content. We’re focusing on how we can provide our clients with meaningful, convenient and accessible digital tools that build on their in-class experience. I don’t believe digital fitness will ever completely replace the high-quality instruction provided at boutique studios and Training Centers. But in 2020, we’ll be leveraging the digital medium to expand beyond borders, provide a more fulsome fitness experience to our existing clients and introduce new communities to the benefits of mindful movement.



Will Skinner, CEO, **UFIT**

Even though we say it to our clients every day: “never lose sight of your long-term plan”, we too, must always keep reminding ourselves of this. 2019 saw a huge amount of change for UFIT, and so it can be tricky to make every decision with that final goal in mind. Occasionally we all have the ‘high calorie’ promo that wasn’t in our original plan, but if we keep sight of why we started this journey then we will continue to be successful. Taking the time to re-establish and regularly revisit our ‘purpose statement’ over the last year has ensured we’ve remained on the right path. This approach has enabled us to prioritize where and how we choose to focus our attention – and where we don’t more importantly! Previously we’ve fallen victim to trying to do everything which has thankfully got us the short-term wins and enabled us to be where we are now. But this is unsustainable for growth and stability, so for 2020 and beyond we are on a single-minded course towards health and proven metrics, for individuals but also corporate groups. Our Corporate offering has been one of most significant growth areas over the last year. As this product line has developed, we have been sure not to deviate from our positioning within the market. Using our holistic health and fitness portfolio, as well as working with digital and mental health partners, we have developed an incredibly comprehensive and integrated offering that not only gets employees telling their bosses we are great, but it also delivers the essential data to prove this in a graph to the boss too! As we move forward, corporate wellness can no longer be a box ticking exercise for HR managers; their teammates and their bosses expect results. The great news is, that is exactly why we got into this industry in the first place.



Jack Thomas, Founder and CEO, **BASE** and Host, **Fitness Business Asia Podcast**

The boutique fitness space in Asia continues to get livelier, but the usual new studio openings have been coupled with numerous closures, making it more of a revolving door than an explosion in numbers overall. The clear trend is the strong are surviving and the weaker offerings are dropping off. That means the boutiques that are investing in strong branding, smart marketing and a differentiated offering are starting to pull away from the field. Being strong also means embracing technology - whether that be with conceptual offerings that help the workout stand out as different, unique and fresh, or with tech that enhances the client end-to-end experience with ease of booking, purchasing and connecting. Developing a strong business means running your gym as a business, not a hobby. Only those that take the business side seriously will have a chance of lasting the distance and 2019's casualties and successes have clearly demonstrated this. A natural market correction with the strong surviving will be good for the industry as a whole, helping it gain credibility and robustness. As the market gets tougher, some consolidation in 2020 can be expected in an attempt to breed more powerful offerings. Every gym is someone's dream with usually the best intentions of helping people improve their lives, so rather than seeing these businesses fail in 2020 I hope they up their business skills and improve their offering to contribute to a better industry. It was for this reason that we launched the Fitness Business Asia podcast.



Adala Bolto, Founder and CEO, **ZADI Training**

2019 provided very significant reflections for me as a founder of what was perceived as, 'yet another' fitness franchise boutique concept in a crowded market. I was often asked how does ZADI plan to survive in such a competitive space, where it seems a new offering is entering the fitness market every other day. Especially, with the 'Big Box Gym vs Boutique Studios' debate being a hot topic within our industry in 2019, with some industry leaders believing that one model is limitless, whilst the other will not have longevity and vice versa. Neither views are yet to be proven. Therefore, the lessons we must learn and take forward into 2020 to continue our success and growth was summed up in six words, (quoted at IRHSA 2019 by keynote and Brand leadership Expert, Denise Yohn), "Better is unsustainable, unique is unstoppable". Successful brands from both camps already understand, 'Better is unsustainable and unique is unstoppable"! They are diving deeper into how their product makes a member feel. They are focused on authenticity, creating with emotions, and providing extraordinary unique experiences, making it hard to imitate. It is all about the 'vibes' and success will be determined by exceptional execution, filling a gap in the market, finding solutions to their problems and delivering those unique experiences. So, when planning our business operations and activities in 2020, asking ourselves am I innovating? - defined as the application of better solutions that meet new requirements, unarticulated needs, or existing market needs. Or am I imitating, which is defined as a thing intended to simulate or copy something else, will help us to continue serving our members with what they truly love about our unique and specialized offering.



