



State of the Fitness Industry Report 2021

Australia and New Zealand

How fitness has (and hasn't) changed—the latest data for enterprise brands and the clients they serve.

Resilience and perseverance aren't exactly new concepts for the fitness industry, but the past year and a half put those words to the test like never before. There was no specific path or master plan to emerge from a global pandemic. Yet, many forged forward—showing incomparable grit and resourcefulness along the way.

But if resilience is about digging deep to endure the unexpected, perseverance is about using the experience to rethink and rebuild. That's especially true of industry leaders and their clients, and the data tell us a story about how that's taking shape in 2021.



Here's to moving forward

Recently, Mindbody surveyed both consumers and wellness brands to understand how the industry's shifted over the past year and a half and more importantly, where it's headed in the months to come.

For fitness organisations, knowledge is innovation waiting to happen. We hope these data points can help inform your business strategy, at a time that calls for you to adapt more rapidly than ever.



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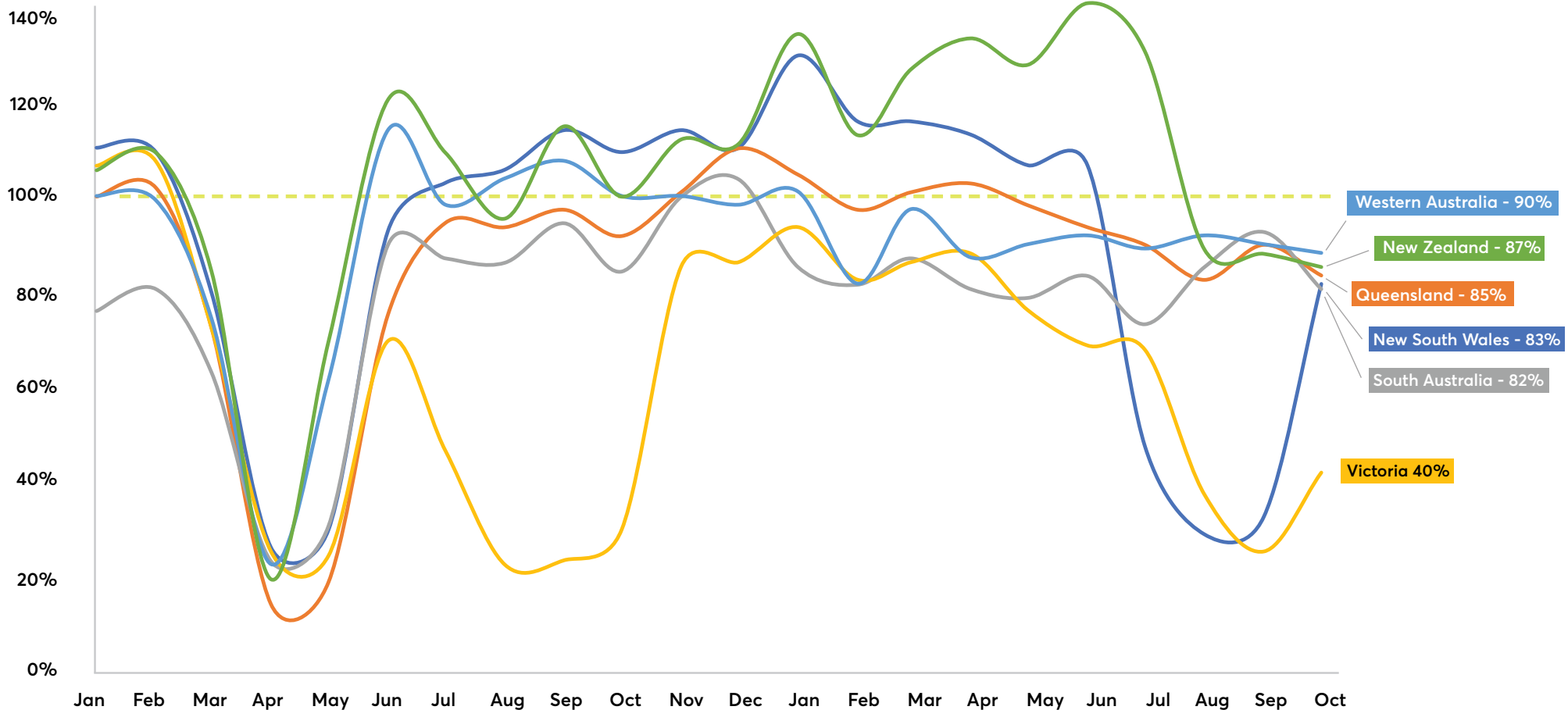
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Bookings are recovering



While the volume continues to vary considerably by state, the overall trend line for bookings is going up toward where we were prior to the pandemic. Once restrictions were lifted or relaxed state by state, pent-up consumer demand was and continues to be the driver for recovery.

