



The Future of Gyms

How fitness customers changed the rules of engagement for gyms after COVID-19





BACKGROUND

The COVID-19 pandemic abruptly closed off the doors of fitness clubs, health, leisure and sport centres worldwide, in some cases permanently, throughout 2020 and 2021.

While full recovery is not expected until 2025, there is a lot of data to analyse and learn from while we adjust to what is considered the new normal.

In this research paper we look at what's changed after the lockdown periods of closure and how gym owners and fitness professionals have adapted to the shifting status quo.

We also explore current and upcoming global fitness trends, notable customer behaviour changes, such as spending habits, and present you with key findings that will define the new normal for the fitness industry.

With this white paper we hope to help you better understand the changing behaviour and needs of exercisers and offer you a global perspective as to the upcoming fitness trends to help you succeed throughout 2022 and beyond.

INTRODUCTION

The fitness industry was among the hardest hit by COVID-19, [with 58% revenue drop among US clubs in 2020.](#)

The situation was not much different in the UK. A survey by [OnBuy lists the fitness industry with 37% loss in revenue](#) among the sectors hit the hardest in Britain due to lifestyle changes.

[UKactive estimates a loss of 700 million sport and leisure visits](#) to the recreation facility industry due to the pandemic in 2020 at a cost of £2.1 billion.

In the last 18 months, it's fair to say that the fitness industry suffered a blow as significant as the economic disaster of 2008. According to Sports Medicine and Health Science, "a pandemic of this scale has never been seen since the Spanish Influenza during WWI."

The main difference – this time around gym owners had the digital tools to keep the member engagement going even remotely and survive a global crisis with a fully online functioning business. And more importantly, unlike the economic crisis of 2008, this time it was our health that was attacked.

Our research in the following pages focuses on three main areas:

1

Fitness trends under lockdown

What are the trends that changed the way we approach exercising and gym memberships

2

Fitness customers after COVID

What today's fitness customers expect from their gym membership and how they prefer to exercise

3

Fitness clubs go hybrid

How can gyms position their offerings to retain members and continue growing along with the rise of digital fitness technology

1



Fitness trends under lockdown

It may be that a few years ago ‘going to the gym’ meant going to a building where you would find all kinds of fitness equipment and where fitness professionals could give you a fitness plan on a piece of paper. But today going to the gym is possible from the living room – or anywhere in the world really as long as you have a stable internet connection.

With the rise of mobile apps full of fitness content, wearable technology that records your every step and social media platforms that connect you to personal trainers in seconds, exercising has never been more accessible.

In this section we will take a look at some of the biggest global trends since the start of the pandemic that have redefined the way that we exercise and talk about the gym.



1.1

Home equipment and workouts

The pandemic inspired a fitness buying binge that topped the traditional New Year's shopping spree, [with fitness equipment sales jumping up 55%](#). Smaller equipment items like dumbbells and free weights were in greater demand than bigger products like treadmills and rowing machines, yet the stats demonstrate increased demand across all fitness equipment types.



In 2019, online sales of fitness equipment rose 70% from February to March. In 2020, by comparison, sales increased 535% during the same period.

[Adobe Analytics](#)

Many gym operators decided to rent out their fitness equipment during the months of closure as a way to retain an active revenue stream, with most of their members on freeze until they can come back to the gym floor.

In addition to fitness equipment gaining popularity, loungewear and sportswear were greatly in demand. ASOS reports [a 329% rise in annual profits thanks to demand for casual clothing and sportswear during lockdown](#).

With avid gym-goers and new beginners discovering working out at home, there came the need to invest in better experiences whether for one's comfort or for keeping up with one's social media presence and connecting with friends remotely.



1.1

Home equipment and workouts

[1 in 4 started exercising regularly at home during the lockdowns](#), according to Leisure Opportunities. This is a notable increase compared to the UK's gym membership penetration level of 15.6% reported before the pandemic.

