

mindbody

2025

State of the Industry Report

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2025 is shaping up to be a year of confidence for the fitness & wellness industry. Businesses are embracing AI, expanding revenue streams, doubling down on loyalty, and adapting to rising consumer expectations and lifestyle-driven demand.

To understand how the industry is navigating 2025, Mindbody surveyed 1,421 decision-makers across the global fitness & wellness landscape, including fitness studios, spas, salons, and integrative health businesses. To provide context beyond the sector, we also benchmarked these perspectives with a survey of 1,036 business owners in other industries including restaurants, tourism & hospitality, events & entertainment, and retail across the U.S., U.K., and Australia. Beyond the numbers, we spoke directly with operators ranging from national franchises to boutique studios, adding real-world perspective to our insights.

What emerges is a clear picture of an industry not just reacting to change, but actively shaping what's next. From investing in smart technology to reimagining customer experiences, fitness & wellness businesses are evolving without losing sight of the human connection at the heart of the industry.

These are the key themes shaping the fitness & wellness sector in 2025

01

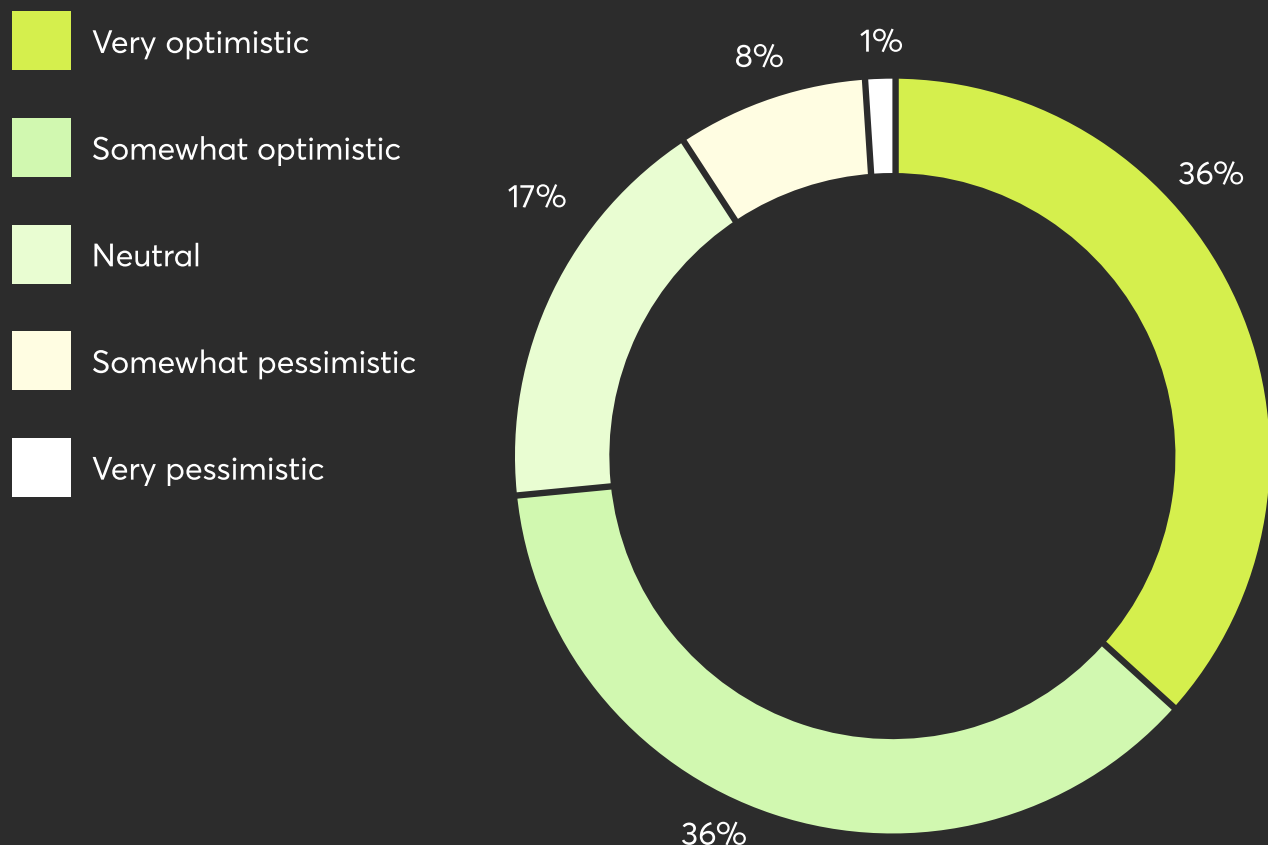
Inside the Operator Mindset of 2025

Optimism in an Anxious Economy

Talk of inflation, rising costs, and a potential recession have been persistent themes echoing throughout 2025. Against that backdrop, it's striking that nearly three-quarters of fitness & wellness businesses (72%) say they're optimistic about performance this year, while only 9% describe themselves as pessimistic.

Within the industry, optimism seems tied to a long-term cultural shift: consumers now treat fitness & wellness less as a luxury and more as a lifestyle priority.

Optimism About Business Performance in 2025





The prioritization of people's spend into health and wellness is increasing rapidly and is now overtaking other forms of expenditure.

James Stanley | CEO and Co-Founder, Biowell Health

As recession concerns loom, consumer commitment to wellness remains strong. Monthly or tiered memberships continue to lead within the industry, with 54% of operators citing them as the most popular pricing model for 2025. Class packs (44%) and unlimited memberships (27%) were also widely cited as the most popular with members.

These numbers suggest that clients are opting for ongoing relationships, not just one-off services.