Sara Kooperman, Founder and CEO, **SCW Fitness Education**

One lesson that SCW Fitness Education learned in 2019 and will implement in 2020 is that text messaging is an essential way to connect with your network and customers. Email is still a powerful tool and must not be ignored but using a backup system like text messaging is paramount. Additionally, clubs all over the USA are focusing on group fitness because there is a lot of bang for your buck in connecting with this many people at one time. Further, group fitness attendees are typically female, and they are the ones doing the research for a family membership so accommodating and treating these customers well is an important way to secure their facility membership. Additionally, we must shift our sales model and staffing to accomplish the situation that individuals are Internet shopping at home prior to walking into your facility (or calling your front desk) to purchase a membership. They have already been sold and the majority of potential clients only need that last push. Price transparency is key. We must make sure that we show the cost of a product right up front and have an upskilled front desk person ready to make the sale. Remember that call-ins and walk-ins are ready to buy because they have already done the analysis of the quality of your program and value of your facility at home before they walked in your doors



JJ Sweeney, Founder and CEO, **Paradigm Fitness Indonesia**

The wellness and fitness landscape have been radically changing for several years and 2019 was no different. We had a great year and learned a lot about our members, fitness was once considered a simple way to get fit, lose weight and for some people gain muscle, nowadays it's evolved with deeper understanding of sports science and especially the advancement of technology. Both are helping us provide a superior experience that delight members. In 2017 I recognized that the digital revolution would be a great way to empower our members to make better decisions about their fitness choices to have more variety and find ways to personalize their training. I spent the next 18 months developing an app from the ground up that would solve many of the gaps I noticed our members faced and in turn provide more unique experiences that would align with their needs and their goals. It made it easier for us to measure which classes and programs that fit their profile better. Our trainers and instructors can now measure, assess and program our members with the data we retrieve helping them pinpoint what our members want, making it easier for us to engage them. In turn we also see that new members are engaging better as they are now doing the programs that they selected, giving them a more personalized fitness experience. We intend to improve this technology to better serve our members over and over.



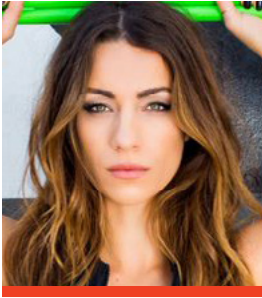
Selina Bridge, CEO, **KX Pilates**

In my view, the greatest lesson to learn would be having a plan - don't underestimate a 12-month business plan with monthly goals. Time flies and you want to be in control. Additionally, not trying to take on too much, too soon. Surrounding yourself with experts in respective fields - both within the business and business partners. Being open to change so that progress can be made. Keeping a positive and solution-orientated mindset. Not being afraid to say 'no'. Likewise, not being afraid to say 'yes'. Be bold and take calculated risks. Back yourself. Have grit. Don't give up. Don't take things personally. Relationships matter. Invest in people. From the fitness industry perspective, service is key. If clients don't enjoy their experience or see results, they won't return. Continual investment in trainer development and the KX service offering has to be a priority. There are plenty of 'clients to go around' and the fitness industry has more growing to do. We need to ensure we continue to share the benefits of exercise and specifically KX so that we can benefit more people. We can never rest on our laurels. That is when business slips and a new provider will come in with a new and shiny service. If our clients are not hooked to KX that's where we will lose them. Every year (in fact every day) we need to act as if we are brand new!



