

Norm Cates'

CLUB INSIDER

CELEBRATING 29 YEARS OF TRUST

Landon Burningham's Physiq Fitness



(L to R) Mike Castillo, Brandon Bennett, Landon Burningham, Todd Burningham, Kari Timmerman and Tyson Cox, **Not Pictured:** Nicole Wilder

From the Ground Up

SEPTEMBER 2022

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CELEBRATING 29 YEARS OF TRUST

Landon Burningham's Physiq Fitness *From the Ground Up*

By: Norm Cates

Folks, at my ripe old age of 76, and with almost 49 years of experience as a *Club Owner, Operator and Publisher* in our great industry under my belt, just when I had started to think that, by now, I've seen and heard everything, someone comes along and has me shaking my head in total wonderment. His name is **Landon Burningham**, and he is the *Founder, President and CEO of Physiq Fitness*, based in Mid-Valley Oregon, just outside of Portland.

The subheadline of this month's cover story is "*From the Ground Up*," because as you will soon learn, that is literally how Landon did it. In fact, to be more accurate, the headline should read,

"*From One Resistance Band Up*" (you'll see what I mean soon). But, seriously, to say I am truly amazed by this young man would be an understatement, and I believe you will feel the same when you read his story!

Ladies and gentlemen, trust me when I say that I want to encourage you to take all of the time necessary to read this entire cover story, purely and simply because I predict that, when you do, a couple of really good things are going to happen to you:

1. You are going to be re-motivated and re-invigorated!
2. You are going to learn a lot to use in your business endeavors during these continued challenging times.

Finally, I encourage you to simply *ENJOY* this entertaining cover story and pass it on to your entire staff... and even to friends who're not in our industry because they will enjoy and benefit from it, too. This is a story about life just as much as it is business. So, anyone can *ENJOY IT and LEARN a lot, too!*

An Interview With Landon Burningham, Founder, President and CEO of Physiq Fitness

Club Insider (C.I.) - Landon, where were you born and where did you grow up?
Landon Burningham (LB) - I was born in Sandy, Utah, and I spent the first 23 years of my life there.

(See *Landon Burningham* Page 10)



Landon Burningham

Crunch Fitness Announces Franchisee of the Year, The Undefeated Tribe

AMELIA ISLAND, FL - *Crunch Fitness* announced *The Undefeated Tribe* as its "Franchisee of the Year" at this year's annual *Crunch Franchise Convention*, held at The Ritz-Carlton, Amelia Island. Held from July 31 to August 4, the annual convention united *Crunch Franchise* owners, club managers and teams, and vendors to share best practices, network and learn from one another. The 2022 event was attended by more than 45 franchise groups and 600 people.

The *Undefeated Tribe*, owned by CEO, **Tony Hartl**, and based in Austin, Texas, operates more than 50 locations



across the state of Texas with an additional
(See *Crunch Fitness* Page 6)

Workout Anytime Signs 20-Unit Deal to Bring New Clubs to Four States

ATLANTA, GA - *Workout Anytime*, a 180-plus-unit leader in the fitness industry, has signed an agreement to bring 20 new locations to markets in Virginia, Pennsylvania, Georgia and Florida. This multi-unit development deal, which was signed in partnership with *Phenomenal Gyms, LLC*, comes as the fast-growing fitness franchise is outpacing its ambitious goal to sign 40 units by the end of the year. In the first quarter of the year alone, *Workout Anytime* signed deals for 27 clubs.

As a part of this 20-unit signing, *Phenomenal Gyms, LLC* is looking to open its first three units by the end of the year



and will offer an innovative and effective new fitness solution to those who want to take control of their health and wellness.

"We couldn't be more excited to be partnering with the experienced team at *Phenomenal Gyms, LLC* to open 20 new *Workout Anytime* locations," said **Terri Harof**, *Director of Franchise Development at Workout Anytime*. "Health
(See *Workout Anytime* Page 6)

Inside the Insider: Edition #345

- Exercise IS Medicine - By: Mike Alpert
- Get Ready to Rumble! An Interview With an Industry Marketing Expert - By: Gary Polic
- How to Dramatically Reduce Rising Construction Costs - By: Bruce Carter
- Have You Ever Thought About Speaking at a Conference? - By: Chris Stevenson
- Have I Ever Thought About Being an Instructor? No. But Also, Yes. - By: Jeffrey Pinkerton
- Four Strategies to Make Your Fitness Facility Recession Proof - By: Donna Krech
- 2022 IHSA Global Report Recognizes Fitness Industry Resilience
- And, of Course, *Norm's Notes*

Norm's Notes

■ **Hello Everybody!** This is your **Club Insider Founder and Tribal Leader Since 1993** checking in with our **345th monthly edition!** Folks, I hope this finds you and your family finishing up a very healthy and great Summer! And, that means the **GOOD NEWS is college football season is here! YAHOO!**

■ **Is America a GREAT Country, or what? Hmm... Hmm... Hmm! Thank GOD for America!** And, if you're not American, **GOD Bless YOU and YOUR COUNTRY, too...** wherever you are!

■ I want you all to know that it really was a distinct pleasure for me to produce this month's Cover Story featuring **LONDON BURNINGHAM, 37.** Landon's comments and sharing of his experiences are something you should not miss beginning on **Page #3.** Let me move on now to my other **Norm's Notes** with this comment: **DON'T MISS READING THIS MONTH'S AMAZING COVER STORY!**

■ Folks, it's no secret that the health, racquet and sports club industry has taken heavy blows since COVID-19 first reared its ugly head in 2020. Although these past

two years have been full of challenges and uphill battles, which continue to be ongoing in many regions, even a global pandemic can't take away the industry's resilience. **IHRSA** has released the **2022 Global Report** detailing:

1. How various regions are renormalizing through the ongoing disruption;
2. Several landmark achievements, including increasing influence of the *Global Health and Fitness Alliance (GHFA)* and;
3. Numerous mergers and acquisitions that shook up the industry.

You can read the full **Press Release** announcing the **2022 IHRSA Global Report** on **Page #18.** And, for a complimentary copy, please reach out to: **Ms. Sami Smith at (800) 228 - 4772.**

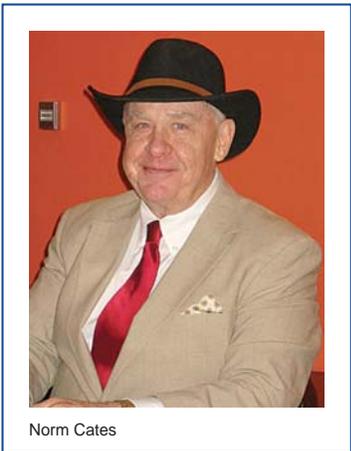
■ **CRUNCH** marches on as **Crunch Franchise** announces it will be expanding throughout the Memphis, Tennessee trade area with its first location being placed in White Station. For sure, that first location will be a real doozie as, "*Crunch White Station will be a \$5 million, 50,000-square-*

foot fitness facility, with \$1 million dollars' worth of state-of-the-art equipment." **Crunch White Station** will be the largest **Crunch club** in Memphis. Construction has already begun, and this location is scheduled to open this fall. **Crunch Fitness White Station** is owned by *Fitness Ventures, LLC*, the fastest growing franchisee in the **Crunch system.**