Tech-Forward Businesses Feel Even More Confident

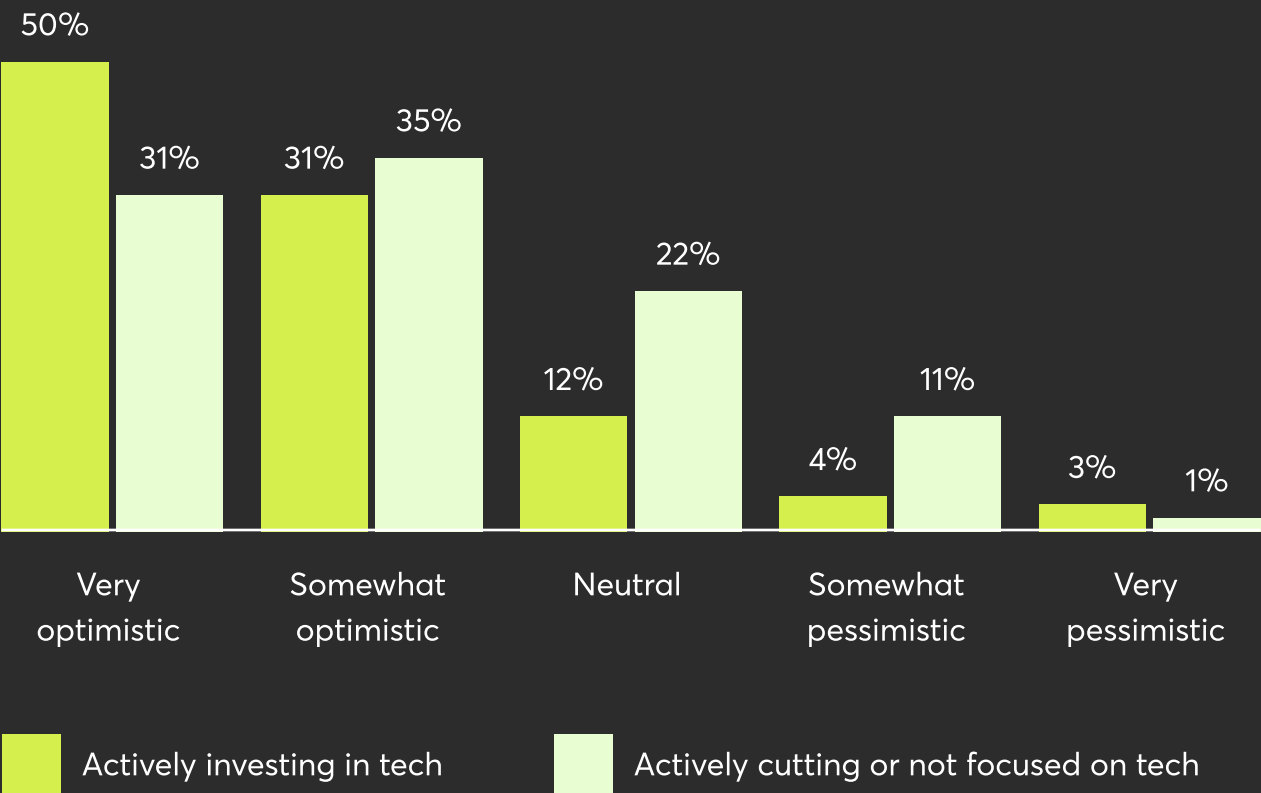
Technology adoption continues to play a central role in shaping performance outcomes across the fitness & wellness industry. In 2025, over half of operators say they're either investing in or actively evaluating new technology—with 18% proactively investing and another 36% reviewing their tech stack. Only 5% of businesses say they are cutting tech spending, signaling a broad shift toward future-focused operations.

Integrative health businesses are leading the charge, with 58% of operators in this category taking an active or exploratory approach to technology investment. Our survey data also shows that the businesses actively investing in technology are over 1.6x more likely to describe themselves as very optimistic about performance this year.

Overall, 50% of these tech-forward operators report feeling very optimistic, compared to just 31% of those holding back on tech investment.

Smarter software, automation, and data-driven decision-making can free up staff, improve efficiency, and enable businesses to adapt quickly to shifting consumer behaviors. In a sector where margins are tight and competition is intense, these advantages translate directly into business performance and confidence. Put simply, for businesses embracing innovation, technology is becoming an insurance policy against uncertainty.

Technology Investment Correlates to Business Performance Optimism



What Operators Prioritize in the Event of a Downturn

If the economy does begin to slow, businesses say amenities are the last to go when they need to trim expenses, with just 3% citing them as a cost-cutting priority. Why? They're relatively inexpensive but highly visible. Cutting towels or recovery perks doesn't save a business much in expenses but can risk undermining the experience that keeps clients coming back.

This sentiment is consistent across verticals. Only 4% of spa, 3% of fitness, and 2% of integrative health and salon operators cite amenities as a top area they'd cut.



02

AI's Evolving Role in the Fitness & Wellness Industry

AI Investment Separates Leaders from the Pack

Those that are leaning into AI are reaping the benefits. Businesses actively investing in AI are more likely to be in expansion mode than those that are not, showing that AI is becoming a catalyst for growth in the industry. Additionally, only 9% of AI adopters say they have 'no major changes planned for 2025,' compared to nearly 20% of non-users.

Lee Kelly, CEO of CorePlus, says "One AI tool we've introduced automatically creates step-by-step guides by following your screen. It's been a game-changer in documenting processes across our studios—saving significant time while ensuring consistency. Our advice to other operators: start small and practical. Even small integrations can make a big impact."