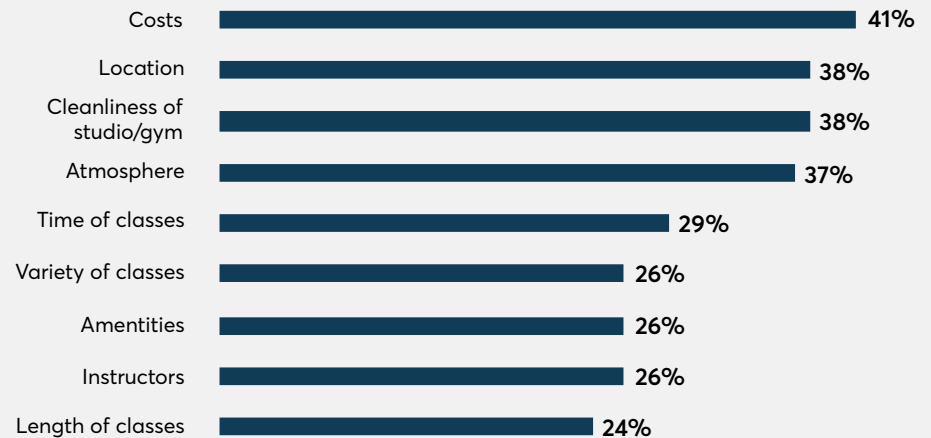


Cost and location matter, but they're not everything

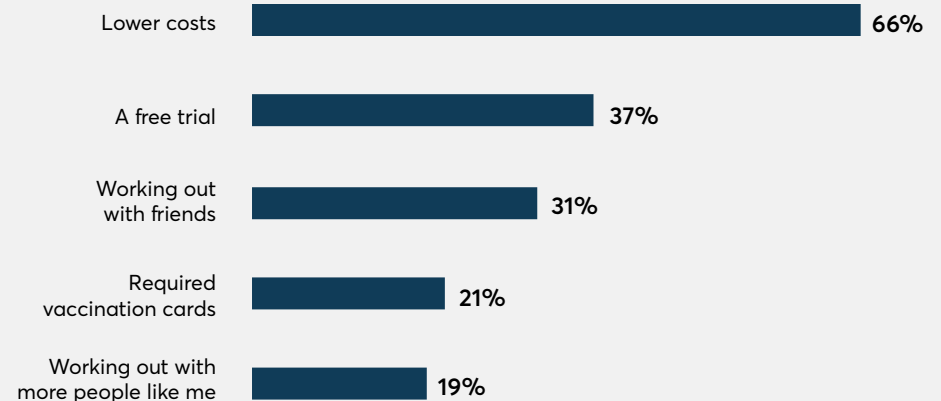
When it comes to choosing a fitness business, consumers do still cite location and cost as top considerations—and when motivating people to return, lower costs are still the winning strategy.

Unsurprisingly, cleanliness has also emerged as a key factor. This goes hand in hand with health concerns, which are here to stay. When asked their reasons for being reluctant to return to an in-person experience at a studio, vaccination is very much on everyone's minds.

Top considerations for choosing a fitness studio/gym



Ways to get people back to a gym or fitness studio



Offering workout variety is a big advantage

A strong majority of survey respondents said they prefer a fitness studio or gym with a variety of workout types available.

Top reasons why:

- 42% prefer a variety
- 38% prefer going to one location
- 35% convenience
- 34% having access to different fitness experts
- 33% prefer having only one membership

And forget the idea that people are afraid to try something new. With over half of all respondents (52%) saying they're more open to new workouts than they were before the pandemic, there's good evidence to suggest that being forced to adapt to new fitness routines has had a lasting effect on the marketplace.

