

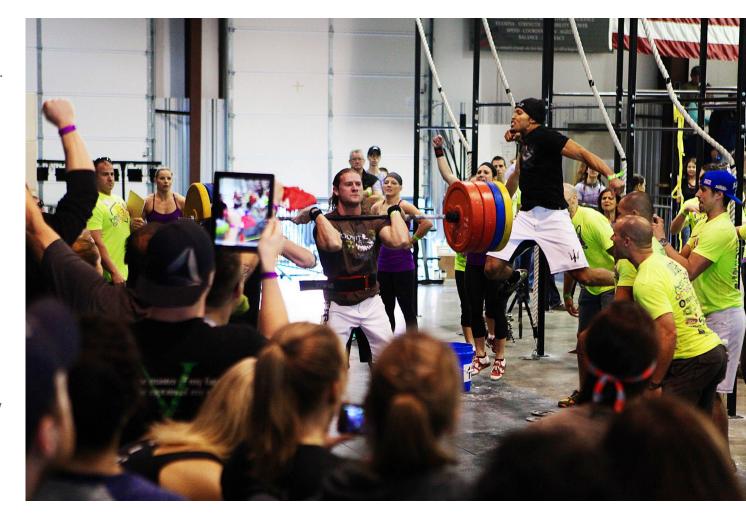
A Perspective On: Modern Fitness Management



The path to successful fitness management used to consist of 2 parts good people, 1 part good equipment, and 98 parts build-it-bigger-than-your-neighbor. Recall the days of Health and Tennis Corporation of America, later to be known as <u>Bally Total Fitness</u>, which grew wildly as it gobbled up one club after another. Other clubs followed suit: Club Sports International, East Bank, <u>Gold's Gym</u>, Western Athletic Clubs, and of course 24 Hour Fitness. Access to more equipment, more classes, and more amenities dominated the fitness management playbook.

And then clubs learned that the better you took care of your members, the more they stayed. Clubs became more about having fun and being social. Clubs aimed to be for everyone rather than just for a specific market (my how times have changed). And then CrossFit, CorePower Yoga, the boutique fitness movement, and Peloton happened—four paradigm shifting trends in fitness.

In order to understand modern fitness management best practices it is important to know where we have come from (at least in the last 20 years).



# Game Changers

#### CrossFit

<u>CrossFit</u> introduced community building like never seen before. Garage studios popped up in every town. Dirty, limited equipment, no "open gym" time, and a pay for classes model that seemed sure to fail quickly found its footing and gained traction. Soon it was the rage. Every demographic flocked to it and fitness management changed forever. Based on everything we knew at the time CrossFit shouldn't have thrived like it did. We overestimated the value of access (access to equipment, access to staff, access to programs) and underestimated the value of personal experience.



### CorePower Yoga

CorePower Yoga, out of Denver, should not have made it either. Yet, today they are the largest privately held chain of yoga studios in the U.S. They stripped yoga to its basic fitness elements and people loved it. Up until that time yoga had more of a spiritual slant to it.

CorePower Yoga squashed that, blended the core formats (Ashtanga, Vinyasa, and Bikram) and even utilized weights and other equipment during class to build strength. CorePower Yoga underscored the importance of giving the people what they want, instead of what we think they need.





### **Boutique Fitness**

And then boutique fitness exploded. Starting in about 2010 the economic turmoil of 2008/09 polarized the consumer population, with a shrinking middle class and increases of people at both ends of the economic spectrum. As a result we saw more higher-end and lower-end concepts competing most successfully while middle-market clubs suffered. Boutiques soared by providing high-service, focused fitness concepts that deliver rich consumer experiences.

A visit to an upscale suburban mall or a city shopping district used to be marked by Gap and Barnes & Noble. Now it's about taking a \$36 Pilates class, maybe followed by a \$40 indoor cycling session, and finishing with a \$10 coconut water. Fitness management changed overnight it seemed. Big is bad, boutique is bad-ass. Managers look for personality in their staff now, and we want branded programs, personalization, and laser focused customization.

### Peloton

Peloton serves as the fourth and final wave in the evolution of fitness management. Peloton successfully activated a trend that equipment vendors and service providers have been unsuccessfully trying to leverage for years—virtual training. Visit <a href="www.onepeloton.com">www.onepeloton.com</a> and you will learn quickly that, in the words of Lance Armstrong, "it's not about the bike".

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Consumers crave and demand an immersive experience. Indoor group cycling has not been a top 20 worldwide trend, according to the American College of Sports Medicine's annual survey, since 2012. Peloton shouldn't have made it, but it did, because of the experience. Fitness managers are scrambling to try and figure out how to activate the trend at their clubs.