54%

of AI users plan to expand marketing efforts, vs. 37% of non-users

42%

will add new services, vs. 32%

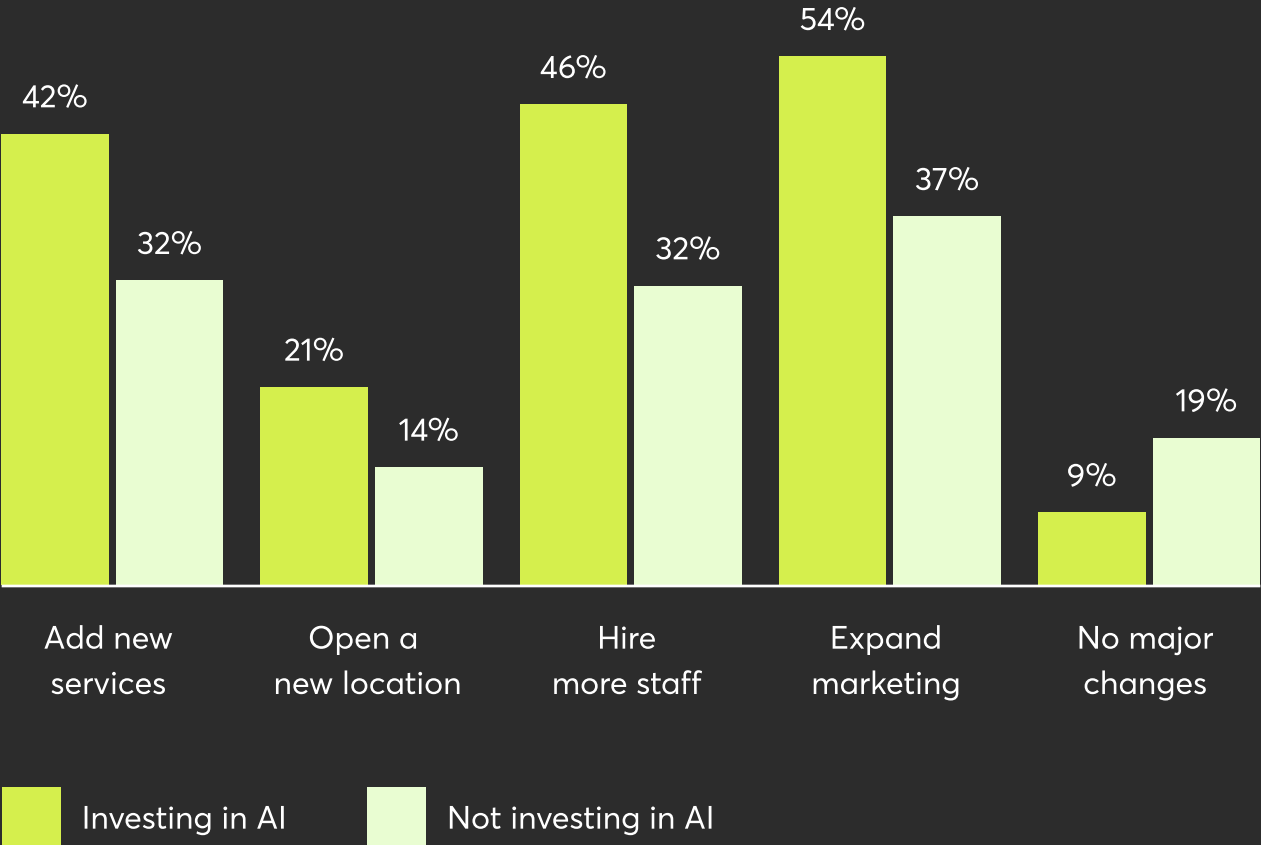
46%

expect to hire more staff, vs. 32%

21%

plan to open new locations, vs. 14%

How Do You Expect Your Business To Change Over the Next 12 Months?



Jason Breazeale, VP of Technology at Burn Boot Camp, has started to use AI to gather crucial customer insights he wouldn't have been able to see before: "We're doing a 30-gym pilot with an AI tool that gives us insight into external customer behaviors like online searches or competitor interactions," he says. "Through this, we identified 1,400 members in 30 gyms who were at-risk. That's 1,400 members who might've left a gym—and now we can nurture them differently."

He also points to brand visibility gains through automation: “We saw a 60% increase in review responses when we introduced an AI tool that automatically generates responses in our tone. That directly boosted our SEO and organic search.”

AI is no longer a fringe experiment, but a practical tool for growth. From automating brand touch points to identifying at-risk clients, early adopters are proving that even small integrations can unlock measurable impact.

Where is AI being used the most?

Based on the survey we conducted, in 2025, the most common use of AI in the fitness & wellness industry is in marketing content, with 44% of businesses saying they’re using it to support things like websites, brochures, social media copy, and blog content. For many, this represents a low-risk way to dip a toe into automation and improve efficiency without disrupting core operations.