Who we follow predicts what we try

When asked what influenced them to try new workouts, respondents gave variations on the same theme: their news feeds. 36% pointed to YouTube, 28% said social media, and another 23% said it came from an influencer or celebrity recommendation.

That trend holds true for virtual workouts too. 33% say they've opted for workouts led by someone they were already following on social media platforms.

33%

say they've opted for workouts led by someone they follow on social media.



Australian city insights

Australia has experienced some of the worlds longest lockdowns, but consumers aren't letting this get in the way of their fitness journeys. City to city preferences do vary between one another, so it may be worth considering these findings in your fitness offerings.





Length of workouts

27%

of consumers in
Brisbane are doing
longer workouts

26%

of consumers in
Melbourne are doing
longer workouts

Whereas

31%

of consumers in
Sydney are doing
shorter workouts

20%

of consumers in
Perth are doing
shorter workouts



Preferred time of day for workouts at a studio or gym

Consumers in Sydney (34%),
Adelaide (33%), Brisbane
(32%), and Perth (28%) prefer
to workout in the mornings.

Consumers in Melbourne
(33%) prefer afternoon hours.



The hybrid experience is here to stay

Technology isn't here to replace the human connection you've built your business around—it's a way of bringing that connection to more people, in a way that best suits their needs or preferences.

Offering virtual services is a seamless extension of your what you're already offering, and one more way to add to your bottom line.

78%

of Australians in open states are using **live stream** the same amount, or more, compared to when they started their exercise routine