# Old School Management Tactics

Outdated, but not dead, pillars of fitness

management used to include a deep understanding of clinical exercise programming and implementation standards. Managers learned about organization design, the pros and cons of this certification agency versus that one (e.g., <u>ACSM</u>, <u>NSCA</u>, <u>NASM</u>, and <u>ACE</u>), choosing the right equipment, and maintaining a facility. These pillars are still important, but they do not define success anymore.

According to the <u>Club Spa and Fitness Association</u> private clubs generate about \$24 per square foot from fitness services, while boutique fitness studios generate about \$51 per square foot from fitness services (according to the <u>Association of Fitness Studios</u>). Fitness centers managed by 1000 Hills Fitness generate about \$66 per square foot from fitness services. The difference can be explained through modernized fitness management.



### Update #1: Floor Hours

For private club fitness centers the hub of your fitness operation lies with your personal trainers. They are the face of your department and they supply the energy to either compel it into the stratosphere or to bury it in the rubble. They have tremendous power, though they rarely wield it, which is why they need a plan for success.

"Floor hours" is a staffing model that many fitness centers apply in order to help build their personal trainers' businesses. Personal trainers use these hours to offer advice to members, build connections, and eventually pick up personal training clients. The problem is two-fold: 1) members don't like it when a personal trainer walks up to them and tells them they're doing something wrong, and 2) personal trainers don't like walking the floor looking for members to talk to – it feels too "salesy".

At 1000 Hills Fitness we developed a staffing model we call "pro hours". Personal trainers use these hours to build their businesses. It starts first with a plan (see "Fitness Pro Action Plan" for ideas). Instead of telling your trainer to go work floor hours, instead sit down with him/her and develop a strategy for deploying the hours. Which departments outside

of fitness can the personal trainer visit to connect with members? Are there any club events coming up for the trainer to attend in order to connect with members? What events is the personal trainer hosting? What content is the trainer producing for the newsletter? The trainer, and your members, will appreciate the shift in energy and service.



## Update #2: The Importance of Connecting

As fitness and wellness amenities continue to grow in importance for private clubs, ensuring fitness professionals are appropriately oriented and developed becomes critical to the success of the department. And it all starts with a single word, "hello".

Recall the hub of your private club fitness operation—your personal trainers. Their goal is to acquire personal training clients; it is what pays the bills. But there is no magic wand they can wave to produce clients. Personal trainers have to go through a (usually) slow process with each and every member to try and pick up regular clients.

If you break down the sales process into its basic parts, then it will allow you to see where personal trainers have control and where they do not. For example, personal trainers have no control over how many people use the gym; they have no control over how many people will call them; they have no control over how many members will hire them. What do they have control over then, and therefore, what should they focus upon? Answer—conversations.

In the process of developing your fitness staff remind them that just about every personal training sale begins with a conversation. Your fitness team needs to look for opportunities to have more conversations, programs that generate more conversations, and SOPs that do not interfere with conversations. A conversation is the first and most important step in the service/sale equation.

### Update #3: High Evolutionary Rate

Did you know that more than 80% of all fitness studios close their doors in the first year? Of course, those 80% (and then some) are being replaced by other fitness concepts with a new plan and new energy. Fitness centers at private clubs are at an advantage over boutique commercial studios in that they will never close their doors in the first year. Even if participation and engagement fall through the floor, clubs will keep their fitness center doors open. It is an advantage over commercial boutique fitness, but it is also the reason why private club fitness generates so little engagement, comparatively. There is no trigger that sounds an alarm to tell club managers there is something wrong.

80%

Modern fitness management requires constant evolution of your programs and offerings. Success comes by way of grit and failure. You should see new programs and events and promos in your newsletter every month. You should see a variety of events being offered: seminars, specialty packages, pop-ups, challenges, destination events, and more.

If your operation is not changing, then it is not growing, which means it may be dying.

## Modern Fitness Management

It was Henry Ford who said, "if you always do what you've always done, you'll always get what you've always got". In today's fast paced fitness environment that quote would be more accurate if it were, "if you always do what you've always done, you'll be out of business soon". It is certainly not as poetic or memorable, but it makes a better point.



An update to your staffing model, underscoring the importance of connecting with members, and helping your fitness operation to evolve with the times are three critical keys to modern fitness management.



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To learn first-hand how 1000 Hills Fitness can position your private club fitness operation for success, schedule a call today at https://www.1000hillsfitness.com/contact, or give us a call at 303-325-2640.