Additionally, **Crunch** has announced their *Franchisee of the Year*, and that honor goes to **Undeafated Tribe.** You can read the full **Press Release** on **Page #3.** **Stay tuned, Folks! And, DON'T MISS the CRUNCH FRANCHISE Ad on Page #2 every month!**

■ Our friends at **Workout Anytime** have announced a deal to open 20 new locations in four states. The agreement was signed with **Phenomenal Gyms, LLC** and will bring new locations to *Virginia, Pennsylvania, Georgia and Florida.* Check out the **Press Release** on **Page #3** and check out the **Workout Anytime Ad** on our **Outside Back Page.**

■ **Planet Fitness** generated second quarter 2022 revenue of **\$224.4 million,** a **63.5% increase** from the prior year



Norm Cates

period, according to financials released on August 9. Also, **Planet Fitness** has announced that company veteran **JAMIE MEDERIOS,** formerly *Vice President of National Marketing,* has been promoted to *Chief Brand Officer.* Ms. Medeiros is a 22-year company veteran, and she will lead the brand strategy and work collaboratively with agencies and across the organization to ensure the brand vision comes to life
(See Norm's Notes Page 7)

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Exercise IS Medicine

By: Mike Alpert

In past issues, I have written quite a lot about the powerful effect that exercise has on the overall quality of life and the reduction in secondary complications for people going through cancer treatment. In addition to all of the scientific and medical data to support this, I have seen it firsthand during the many years that we ran exercise and nutrition-based programs with the help of *Pomona Valley Hospital Medical Center at The Claremont Club*. Our programs were focused on breast cancer and with women who had completed their cancer treatment and not during intervention.

Recently, I have read about a company, *Pennington Biomedical Research Center*, that is asking this question: *Can exercise boost chemotherapy's effectiveness, improve outlook for colon cancer survivors?* Two new Federally funded studies will recruit more than 300 patients with colon cancer to determine whether aerobic exercise can make chemotherapy more tolerable, less toxic and prevent fat from invading muscle tissue, a predictor of cancer recurrence, heart disease and death.

According to them, "more than half the patients with colon cancer treated with chemotherapy have to delay treatment

or have a lower dose of treatment because the drugs have so many side effects. That's known as chemotherapy toxicity," according to **Justin C. Brown, PhD, Director, Cancer Metabolism Program at Pennington Biomedical Research Center**. "We think aerobic exercise will allow patients to be treated with optimal doses of chemotherapy, reduce the incidence of chemotherapy toxicities and enable more people to be cured." To me, this is an astounding message. Can you even begin to think that **Exercise** will be accepted as an adjunctive standard of care in treating, and perhaps, helping to cure colon cancer?

Dr. Brown expects the study's findings will change the clinical practice guidelines that recognize exercise as an essential supportive treatment for chemotherapy.

He goes on to say, "this study will establish exercise training as obligatory for delivering high-quality, evidence-based care to colon cancer survivors."

Dr. Brown is the lead investigator on both studies. The *National Cancer Institute* awarded him \$5.1 million over five years to investigate aerobic exercise and chemotherapy and \$3.1 million to examine aerobic exercise and myosteatosis, which occurs when fat infiltrates skeletal muscle.

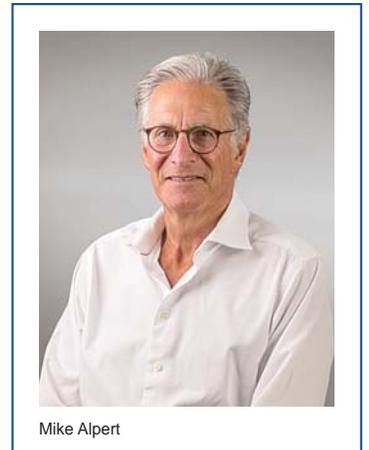
"A third of people with colon

cancer develop myosteatosis. It predicts cancer recurrence, heart disease and death in colon cancer survivors," Dr. Brown said. "Among older adults, myosteatosis also predicts poor muscle strength, the disability that frequently follows, and poor quality of life."

Dr. Brown went on to say that exercise can remodel the composition of skeletal muscle, preventing fat from accumulating in the muscles we use to move. The study will also determine whether exercise improves skeletal muscle function and its ability to burn energy, which prevents insulin resistance and inflammation and have been linked to obesity and type two diabetes.

The chemotherapy study will recruit more than 200 stage 2 - 3 colon cancer survivors from Baton Rouge, Boston and Oakland. The myosteatosis study will recruit more than 130 stage 1 - 3 colon cancer survivors from Louisiana.

"Colorectal cancer is the second most common cause of cancer deaths in the United States. It kills more than 150,000 U.S. residents a year. Cutting-edge research projects like these could change the way colon cancer is treated through precision exercise prescriptions



Mike Alpert

that help more people survive this deadly disease and also improve their quality of life," said *Pennington Biomedical Executive Director, John Kirwan, PhD*.

I hope everyone now truly believes that **Exercise IS Medicine!**

(Mike Alpert is the COO of Smart Health Clubs. He can be contacted at mike@smarthealthclubs.com or 951 - 205 - 1136.)

...Crunch Fitness

continued from page 3

15 clubs in development over the next 18 months. Approximately 1,100 job opportunities are expected as a result.

"We're delighted to recognize The Undefeated Tribe as this year's Crunch Franchise of the Year," said **Ben Midgley, CEO of Crunch Franchise**. "Tony Hartl and his organization perfectly embody the Crunch culture that combines fun, an excellent member experience and a strong and successful growth trajectory. They are a valued member of the Crunch family."

Held for the first time in two years due to the pandemic, the 2022 convention was centered on the theme, "**FAST FORWARD Growing Stronger Together**," and aimed to inspire learning and valuable

networking time with peers and vendor partners. The convention included keynote speakers, break-out workshops, vendor presentations and more to help challenge and motivate franchisees to grow their businesses, of which all are on track to open 55 clubs this year.

Additional recognitions at the annual conference included **Raymond Gonzalez** with *AD Fitness, LLC, New York, New York* as "*Franchise Executive of the Year*" and *Schenectady, NY, SLK Corporation, LLC, Milan, NY* as "*Crunch Fitness Top Member Satisfaction Club*."

Crunch Fitness previously recognized franchise group *CR Fitness* as "Franchise of the Year" in 2019.

See the **Crunch Franchise Ad** on **Page #2**.

...Workout Anytime

continued from page 3

and wellness have never been more top of mind, and this signing allows us to provide communities across four states with affordable and convenient gyms filled with top tier equipment. We're looking forward to building these clubs and opening our doors, with the first locations expected to open in Virginia, Georgia and Florida."