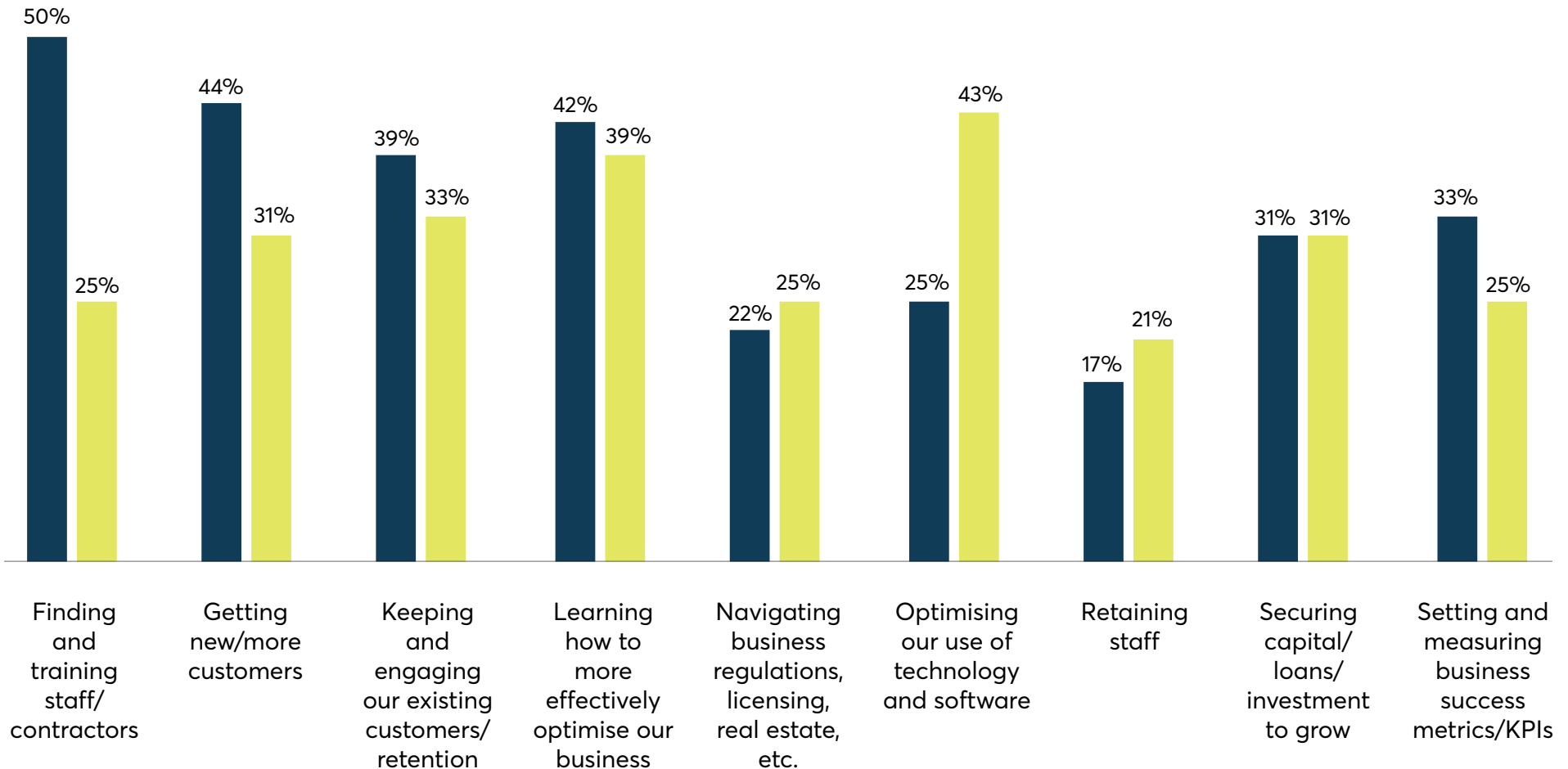
80%

of Australians in open states are using **on demand** the same amount, or more, compared to when they started their exercise routine



Challenges facing the business

■ Non-franchise organisation ■ Franchise organisation



When it comes to challenges, learning how to more effectively optimise the business is at the top of the list. COVID forced us all apart, which has put a bigger spotlight on the power of software for business operations. The ability to collaborate and conduct business online isn't just a matter of efficiency and convenience anymore—it's now essential to survive and grow.

It's no surprise that acquisition, for both customers and staff, remains the second largest challenge. With staff playing an imperative role on the running of the business and customers driving revenue.

Beyond that, 33% of franchise and 39% of non-franchise organisations reported a need to retain and engage their existing customer base. Interestingly, this has dropped from 55% in 2019, demonstrating that even through hardship businesses are resilient.





There's plenty of optimism

Across both franchise and non-franchise organisations, a third of business owners (35%) say their goal is to maintain the business for the foreseeable future, a plurality (49%) say they're ready to start growing again. They're planning to actively invest in strategies that will expand their businesses in the next 1 to 3 years.

