I don’t think anyone will disagree with me if I say 2013 was the year of the 24 hour club. The Anytime Fitness franchise in Australia and New Zealand was one of the most successful Anytime groups in the world. Both Jetts Fitness and Anytime Fitness were named amongst the top 3 fast franchises by BRW in 2013.

The annual Fitness Industry Survey, conducted by gym membership software and payments provider Ezypay, revealed the rapid growth in the sector has little to do with opening hours.

Trent Brown, CEO of Ezypay explains “The fitness industry is in transition, and is being disrupted by the move to low-cost clubs,”

Brown says. “As a consequence of that, it’s actually seeing a lot of growth, primarily being led by the 24-hour franchise model clubs.”

“Large, premium chains like Fitness First are struggling in this marketplace, whereas companies like Jetts are growing very, very strongly. That’s why you’re seeing clubs turn to the 24-hour model. It almost gives them permission to change their business model.”

“Customers accept a trade-off between the hours a club is open and the service it provides ... It’s a much more cost-effective model, and that allows clubs to offer lower fees.”

Currently 11% of members belong to a 24 hour club but this is sure to rise in 2014.

We asked a number of industry leaders to share their insights for 2014. Here is what they said.
“Here’s the formula - sell your memberships online, decrease the cost of sales and increase your profit.”

Online Membership Sales

Business owners in the fitness industry will embrace online membership sales in 2014. Stop being scared of it and make it your own. You will generate 10 – 25% of your sales whilst you sleep.

At Ezypay we have been talking about selling online memberships for quite a while (since early 2010), however it seems the majority of people have not understood the value or how they can apply it to their group training or club. It’s so simple that it’s really a shame if you aren’t doing it.

Here’s the formula - sell your memberships online, decrease the cost of sales and increase your profit.

Happily for us there are some very savvy and switched on owners in the industry who do get it and are using this technology now.

Don’t let 2014 pass you by without selling memberships online.

About Celeste Kirby-Brown

Celeste is a busy mother of three young kids as well as an innovative digital marketer and content creator. Managing the sales, marketing and customer service teams at Ezypay gives her the opportunity to do something she loves with a bus load of very talented people. She is passionate about helping team members grow and develop their skills and sharing information with others. She definitely gets a kick out of seeing a creative concept turn into dollars and cents for Ezypay and Ezypay’s clients.
Get with the times and get into technology

Technology is everywhere and it’s about everything we do! There are bands to wear to monitor our sleep patterns, calorie expenditure and our food intake all we need to do is plug in our “iGadget” and bingo there’s your life!

And then of course we have workout DVDs, running watches, Xbox you name it WOW club owners really need to take note of what our members can get their hands on and take a huge leap forward into the world of high tech!

If club owners don’t start moving forward with such products for example MYZONE & Virtual classes I can certainly see retaining issues. Members aren’t interested in TVs on their treadmills and bikes - they want benefits and they want results and we can bring technology to our clubs that can make that happen for less than a piece of cardio equipment and increase our revenue at the same time.

So get with the times and get into technology.

About Mel Tempest

Mel Tempest is a world leader in Group Fitness. Her proven expertise in group fitness has assisted many independent clubs and studios to grow their group fitness programs. Mel Tempest understands that each club is unique. Her skills and experience are now available in the form of specialist group fitness consulting in your club or studio to maximise your timetabling, group fitness marketing, staff selection, and training. She can also advise you on specific group fitness social media marketing such as interactive timetables for Facebook and your club or studio website. Engaging Mel Tempest to consult on group fitness in your club will deliver increased revenue through increased member retention and satisfaction.

Mel Tempest regularly contributes her group fitness expertise to UltraFit, ALM and Network magazines, and is a sponsor of FILEX 2014.
The Integration of Fitness and Health

With the government focus on preventive health in various settings where people live and work, there will be increasing interest/growth in fitness programs for children (at school), people in the workplace and community settings such as home-based programs, retirement villages, aged care homes and community halls.

There will be continued growth in the micro and small business sector to cater for the above. Exercise professionals will increasingly offer personalised and tailored services to people in the above settings, taking fitness into the community as well as continuing to offer services via the fitness centre or studio.

There will continue to be a trend towards integration of fitness and health, lifestyle and wellness. More medical and health professionals will refer their patients into evidence-based exercise programs to manage or prevent chronic conditions.

Large, community based fitness facilities will become lifestyle and wellness hubs in their local community and will incorporate clinical services and a range of wellness or lifestyle services. Health coaching and behavioural change coaching will become an increasingly important skill for exercise professionals. Large, full service fitness centres will start to offer different ‘zones’ within their facilities for the delivery of diverse and more tailored or personalised services.

As baby boomers begin to semi-retire or retire, they will seek out health and fitness services that suit their needs and lifestyle. Businesses will increasingly offer health and fitness services to their workforce to retain them and help them to stay healthy, positive and productive.

About Lauretta Stace

Lauretta Stace is a leading advocate for the health and fitness industry in Australia. Since becoming the Chief Executive Officer of Fitness Australia in 2006, Lauretta has embarked upon a systematic and strategic journey to raise the profile of the fitness industry, to help integrate the industry within the health sector and to ensure that the industry is recognised for its important role in helping millions of people to improve their health and wellbeing through regular exercise and other lifestyle changes. In doing so, Lauretta has transformed Fitness Australia from being a small, fragmented group of industry bodies into a leading national industry association with over 30,000 customers, multiple external stakeholder connections, and a strong profile within government and the media.
Maximise Your Online Lead Generation

The fitness industry in Australia has changed dramatically in the past decade moving full circle. From service only models to no service models and now the rise of small group training and personal training – back to service.

Moving forward into the New Year we will continue to see the opening of 24 hour clubs, more clubs changing over to add 24 hour access and the growth of even more group training and specialised training programs.