In addition to this new 20-unit signing, Workout Anytime is currently seeking qualified franchisee candidates for new locations in markets like Alabama, Arizona, Florida, Indiana, Kansas, Mississippi, Missouri, Texas, Virginia and continue with expansion efforts across Central and South America.

"We're thrilled to bring the Workout Anytime brand to new communities, and we're always looking to expand with both

new and existing franchisees," said Harof. "We started this year with strong momentum after signing deals for over 30 locations in 2021, and this multi-unit agreement is a major step as we work towards our goal of 40 clubs sold and another 30 opened by the end of this year."

Harof says Phenomenal Gyms, LLC will help the brand continue its growth throughout the U.S. while attracting new franchisees in its target markets. She added, "As we move forward in 2022, we're looking to bring even more multi-unit franchise owners into our system like Phenomenal Gyms, LLC. With health and wellness remaining at the forefront of many people's goals, we're planning to tap into that growing demand and cross the 200-unit milestone as a franchise system."

See the **Workout Anytime Ad** on the **Outside Back Page**.

Make It Fun Every Day!

...Norm's Notes

continued from page 4

through national and local marketing strategy, creative, brand marketing sponsorships and activations, and social media. She will report directly to **CHRIS RONDEAU**, *Chief Executive Officer*. **Congratulations Jamie and Planet!**

■Thanks to our friend, **BILL McBRIDE**, *Co-Founder, President and CEO of Active Wellness*, a long-time *Club Insider Contributing Author* and former *IHRSA Board Member and Chairman in 2001-2002*, for sending us these announcements:

■**Now Open: Active Wellness Center at Reed's Crossing.** In partnership with Providence, Active Reed's Crossing in Hillsboro, Oregon is a 45,000 square-foot integrated wellness club featuring dedicated fitness studio experiences, both an indoor and outdoor pool, the latest cardio and strength equipment, lifestyle and recovery programs and much more. Active is thrilled to officially welcome the Hillsboro community through its doors.

■**Active Wellness Partner Site in Alameda, California Has Taken Home Six Best of Awards!** Active Wellness partners at *The Bladium Sports & Fitness Club* have just been honored with six "Best of Alameda 2022" Awards, as selected by the readers of *Alameda Magazine*. These incredible accolades are well-earned and a testament to how valued the club is by its community. Categories included: Best Gyms/Health Clubs - Winner; Best Fitness Classes - Winner; Best Personal Trainers - Top 5; Best Yoga Studios - Top 5; Best Summer Camps - Top 5; and Best Winter Camps - Top 5.

CONGRATULATIONS to BILL McBRIDE, JILL KINNEY, and all of their Active Wellness teammates who were involved!

■This from *IHRSA: The U.S. National Physical Activity Alliance Hosts Congressional Briefing*. The Physical Activity Alliance (PPA), in which IHRSA is a Board Member, recently hosted a *Congressional Briefing on Physical Activity and National Security*. Military leaders and public health officials spoke with policymakers about how physical inactivity impacts the readiness, lethality and longevity of our nation's current, future and former service members. During that briefing, the new *Military Sector of the U.S. National Physical Activity Plan* was officially launched to present solutions, support existing efforts and cultivate a culture of physical activity.

■*Interesting news here...* **F45 Training**, the Austin, Texas-based franchisor/operator of 1,750 fitness centers around the world, is reportedly in hot water, and as of August 14, the stock has plummeted. The company

has minority backing from movie star, **MARK WAHLBERG**, who has a large lineup of great flicks under his belt. **Pvolve**, a woman-operated company, and reportedly F45's biggest competitor, recently reported record sales and growth. The company reported its membership base has increased 145% over the past year. Key indicators of P.volve's growth reportedly include:

1. Increase of franchise sales, expecting to operate more than 250 studios by 2027;

2. Sales of new memberships are up 61% for the first half of 2022;

3. Membership base is up 145% over the past year.

STAY TUNED!

■**YouFit Gyms**, a popular nationwide fitness chain, announced on *National Pickleball Day* that a *Charity Pickleball Tournament* is taking place **September 17-18, 2022** at four South Florida locations. As part of the gym's **YouFit Lifts Initiative**, a community-focused program that partners with and supports local charities and non-profit organizations in the communities surrounding their 80 locations across the country, the Pickleball Tournament will donate all funds raised to the **Cancer Research Institute** in honor of longtime employee, **DAVID SARNER**, who recently lost his battle with cancer. **May David Rest In Peace.**

■**BILLIE JEAN KING** has joined **PHIT America** to help kids all over the nation improve their physical and mental health by implementing new school physical activity programs using the **Billie Jean King Eye Coach Brain Training System (BJK-BTS)**. PHIT America is on a mission to get fifty million kids active through its school program, **AMPED**. For youth, tennis is especially beneficial in promoting social skills, sportsmanship and physical fitness.

■**SAVE THE DATE!** The great folks at **Club Industry** are returning to Chicago, **October 17-19th**, to produce another **EXECUTIVE SUMMIT**. The Club Industry event will be held at the Chicago Renaissance Hotel, but interestingly, *there will not be a Trade Show!* I write, "interestingly," simply because it would not surprise me at all if a few "Mini-Trade Shows" break out in hotel suites serving the event. I recall a time long ago when "Mini-Trade Shows" were breaking out at other industry conventions that did not have trade shows planned. The tagline for the event in Chicago is: "*Enhancing Your Bottom Line: The Role of Technology, Operations and Compassionate Leadership.*" Learn more and register today by going to **www.clubindustryshow.com**. **STAY TUNED, Folks!**

■**SAVE THIS DATE, also!** The **2022 Athletic Business Show Expo** will take

place in Orlando, **November 16-19th**. This will be their **40th Anniversary**, so this is a big one! For more information, go to **www.abshow.com**.

■And last, but *NOT* least... **SAVE THIS DATE. COLIN and JULIE MILNER'S International Counsel On Active Aging** will be hosting their **20th Anniversary Convention and Trade Show** in Orlando, **November 8-10th**. For information, go to **www.icaa.cc**.