Diversifying is on everyone's mind

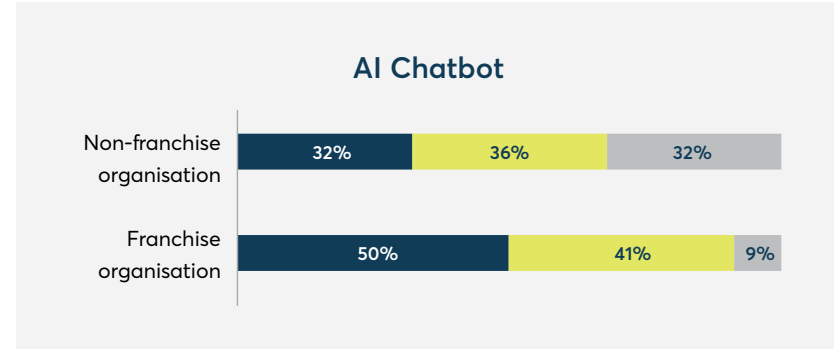
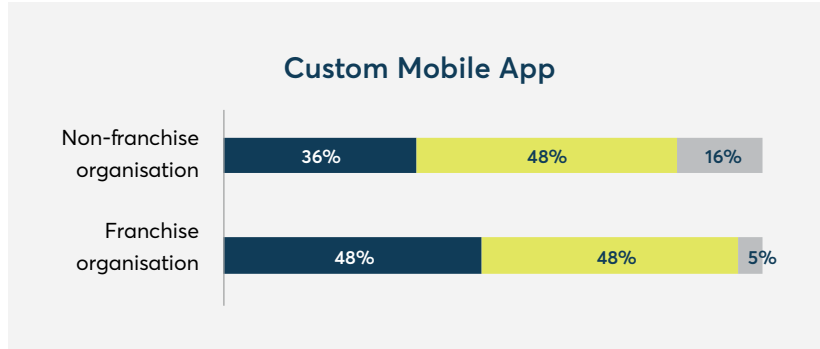
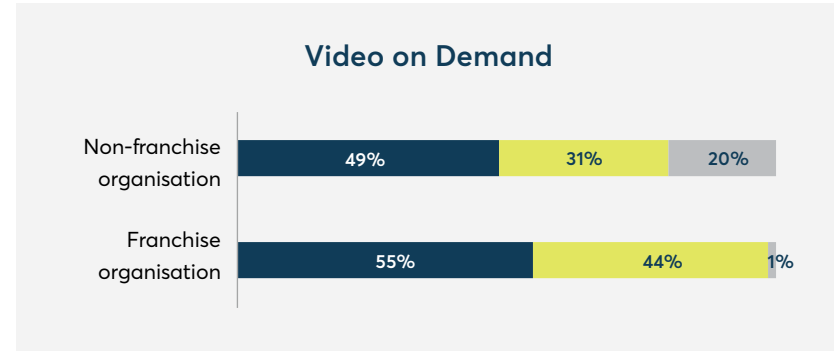
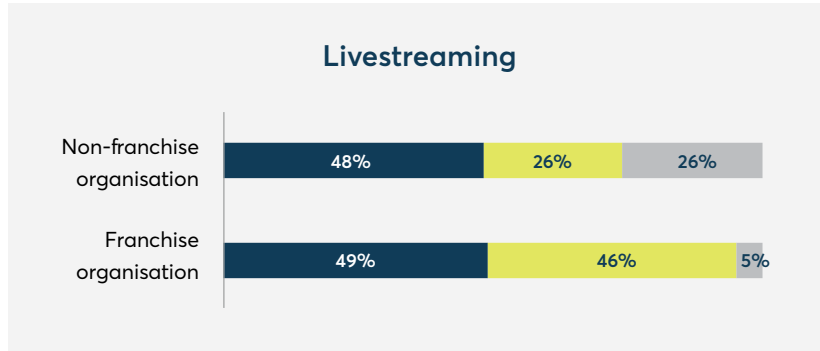
More revenue streams offer more possible paths to stability and growth, and 33% of fitness businesses have already added something besides fitness classes or training sessions to their slate of services.

Top 5 supplemental services:

- Massage (41%)
- Wellness (40%)
- Physical therapy (36%)
- Nutrition (30%)
- Hydrotherapy (21%)

Technology will only become more important

Plan to have/use within the next 6 months*
 Plan to have/use after 6 months*
 Don't plan to use*



*Those who don't already have technology

Whether reluctantly or eagerly, strong majorities of owners either have adopted or are planning to adopt technology in new ways. The latest innovations, which have already proven themselves valuable since the pandemic, are on-demand video for fitness classes, custom mobile apps, live video streaming for fitness classes, and **AI chatbots** for online booking.



Doubling down on fitness instructors

For all the talk of innovation, adapting, and diversifying, one of the most reliable predictors of client retention has always come down to one very simple question: "How do you like your instructor?"

62% of fitness enthusiasts say that they are more loyal to their fitness instructor than to the gym or studio where they work out.

Human connection is everything, and fitness businesses who help foster and encourage that relationship between instructor and customer will likely see it reflected in their retention numbers.



62%

Consumers are seeking fitness and wellness like never before—it's up to brands like yours to maximise the opportunity. Now's the time to adopt technology, hire and and retain top talent, and create standout experiences for customers. We can't wait to see what you do next.

Trusted by the biggest brands

Leading wellness business enterprises in over 150 countries count on Mindbody to help them manage and expand their operations.



About Mindbody

Mindbody is the leading wellness experience software platform for the fitness, wellness, and beauty industries. Tens of thousands of fitness studios, salons, spas, and integrated health centers worldwide—from the newest entrepreneurs to the largest franchises—use Mindbody’s integrated software and payments platform to run, market, and grow their businesses. Consumers use Mindbody to more easily find, engage, and transact with wellness providers in their local communities and around the world.

About the Mindbody research team

Mindbody Research & Insights is a diverse and experienced team of market and user researchers, with deep expertise in advanced quantitative methods, qualitative, and mixed research methodologies. The team brings together MBAs, economists, behavioral and social scientists, and international specialists. With broad skills in both consumer and business research and decades of collective industry experience, the team delivers high-impact research in both domestic and international markets to help position Mindbody as an industry leader.





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