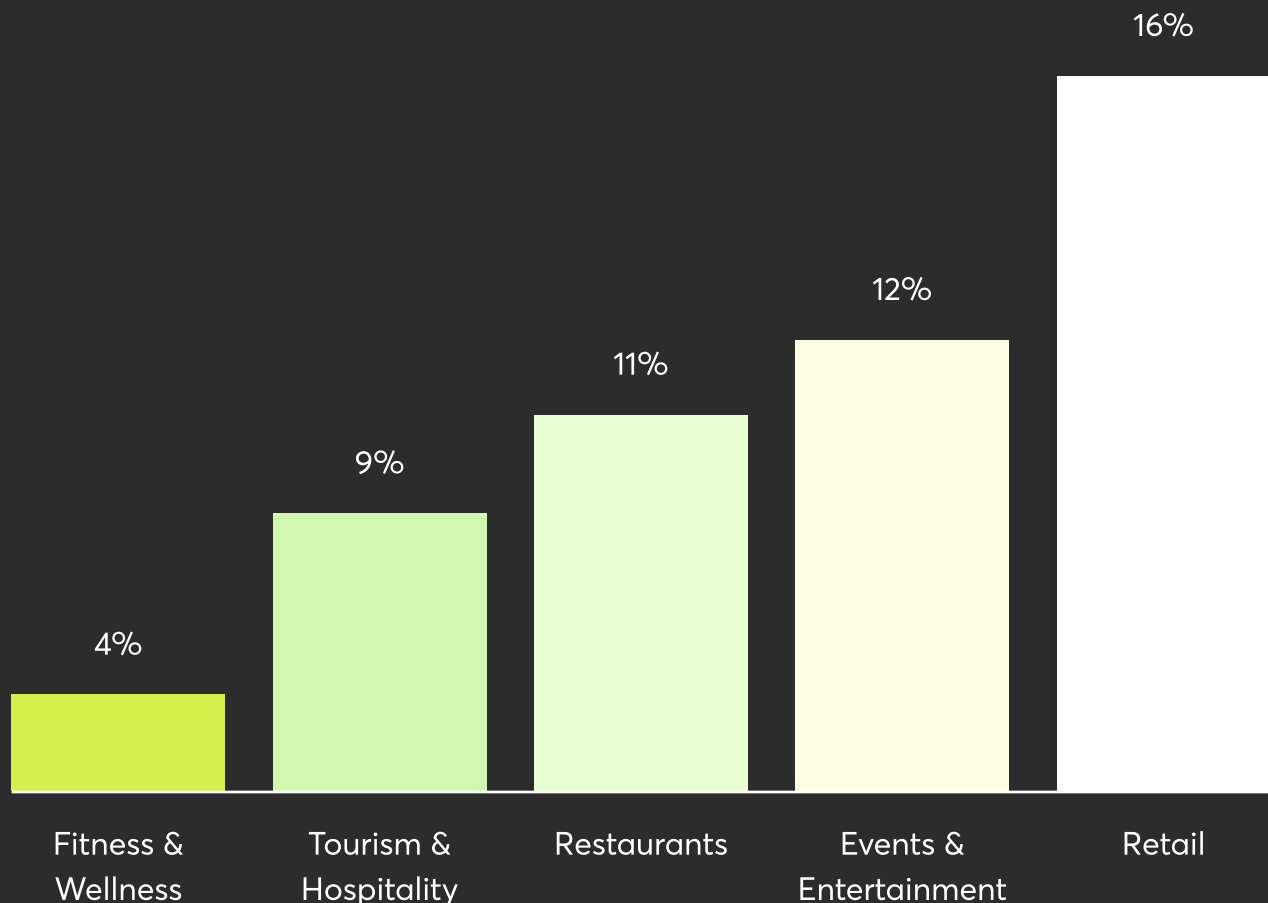
Outside of marketing, the second most cited use case is customer service, with 17% of businesses using AI tools like chatbots, automated response systems, or appointment confirmations to streamline communications.



AI Won't Replace the Human Element

If there's one myth this year's data busts, it's that AI will take away jobs. Despite the hype, only 4% of fitness & wellness businesses have reduced staff because of AI, the lowest of any industry surveyed.

Reports of Eliminating At Least One Position Due to AI





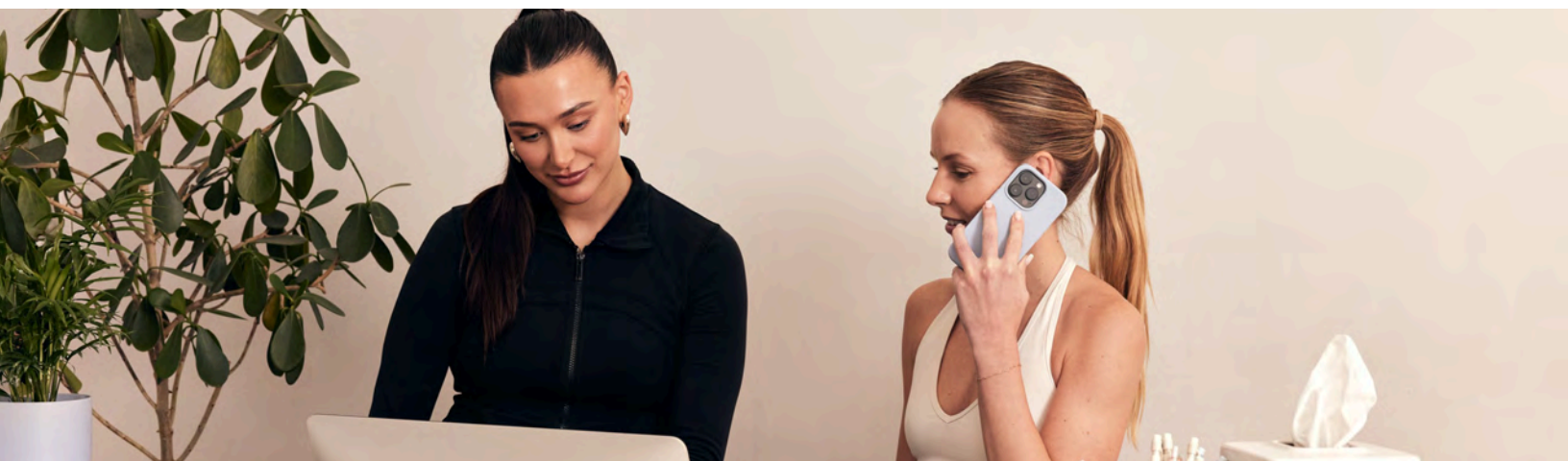
AI can seem scary, but it really does help with time. We can't be everywhere at once, so having something working in the background to boost your business is worth it.

Meagan Darnall | Senior Manager of Center Operations, US Cryotherapy

Instead, AI is being used as a productivity tool: nearly one in four operators say it's making their staff more efficient, and 38% firmly state they have no plans to use AI for headcount reduction.

AI may streamline operations and sharpen decisions, but even early AI adopters agree it's never going to be a substitute for human connection. Many roles across the industry require empathy and expertise that can't be automated away.

"We're starting to consider going back to basics and speaking to our customers, phoning them up, and offering them more consultation time," Stanley of BioWell Health says. "We'll continue to look at what 'personalized' actually means and try to make it real."