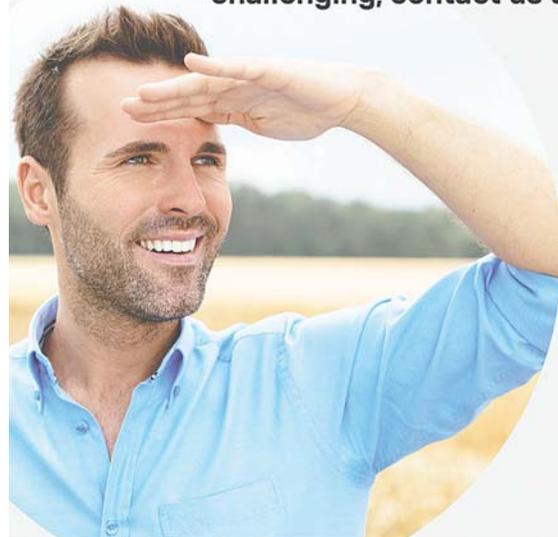
■Here's an exciting item! The **Professional Pickleball Association (PPA)** has

launched its league play on TV! **Gotta check it out!**

■This news is from **PETE BROWN'S ATHLETIC BUSINESS August 11th online eblast**. The headline reads: **High School Cancels Football Season Due to Lack of Players!** The report goes on to say, "Athletic officials at *Mathews High School* in Mathews County, Virginia announced Wednesday that they don't have enough football players to field a team and are cancelling their season. They say they searched every avenue possible to (See *Norm's Notes* Page 8)

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...Norm's Notes

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find a path for a healthy season, but their numbers were not sufficient. The decision was made with athletes' safety and the wellbeing of their coaching staff in mind." Folks, IF that had happened to **JUSTIN** during his playing days, our home would have had a "FOR SALE SIGN" in the front yard by dark! *Haha!*

As a guy who was a dedicated player and Team Captain at *Rome Free*

Academy, in Rome, New York and then went to college at *N.C. State* on a full football scholarship, I predict this is going to cause a lot of families to pack up and move from that Mathews County High School District! It will be very interesting to see what happens when the families who have young men who were going to play high school football decide to up and move to a new home located in a school district where football will be a staple part of the athletic program. I feel really bad for the kids who've worked so very hard

during their young lives to prepare to play high school football, and ultimately, to play college football on a full scholarship. **This is no trivial matter, so STAY TUNED!**

■News from my local area: On August 6, 2022, the **Lutzie 43 Foundation** hosted its **8th Annual Road Race** presented by *JIM ELLIS Kia of Kennesaw at Lassiter High School* and across the country with virtual options. The inaugural Road Race was the first event the foundation hosted after **PHILIP LUTZENKIRCHEN's** passing in 2014. Since that first race, it has become a staple event in the Marietta community, and to Auburn University, where Philip played football. Philip Lutzenkirchen has fans across the country, and Lassiter High School has memorialized Philip by naming the football field "**Lutzie 43 Field.**" This year's race saw over 670 on-site runners, and more than 400 virtual runners from across the country had the opportunity to participate and run from wherever they are.

MIKE LUTZENKIRCHEN, *Philip's father and Executive Director of the Lutzie 43 Foundation*, said: "This event means so much to not only the Lutzie 43 Foundation but also to my family. It is a time for us to gather with our community with those who knew and cared about Philip to celebrate his life and the legacy he continues to make. I am encouraged by the number of runners who joined us this year virtually from across the country, not only for their support of the foundation, but sharing our mission with their communities. We are looking forward to next year's event and growing Philip's legacy through our mission and the **43 Key Seconds Safe Driving Initiative.**"

■**JUSTIN** and I want to say Thanks for

reading **Club Insider!**

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■**God bless our troops, airmen and sailors worldwide and keep them safe. Thank you, Congratulations and Welcome Home to all of our troops who have served around the world. God bless America's Policemen and women and Firemen and women; keep them safe. Finally, God bless you, your family, your club(s) and your members. God Bless America! Laus Deo!**

(Norm Cates, Jr. is a 48-year veteran of the health, racquet and sportsclub industry. He is the Founder and Tribal Leader Since 1993 of Club Insider, now in its 29th year of monthly publication. In 1981, he was IHRSA's First President, and a Co-Founder of the Association with Rick Caro and five others. In 2001, he was honored by IHRSA with its DALE DIBBLE Distinguished Service Award, one of its highest honors. And, in 2017, he was honored with Club Industry's Lifetime Achievement Award. He can be reached by phone at 770-635-7578 or email at Norm@clubinsideronline.com.)

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Thanks and Appreciation

At *Club Insider*, we are excited to be in our **29th Year** of this home-based health and fitness club trade publication! The thought that this publication was *founded to serve an industry I truly love*, and so that *I could become a Mister Mom for my son, Justin*, is still *intriguing and amazing* to us. So, I wish to extend my most sincere **Thanks and Appreciation** to everyone who has made this amazing 29-year run possible.

A very sincere *Thanks and Appreciation* go to **Rick Caro**, the **late Dr. Gerry Faust** and the **Faust Executive Roundtable #1** for helping me decide in 1993 what my home-based business would be. *Thanks and Appreciation* to my long-time friends, **Ron Hudspeth** and **Cathy Miller**, formerly of *Atlanta's Hudspeth Report* for the tremendous assistance they provided. *Thanks and Appreciation* to all of the folks at **Walton Press** in Monroe, Georgia. They've done an absolutely excellent job for us all these years and have printed every one of our monthly editions! And, of course, *Thanks and Appreciation* to the **United States Postal Service** for sending those editions to our readers! *Thanks and Appreciation* to all of our **READERS**. Sincere *Thanks and Appreciation* to our **Club Insider Advertisers**, past and present, for their kind and dedicated support of this publication. *Thanks and Appreciation* to all of our **Club Insider Contributing Authors**, past and present. *Thanks and Appreciation* to **IHRSA** for all it does for all of us. And, sincere *Thanks and Appreciation* to my son, **Justin**, who has become our Publisher and is a truly great partner. You name it and Justin does it each and every month!

Last, but surely not least, this writer who refused to fear failure when many told him he didn't have a chance of surviving the publishing business for even a year did survive. And, he would like to give his sincere *Thanks and Appreciation* to the power that made that survival happen: **God**.

Very sincerely, with love in my heart for you all,

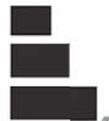
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STEPFITNESS

...Landon Burningham

continued from page 3

C.I. - Where did you go to school and what did you study? Did you play sports?

LB - I went to *Alta High School* in Sandy, Utah. In high school, I played football, wrestled and ran track. After high school, I went to *Utah Valley University* where I ran track and studied *Exercise Science*. After getting married and moving to Oregon, I returned to school, attending *Western Oregon University*, studying *Exercise Science and Human Biology* while continuing to run track.

It was during my time at Utah Valley University, though, that I met and married my wife, **Aubrey**. We were married in 2008 and just celebrated our 14-year wedding anniversary. We have four children: Our oldest is our son, **Gage**, who is almost eight. Next is our daughter, **Luxe**, who is six. Then, there is **Eve**, who just turned four. And, our youngest is **Jace**, who just turned two.

C.I. - Wow! What a great family you have! How did y'all come up with all those great names?

LB - Other than Luxe, whose name we heard on a TV series we liked, I have *NO* idea! We just sought less popular names that were a little different. We also liked that they were short, had good meanings and ended with an **E**.

C.I. - Wow again! What a family. Congratulations, Landon! I want to **Tip My Black Hat** to you, and a very special *'Hello'* and *Kudos* to your Bride, Aubrey. I can't imagine what it has been like for her keeping up with four kids... age seven and under! And, YOU!

LB - Oh yes, Aubrey works harder than I can even imagine. Then, at the end of her day, she still takes time to listen to me when I come home and want to talk about work, business ideas and catch up on all the

family has been doing. Aubrey helps me and gives me tremendous support, even after she's been dealing with our four kids all day long!