Online weight loss programs will continue to emerge and compete with the clubs for the spend from the interested consumer possibly even working to the clubs favour stimulating the pre-contemplator turning them into a contemplator and into preparation then finally action to join a health club if they can't do it themselves online. Most people could lose weight on their own but don't, choosing to attend a gym or see a personal trainer for motivation. The online programs may kick start a few more people into a health club environment.

In regards to marketing more businesses are now using social marketing and internet marketing so a strong presence here is needed and keeping up to date with trends and ways to maximise online lead generation is essential. It is quite ironic that marketing also has come full circle where once everyone was competing for the same print space in the letter box or newspaper now days everyone is buying for the same space on your Facebook news feed.

Tangible marketing such as direct mail, flyers, gift cards and face to face seminars will stand out and make you more effective in the market place and if used in combination with your online presence will be even more powerful. The message must be clear, themed with a matching offer, targeted to a specific group whilst respecting customer’s intelligence. People see so many more marketing campaigns in a day than they used to therefore connections are paramount.

Technology has really impacted the fitness industry and the year ahead will deliver even more cardio equipment features linked with social media, more entertainment offerings and fun and innovative small group training equipment to meet the demand of this growing group.

About Amanda Bracks
Amanda Bracks has been inspiring business owners, managers and their teams in new client acquisition and customer retention since 1995. She is a customer growth specialist focusing on combining fun and innovative prospecting methods to attract customers, diverse marketing campaigns to attract different markets, thorough sales systems to close sales easily and strong customer service procedures to keep customers longer.
A Challenging Year for Marketing and Pricing

Peering into my crystal ball and predicting the 2014 fitness trends is as difficult as clubs and studios will find getting leads in 2014.

The next 12 months will be challenging year around marketing and pricing. We will see a race to the bottom with prices for the majority of businesses.

In an effort to gain more members, fitness businesses will continue to discount their memberships lower and lower to entice people to join. This is despite substantial research indicating price is NOT the primary reason why people stay or leave clubs.

Simple math – and perhaps logic – would indicate that it is easier to get 10 members paying $25 per week rather than 25 members paying $10 per week. Add then the variable to finding at least 30 prospects to price present or even 40 leads and business becomes a challenge.

In this downward pricing spiraling world we will see some clubs at the other end of the paradigm offer high yield products and programs. The bundling of personal training, group training, online training, nutrition and more will mean $150+ per month programs will exist in facilities. It will also mean their clientele will expect to experience expert training, and not the vanilla Certificate IV trained personal trainer.

For the consumer who is focused on results, expert training and engaging experiences – they will seek out these providers from their peers. Testimonials and word of mouth advertising will be essential for high yield businesses. The prospects will be looking at these businesses’ marketing and need to see themselves in the images used or testimonial given and think, “That person is like me. If they can do it, so can I.”

About Justin Tamsett

Justin is recognised worldwide as a thought leader who challenges the status quo for the industry. He’s a highly sort after speaker because he shares practical ideas that can be implemented immediately. He has presented in 15 countries and has 100’s of clubs who are members of Active Management that receive monthly education that improves their businesses.
For 2014, I see three key trends driving a lot of where clubs, and exercise professionals are heading.

Firstly, technology - not just about automating existing processes (eg exercise programmes) but using it to enhance the customer/client experience through added value, targeted communication and/or expert analysis of existing data (so what if I went three times this week - what does that mean?).

Secondly, in the field of exercise I believe small group training will continue to grow. Particularly outside the ‘boot camp’ model and more into activities and groups that have less interaction with the traditional ‘gym’ experience.

And finally, it’s clear that with the growth of 24/7 and budget clubs, that there is now a far greater choice for the consumer and just being a ‘me-too’ club or trainer is no longer enough. I believe 2014 will be a true test for many clubs and trainers, and is about defining exactly what they are and why they belong in the market.

The key question to answer here is “What do I provide that’s unique, and valued by my customers?”
The industry is changing quicker than anyone could imagine

For years industry experts have been saying that the industry is changing quicker than anyone could imagine. They have been saying that the industry will be un-recognisable in five years’ time, with new programming trends and fads coming and going. While I certainly agree that change has been, and continues to be, fast-paced, the term ‘un-recognisable’ might be taking it a bit too far.

My predictions for 2014:

1. CrossFit and other high intensity, ‘go-hard-go-home’ type training facilities will continue to grow and get further mainstream exposure.

2. The larger, more traditional fitness facilities will continue to evolve by offering further small group training options, modern group exercise formats and additional ‘club within a club’ services. Those that remain with the standard PT and Group Ex offering with nothing extra will see their growth slow even further.

3. Similarly, Personal Trainers who do not delve into small group training will struggle to grow their revenue and acquire new clients.

4. Clubs both big and small will finally explore and understand bio-tracking software solutions, allowing their members to track their activities both in and outside the clubs four walls, providing real accountability and a true picture of their members’ fitness.

5. Les Mills and Zumba will be the clear leaders in movement to music group exercise classes, with a resurgence in popularity of more athletic, less choreographed freestyle classes like Indoor Bootcamp, Circuit etc.

6. The industry as a whole will rally together to continue the job of convincing government that we are part of the allied health solution and a key player in the fight against obesity-related diseases. With this should come formal recognition in the form of health fund rebates and FBT tax exemptions for businesses that provide subsidised fitness for employees.

About Ryan Hogan

Australian Fitness Network’s CEO, Ryan has +15 years’ experience in the fitness industry, covering many facets and roles including group exercise, personal training, sales, club management and more. With a keen understanding of business, sales and management trends, he is an enthusiastic and passionate business leader and educator. Ryan also continues to teach to packed group exercise classes at some of Sydney’s leading health clubs.