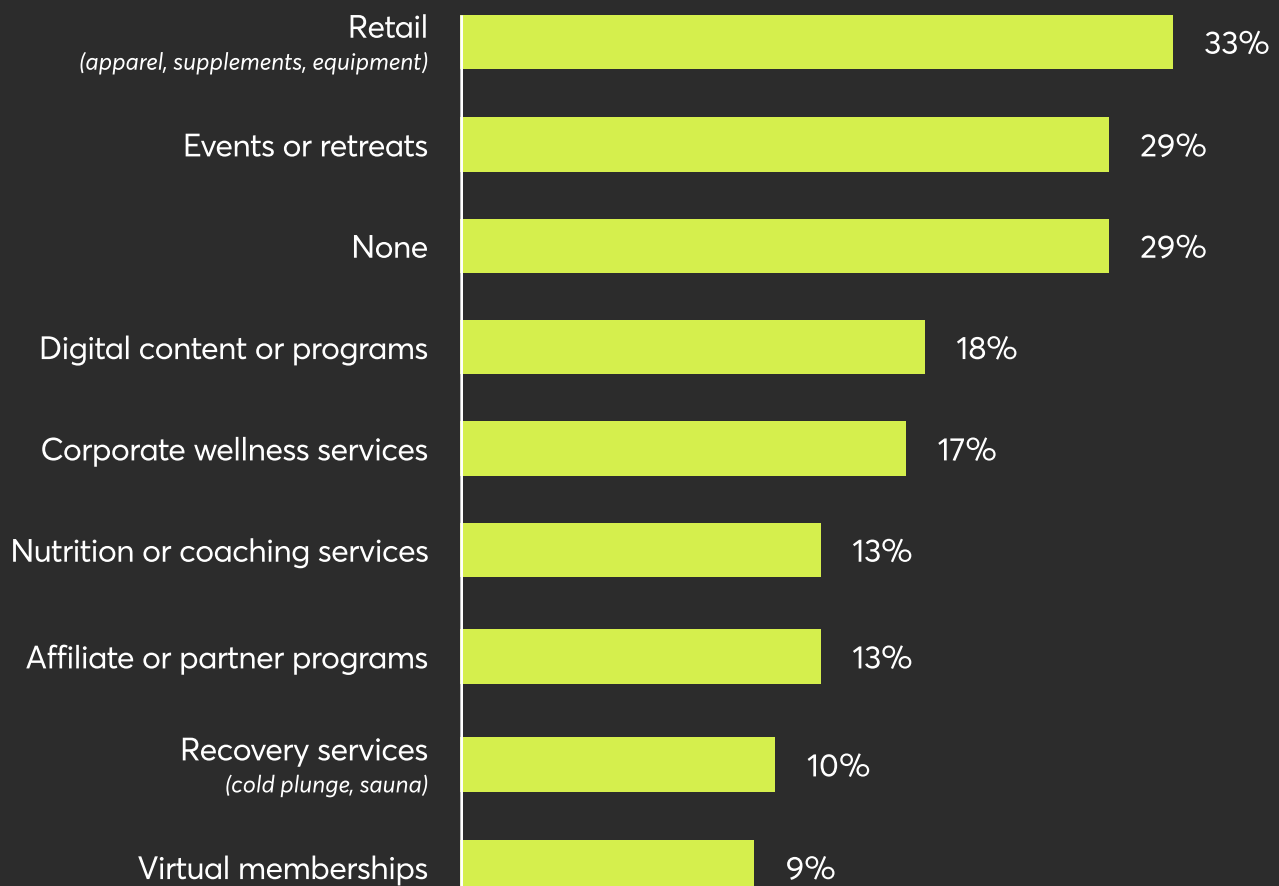
03

How Businesses are Rethinking Revenue and Retention

Revenue Diversification Accelerates

While classes and services continue to anchor the industry, new revenue streams are gaining steam. This year, 1 in 3 businesses say they plan to add retail revenue through apparel, supplements, or equipment. Retail is emerging not just as a transactional channel, but as a way to extend brand identities and create new customer touchpoints.

New Revenue Streams Planned for 2025





We challenge our general managers to schedule events in the community...you can tell the difference between the centers that have built relationships with their communities vs. the ones that don't.

Meagan Darnall | Senior Manager of Center Operations, US Cryotherapy

Additionally, nearly 30% of operators plan to introduce events or retreats, underscoring the power of experiences as a growth engine.

Events and retreats offer a way to strengthen community ties, attract new audiences, drive incremental revenue, and expand a studio's presence beyond its physical space.

Operators are also revisiting digital content strategies—an evolution that might sound surprising nearly six years after the peak of pandemic-era streaming.

Breazeale of Burn Boot Camp says that their virtual programs have been more popular than ever. "The virtual on-demand sessions are a big add-on. Studio fitness is not open 24 hours a day, 7 days a week. We're starting to see growth in on-demand sessions. It's grown month over month since we launched it in October in 2023."

According to the industry, digital fitness & wellness hasn't faded; it's evolved to complement in-person experiences, providing flexibility and convenience that extends a business' reach beyond studio hours.

Retention Strategies Reflect a Shift Toward Personalization and Loyalty

While businesses continue to explore new revenue streams, retaining existing clients through meaningful, ongoing connection is just as critical to long-term sustainability.

When asked about their primary approach to retention, operators overwhelmingly pointed to personalized outreach, with 56% of respondents citing it as a top strategy. Discounted packages & pricing promotions followed at 40%, while engagement events came in third at 31%.

Loyalty programs are also steadily gaining ground as a strategic retention tool. 21% of businesses cite them as a primary tactic for retention, with adoption notably higher among spas (38%) and salons (33%).



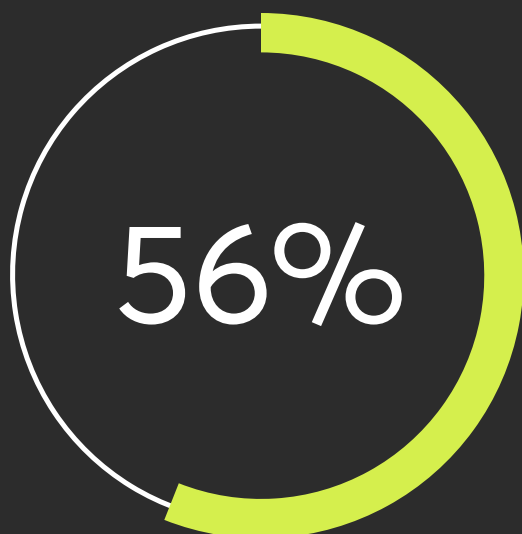
We just launched a rewards program and had a line of people out the door signing up. Clients can redeem points for socks, activewear, even retreats. Instead of canceling during winter or holidays, members use points to put their membership on hold and come back.

