



IN  MARKET  INSIGHTS

COVID-19:

Gym & Fitness Impact Report

Overview

COVID-19 has disrupted life as we know it: over the last several months, nearly every individual and business has had their daily routine dramatically altered. With nationwide stay-at-home orders in full effect, one of the areas most impacted has been the fitness industry which was worth **\$94 billion** in 2018. According to **IHRSA research**, nearly 70 million consumers visited health clubs in 2017, with a record 60.9 million Americans being health club members. Americans are clearly obsessed with staying fit and the emergence and growing popularity of boutique fitness has further fueled our fitness interest. This growing popularity of health clubs and boutique fitness studios has allowed consumers to reduce stress, exercise, socialize, and improve their overall well-being. Many of these clubs and studios also provide us a change of scenery and the added motivation we need to achieve our goals.

The importance and benefit of living a healthy lifestyle has not stopped with the spread of COVID-19, but has instead changed dramatically. Americans seeking to reduce stress and stay fit looked for creative new ways to exercise and stay active at home. Consequently, purchases of fitness and sports equipment rose nearly **23%** since the pandemic outbreak as many of us created our own makeshift gyms and turned to live streaming classes as part of our **new normal**. But a home or virtual workout is just not the same experience: the limited social interaction, absence of a coach or trainer, and scarcity of professional equipment dramatically impacts the overall experience.

With each passing week, the issue of reopening the economy—in particular, gyms—has been a divisive and hotly debated topic with some even **protesting** in front of fitness centers. It's clear Americans are itching to return to their familiar routines. As stay-at-home orders are slowly being lifted and states are adopting a phased approach to reopening their economies, some Americans are gradually heading back to their fitness studio or gym of choice. However, as gyms and fitness centers reopen, a regular visit for a workout looks different today.

Often, appointments are required to limit the number of individuals in the building at one time, and cleaning regimens have become more thorough to provide patrons a higher standard of cleanliness, and thus, peace of mind. However, policies do vary among boutique fitness brands and mass market gyms. In fact, some of these differences are not only shining a light on what policies work best, but also the particular gyms that may be best-positioned to survive the COVID-19 pandemic. While people may find themselves in different weight classes at the gym, COVID-19 is also peeling back the curtain and exposing a different type of class divide as well—how smaller, more expensive boutique fitness studios with scheduled classes and limited capacity may be benefiting from having a more controlled environment. In addition, because these boutique fitness studios are pricier, they may also have additional resources—including a higher staff-to-patron ratio—and the time between set classes to conduct more frequent cleaning practices.

Foot traffic at exclusive boutique gyms, which are often frequented by higher-income members, are recovering at a faster rate than at value-priced gyms. This report aims to analyze the trends at gyms, and decode the formulas that make some more successful than others during reopening.



How We Did It

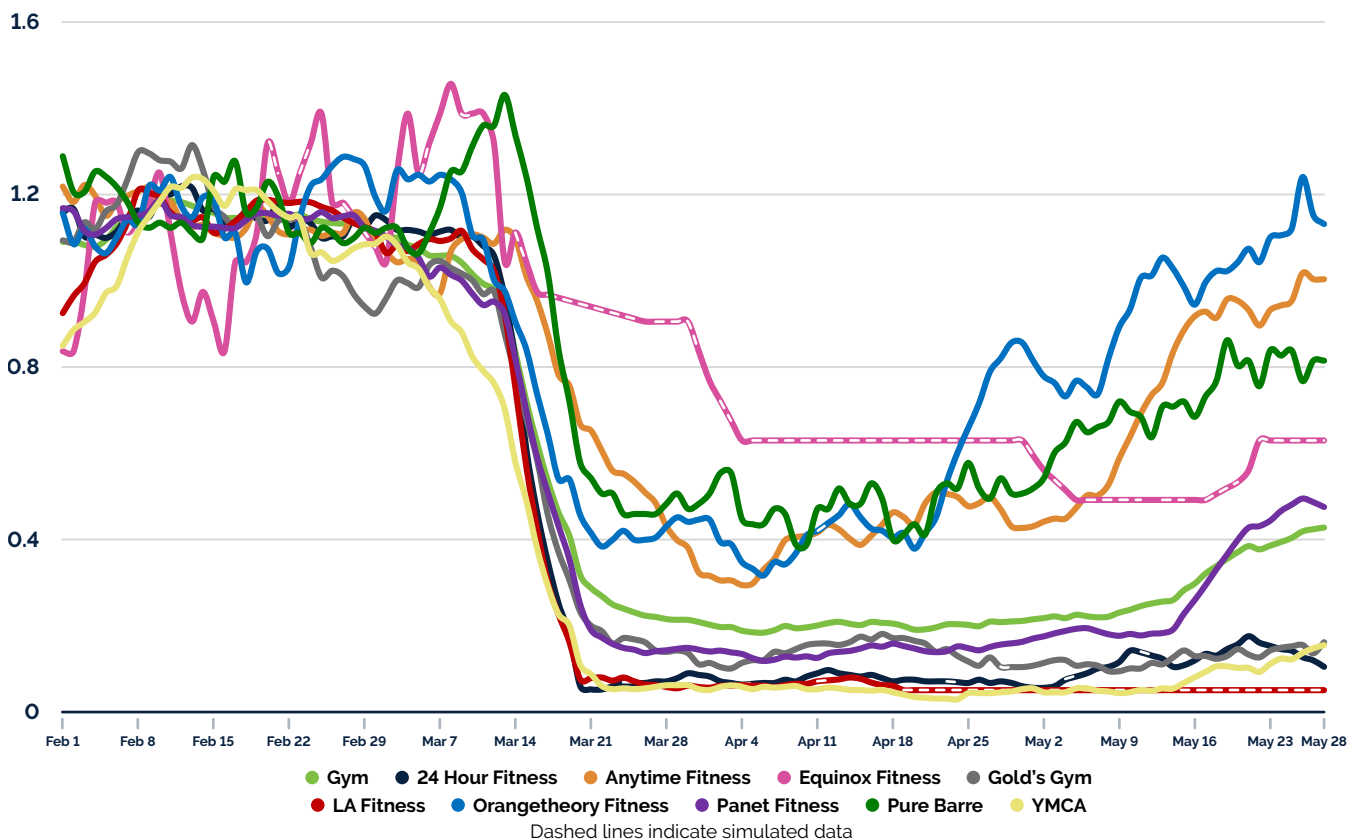
In this InMarket InSights Report, we've used permission-based, first-party, SDK-derived location data from over 50 million+ Comscore-verified active users to analyze foot traffic patterns and historical data.

