

Tips and Trends for Fitness Business Owners in 2020



classpass

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Business is booming in the fitness and wellness industry, and examining what worked in 2019 helps predict what we'll see in 2020. From automations, industry inspiration and schedule customization to reimagining community, we've compiled the areas to keep an eye on in the coming year for savvy fitness business owners.

1

Automated Technology

Trend: Automated technology is gaining strength

Automation frees up time and can help maximize revenue, allowing fitness businesses to thrive.

Tech to save time

If you're running a fitness or wellness venture, you're likely always on the lookout for ways to optimize your most precious resource — time. The past year saw an influx in automation to make life easier and more efficient for business owners in the health and wellness industry. Especially for small business owners doing it all themselves, or with a small team, the need to automate has become clear. Automating technology takes the strain out of everyday tasks — from facilities management to operations and marketing.

ClassPass has introduced SmartTools to automate and optimize tedious tasks for partners. SmartSpot is ClassPass' intelligent spot management tool, designed to help studio partners fill spots they are not likely to fill on their own. It looks at a studio's fill history and real-time reservations to predict the spots they are not

likely to fill directly and automatically lists them with ClassPass. To read more about one studio's experience with SmartSpot, check out this [Q&A](#).

Tech for revenue optimization

Dynamic pricing has become more widespread in the fitness industry — and for good reason. Another aspect of ClassPass SmartTools, [SmartRate](#) uses the power of machine learning to dynamically price classes automatically. SmartRate was designed to help maximize studio revenue by dynamically pricing class spots. By charging users less for low-demand spots and more for popular ones, SmartRate aims to drive reservations to less popular spots and earn partners more overall — an automation meant to make this admin task a thing of the past.

2

Industry Crossover

Trend: Learn and grow by noticing wins in similar industries

Inspiration can come from anywhere and strike at any moment. Exploring successful practices from other fields can help the fitness industry innovate and grow.

Delight more customers, make more money

Applying learnings from other industries can help fitness studios and gyms improve the member experience and generate more revenue. By learning about how to connect and engage with customers online from best in class retail brands and about how to implement pricing strategy from top hotel and airline businesses, the fitness industry will be able to make significant strides.

Crossover highlight: retail and e-commerce

Discovering and attracting new customers is key for the growth and longevity of any business. Leading brands in the consumer retail business do this particularly well – they leverage engaging content and powerful technology to create personalized user experiences. Like fitness businesses, retail businesses often have both online and offline

presence and need to maintain brand standards and keep customers engaged across both.

Use personalization to maximize your digital marketing

Retail marketing has come a long way in recent years thanks to advancements in advertising, web, and email marketing technologies. Advertising technology has made advancements to the point where you can target users based on very detailed parameters and re-target visitors to your site when they do not convert. Modern web technologies can use cookie data and artificial intelligence (AI) for real-time personalization – in other words, digital marketers can now promote the right product to the right user at the right time. Email marketing can be automated so that customers are reminded of important events and so brands can send special promotions.

Remove friction to propel business

An example of email marketing automation

that has been particularly effective in retail is the “abandoned cart flow,” which involves using interaction data to trigger an email when a customer leaves items in their virtual shopping cart or starts the buying process but does not complete it by making a purchase. Advancements in online payments also allow for a shorter, lower-friction digital funnel so

Digital marketers can now promote the right product to the right user at the right time.

customers can pay more quickly and securely. Retail marketers have also become more clever in regards to social media strategy – they partner with other like-minded brands for giveaways and work with micro-influencers to create content relevant to specific audiences or markets. Overall, these technologies and strategies allow for advanced segmentation and personalization – increasing connection between brands and buyers.