According to the team at Life Fitness, [exercisers are expected to get bored with home workouts](#) as a long term solution, because customers love to outsource the workout planning service and show up to enjoy the training session.

Ultimately, the gym offers not only an escape from our daily routines, but also a place to connect with fitness enthusiasts and experts who can do the planning for us and let us enjoy the experience instead. So what happens when you can't go to the gym? Well, the gym comes to you!

Customers love to outsource the workout planning service and enjoy the training session.

[Life Fitness](#)



1.2

Online classes and remote coaching

In the UK, personal trainer Joe ‘The Body Coach’ Wicks got another title to his biography when he became the ‘PE teacher of the nation’ as a result of live streaming workouts every week day at 9AM at the start of the pandemic to encourage children and everyone watching to [“keep moving and stay healthy and positive”](#).

The social aspect of exercising with others remained a driving power, even if it meant following the example of a personal trainer from a laptop or TV screen.

While millions of people were forced to stay locked at home in the months following the initial pandemic announcements, many exercisers took to online classes, working out with strangers – everyone joining from the safe space of their living room.

Big name fitness brands and independent gyms relied on social media to deliver online classes as a way to keep their members engaged and potentially stop them from cancelling their memberships.

Initially many brands live streamed classes for free as a way to boost their fitness community and attract new leads. But soon enough most fitness clubs created a class calendar that contained a blend of free and paid sessions, so that they can bring some revenue back to their facility.



THE PELOTON EFFECT

Peloton reported that the number of "connected fitness" subscribers with access to remote classes via their machines jumped to more than 1.09 million at the end of June, [up 113% in comparison with the same period last year](#).

According to research from L.E.K, [Peloton inspired many new hardware and software opportunities](#) since its launch that now have a bigger competitive advantage after the pandemic. This, of course, is another way to demonstrate how the global closure of fitness facilities, in fact, simply accelerated the digital revolution of the fitness industry that was already happening.

1.2

Online classes and remote coaching

The effect of this digital connectivity might have been temporary for exercisers, but it has certainly brought a permanent mindset shift for fitness professionals. Earlier in the pandemic, a survey carried out in the US revealed that [83% of trainers say that they'll work primarily online after the pandemic](#).

Today many personal trainers look up to Joe Wicks as a source of inspiration as they try to offer services independently from fitness facilities, using a branded mobile app and / or social media platforms to stay connected with their customers.

Just like fitness has never been more accessible to exercisers, the chance to scale up their business offerings in the current digital climate has never been more accessible to personal trainers. Sure, there's plenty of competition, but that's where the power of marketing and digital content comes into play.

83% of trainers in the US say that they'll work primarily online after the pandemic.

[The PTDC](#)



1.3

Digital fitness content

Gym-goers who couldn't go to the gym continued their exercise habits at home, but even those who weren't used to working out regularly had for the first time so much free fitness content available to consume and learn from.

With brand new audiences sitting at home, fitness professionals used the opportunity to record and upload workouts suitable for performing at home.



There was a shocking 515% increase in videos with “home workout” in the title in March alone.

[YouTube](#)

The data from YouTube shows that **[72% of people used the platform to exercise or keep fit in 2020](#)**, with search surges for dance videos and yoga-inspired movements like doing a headstand.

What separated ‘good content’ from ‘bad content’ at the start of the pandemic was really the frequency of uploaded videos. With everyone exercising from their living room or garage, the quality of the recordings didn't matter as long as PTs retained the relationship with exercisers.



1.3

Digital fitness content

The convenience of having a library of fitness content coming from experts you trust was soothing for existing gym members, but for those who didn't have a gym membership, the world of digital fitness content was wide and adventurous, with big players like Les Mills, Apple and Peloton stealing the attention away from local gyms.

In the span of a year, [the Les Mills online community witnessed a 900% increase in new sign-ups to its On-Demand fitness service](#), since January 2020.

Data from Mindbody shows that [the number of consumers watching pre-recorded videos jumped to 73% in 2020 from 17% in 2019](#).