Entering the Health and Fitness Club Industry

C.I. - Landon, when and how did you become involved in the health and fitness club industry?

LB - That's a fun question. Originally, it started when I was running track and playing football in high school. I was never the big guy; I was always the little guy, so I knew that, if I was going to be successful in my sports career, I needed to better myself through health and fitness. So, eating right, exercising right, recovering right... those types of things. That's really how I got started. I really wanted to better myself, and I started to study how to go about that challenge of bettering myself. Shortly after high school, my grandfather was diagnosed with type two diabetes and heart disease, and I knew I needed to find a way to help him and people like him. Right after high school, I got certified as a *Personal Trainer* and got a job at one of the training companies that worked out of the *Gold's Gym* franchises in Utah. My best friend at the time, who was a *Fitness Manager* there, got me my first job. I started 'unofficially' in high school but got my first job as a *Personal Trainer* in 2004. I've been part of the fitness industry since then.

C.I. - When and how did *Physiq Fitness* come to be? Early concepts, goals, challenges, successes?

LB - In 2007, my wife and I were dating at the time. I had been working for a big company, but I wanted to be more about the people... more about the employees... more about the customer... more about the experience. That type of stuff. So, in 2007, we had this crazy dream that we would someday eventually start our own fitness



The Burningham Family - Aubrey and Landon, Gage (8), Jace (2), Eve (4) and Luxe (6)

company. We didn't know what it was going to be at the time; we just know we wanted to do it. Aubrey came up with the name *Physiq Fitness*. I liked it, and we would eventually go with that name.

In 2008, when we were about to be married, we went to Oregon, where she's from, to visit her folks and to explore her hometown. While there, I randomly met the owner of a training company and was later offered a job as the *Manager*. I accepted. A month later, we were back in Utah and I quit my job. We got married and went on our honeymoon. After that, we moved to Oregon to start our new life. Upon arriving there, to our surprise, **the job was NO LONGER THERE!** I could never get a hold of the person who hired me. I couldn't even get a hold of the company! Later, we found out the company went bankrupt! My wife and I were both without jobs, money or any prospects. As newlyweds, we then had to move in and live with her parents, my in-laws.

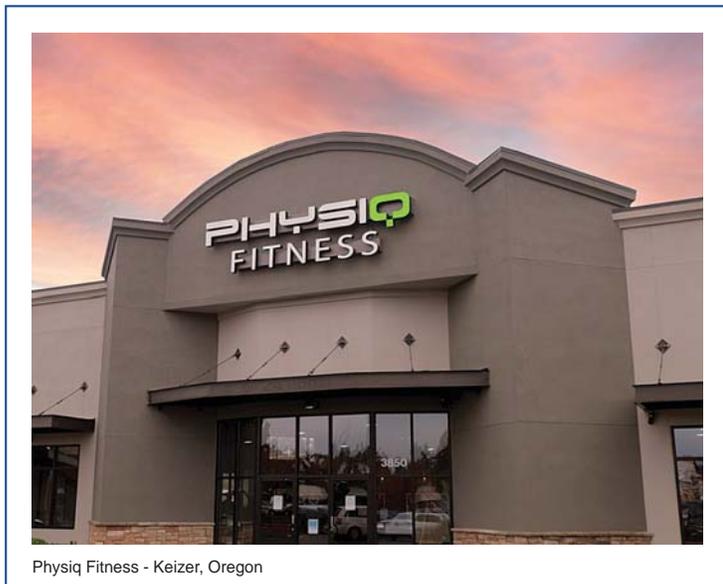
After applying to a few places with no luck, I looked at my wife and said, 'I can continue trying to get a job somewhere, or we could start *Physiq Fitness*. We both agreed that she would continue to look for a job, and I would start *Physiq*. So, with the last \$10 we had to our name, we bought a pair of resistance bands from Walmart. I printed some business cards, as well as the logo on some pieces of paper using my mother-in-law's printer. I then used an Exacto Knife to cut the logo out and spray painted it on a couple of t-shirts. From there, I just went door-to-door, knocking and asking people if they wanted a personal trainer. I

volunteer coached football and track at a local high school, and it kind of evolved from there. I started training athletes, and I also trained seniors at home. I worked with stroke victims and victims of heart attacks who were recovering. I was helping them relearn how to get out of bed and do everyday things again. This was really meaningful to me as changing lives was always my goal through fitness, especially after my grandfather died in 2007 from his diabetes and heart disease.

On the athlete training side of things, the athletes started coming to me for workouts. My athletic background allowed me to really see what athletes needed from a different perspective, rather than just what they were getting in training at school. That evolved into the parents seeing how I was training their kids and the parents then asking me to train them, also. So, after a while, I started to go to public parks where we would do boot camps and personal training. Because we were still trying to get on our feet, I would go to the paint store and ask for paint stirring sticks. I would paint them red, then use them as agility ladders. I would use the resistance bands I bought from Walmart and hook them up to park benches and use those same benches as our steps and plyo boxes.

As my clientele grew, I eventually rented space at a *Snap Fitness* in Salem, Oregon, where we were located. That clientele grew and grew and grew, and in 2010, we found out that one of the gyms in town, a really small 3,000 square-foot personal training studio, was about to

(See *Landon Burningham Page 12*)



Physiq Fitness - Keizer, Oregon

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...Landon Burningham

continued from page 10

close because the owner had passed away. I knew who his parents were, so I approached them and said, 'I'm really sorry about your loss. I am also sorry for the situation you are in, so I would like to buy the fitness center from you.' For the next six months, I spent every free moment I had trying to come up with the money for the deal. Eventually, I convinced my father-in-law to co-sign on a loan. After that, my Dad, who was a contractor, came up from Utah and donated his time and energy to remodeling the facility. It was there that I acted as *Contractor Assistant, Personal Trainer, Front Desk, Janitor, Smoothie Maker, Accounts Payable, Marketing Manager*, etc. With no formal business schooling, I was learning how to run a business *from the ground up*. So, in 2007, we started as an idea, and in 2010, we opened our first Physiq Fitness facility. It has grown from there!

C.I. - What a **truly great story** of how very determined people... people such as you and Aubrey, as well as both sets of parents... all pitching in to make this first club start-up business happen! **Hooray! Good for you all!**

LB - Also, Norm, and importantly, let me mention this: When we moved up here, I had nothing. As I said, I used the *last \$10* I had to my name to buy some resistance bands. That also meant I couldn't afford to join any of the gyms in my town. And, being involved in fitness, this really affected me. Then, as I was training the various groups of individuals I mentioned before, some of them also couldn't join local gyms because of the cost. So, my wife and I really looked at that as an opportunity too, first and foremost, *make fitness affordable to people in our communities*. And, second, *we want to have a results-oriented fitness experiences* where people can come in and

it's more than just exercise. It's something where they feel like it's *their third place*. Most people spend most of their time at home or work. We want this to be that *'other family'* if you will.

C.I. - That is so well-said, and those are truly admirable **Missions/Goals** to have!

