

GROUP FITNESS MANAGEMENT

A large group fitness class is taking place in a gymnasium. A stage is set up in the center, where several instructors are leading a group of participants. The participants are wearing red and black athletic wear. The gymnasium is filled with people, many of whom have their arms raised in the air, suggesting a high-energy workout. The lighting is dramatic, with red and white spotlights illuminating the stage and the audience. The overall atmosphere is energetic and focused.

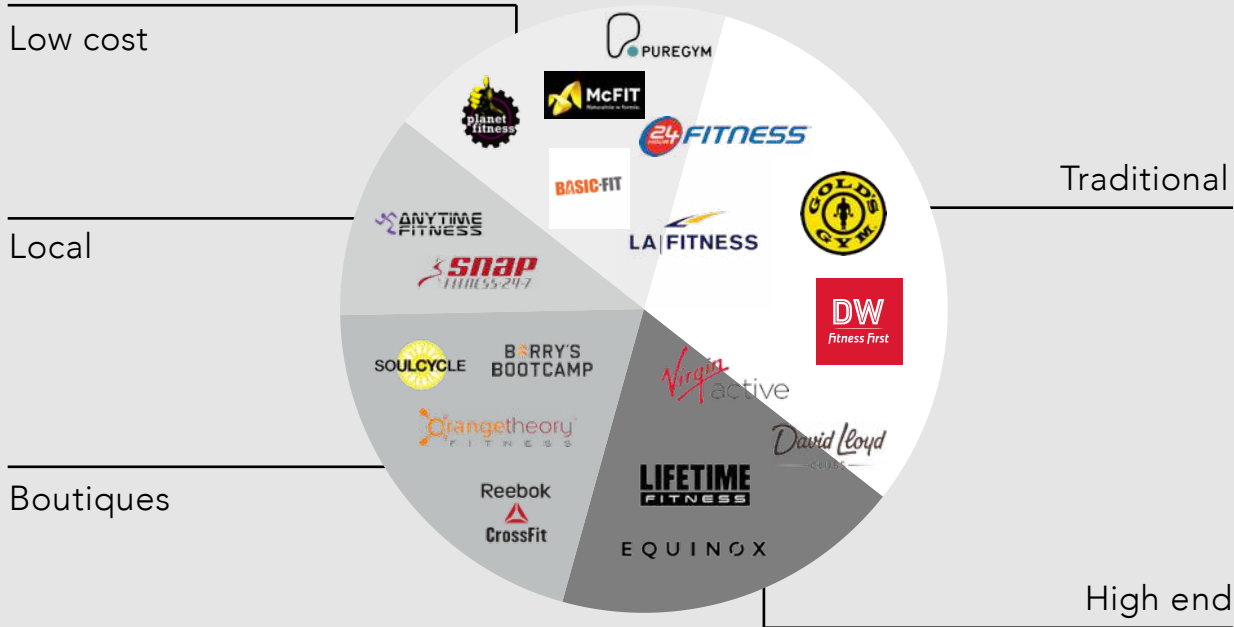


WINNING IN THE CLUB BUSINESS

A photograph of American football players in a three-point stance on a field at night. The players are wearing helmets and jerseys. The text "WHAT ARE THE CHALLENGES GYMS FACE TODAY?" is overlaid in large white letters on the left side of the image.

**WHAT ARE THE
CHALLENGES GYMS
FACE TODAY?**

#1 CHALLENGE: COMPETITION HAS DRAMATICALLY INCREASED



A photograph of a Planet Fitness gym storefront at dusk. The building has a white facade with a grey arched roofline. The Planet Fitness logo, featuring a yellow figure with a gear, is positioned between the words "planet" and "fitness" in a bright pink, illuminated font. The entrance is brightly lit from within, showing glass doors and windows. Two palm trees are visible in the foreground, one on the left and one on the right. The sky is dark with some clouds.