Naturally, by the end of the lockdown periods, more gyms had invested in better filming equipment or outsourced the task to marketing agencies in order to create more 'on brand' video content.



1.4

Outside workouts

In the months leading up to returning to the gym floor at full capacity, some fitness clubs offered outside classes in parking lots and other open spaces. These were bootcamp inspired exercise drills that aimed to strengthen the body and the spirit. Others incorporated breathing techniques borrowed from meditation and yoga. Spin classes, too, were a popular choice for many, in particular in the US.

According to ClassPass, there was [a 400% increase in the number of outdoor classes being offered by studios in the summer months](#), taking advantage of the good weather and the opportunity to get more people together in the fresh air.



**Good, old-fashioned running is having a “moment.”
Daily walks have become a nation’s pastime-slash-therapy.**

TIME

While outside classes were not always possible due to the weather conditions in the UK, they remained a favourite choice for exercisers in the post-COVID recovery period. With many people changing the way they view time spent outside, *and in particular outside of their home*, new habits were gradually but surely formed during the lockdown months.



1.4

Outside workouts

According to Forbes, [the pandemic has dramatically changed people's interest in the outdoors](#) and in doing so their habits have changed too. There was a huge increase in sales of products designed for the outdoors in the 12 months ending May 2021. For example, sales of kayaks grew by nearly 30%, backpacking tents up by almost 50% and sleeping bags up by 28%.

As this TIME magazine article title goes, [COVID-19 was bad for gyms, but it has been great for exercise](#). The pandemic reminded people all around the world to reevaluate their relationship with health, including nutrition, mental health awareness and physical exercise.

It's unclear whether by choice or by chance, but in the process we also re-evaluated our relationship with the outside world and as a consequence 'green' workouts might just be picking up as a fitness trend.





Fitness customers after COVID

With the many different closures throughout the pandemic, from offices switching to working from home (WFH) overnight to schools having to educate pupils remotely, many had to make lifestyle adjustments that involved time, budget and flexibility changes.

The effect of those changes persists in many of our choices today. Should I work from home or at the office? Should I do the weekly shopping online or visit the nearest supermarket? Should I cycle in the park or go for a spin class in the gym?

Mapping out the customer behaviour changes is crucial for understanding members better and designing gym offerings that match their expectations. In this section we will offer insight into the four main stages of the customer psyche after the pandemic.



2.1

Limited funds, unlimited time

With the pandemic closing down offices temporarily or permanently, many employees were furloughed or laid-off in an effort to keep businesses alive. This resulted in people retraining, developing new skills or qualifications, and for some this meant changing industries in order to keep making money to pay the bills.

This group of people includes employees on a furlough scheme, laid-off employees and students. Typically this group had the benefit of free time during the pandemic, but they were on a tighter budget due to limited working opportunities at the time. As a result, they might still approach purchasing decisions with a scarcity mindset and therefore focus on saving money instead of spending money.

When it comes to fitness, this group will lean towards a traditional gym membership at a big box gym due to its affordability. They are also likely to be home workout enthusiasts who rely on On Demand videos for motivation and inspiration.

It's worth noting that with [innovative available financial services like Klarna](#), this group might be in the mood to spend as long as gym membership offerings come with flexible payment options.



Target customers:

Furloughed employees, Laid-off employees, Students

Fitness offerings:

Big box gym memberships, Home workouts, On Demand video library

2.2

Limited funds, limited time

In the last two years the busiest people globally were those who helped maintain the status quo by showing up to work to restock the shelves in the supermarket, to drive people to and from the hospital, to take care of the vaccinated and the unvaccinated, to pick up the trash when it's time to be picked up, to bring delivers to the vulnerable, and so on. The essential workers really made a difference in a time of need. There were, of course, a lot of volunteers and freelancers who stepped up in the period and continue to do so even today.