Gina Costa | Founder, Breathe Movement Studios



These programs help business owners reward consistency, build emotional connections, and create a stickier client journey.

As emerging trends like AI and automation reshape the customer experience, retention strategies rooted in personalization, loyalty, and community are emerging as powerful differentiators. Businesses that invest in lasting relationships will be best positioned to thrive in an increasingly tech-driven landscape.



Personalized outreach was cited as a primary approach to customer retention by 56% of the industry.

Discounted packages & pricing promotions, engagement events, and loyalty programs follow as the industry's primary retention tools in 2025.

04

What's Working for Client Acquisition

Instagram Rules, But TikTok Barely Registers

Just as personalization, loyalty, and community-focused strategies are helping businesses retain existing clients, external marketing channels continue to play a critical role in driving new ones.

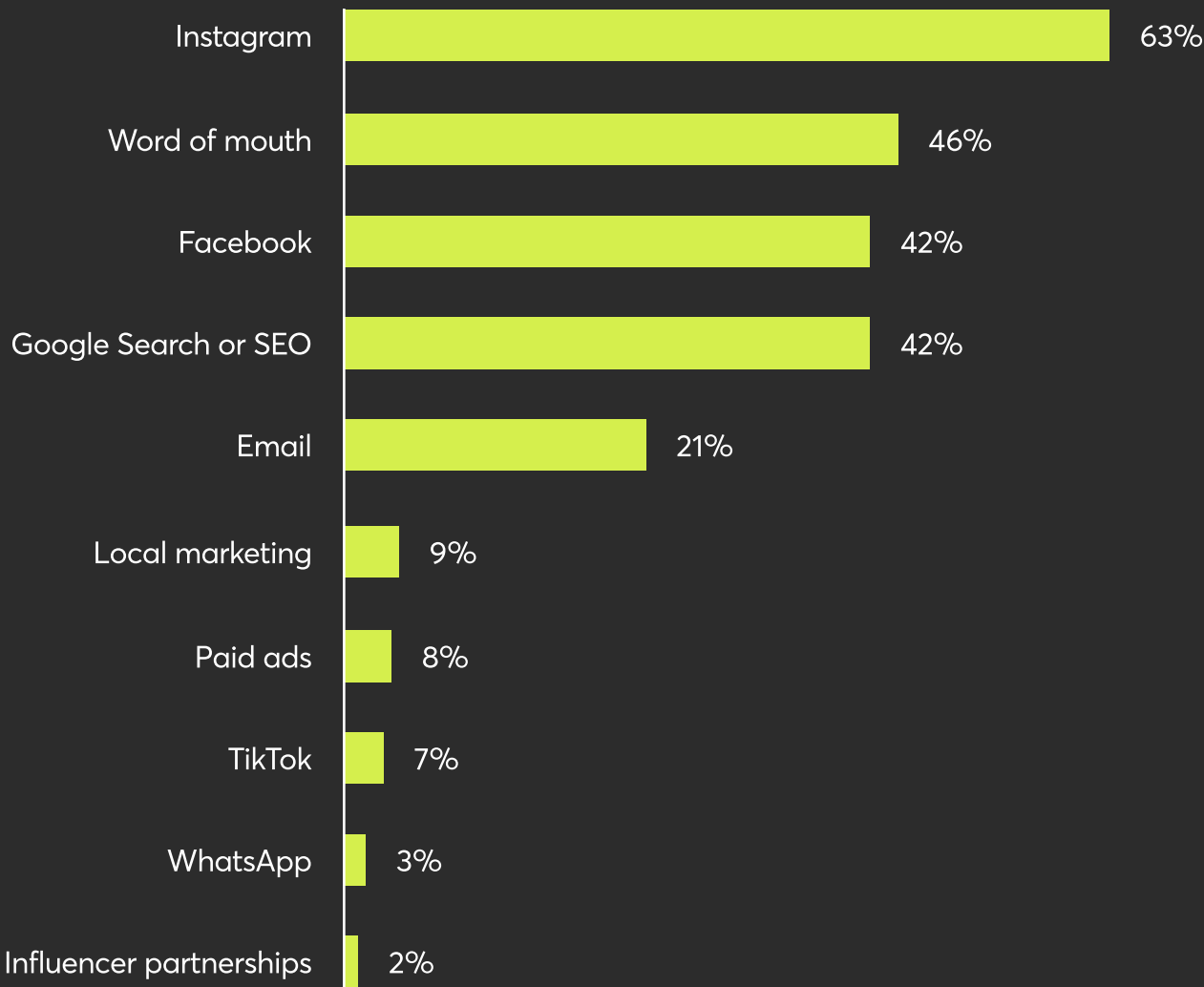
According to our survey, Instagram is the leading client acquisition channel for fitness and wellness businesses, with 63% of respondents citing it as their most effective platform. This positions Instagram well ahead of other channels: Facebook and Google/SEO tie for second at 42%, while email marketing (21%), paid media ads (8%), and TikTok (7%) lag considerably behind.

Instagram's dominance is especially evident when compared across industries. In events and entertainment, only 55% of operators name Instagram as their most effective channel, followed by 42% in restaurants, 35% in retail, and just 29% in tourism and hospitality.



Despite TikTok's cultural prominence, it has yet to prove effective in client acquisition for this sector. Only 7% of businesses report gaining clients from the platform, and just 1% actively use it for marketing. This indicates a potential opportunity for studios seeking to reach younger audiences.

Fitness & Wellness Marketing Channel Effectiveness



The Enduring Power of Word of Mouth

Word of mouth was cited as the second most powerful acquisition tool after Instagram by 46% of operators.

