



# HERE COME SOME BRAND NEW IDEAS

for Fitness Franchises

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## Here Come Some Brand New Ideas for Fitness Franchises

Grab your workout gear. Today we're taking a look at fitness franchises. Together we'll uncover some brand new franchise concepts that are gaining momentum. We'll also look at some of the pros and cons of acquiring and running a **fitness franchise**.

Let's start with myth or fact as we always do. **Myth or fact:** you need to be a fitness workout aficionado in order to be a successful fitness franchise owner.

The answer is a myth because you do not need to have to have industry experience for most franchises in order to be successful with that franchise.

We do have a lot of clients who come to us who are super passionate about health and fitness, which is great. And so many times they do match up well to fitness franchises. So we thought it would be a good idea to share with you some of the stats of how this industry is doing currently. We'll also walk through some of the pros and cons of the different fitness franchises.



There are some exciting things that are happening in the fitness industry. First, it is almost a 100 billion, that's with a B, a one hundred billion dollar industry and it has been growing steadily since 2008.

**Here's a quiz,** do you know how many fitness franchises there even are in the United States?

Currently, in 2022 there are over 500 different fitness franchises and there are so many different models and different ways that you can approach the fitness business model. It has been rapidly growing and the fitness industry has really adapted, especially recently because of the COVID pandemic.

So let's take a look at some of the different types of fitness franchises that there are today. One is the **typical gym** that you probably have on your corner around the house where you live. This type of facility typically has all of the different types of workout equipment, different fitness classes, they may or may not have some personal training and it's usually a pretty large facility.

The second type is more of a **boutique type of fitness franchise**. And these usually specialize in only one kind of area, might be cycling, might be yoga or kickboxing is a big thing today.

The third type of franchise is **mobile fitness franchises** where the fitness comes to you. So these types of franchises might include a personal trainer of some sort that may come to you or even have outdoor small class workouts.

And then a fourth, which is a majorly growing segment are senior fitness programs and workouts tailored to the aging population.

Now it's time for some of the **pros and cons of fitness franchises**. It doesn't matter what type of fitness franchise we just shared with you, all four different types the pros and the cons are the same for each of these. If you want to know more specifics about a particular category or a type of fitness franchise, reach out to us, we're always happy to help.

Now when you're talking about fitness franchises a lot of people who have this passion that they want to start a gym on their own. So why would you consider going with a franchise versus opening up a gym on your own?

The biggest one is that you'll get support from a franchise. You'll get some help in marketing, accounting, human resources and finding employees which can be difficult. There are a lot of different areas that a franchise can make it a little easier for you to get going versus just trying to go it on your own.

That's what you're getting with a franchise. You're getting brand recognition. You're getting a proven system. So you don't have to do everything and make those mistakes on your own. And you're getting the ongoing support and large-scale purchasing so that you can get equipment and all the ancillary things you're going to need at that volume discounted pricing. So there are a lot of benefits that come with going with a franchise versus going it independently.

Obviously, COVID changed the world. We belong to a gym and at this point, we are still doing a lot of exercise at home. So you may be wondering how these franchises have adopted or changed their business models to accommodate for the new types of fitness experiences available now such as a Peloton where they do remote fitness.

Fitness franchises have **really adapted because of COVID**, now there are actually more models and more revenue streams for most of them. If you want to go in person to the gym, great, you can do that, but they have taken advantage of a lot of the tools and the technologies out there.

Many of these fitness franchises now have their own apps. They have pre-recorded classes, they even have live classes and now there's a whole digital fitness technology that many of these fitness franchises offer which is great because a lot of it is based on a membership revenue model. So if you want to make sure that you're building your membership you need to give them an ongoing reason to stay. So I think what fitness franchises have realized is that sometimes the experience can even go beyond just fitness. It could be health and nutrition, food, or cooking.



When you're looking at different fitness franchises look at the different revenue models: how do you make money and how can you incorporate both online and offline into your revenue stream.

Now that we know the pros of fitness franchises, what are some of the downsides to opening up a fitness franchise, as well as some of the major things that scare people away when you talk about fitness franchises?