Physiq Fitness

C.I. - Over the years, the HV/LP segment has exploded. There are multiple national brands out there, yet you remain your own brand. Please tell us about that.

LB - What we have found is that we wanted to just stay true to our colors where *it wasn't all about the money*, and *it wasn't just about bringing a ton of members in all of the time*. Really, what it was all about for us was providing affordable fitness and making the fitness experience acceptable to our clients. We really pride ourselves on having the cleanest gym and having the best quote/unquote, *'Disney Experience,'* there is. So, that's really why we've continued with our own brand.

At the time that we started, we looked at trying to become one of the first *Planet Fitness* franchisees in our area. And, as we looked to grow after our first facility, we asked ourselves if we would really want to become a franchisee. The franchisee route would have been a lot easier for us, having those systems and other things already in place. Or, did we want to go our own route? For me, it was a learning opportunity to go our own route with an opportunity where we could take the passion we had for fitness, and hopefully, bring that through to our employees and to our community as well.

C.I. - Looking back on where you are now, are you glad that you made that decision?

LB - Yes. I look at like this... If we had gone the franchise route or joined up with a national brand, we probably could have

been bigger with more locations, and we probably could be more spread out over the country. But, at the end of the day, I can look back at what the decision has meant for my family and me, as well as our headquarters team. My Dad works with me, and he has ownership in the company now. One of my good friends, the one who gave me my first training job, works with us, and he has ownership in the company, too. And, that wouldn't have necessarily been something that would have been available if we had gone the other route. It's afforded us with the opportunity to help those within our organization to also grow and to really take pride in what we are creating.

C.I. - How do you compete vs. other HV/LP clubs in your market?

LB - The way we compete with others in our market is similar to why we offer what we offer. What we do is seek to offer an all-inclusive fitness experience for a low price. With the exception of a pool and basketball court, we have everything you would see at your typical big box club and at your typical HV/LP model and boutique studio concept. We offer three tiers of membership:

■ **Our Basic Tier** includes access to the locker rooms, a large variety of cardio and strength equipment, free weights and turf areas, our *QMAX Cardio Theater*, our *Quies Kids Club* and *Quench Juice Bar* for an additional fee. **Price Per Month:** \$10/month for a 12-month commitment or \$15/month for month-to-month.

■ **Our Middle Tier**, or *Premium Membership Plan*, includes access to our *ON-Q Group Fitness Classes*, unlimited tanning, unlimited HydroMassage, multiple club access and weekend guest privileges. **Price Per Month:** \$22.99/month for a 12-month commitment or \$27.99/month for month-to-month.

■ **Our Top Tier**, an *All Inclusive Plan*, is the *QFIT Membership*. It is only **\$39.99 per month** and provides everything the other plans do plus exclusive features on our app, access to all of our virtual on-demand workouts, unlimited access to our Recovery Room, which has massage chairs, Normatec Compression and our infrared lymphatic roller and Theragun products. This membership also includes access to our club studio fitness classes with heart rate-based training called *QFIT Team Training*, as well as unlimited guest privileges.

C.I. - What a spread of features and services! Let's talk about the size of your clubs. How many square feet do you have in each of your four clubs?

LB - Let's start with our first facility. When we started, it had 3,000 square feet. We have remodeled it six times, and it's about 8,500 square feet now. Our second facility, which we opened in 2014, started out with 19,000 square feet. We have remodeled that one twice since then, and it's now 27,000 square feet. That's also where our Corporate Headquarters are. Our third facility, which opened in 2017, is 22,500 square feet. And, our fourth facility opened in 2018, and that one is 32,500 square feet.

C.I. - In your primary market, let's say, for example, your 32,000 square-foot club, how many competitors do you have in that particular market segment?

LB - Our area is actually pretty saturated. So, whether it's a *Planet Fitness*; a high-end, full-service fitness facility; a local fitness only chain or boutique fitness clubs, we pretty much range in between 3 - 7 major competitors within each area our clubs are located.

The Membership

C.I. - You are very member-oriented. How (See *Landon Burningham Page 13*)



Physiq Fitness Check-in/Quench



Physiq Fitness Workout Floor

...Landon Burningham

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does this take shape within your facilities? And, outside of them... if applicable? And, during COVID, what did you all do to succeed?

LB - The Post-COVID world is definitely a lot different than it was pre-COVID, just with the way you can run programs. For example, during COVID, one of the things we noticed here in Oregon was cleaning supplies became really sparse. What we did was run 'Cleaning Fill-Up Stations' at all of our locations so members could come in and fill up with our commercial grade cleaning supplies that they could then use in their homes. We also offered 'Virtual On Demand' free during COVID, as well as **Virtual Personal Training**.

We also rented out some of our weight equipment so that, if members wanted to be able to work out at home, they could do that. We partnered with some of our vendors and equipment suppliers to offer exclusive discounts to our members so that, if they wanted to purchase some of the equipment, they could. Then, we also built these giant 10,000 square-foot outdoor fitness facilities that were covered by big event tents. Being in Oregon, it was kind of an ordeal because it's a place where it rains nine months out of the year. But, we took almost all of our most popular equipment --treadmills, elliptical machines, free weights, squat racks-- and put them out in those tents and provided access to all of our members.

As far as what we do now to stay member-oriented, we just want to **make sure that our members feel like our clubs are their 'Third-Place'** in life's order of importance. We want them to feel as if it's home where they feel like they are part of what we call our 'QFam.' We want them to really understand that they are family. Whether that is an easy sign up or easy cancellation, easy access to programs,

easy to bring a guest... those types of things. A place where our staff knows the member's names... and what the member's smoothie order is going to be so it is ready when the member comes up! Those are the types of things that we really try to do to make it a frictionless and seamless process for all of our members.

C.I. - WOW, Landon! You guys are applying the 'Cheers' philosophy where you KNOW your members names, what they want to happen when they arrive and when they are leaving, even including what beverage or snack they will want as they leave! Good On Ya! How many memberships do you have across all four locations? How many members does that represent?

LB - In Oregon, we got hit pretty hard by the pandemic. Pre-COVID, we had about 22,500 total memberships, and now, we have about **18,000 memberships**, and that equates to **23,000 members** across those accounts. But, what's interesting about that is the *price per member* has gone up significantly, now being about **\$8 more per member** than it was pre-COVID on new member sales.

C.I. - Please tell us about your typical member.

LB - That's a great question. Glad you're asking it! We have seen quite an age difference post-COVID. At first, we thought it was specifically in Oregon, but as I hear from peers in other states, I think it is nationwide. Pre-COVID, our average member was age 30 and above. We say that we are 'Everybody's Gym,' so we had members from ages 12 to 80. Whether it's a young, first-time person working out with their Mom or Dad, or it was a senior citizen who was bringing their own cushion for comfort on the weight machines, we really pride ourselves in being, 'The Gym for Everybody!' Now, even though we still have a wide range of members, we have seen our demographic shift to a younger crowd joining at higher rates, and our typical new

member joining, instead of being 30 and above is now 35 and below. So, we're seeing a lot more use of the free weight areas, the turf areas and the plate-loaded areas, and conversely, less in the typical cardio areas.