Engagement is essential

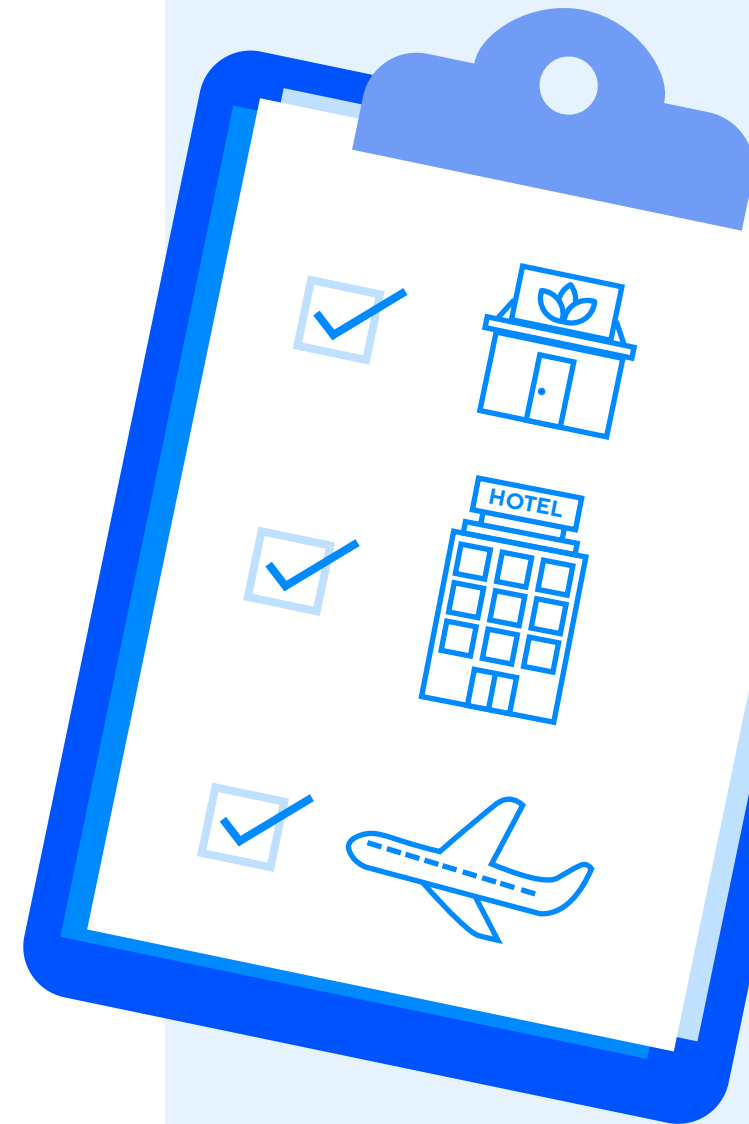
Beyond the offline experience of a class, it's becoming more and more essential to connect with your current and future customers online. Using targeting features through Google AdWords or Facebook's advertising platform can help you reach the customers that would be most likely to book a class at your facility. Using web and payments technologies to make your website more aesthetically pleasing and the booking process more streamlined will also help you convert site visitors to clients. Keeping clients engaged is also key – automate emails to your customers to share special packages or promotions, send them birthday discounts or simply remind them when their next class is

coming up.

The implications of advancements in retail and e-commerce technology for fitness are paramount because they allow companies of any size to automate marketing processes that used to be labor-intensive and convert more customers at a higher velocity. Fitness brands that embrace these technologies and strategies have seen objective successes such as increased operational efficiencies, decreased cost of acquisition and virality or broader reach on social media. As a result, these businesses have been able to fill more spots and generate more revenue.

Crossover highlight: hotels and airlines

Applying revenue management principles to the business of fitness and developing a long-term revenue strategy can help studio and gym owners increase their revenue-generating potential. The goal of revenue strategy is to sell as many spots for the highest value possible – whether that's a seat on a plane, a bed in a hotel or a spot on the mat in a yoga class.



Increase profitability through principles of Hospitality revenue strategy

The first step in setting a revenue strategy requires the ability to forecast based on historical data and current demand factors. Analyzing data and trends from previous years can reveal patterns – such as when the busiest times of year occur. The ability to accurately forecast can also improve day-to-day operations – it helps business owners plan schedules and staff up appropriately.