Andrew Cox, Co-Owner and Director of Training, **Joint Dynamics**

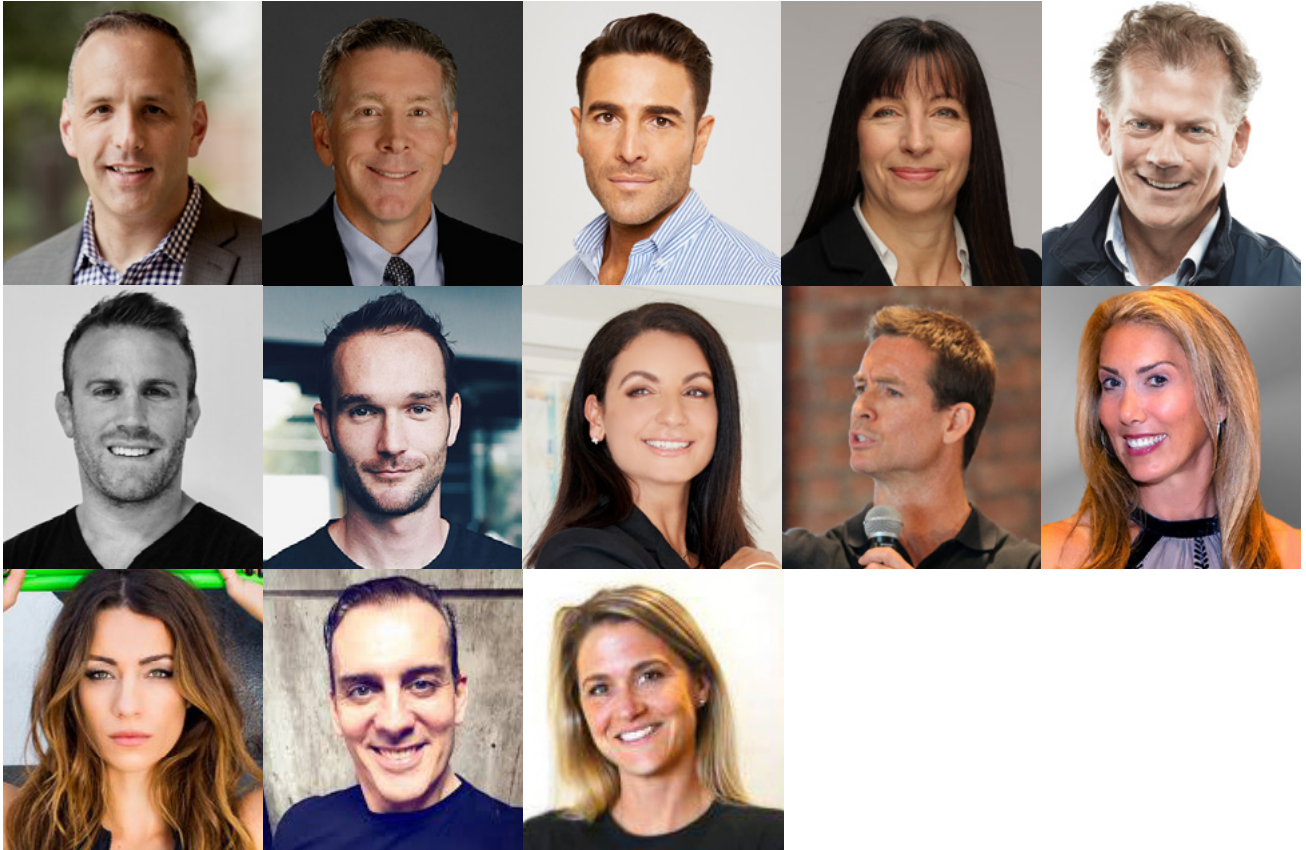
As I look back over 2019 to look forward to 2020 searching for lessons and inspiration for ongoing success, my gut feeling tells me - we (me, Joint dynamics, our industry) need to be exemplary in meaningful human connection. With the ongoing growth of technology, it is easier to characterize our days, and those of our clientele, by information overload and ongoing, often erroneous, constant distraction. As an antidote, human connection brings us into the elusive present moment. It is a connection to the earth, and it is critical for our health. With so much of our time spent in the clouds (both figuratively and technologically) I believe it is of utmost importance to be able to provide a service, a human interaction, that says, "I see you for who you are today". I hear what you are saying to me today, I have reference from yesterday (or the last time you were in) and I can be dynamic and adjust to give you a bespoke, high quality experience. For 1 hour "I" will shelter you from the storm of 24/7 contact, stimulate your physiology to buffer your stress threshold via intelligent training, and teach you tools to keep the sabre tooth tiger at bay via breathe work (for example). Our industry has two models: (1) The client fits the system, and (2) The systems fit the client. Both have their place. For mine, in this my dream for our industry in the current environment, I cannot see any virtue that has more opportunity to elevate our industry (and our bottom line) than to be able to continue to create the previously mentioned human experience. In a time when authentic connection is a rare commodity, we have a growing sector of consumers veering towards experience over products. This creates a unique and fruitful opportunity. To be clear, this is not driven by nostalgia, rather forward thinking, leveraging 500,000+ years of evolution that shows our DNAs need to connect to others. We are still tribal, we are all aboriginal, and recent and emerging science validates human connection. "Friends" on Facebook are not nearly as salubrious as those we commune with in the flesh. Humans, unlike most technology, are dynamic, constantly in flux, motivated by a plethora of factors, fearful, joyous, at times non-predictable and our sessions must be facilitated by front facing staff that has this understanding. Culture is a non-genetic transmission of human behavior, it is contagious, it is up to us to show the way and excel at being client-centric (have the system fit the client) and build elements of community based systems that our clients can fit into. I implore our industry to opt out of fear based, short term, race to the bottom marketing! Rather we should be coaching our coaches to understand the importance of focusing on being interested more than they are trying to be interesting. To employ skillful listening, empathy, and authentic encouragement, while being organized and adaptable. It is meaningful and lucrative at once. To quote Rabbi Tarfon, "It is not your responsibility to finish the work of perfecting the world, but you are not free to desist from it either." And if not now, when?