planet fitness

**LOW COST
CONTINUES TO GROW**

LES MILLS

MIDTOWN
ATHLETIC CLUB

HIGH END
IS GETTING
HIGHER

LES MILLS



SMALL LOCAL EXPANDS FURTHER



**BOUTIQUES
GO VIRAL!**



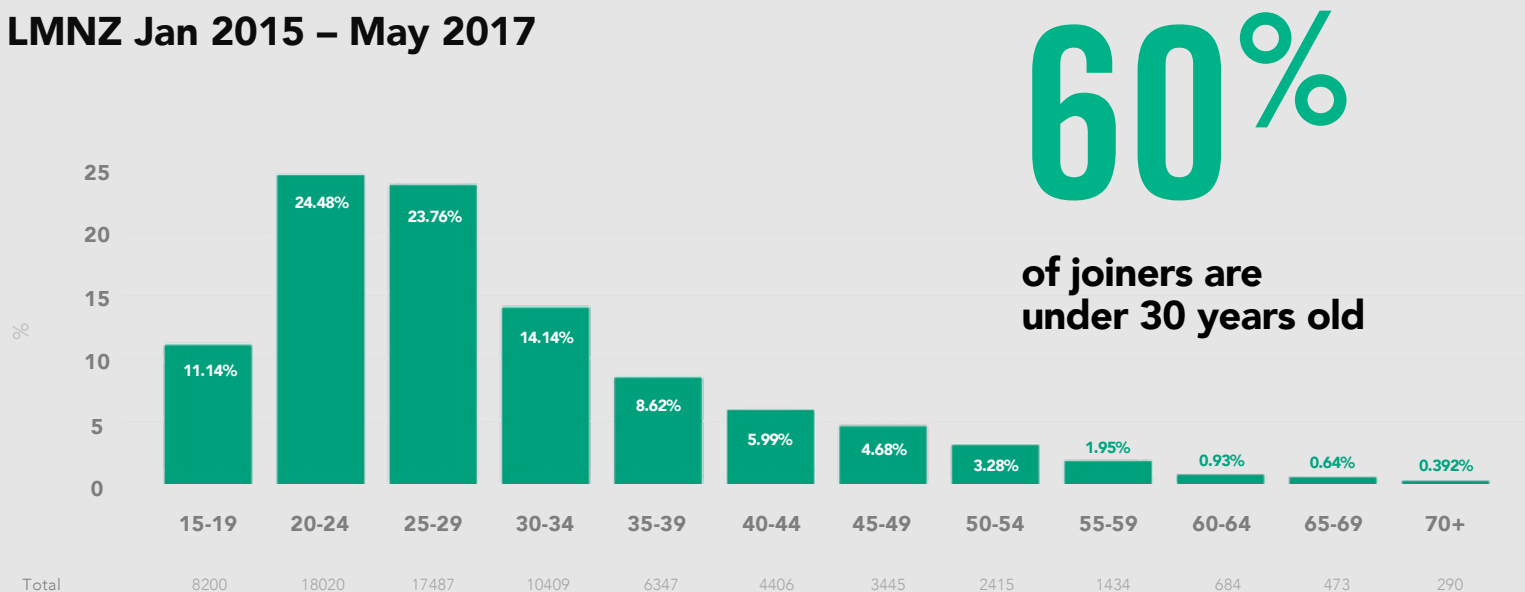
#2 CHALLENGE: HUGE CHANGE IN DEMOGRAPHICS

80%

OF ALL THOSE PAYING
FOR FITNESS ARE
MILLENNIALS OR GEN-Z

NEW JOINERS DEMOGRAPHICS

LMNZ Jan 2015 – May 2017



Average gym member age is ~40 but few people join after age 35

Source: Les Mills Gyms NZ and is based on a membership of 58,000 members.



**MILLENNIALS
AND GEN-Z
ARE OUR MUST
WIN BATTLE**



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#3 CHALLENGE:

EXPLOSIVE DIGITAL DISRUPTION

Peloton, Nike Training Club, Kayla Itsines



LES MILLS



#4 CHALLENGE:

**ONE FIGHT
REMAINS
CONSTANT...**



RETENTION



**THE GOOD NEWS:
FITNESS CONTINUES TO GROW**

32%

**OF TOTAL ADULT
POPULATION ATTEND A
GYM OR FITNESS
FACILITY**



**THE BAD NEWS:
DECREASING SHARE OF MARKET**

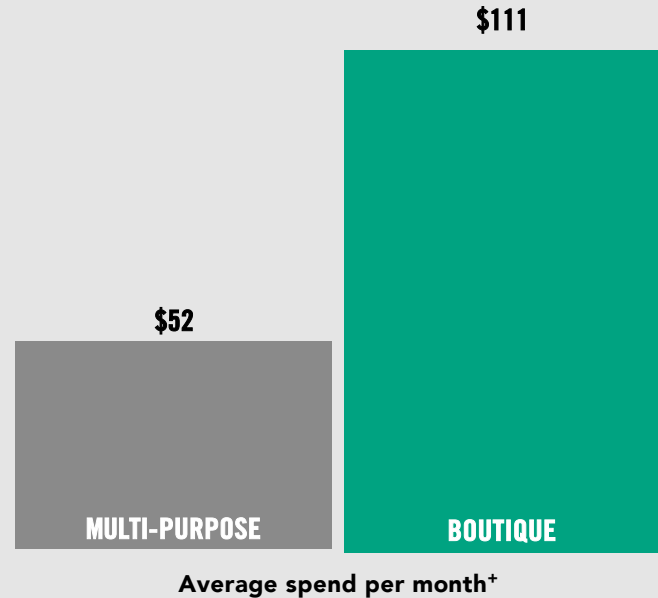
51%

**OF PEOPLE ARE USING PAID
ALTERNATIVES TO MULTI-
PURPOSE FACILITIES**

AND DECREASING SHARE OF WALLET

33%

OF THOSE WHO ARE MULTI-PURPOSE MEMBERS ARE ALSO PAYING TO DO GYM ACTIVITIES ELSEWHERE*



Source: *Les Mills Global Consumer Fitness Survey 2019, +Mintel Health & Fitness Clubs 2017.
Monthly spend - USA Market. IHRSA Boutique Studio Phenomenon 2016



DISCUSS

**WHAT CHALLENGES
ARE YOU FACING?**

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**HOW CAN WE
COMPETE IN
THIS LANDSCAPE?**

A photograph of four male sprinters competing in a race on a blue track. From left to right: a runner in a black singlet with 'DE GRASSE' on his bib; a runner in a yellow and black singlet; a runner in a dark blue singlet with 'FRA NCE' and 'VICAUT' on his bib; and a runner in a blue singlet with 'USA' and 'GATLIN' on his bib. The runners are in full stride, and the track has white lane markings. The text 'WHY DO PEOPLE JOIN FITNESS FACILITIES?' is overlaid in large white letters on the left side of the image.

WHY DO PEOPLE JOIN FITNESS FACILITIES?



**BECAUSE THEY
LACK MOTIVATION**

**WE ARE IN THE
MOTIVATION
BUSINESS**



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MOTIVATION COMES IN MANY FORMS

- EXPERIENTIAL SPACES
- COMPETITION / GOALS
- RESULTS
- COOL BRANDS/FOMO
- MUSIC AND VIDEO
- INSTRUCTORS
- SOCIAL INTERACTION
- EDUCATION
- ENJOYABLE EXERCISES





HOW DO WE MEASURE MOTIVATION?

1. Attendance

This is the most important metric in our industry but it remains one of the least measured.

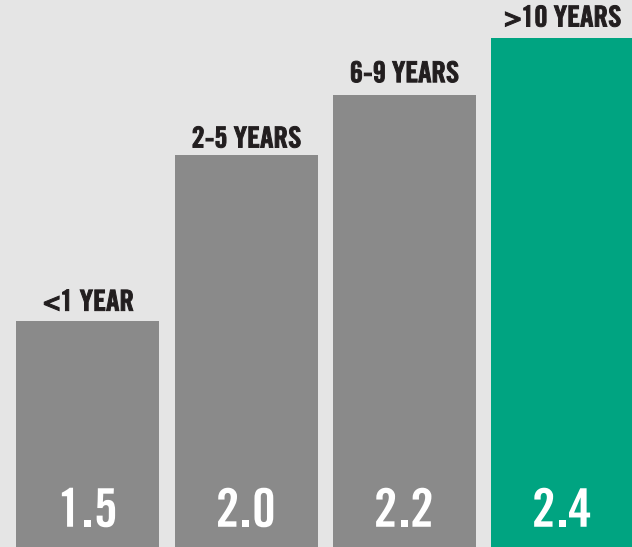
2. Frequency

How often your members come to your club.

