

RETENTION – The New Reality for the Club Industry



Until the last few years, retention was a concept that received only lip service by most club owners. Demand for club memberships exceeded the supply of clubs, which made selling memberships relatively easy. Today, this situation has reversed with the entry of Wall Street funding and big-box chains, coupled with successful startups like Curves and Planet Fitness. Selling memberships will continue to become more challenging in the future.

At monthly management workshops, we regularly ask how many clubs have a retention budget. Only one or two clubs respond positively. As a wise man once said, “Follow the money to understand what is really important.” Clubs without a retention budget very likely have a retention strategy that relies solely on hope.

John Miller, General Manager of five Courthouse clubs in Salem, OR, has been one of the pioneers of retention which uses fitness coaches whose responsibility is helping new members develop “exercise independence” during their first 90 days. John has found one of the keys is getting people to exercise in groups. Using this strategy, however, requires classes that are memorable and consistent.

Sandy Coffman, author of the new book, Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas, is another retention pioneer. During Sandy’s career, she has used programming as a way to get people together in groups. In her book, Coffman devotes a chapter to the importance of memorable group fitness as one of the methods to increase retention – along with numerous other great ideas.

Chris Crowley and Dr. Harry Lodge, co-authors of the *New York Times*’ bestseller, Younger Next Year, stress that since humans are social animals and have always moved in packs, the way we exercise should be no different. This must-read book has some wonderful insights about the importance of exercise and the importance of groups.

With the cost of acquiring a new member now reaching \$300, learning how you can use memorable group fitness and other tools to increase your retention could have a dramatic impact on your profitability. We invite you to attend our free management seminar, please go to our website: www.bodytrainingsystems.com to register. **CS**

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