C.I. - Hmm, that is interesting. With the focus now being more on a 35 and below crowd, what are some of your methods of attracting them?

LB - Marketing has switched a lot! We still do a lot of referral type programs. Pre-COVID, we would do a lot of events where we would go to health fairs and those types of things... a lot of guerrilla marketing, radio, billboards, etc. But, Post-COVID, the majority of our marketing is really spent on digital. So, we're doing most of our stuff through the meta-companies, Facebook and Instagram; Google Retargeting; also our follow-up of leads on *ABC Gym Sales*. Those are really the primary sources of our marketing. And, of course, we rely on customer referrals a great deal. The majority of our new membership sales come from member referrals and digital.

C.I. - Why do your members stay? Please tell us about your renewal program.

LB - For us, like any other HV/LP operation, we charge an annual fee of **\$49.99 a year**, and one of the things for us that we have truly dedicated ourselves to is that we use those annual fees to upgrade and refresh our club facilities and equipment. So, whether it is new paint, new flooring, new amenities or new equipment, I think a primary reason our members stay is *they know they are going to have a first-class, top-notch facility*. And, they are going to be able to count on us to be high quality and offering them everything that they want and need at a low price.

The other thing is that we offer our members, no matter which membership plan they are on, the ability to do any of our membership plans one 12-month

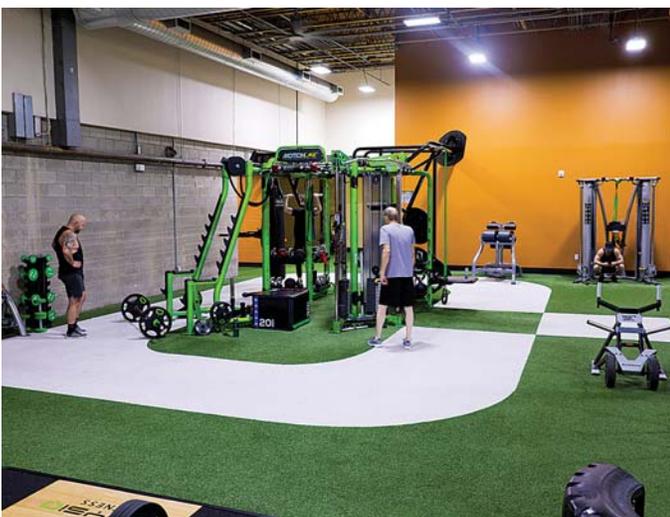
agreement, in which they get a discounted rate. Or, for just \$5 more per month, they have the option of going month-to-month. So, what we really see is that members want to have flexibility; they want to be able to come when they want to come and go when they want to go. Further, what we see is that, by allowing them to have that flexibility and not forcing them into a contract, the majority of our members choose the month-to-month program, BUT the majority of our members choose to stay with us long-term because of our flexibility. Going over a report a couple of months ago, I was surprised by the number of members we have who have been with us since the presale of our first club!

Key Market Differentiators

C.I. - Landon, your story is amazing! While I think you've already pretty much covered the answers to this question, I'm going to ask it anyway so you may add any additional comments that you feel are important. So, here's the question: All in all, what do you consider your *Key Market Differentiators*?

LB - I really appreciate that. You know, we've really been locally owned and locally operated right from the beginning. Further, while it might not serve me best being fitness first and business second, I think it serves our members best. I didn't come into this with a business degree. As I told you, I studied *Exercise Science and Biology*, and I was 12 credits short of graduating when I stopped going to college to start my business. So, what I really think sets us apart is we are able to see the facilities through the eyes of what our members want and what people who are interested in fitness want, rather than just, 'What's going to bring more profits?' So, for us, it's *fitness first and business second*. Then, just our overall family-oriented mindset... locally owned, locally operated. We want

(See *Landon Burningham Page 14*)



Physiq Fitness Functional Training



Physiq Fitness Group Exercise

...Landon Burningham

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to be that part of the family. And lastly, the **BRANDING!** I think we push very hard to have our Q emphasis in all of our branding so people know who we are in all the markets that we serve.

C.I. - People are the lifeblood of a club's team, and thus, the business itself. How many full-time and part-time employees do you have? And, please tell us about some of your key team members (names, tenures, titles).

LB - We have about 30 full-time employees and 70 part-time employees. First and foremost, I want to mention all of our member-facing team members. Whether it's the welcome desk, trainers, kids club workers, maintenance team, group instructors, media team, managers, etc... they are the ones making the magic happen. Thank you! Behind the scenes, our key players are:

■ **Todd Burningham**, VP of Construction and Facilities, Co-Owner - 7 years;

■ **Brandon Bennett**, VP of Fitness Operations and Education, Co-Owner - 9 years;

■ **Mike Castillo**, Controller and Finance Manager - 4 years;

■ **Tyson Cox**, Operations Manager - 5 years;

■ **Kari Timmerman**, Director of Programs and Club Marketing - 4 years;

■ **Nicole Wilder**, Studio Director - 6 years.

C.I. - You've won local publication *The Statesman Journal's Best of Mid-Valley Award* many times! Please tell us about those honors.

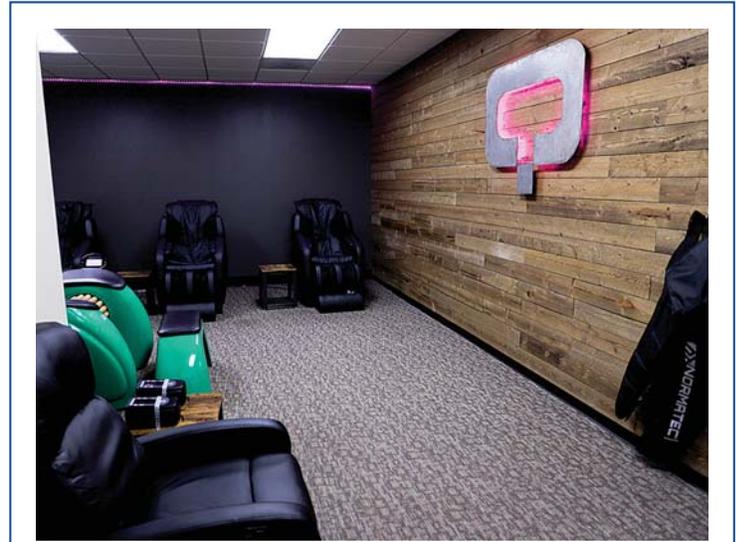
LB - We actually won it the first time in 2013, then 2014, 2015, 2016, 2017, 2018

and 2019... but, we did not win 2020! Then, we won again in 2021 and 2022. Really, the Mid-Valley in Oregon covers eight or nine cities. What the publication does is put out a nomination round where the people nominate the different businesses in different categories, etc. There's everything from your local realtors to your best massage therapists to your best restaurants, the best place to take your kids, the best fitness center... those kinds of things. From there, they move to the voting round and select the top business. What we have found is that our members have consistently voted us: *Best Tanning, Best Kids Club, Best Smoothies* more consistently than anything. And, all in all, *we have been voted The Best Fitness Center for 9 out of the past 10 years since 2013!*

C.I. - What are your company's key successes Post-COVID?