THE MORE OFTEN THEY COME, THE LONGER THEY STAY

2X

VISITS PER WEEK IS YOUR
TIPPING POINT – MEMBERS
WHO COME MORE OFTEN STAY
WITH YOU FOR LONGER



Average health-club visits per week by tenure

MOST MEMBERS DON'T COME OFTEN ENOUGH

1.9

visits per week

66%

use their club fewer
than 1.9x per week

43%

use it less than
1x per week



**GROUP FITNESS HAS HUGE
MOTIVATIONAL FORCES**

**PARTICIPANTS IN QUALITY GX
ATTEND 3+ TIMES PER WEEK**



**RUNNING A HIGH QUALITY
GX PROGRAM IS A
WINNING STRATEGY
FOR MOST CLUBS**

GX ATTENDANCE DRIVES RETENTION, ACQUISITION AND PRICE

Retention

Les Mills GX users
stay 36 Months*

Acquisition

95% of Les Mills
attendees refer people⁺

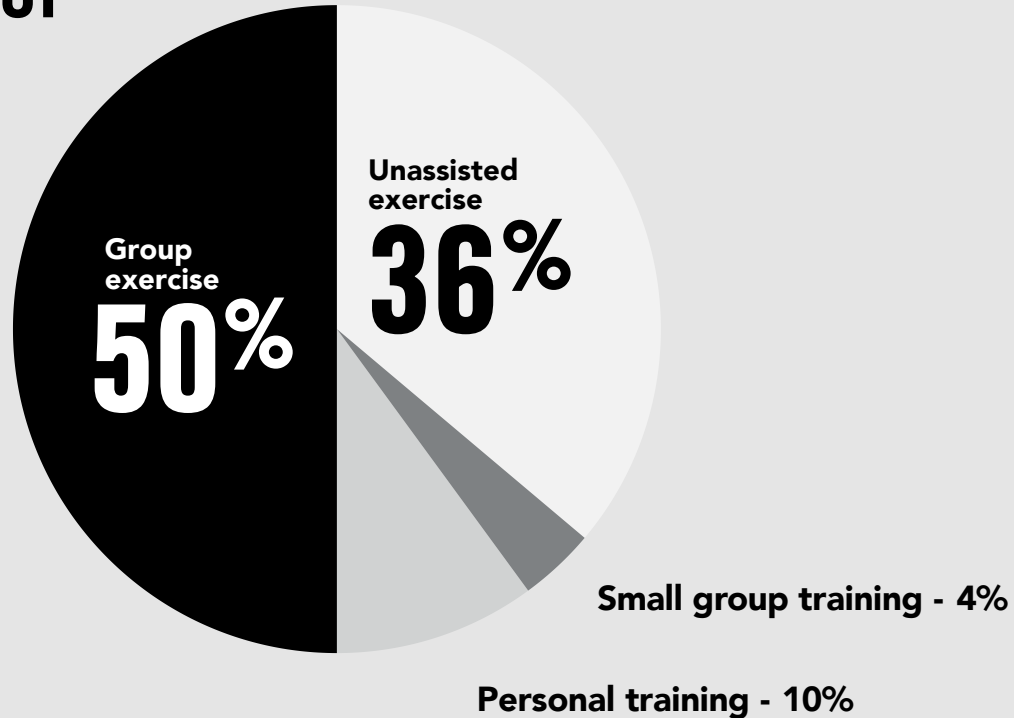
Price

Les Mills users have higher
value perception of their club⁺

Source: Exploring trends in LES MILLS™ class attendance and the impact of attendance on membership metrics Les Mills & UK active Research Institute° Base: All live memberships. + Les Mills Global Consumer Fitness Survey 2019

LES MILLS

WHAT ABOUT PERSONAL AND SMALL GROUP TRAINING?





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A photograph of a Planet Fitness gym storefront at dusk. The building is white with grey stone accents and a curved roofline. The entrance is illuminated with purple and pink neon lights. The Planet Fitness logo is prominently displayed above the entrance. Two palm trees are visible in the foreground, one on the left and one on the right. The sky is dark with some clouds.

**HOW DO YOU BEAT
LOW COST CLUBS?**

**WHAT DON'T THEY
DO WELL?**

THE ANSWER

GROUP FITNESS



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**HOW DO YOU
BEAT THE
BOUTIQUES?
WHAT'S THEIR
SECRET SAUCE?**

A person is silhouetted while riding a stationary bike on a raised platform in a gym. The scene is lit with vibrant purple and blue spotlights, creating a dramatic atmosphere. The person is positioned in the center of the frame, facing away from the camera. The background is filled with a dense field of small, glowing particles, possibly confetti or a digital effect. The overall mood is energetic and motivational.

MOTIVATING WORKOUTS AND ROCKSTAR INSTRUCTORS

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A DJ is performing at a nightclub. The scene is dimly lit with purple and blue light. A large screen in the background shows a person, possibly a dancer or performer. The DJ is in the foreground, partially visible, with their hands on a turntable. The overall atmosphere is vibrant and energetic.