Implementing modern technology and dynamic pricing can streamline many revenue functions. The ability to facilitate this in real time saves manual effort and helps improve accuracy. Leveraging dynamic pricing, or the practice of pricing a product or service based

on a variable or set of variables, can help drive this strategy and maximize the number of spots sold based on the customer's price elasticity, or willingness to pay.

The hospitality and airline industries have made technological advancements such as the ability to dynamically yield a seat on a flight or a hotel room by different variables including booking channel, room type or day of the week. This allows for more sales at an optimal price, and less inventory going unsold. By dynamically pricing spots in a class, studio owners can fill more spots and increase the overall profitability of their businesses. For more similarities within industries, read "[What Boutique Fitness Owners Can Learn from The Hospitality Industry.](#)"

3

Smart Targeting

Trend: Data-driven business decisions can target customers where they are

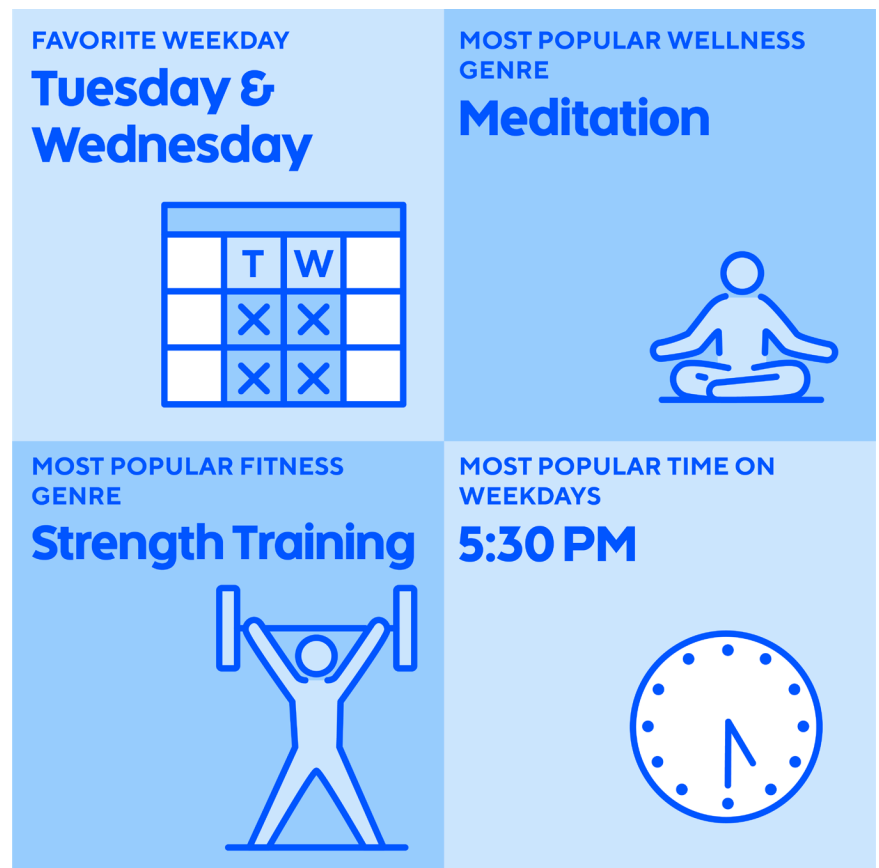
Finding a target audience is an integral step in any [business plan](#); but getting smarter about how to hone and reach those potential clients is where we're headed. More fitness businesses are already using some kind of data to tailor their offerings. Knowledge is power, so understanding your market, your demographic and how to tailor your business to fit those needs, with the help of user behavior insights, is trending. Working with a fitness marketplace like ClassPass, businesses can gain valuable information about what's hot to offer – and when – based on extensive user data.

By the numbers

According to ClassPass user data*, the most popular time of day to work out is 5:30 p.m. – and fitness enthusiasts are most likely to attend a sweat session on a Tuesday or Wednesday. Put these trends into action at your studio or gym in 2020 and ensure your schedule is packed with post-workday options, especially during the weekdays.