This group includes essential workers, office workers (employees who made a return to the office on a full time basis), volunteers and freelancers. Their schedule is restricted due to lack of flexibility within their employment.

For this group the location of the gym will be a selling point and having suitable class slots before or after work might be of significance. This group is likely to stay local and be part of the community. They might also take advantage of a gym's mobile app and use its content as a starting point or as a way of tracking progress.

Lastly, this group might be more tempted than others to choose outside workouts as a way to reconnect with nature and restore the balance between spending time indoors and outdoors.



Target customers:

Essential workers, Office workers (Full time), Freelancers

Fitness offerings:

Gym classes, Branded mobile app, Outside workouts, Local gym, Community element, DIY workouts

2.3

Unlimited funds, limited time

For many a traditional gym membership that only offers access to the gym floor is no longer an attractive option, especially for employees who have the chance to work from home. It's somewhat of an inconvenient expense, unless the fitness facility can provide additional services, such as online content, remote workouts, live streamed classes and PT support.

This group consists of office workers who have the option to work from home, employees at executive level positions, big and small households where parents or a parent is at home, and parents with small children.

For families with children running around the house, fitness might mean doing activities together, such as dancing in the living room or cycling in the park. There's an element of entertainment required to keep the attention of the young ones. In other words, a gym membership that offers access to an online video library is likely to be appealing for this group, especially if the content is suitable for the whole family.

This group might also be interested in exercising at home and borrowing or purchasing equipment that allows them to transform the garage into a home gym. Since time is limited for this group, they might also make use of meal subscription plans, personalised nutrition and health plans that not only save time, but bring the family together.



Target customers:

WFH employees, Executive level employees, Big and small households

Fitness offerings:

Gym activities, Online content, On Demand video library, Home gym, Equipment purchase, Meal subscription, Nutrition and health plans

2.4

Unlimited funds, unlimited time

This is the group that benefited the most from the pandemic financially and managed to save money during the time spent at home (no commute, no sporadic Starbucks breaks, no dinner plans with friends). This is the group where you will find Millennials and Gen Z, the age group with the most time to spare, who also had the opportunity to explore fitness offerings throughout the pandemic and build a desire for more value out of their gym membership.

This is the group with the most flexible mindset - they have the means to join a gym, but they want to have different exercise options that match their schedule. This group is interested in experiences, which is why they might opt in for a fitness subscription that allows them access to a variety of activities. This group is likely to try out boutique fitness offerings and give different studios a chance.

They seek a membership in a facility that cares about their wellbeing and provides them with value at every step of the fitness journey. They want to feel part of the community and they care about memorable experiences, especially if they are instagrammable.

This group has the savings, the motivation to try activities and the understanding that focusing on health is extremely important in the post-COVID period. But keep in mind that this group is likely to expect more value out of their membership than others.



Target customers:

Single professionals, WFH employees, Gen Z, Millennials

Fitness offerings:

Gym experiences, Community events, Fitness subscription, Boutique gym memberships, VR fitness and gamification

3



Fitness clubs go hybrid

There's a permanent shift from seeing the gym as a place to get your body toned and muscled up for your next holiday to a place where you go to invest in your health. But just like technology has changed the way we do everything in life from shopping to getting our GP appointments done, fitness clubs need to embrace technology in order to truly make a powerful comeback from the pandemic.

A hybrid strategy means having different membership models, so that you can attract and cater for the needs of different customer groups.

In this section we will look at the key themes for success in 2022 and beyond that will help gym operators create a more sustainable operational growth strategy.



3.1

Rise of digital fitness

According to a study carried out by Pragma and [FIIT](#), today's digital fitness user base is nearly 70% bigger than gym memberships pre-COVID. The same research shows that digital fitness is associated with higher frequency of exercise: digital fitness users work out 17% more often than traditional gym members.

What's more, [60% of commercial gym members reported spending more time at the gym after subscribing to a digital service](#), according to a pre-pandemic survey.



Digital fitness users work out 17% more often than traditional gym members.