**HOW CAN YOU
DELIVER A BOUTIQUE
EXPERIENCE INSIDE
YOUR FACILITY?**

MIDTOWN
ATHLETIC CLUB

LEARN FROM THE WORLD'S MOST SUCCESSFUL CLUBS



“

**THE PURPOSE OF THE GYM
INDUSTRY IS MAKING PEOPLE
FALL IN LOVE WITH FITNESS.**

LES MILLS SR. 1968

”

**HOW DO WE
DO THAT?
WHAT ARE WE
HERE FOR?**



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A high-angle, top-down photograph of four individuals in athletic attire performing sit-ups on dark blue mats on a light-colored paved surface. The scene is brightly lit, casting long, distinct shadows from the individuals and the mats. The individuals are arranged in a staggered pattern: a man in a blue tank top and grey shorts in the upper left, a woman in a black top and leggings in the upper right, a woman in a patterned crop top and leggings in the lower left, and a man in a black tank top and shorts in the lower right. All are in the middle of a sit-up motion with their hands near their heads.

CREATE A WINNING GX PROGRAM IN YOUR CLUB

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**8 KEY PLAYS
TO BUILD
CHAMPIONSHIP
WINNING GX**

KEY PLAY #1

CREATE A SCOREBOARD

- Create short-term and long-term attendance goals with your team
- Use latest technology to count every class
- Analyze results to drive better decisions



MEMORIAL SCOREBOARD			
MVRHS	7:09	GUEST	
14		0	
DOWN	TO GO	BALL ON	OTR
1	30		3

A photograph of two FC Barcelona players, Lionel Messi and Andres Iniesta, celebrating on a football pitch. They are wearing maroon training kits with the Rakuten sponsor logo and the FC Barcelona crest. Messi is on the left, with his mouth wide open in a shout and his right arm raised. Iniesta is on the right, also shouting with his mouth open and his right arm raised, with his hand on Messi's shoulder. The background is dark and out of focus, suggesting a stadium at night.

KEY PLAY #2

RECRUIT WINNING PLAYERS

- Identifying 'A' players
- Where to find them
- Successfully recruiting them



KEY PLAY #3

MOTIVATE YOUR TEAM

- Understanding motivational theory
- Five ways to motivate your team
- Being a coach who cares

KEY PLAY #4

DEVELOP A GREAT TRAINING PROGRAM

- Identifying core skills
- Creating a training journey
- Assessment and coaching
- Elevated coaching skills



KEY PLAY #5

PLAY YOUR 'A' TEAM

1. Schedule more of your best instructors
2. Schedule more of your best programs
3. Maximize your timetable for new members and future trends
4. Extend your timetable with Virtual and at-home

KEY PLAY #6

BUILD A GREAT STADIUM

- Optimize studio size
- Design experiential studios
- Build functional studios

KEY PLAY #7

PROMOTE YOUR GAMES

- Understanding our consumers' needs
- New program and quarterly relaunch campaigns
- Marketing your instructors
- Educating your membership consultants

KEY PLAY #8

DESIGN A WINNING GAME PLAN

- Define your GX goals
- Write your GX game plan
- Review and report each quarter



**HOW DO WE KNOW
THIS WORKS?**

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CASE STUDY

LES MILLS CLUBS, NZ

OVER A DECADE WE IMPLEMENTED THESE
KEY PLAYS AT LES MILLS AUCKLAND CITY.

LES MILLS



RESULTS

Membership price increased from \$17NZD per month to \$110 per month over 10 years.

Membership numbers increased by approximately 25%.



**WE HAVE ALSO SEEN THESE
KEY PLAYS WORK FOR
CLUBS AROUND THE WORLD
CASE STUDIES TO FOLLOW...**



“

**WE ARE WARRIORS IN THE
BATTLE AGAINST INACTIVITY
AND OVER-CONSUMPTION.**

LMI INSTRUCTOR CREED, 1998

”

LES MILLS



“

**CREATING LIFE-CHANGING
EXPERIENCES EVERY TIME,
EVERYWHERE. ONE CLASS AT A
TIME, ONE PARTICIPANT AT A TIME.**

ADVANCED INSTRUCTOR MANUAL

”

**WHAT DO YOU
WANT TO GET
OUT OF THE NEXT
TWO DAYS?**