Strength training proved to be the most popular fitness genre of 2019 (check out our full round-up of [2019 fitness trends here](#)), with meditation leading the

wellness category. Could it be time to think about offering options to strengthen both body and mind at your venue heading into 2020? Read the blog post, "[Should You Add Another Workout Genre to Your Studio?](#)" to learn more. Another way to try out this trend could be [adding mindful moments](#) or a short meditation session to cap off your HIIT class.





Community Experience

Trend: Reach beyond traditional marketing with a next-level community experience

Creating community is the ultimate way to build a loyal membership base in fitness.

Tribe, squad, fit fam, team – fitness businesses and instructors throw these phrases around all the time in their marketing and in class. Creating community is the ultimate way to build a loyal membership base in fitness.

Members want to belong

A sense of belonging is a human, psychological need that being part of a group or team can help fulfill. Building community helps build commitment – bonds with other people can serve as motivators as well as drive happiness. When your clients [connect to your studio or gym on a personal level](#) based on interactions with your brand, your team and other members, they'll keep coming back for more.

All about inclusivity

These activities and unique moments are memorable experiences for members that bond them to each other and your brand – ultimately creating a strong, vibrant community. Moving into 2020, consider who makes up your community. Ultimately, your community is each individual who steps through your door, hops on a treadmill or clips into the bike. Fragmenting your community, or making anyone feel excluded is outdated. The way forward is uniting your community, ensuring everyone feels welcome and accepted.

Instructors are community leaders

Instructors are the cornerstones of any fitness community. They are the leaders in the classroom that inspire, motivate and engage members. They set the tone for your studio's culture based on the energy they bring to the classroom, their playlists, what they post about online and even the athleisure they wear. Studio communities can stem from members leaning into your brand's culture, so it's imperative to hire instructors that represent your brand well. Selecting and managing [talent](#) is essential for the growth of a fitness business.

Evolving standards

Instructors are also a key part of what a fitness business would consider to be supply – it doesn't always matter which equipment you've selected or which yoga mats your clients practice on. They show up because of the person leading the class and pushing them to be their best. An instructor's role is to create an inclusive environment and make sure that everyone in the room has a great, safe workout. They can

do this through their programming and offering progressions and regressions in the movements. However, strong, positive cueing and the ability to connect with each member during the class is what sets great instructors apart from good ones.

A talented instructor that can facilitate connections between members of a class through partner or team drills provides for the most powerful types of experiences. High-fiving members and remembering their names are also highly impactful as physical touch (though only with consent) and personal encouragement foster connection. The combination of connecting one on one and bringing a class together as a team creates a sense of loyalty and accountability that keeps the client coming back to class.

Engage members with events

Hosting events isn't a new idea – it's always been a great way to create more engagement with your clients. It enforces the idea that your studio or gym is a gathering place for the community and clients are more inclined to spend time there outside of class. The power

of these events, and the need to think outside the predictable happenings, will be important in 2020. Examples of events a gym or studio could host include theme classes, contests, pop-up shops, happy hours, and outdoor experiences. Joining in local events can also be another way to expand your brand's reach and connect with new, like-minded members that could fit into the fabric of the community you're building.

Having your instructors volunteer or coach at a wellness pop-up or fitness festival also helps your studio connect to the community that it's located within. Events are an excellent way to surprise and delight your clients and they are also a great way to help clients start thinking of your venue as a "third place" – the place other than home or work where they would want to spend a significant portion of their time.

The way forward is uniting your community, ensuring everyone feels welcome and accepted.

Staying on top of trends in the fitness and wellness industry is key for business owners. Using technology and data to work smarter, thinking outside the box to build community and looking to established industries for best practices are trends we've seen grow — and we predict will be on the rise in 2020.

*Data is based on an average of all ClassPass user reservation data from January–November 2019



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ClassPass is an all-access membership to a global network of studios, gyms and wellness providers. It connects people to a variety of experiences, including strength training, yoga, cycling, Pilates, dance, sports, meditation, massage, spas and more.

Join the world's leading marketplace for studio fitness, gym and wellness providers and start maximizing your revenue. We'll help you get discovered by a global community searching for their next great fitness or wellness experience: yours.

[Get started](#)