[FIIT](#)

There are many benefits to using digital and mobile fitness alternatives for exercisers. Some of the most obvious ones include ease of use, value for money, motivational reinforcement, variety of content and increased personalisation.

Equally important, there are many benefits to adopting digital into your fitness club's strategy as a gym owner, especially when it comes to engagement and retention.

Using the existing digital fitness insights, fitness professionals can improve both their in-club and online customer experience by implementing digital enhancements to increase the overall member engagement frequency.



3.1

Rise of digital fitness

Going forward a hybrid approach to your gym's offerings might be the most effective way of successfully recovering from the pandemic. What this means is that you should think about your membership offerings as an opportunity to bundle different in-club or traditional gym benefits along with new digital fitness alternatives.

As Men's Health observes, [monthly gym memberships will now need to include more than just the promise of workouts](#). Fitness clubs need to be prepared to offer help with nutrition, virtual check-ins and more customised coaching as a way to compete with the clients' new digital fitness experiences and expectations.

The gym will remain the physical home to the true fitness industry experts. But now is a matter of scaling up the process of sharing that knowledge with exercises and making an impact on a larger scale. What better way to do that than via digital fitness means!

The gyms of the future will include digital offerings that help you do the at-home stuff better.

[Men's Health](#)



3.2

Fitness community as the loyalty link

While group activity is not a new concept, the idea of building a fitness community is only now becoming a powerful trend. Just like group classes improve member engagement, building a fitness community could impact positively the overall retention due to increased trust in the staff members and the facility.

[3 in 10 say that they plan to get more involved with their local community in 2021](#), reveals data from The National Lottery Community Fund.



Leisure centres and gyms offer the perfect community assets: local accessibility, existing transport links, easy self-referral and welcoming settings with excellent staff.

[ukactive](#)

The most common reasons that people want to be part of a community is to reduce loneliness and isolation (47%), support mental health (39%) and live healthily and well (38%). These are all benefits that a gym membership can help with as long as the fitness club has a community focused strategy.



3.2

Fitness community as the loyalty link

Selling to loyal customers opens up additional revenue streams, *like class subscriptions, seasonal merchandise and one-off event passes.*

Happy members are the ones who will refer your fitness club to friends and family – and even bring them along to gym classes. **People are 4 times more likely to buy** when referred by a friend, according to Nielsen. What's more, the Wharton School of Business has estimated that **the lifetime value for new referral customers is 16% higher** than non-referrals.

Personalisation is becoming a bigger expectation for customers and creating a fitness community where everyone is on a first name basis can deliver on both tasks.

Strengthening your member loyalty doesn't end at member retention—it can actually drive membership sales.

IHRSA



3.3

All-inclusive health memberships

The pandemic reminded everyone of the importance of maintaining healthy habits and looking after one's health. This tendency to be overprotective of our health will remain a theme throughout 2022 and beyond, with increased attention not only to hygiene and self care, but also a keen interest in looking after one's mental health.

Fitness clubs who are prepared to meet the increased thirst for health with relevant knowledge, guidance and support will be in a great position to grow their business and attract new loyal members. In other words, a more holistic approach to organising your fitness club's activities is required to meet the needs of exercisers after the pandemic.



Many consumers are still healing from pandemic-induced trauma, and as a result, have a heightened sense of their own health and the health of others.

[Forbes](#)

Creating memberships designed to help with recovering from COVID, for example, is a relevant way to encourage members back to your facility. Similarly, you can think about delivering specialised fitness programmes for the at risk and more vulnerable groups, *such as people with chronic heart disease, respiratory conditions and diabetes*. While movement or flexibility might be restricted for some of these groups, the membership could focus on increasing knowledge around fitness and offer nutritional advice.



3.3

All-inclusive health memberships

With [the rise of mental health gyms](#), more fitness clubs are offering counselling within their facility with trained therapists. This is not only a way to attract new audiences but a way to reimagine what gym memberships are after the pandemic and in doing so reinforce your own brand positioning in the market.