"Word of mouth is our biggest traffic driver," said Darnall of US Cryotherapy. "It's something that we rely heavily on, so we're always asking customers to do that."

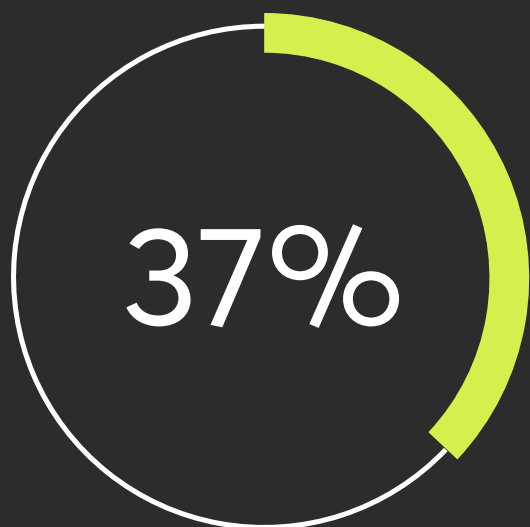
It's a reminder that community trust is still a valuable currency within the industry and that consumer decisions remain deeply shaped by personal experience and peer validation.





SMS Builds Loyalty—For Those Who Use It

Phone calls are cumbersome and social algorithms constantly shift, but consumers still read their texts. Today, 37% of fitness & wellness operators use SMS at least once a month to reach clients. Businesses also report that SMS now rivals email as the most effective channel for member engagement, signaling a clear opportunity to connect through direct communication that meets consumers where they are.



37% of the fitness & wellness industry uses SMS at least once a month.

SMS and email tie for channels in which clients engage with the most (32%).

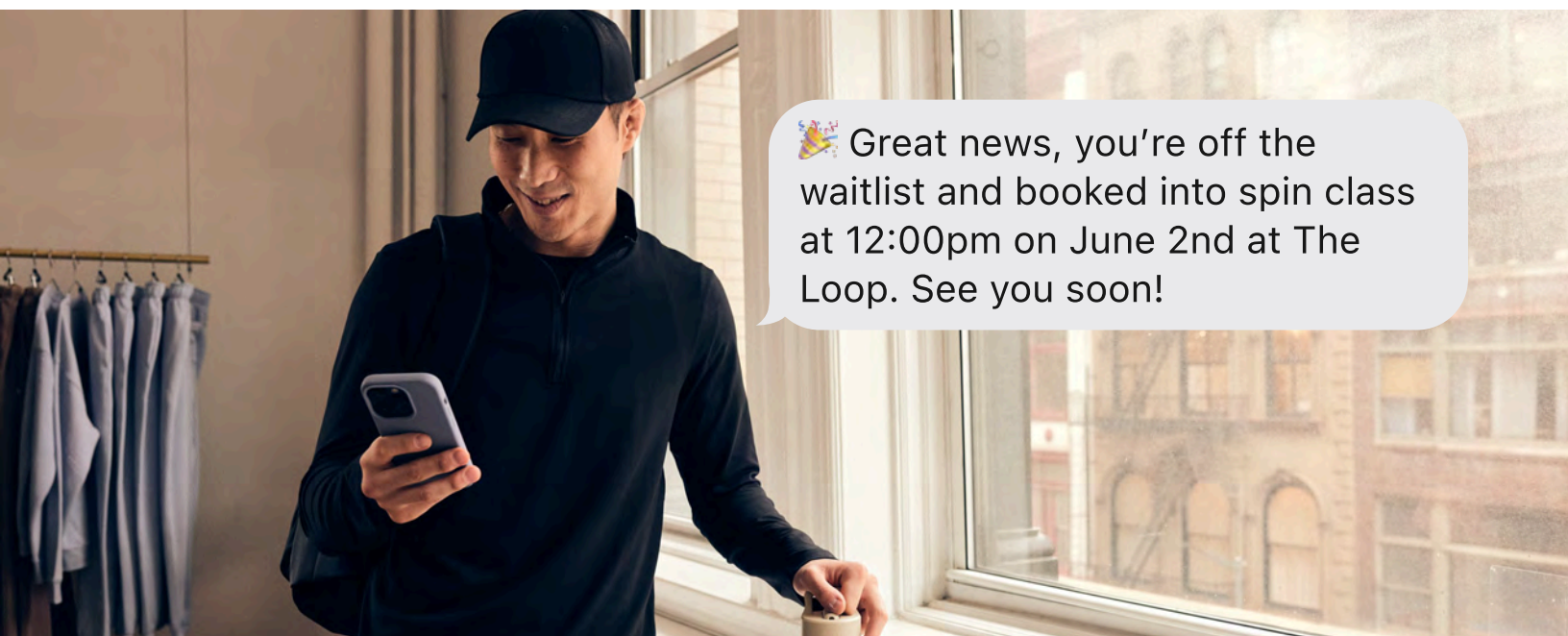


It's been super helpful to our clients to receive a text message during our cancellation window to let them know that a spot has opened.

Chantal Stasiulis | Senior Digital Program Manager, [solidcore]

[solidcore] is leaning in, turning SMS into a revenue engine with Mindbody's two-way waitlist feature: "Something we've implemented is the waitlist SMS feature. That's allowed studios to fill the spot of a client who has cancelled...we have a model with very few machines (ranging from 11-27), so we really need to fill the spot if someone is removing themselves...I don't see a world in which this wouldn't boost our revenue....I would say this would benefit any business."

SMS continues to emerge as a channel very aligned with consumer demand, and the one most likely to move the needle on loyalty and revenue in 2025.