Kirsten Potenza, Founder and CEO, **POUND**

As a community, we are entering not only into a new year but a brand-new decade. For many, the last few days have been spent reflecting, thinking about the journey that the last 10 years have taken us on and exploring new ways to move forward into the future. For me personally, it's been the most transformative decade of my life. But the reality of having so much more to do and so much more to grow has set in, big time. And that, to me, is really exciting. We've been on this POUND journey for almost an entire decade, and when I look back, there is one constant in my mind: community. Malcom Gladwell says that "The values of the world we inhabit and the people we surround ourselves with have a profound effect on who we are." I have felt this truth and for that I am eternally grateful. I truly believe that we all make each other, and the world better. But today I'm asking you to take what we do a step further - Because I know the magic that this community can create and the inevitable ripple effects that will happen when we commit to being good, doing good and staying true to our rebel spirits. So, here's my ask: Make eye contact and smile more. Lean into your Fears. Quiet the negative. Love your body. Say Thank you. Tip your server. Clean up after yourself. Be Raw. Be Open. Kick down the doors of society's perception of perfect. Don't let the past ruin your perception of the present. Be Real. Like REALLY Real. Remind yourself of who you were before the world got its hands on you. Have the confidence to return to yourself. Know that no one's life (or body) is perfect, even if it looks like it. Know that there aren't any ups without the downs. Know that everyone is dealing with their own shit. Know that being different is a superpower. Try to really SEE people. Don't take love for granted. Don't take life for granted. Hold the door for the person behind you. Give back. Hug more. Fight Less. Give more. Waste Less. Listen. Really Listen. Honor the past but do it different. POUND was born out of a rebellious spirit. We've always believed in Doing It Different – fitting into a box was never the goal. And like any purpose-driven company, we were sparked from a problem we saw seeping from the gym environment. In a world where experiences can be intimidating and exclusive, profit is often prioritized before people and calorie counting, "problem areas" and before + after pictures are the standard, POUND believed the fitness industry could do better. Starting this journey as a company was, to say the least, a rebellious act. It shouldn't be about the rules, approvals, and standards society places on us. It shouldn't drain your soul. What if, instead of sinking into a society that perpetually tries to separate us, we do everything to create the glue that puts us all back together? Fitness Rebels, it's time to change the story. We've started it together, but we are far from finished. It's time to lean into your fears, kick down society's perception of perfect, stand out, TAKE UP SPACE and make your OWN rules. Because sometimes the most rebellious thing you can do, is be yourself.

A big thank you to this month's contributors



To be involved in future question's of the month please contact:

Ross Campbell

Founder and CEO

ross@thefitsummit.com

+65 8268 9834

Daylin Limonte

Head, Marketing &
Communications

day@thefitsummit.com

+65 8132 7534

www.thefitsummit.com

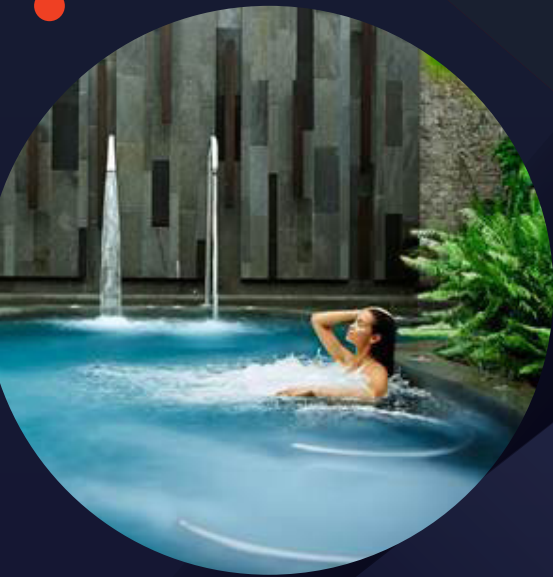


World Fitness & Wellness Summit, Exhibition & Awards Dinner

14 - 16 April 2020

Raffles City Convention Centre,
Singapore

Asia's Largest & Most Influential Fitness & Wellness Event



www.thefitsummit.com