Mental health will continue to play a larger role in health discussions. Think about the lifestyle changes most people have gone through in the past two years, leading to increased levels of stress, anxiety, depression and burnout.

How can the gym help people with mental health conditions? What are the services that members can purchase or subscribe to? How easy is it for new members to join or even learn about your offerings?

High-intensity cardio workouts (e.g., HIIT) may reduce anxiety more than low-intensity cardiorespiratory activities (e.g., casual walking).

[Psychology Today](#)



3.4

Connected customer experience

When we talk about a connected membership experience, we mean an effortless customer journey with multiple digital touch points that create more opportunities for interaction and feedback while removing any unnecessary interruptions, *such as failed payments, lack of engagements and ultimately lack of gym visits.*

Here's what the connected customer experience looks like for the gym member:

- **Accessible:** Easy intuitive sign up process and instant entry to the gym through QR code in the mobile app, different options to exercise
- **Engaging:** SMS prompt to download the branded mobile app and book an introduction session. App notification to join the gym's monthly challenge or set their own lifestyle goals through a personalised fitness programme
- **Rewarding:** Welcome email with helpful resources and access to thousands of workouts, fitness programmes and pre-recorded workouts
- **Caring:** SMS message if there's a failed payment, app notification to rate an attended class, option to set monthly check ins with a dedicated PT

Imagine a workflow with the actions above and many more available to members all in a matter of minutes of joining your fitness club.

Using your gym member's data (*e.g. through app usage*) and being able to record feedback (*e.g. after workouts or classes*) can help gym owners to adjust their offerings in real time to match user behaviour and increase their revenue in the process. It's no wonder then that [**the global connected gym equipment market size is projected to reach USD 5.96 billion by 2025.**](#) Data can give you a powerful boost over competitors.

Creating a connected customer experience

Accessible

Online signup
Mobile app
QR entry
Remote content
Online classes

Engaging

Admin Automations
System Workflows
Goal Setting
Digital Programmes
Monthly Challenges
Remote PT

Rewarding

Welcome Emails
Digital Content
On Demand
Member of the month
Referral discounts
Rewards scheme

Caring

Monthly check ins
Failed payment reminders
Feedback prompts
Community events



3.4

Connected customer experience

With traditional gym experiences undergoing transformation thanks to connected fitness equipment, like the Peloton bikes and the Apple treadmills and the connected Life Fitness machines, it's more important than ever to upgrade your gym membership offerings in accordance with the global trends.

It may not be obvious at first, but what's happened as a consequence of the pandemic is that today both the local gym and the seemingly distant Apple fitness subscription is fighting for the attention and money of the average person.

While the team at Apple has multiple teams working on the marketing and sales techniques, the independent gym owner can only rely on their ability to engage in real time and provide a caring follow up call or email, which might just be enough to win over the leads that are recovering from the so-called Zoom fatigue.

If fitness clubs want to retain their competitive edge in the coming years, they must start thinking about how to make their memberships more connected, from hardware and software through strategy and content to everyday communication.



With the likes of Apple, Lululemon, and Barry's now moving into the connected fitness space, most market analysts suggest that connected fitness companies will look to coexist with traditional gyms, such as those run by Equinox, in the same manner that brick-and-mortar retail stores coexist with ecommerce.

[Forbes](#)

FINAL WORDS

The pandemic has provided the needed disruption in thinking among the general population as to why exercise and investing in one's health is important. Thanks to the technological developments of today's digital tools, the fitness industry has successfully adapted to the turbulence brought by the pandemic and it is now in the process of fully embracing digital as the new normal.

Now is the time for gym owners to start incorporating digital thinking when forming their business and member strategy not only to keep an edge over competitors, but also to strengthen their fitness community and increase member loyalty.

Fitness clubs now more than ever need to become the gateways to connecting novices and experts to knowledge, habits and tools to better, healthier living.



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