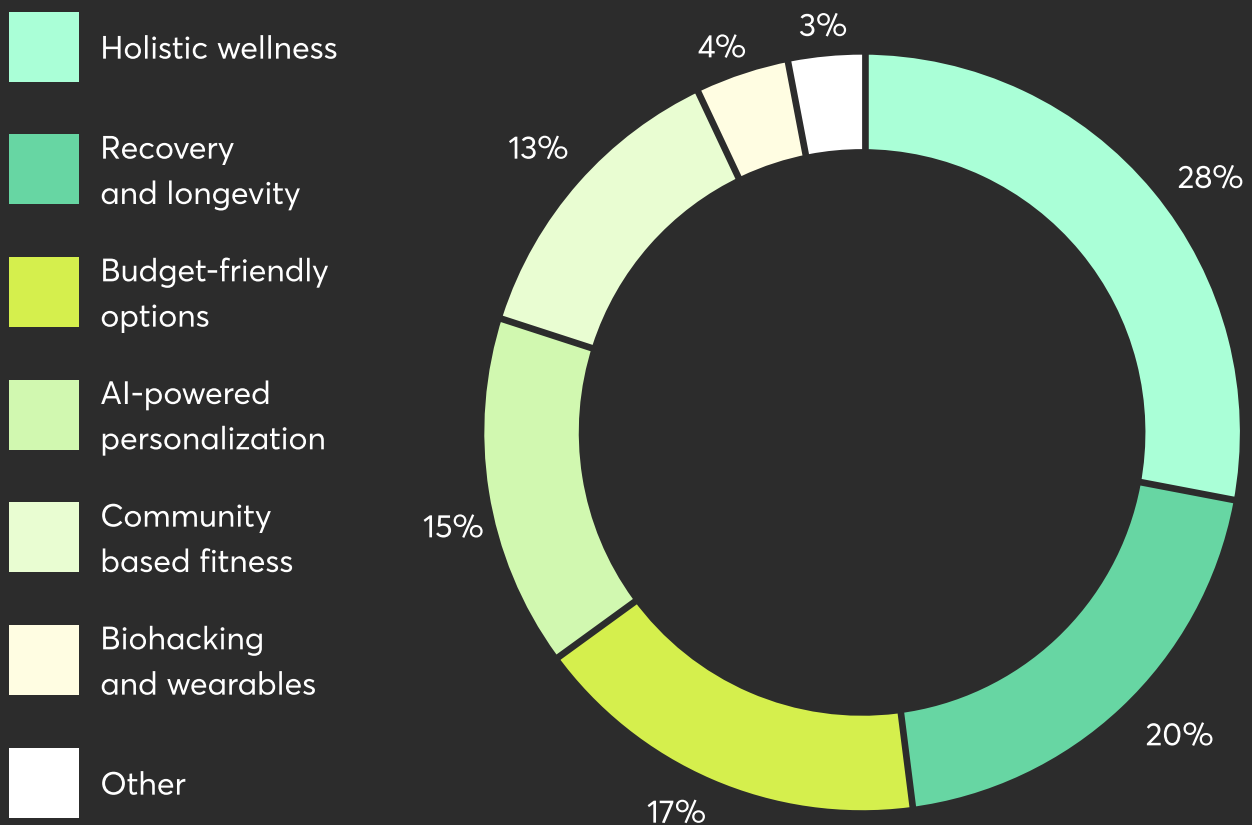
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What's Next:
Holistic Wellness
as a Baseline,
AI as a Disruptor

Holistic Wellness Emerges as a Defining Trend for 2025

More than a quarter of operators (28%) identify holistic wellness as the top trend shaping the sector this year. Additionally, 20% of respondents named it one of the fastest growing areas they're seeing in fitness & wellness.

What Trend will Define the Industry in 2025?





As holistic wellness evolves, businesses across the industry are building ecosystems that layer services on top of their core offerings. Costa of Breathe Movement Studios explains: "Clients can do Pilates or barre, but also see a nutritionist, get a massage, or even access recovery services through our local partners. We want to capture that whole 360-degree wellness journey."

Stanley at Biowell Health shares his approach to meeting increased consumer demand for holistic experiences: "The industry is going from personalized to hyper-personalized. Consumers want ease of access and availability but also experience at every touchpoint. We need to deliver a whole ecosystem of health — one where fitness, sleep, diagnostics, medicine & diet come together and are simple for every customer to access and understand."

//

We have any number of partners, like gyms & fitness studios, where we share the consumer. It's a symbiotic relationship with other companies, so that both together can be better for the customer and add value to the individual. We're even working on conjoined memberships with other businesses

James Stanley | CEO and Co-Founder, Biowell Health

AI as a Change Agent

Artificial intelligence is also becoming a central force reshaping the industry's future. AI was cited as the second most significant predicted disruptor over the next few years, and 15% of operators say AI-based programs will be the fastest-growing area within their business in the next 12 months.

What's emerging is not just an adoption gap, but a capability gap. Operators who feel confident in their AI skills are significantly more optimistic about business performance than those who are not. And, over half (52%) of top-performing businesses say they feel confident in their AI capabilities, compared to just 43% of bottom-performing operators.

Meanwhile, 40% of bottom performers say they're "aware of AI but don't use it much," compared to only 28% of top performers. This suggests that fluency, not just access, is quickly becoming a competitive advantage.

As AI tools become more accessible, the divide may no longer be between those who have them and those who don't, but between those who use them strategically and those who treat them as afterthoughts. A deep understanding of AI—not just usage—may become a defining factor for success.

15%

of all operators say AI-based programs will be the fastest-growing area in their business in the next 12 months

52%

of top-performing businesses say they feel confident in their AI capabilities

A Resilient, Evolving Industry

Our 2025 State of the Industry report reveals a sector that's confident, creative, and evolving. From AI-powered personalization to loyalty-driven retention strategies and experience-led engagement models, operators are making thoughtful moves to future-proof their businesses.

Technology—especially AI—is emerging as a clear differentiator. Businesses using AI are expanding, hiring, and growing more assertively than those that are still in early stages of adoption.

But innovation extends beyond software. From bundled memberships to immersive events and smarter communication channels like SMS, fitness & wellness businesses are reimagining how they deliver value.

Through it all, one theme is constant: human connection matters most. This is an industry built on trust, care, and relationships. AI and technology may make operators faster and smarter, but the winners of 2025 will be those who find the right harmony between efficiency and empathy.

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