We looked at national visit trends at gyms before, during, and after the pandemic—specifically, February to May 2020.

For more information about methodology or additional real-world recommendations around appropriate targeting, channel, content, and messaging strategies and tactics, visit [InMarket's COVID-19 InSights Center](#) or contact your InMarket representative.

Gym Visits — Alabama, Georgia, Texas

Based on InMarket Location Data from 50 Million+ Comscore-Verified Consumers



Boutique/Luxury Gyms & Studios

- Boutique and premium membership gyms such as Equinox, Orangetheory, and Pure Barre are seeing a higher volume of visits than “value” gyms.
- At a price point averaging \$159-\$260 per month for a membership, boutique fitness and premium gyms are not only more exclusive and appointment-based, but generally less crowded in terms of class size and attendance than value gyms.
- The clientele frequenting these gyms are mostly made up of higher-income earners who may have the option to work from home, giving them the additional flexibility to attend classes during off-peak hours.

- Premium gyms and boutique fitness brands in particular, which were previously at risk of **suffering** during a recession, may in fact, be the least impacted. These brands have higher staff-to-patron ratios and set schedules between classes, allowing for more frequent cleaning.
- Smaller class sizes allow for a more controlled environment conducive to social distancing. In addition, because of their premium-priced membership fees, luxury gyms may also have the resources to invest in more stringent and/or high-tech cleaning measures like professional disinfectant treatments, medical-grade UV-C sanitizers, increased maintenance staff, plexiglass separators, and touchless thermometers, etc. As a result, premium gyms and boutique fitness brands may suffer the fewest defections and/or cancellations.

Value Gyms

- Planet Fitness, Gold's Gym, 24 Hour Fitness, LA Fitness, and YMCA visits aren't recovering in states which have reopened. Membership holders are likely to fall into a more moderate income bracket, so during a period of record unemployment, people may be budgeting by canceling or pausing gym memberships.
- COVID-19 may spell the end to already financially challenged brands. Gold's Gym has **filed** for bankruptcy, and 24 Hour Fitness is **weighing** this option as well. These financial pressures may have some patrons questioning these gyms' ability to implement proper controls and investments in thorough cleaning practices. These mid-priced fitness studios are already struggling to compete against premium rivals like Equinox and cheaper competitors like **Planet Fitness**. Knowing that these gyms may close for good may be driving away membership holders to gyms on steadier financial footing with the resources necessary to alleviate their concerns.
- Because these gyms are typically busier due to their appealing price point (average of \$15.99-\$60/month for memberships), membership holders may not want to be in close contact with other gym goers in crowded, enclosed spaces.
- The only outlier value gym is Anytime Fitness, which has rolled out a very strict and comprehensive **policy** to protect its members and staff against coronavirus. Additionally, they provide similar offerings as those of high-end gyms, like **advanced booking**, which is also offered, and required, by Equinox.

Class-Focused Gyms

- Boutique fitness brands like Orangetheory and Pure Barre are heavily "class" focused, which is hugely beneficial: having the ability to control class sizes, enrollment, and block schedules make it easier to mitigate exposure by managing cleaning procedures between classes in contrast to traditional gyms with open formats (which are more difficult to implement consistent/stringent cleaning procedures).

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At InMarket, we analyze opted-in, always-on location data from 50 million+ Comscore-verified active users in order to understand real-world trends. These hyper-accurate SDK integrations with the world's most popular apps also enable one-to-one brand engagement at precise moments that drive industry-leading campaign results.

To view additional COVID-19 Impact Reports and Insights, please visit **InMarket's COVID-19 InSights Center**. For more information on InMarket InSights, or to learn about how to make the most of every Moment InHome, InPath, InStore, and InHand, please **contact us** today.