The first one that probably comes to mind, and it is a biggie, is the investment level. It's going to depend on what kind of fitness franchise you look at of course, but in general, you're looking at not only the franchise fee to get started but the infrastructure. You're gonna need the brick and mortar location, the equipment, some staffing, and training. Therefore it is a large initial, upfront investment and it can take a good while to get started. You've got to find the right real estate, a build-out, permitting, etc. So if you're thinking you're just gonna go buy a fitness franchise and open up tomorrow, probably not.

Here is a good time to think about what this might look like trying to do this all on your own if you were leaning that way. It's a very humongous undertaking to build out something like a gym or fitness center.

So let's investigate that a little bit further and discuss the franchises that are out there that allow people to go out to the people to give fitness instruction and will have a large investment to get started?

Mobile franchising is a concept we are very passionate about because we've expanded it into our currently owned franchise concept that we still own and run. So **mobile fitness franchising** is a concept where they come to you to provide fitness. In general, you don't necessarily need the large infrastructure in place like a brick-and-mortar gym. For a full gym, it could be an add-on service to the fitness, brick, and mortar as well. Mobile fitness is a way to get up and running so much quicker, sort of like the man in the van kind of a concept. Busy people love the convenience because not everybody always wants to get up and get dressed and go to the gym. When that trainer comes to you and is cracking the whip, and you're paying for it, you're still likely going to get a nice workout. Had to say it ... no pain, no gain.

One thing to highly consider is the type of training and support that you get from any franchise and the same is true with fitness franchises. Franchises are NOT all created equal across all different franchises. Now, in the beginning, we mentioned that you don't have to be a fitness guru in order to run a fitness franchise, but you are going to have to have some staff who are trained and certified to do it.

In general, we find that most fitness franchises require two to three employees and usually a receptionist type of person. You will need to factor in those labor costs and make sure when you're talking to the different franchises that you understand what kind of training do you and your employees get? What kind of support do you get? Once you're open 3, 6, 9 months down the road and you have a question or an issue, how is that franchise going to support you? This is critical that you have this ongoing support from any franchisor.

You should find out what type of experience and expertise they have in helping their franchisees build up their memberships on a local level. What we find is that in this type of fitness franchise model it is so critical you have great marketing in place. Really, think about this, there are gyms on every corner. It's one of the most critical components of a successful fitness franchise. So look at what kind of marketing support your franchise gives you. How do they help you with that guerilla local marketing that's needed to not only get members but keep members?



Also, a biggy is the **technology infrastructure** provided. How do you keep track of members and what programs they're taking? How do you know when, where, and how to upsell them? Not to mention things like scheduling and maintaining classes. So this is why going with a franchise is such a smarter way to go than trying to do it all your own.

You might be great at fitness. Say you want to start a kickboxing location which is great, but there's more to it than just putting up some bags that people can punch. There is a whole technology infrastructure and marketing that goes behind maintaining your membership. There's marketing, there's certification and licensing, scheduling, and oh yeah all the other business activities that go into running a business like a payroll. The reality is you can't be an expert in all these things. With a franchise, you have that support around you to help you be successful.

Regardless of which way you go, whether they come to your gym, you go to their home or they take your workouts online, it's a membership. It's a great recurring revenue opportunity for you though we can certainly say today that getting and maintaining memberships are super competitive out there these days. To get people's money you're going to need to do and have a good marketing and technology environment to maintain a membership system.

So it's really critical that when you are thinking about maybe doing it on your own, becoming like a boutique type of fitness facility versus going with one of the **fitness franchises** out there, realize that's why most of the boutique gyms charge significantly more because it is such a big infrastructure to maintain. With a franchise, they've got many people using a proven maintained infrastructure that has been tested and is used and is improved on by many different facilities.

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We would say **give us a call**, let us help you through this process because there's just so much to consider and evaluate. Most importantly, you might be passionate about health and fitness but as we mentioned there are over 500 different fitness franchises out there, and not all franchises are created even close to even. How do you know which one is right for you? Well, we have the tools and the ability to match your skills, your interests, your resources, and your passion to ensure that you are only talking to franchise concepts that could really be a good fit for you.



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