LB - I think the key successes are really implementation of different membership offerings where we offer both the term membership for 12 months at a discounted rate or the month-to-month plan, which allows a little bit more flexibility. Continually, *I think it's just being a company that stands first and foremost for its member.*

During COVID, we turned off all our billing so that our members did not have to be billed. We were shut down the end of March 2020 through the end of May 2020, and we were shut down again in November 2020 all the way through January 2021. The only time we turned on billing was when we provided members with access to the outdoor fitness facilities so the members could continue to exercise. And, if a member did not want their billing turned on, we turned it off for them. During the second lockdown, we kept all of our team members employed. And, we gave them the option of coming in to work where they could just help us deep clean the facilities or they could go volunteer at a local event.



Physiq Fitness Q Recovery Room

Or, if they just wanted the free time to stay at home and avoid other people, they could decide not to work and not get paid. Different people took different options. We are always geared toward keeping our members happy, keeping our staff happy, keeping everyone safe and just putting them all at the forefront of everything.

C.I. - Well, Landon, I bet you all made a lot of friends during that time by making the arrangements you just summarized. Again... **GOOD ON 'YA!**

LB - (laughing) It went both ways! During COVID, I learned that, no matter what you did to try to do right, you were right by some and wrong by others, no matter what direction you chose. We just said that we're going to do what we always do and that is behave with *honesty and integrity*. We vowed to simply continue to run our business that way, and if we would do that, it would turn out all right.

Key Lessons, Advice and the Future

C.I. - Boiling all of your experience over the past 15 years down, what key pieces of advice and lessons would you offer our readers?

LB - **DON'T DO IT ALONE!** I think the biggest mistake I have made and have tried to learn from was *trying to do too much by myself*. Whether that is trying to take on too much and too many positions and not delegate. Or, whether it was to try and take it upon myself to learn all the lessons, the operations' secrets or whatever it was.

Join IHRSA! Join an REX

Roundtable! Talk with your supplier/vendor partners and ask if you can be part of their mastermind groups. Find other local club operators; join other health alliances. Whatever you can do, **BUT DON'T GO AT IT ALONE!** And, I would say *continue your education* inside the industry and outside the industry. I make it my goal to try to read a book a month, if not a book a week so I can continue my education that way. There are so many ways to continue your education. It is something that you **HAVE TO DO**. You have to stay up on what's new... in leadership... in management... and in marketing. Everything! So, I guess my best advice is **NEVER STOP LEARNING!**

C.I. - Well, Landon, that was precisely the attitude **Rick Caro** and I, as well as five others had when we started **IHRSA**. Our attitude was to find multiple ways to help our IHRSA club owners be successful no matter what it took. Emerging from the pandemic, what's on the horizon for Physiq Fitness over the next three to five years?

LB - We actually have a new club that we will hopefully open in December, and if not then, January of 2023. As you know, that will be our 5th location, and it's in the same Mid-Valley area in which our other ones are located. It's a former 23,500 square-foot *24 Hour Fitness*, which we're renovating from floor to ceiling. It's geared toward today's consumers. Lots of free weights, lots of plate-loaded equipment and lots of turf with an outdoor space. It will be focused on giving them results, because if the member is getting good results and having a good

(See Landon Burningham Page 15)



Physiq Fitness Q FAM

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...Landon Burningham

continued from page 14

time, they are always going to want to come back.

In the next three to five years, our goal is to keep opening new facilities, whether that be in Oregon or surrounding states. Our goal is to take our brand and grow it in other communities, while at the same time, growing new job opportunities for our team. By then, we hope to have ten or more facilities.

C.I. - Why are you optimistic about this great future you envision?

LB - I believe that positive thoughts create positive words and positive words create positive action... so as long as we're staying optimistic, things will turn out well. Essentially, we believe that, if you can dream it, you can do it. When we have the right people in place, having our people run our systems, then the sky is truly the limit! We can only hold ourselves back! Especially, in this great country where we live, where opportunity presents itself everywhere, it's really just a matter of making sure

that we are in the right place at the right time and we're taking advantage of opportunities that are presented to us.

C.I. - Beautifully said. Landon, so we may close on what I think is one of the finest and most interesting cover story interviews I've enjoyed doing and producing in my 29 years of publishing *Club Insider*, do you have any final advice or lessons for owners, managers, department heads, etc. at health and fitness club companies nationwide?

LB - Yes, this is a great question. It's questions like this that have made me want to start speaking, coaching and writing... helping people understand what is needed to be successful in their careers and dreams. As mentioned before, I didn't have any business training, and I want to help others in similar positions. But, to sum it up beyond what has been previously stated, I have to say that you need to ensure you really know your business systems, as well as your numbers.

At the end of the day, you are a *business*. If you're going to change lives and create jobs, you have to pay the bills and keep the lights on. You have to keep your

employees happy, so you need to ensure that, whether or not you know the numbers, you at least have someone on your team who does. And again, you must continue to learn. Last, and *my most important advice to your readers is: surround yourself with people who are better than you! If you think you are the smartest person in the room, you are REALLY the DUMBEST person in the room!* So, surround yourself with people who are better than you and who are able to take your dream where it is supposed to be!

C.I. - Landon, I've done a lot of interviews during my almost 30 years of publishing *Club Insider*, and I can tell you and our readers that your interview is one of the most valuable and interesting interviews we've ever published in terms of what our readers can do with what they should learn from reading this. So, I want to Thank You for your interview and say Thanks to our *Club Insider* readers for taking the time to read this and learn from it.



Thank you to Landon Burningham

for the opportunity to share his incredible story. What a journey! And, at such a young age, it is just beginning! I believe he will do more and more great things in his career, so remember his name, folks.

Let me close by saying **THANK YOU ALL** for taking the time and expending the energy needed to read this. AND, if you should decide to, thank you for passing it on to others you know who'll benefit from reading it!

THANK YOU ALL for reading Club Insider!

(Norm Cates, Jr. is a 48-year veteran of the health, racquet and sportsclub industry. He is the Founder and Tribal Leader Since 1993 of *Club Insider*, now in its 29th year of monthly publication. In 1981, he was IHRSA's First President, and a Co-Founder of the Association with Rick Caro and five others. In 2001, he was honored by IHRSA with its DALE DIBBLE Distinguished Service Award, one of its highest honors. And, in 2017, he was honored with Club Industry's Lifetime Achievement Award. He can be reached by phone at 770-635-7578 or email at Norm@clubinsideronline.com.)

Get Ready to Rumble!

An Interview With an Industry Marketing Expert

By: Gary Polic

In the last year, I have recently had the opportunity to work side-by-side with **Lee Oberg** of *Oberg Consulting*. At **Polic Consultants Group, LLC**, we are honored to have him on board with some of the industry's best of the best group of consultants. One of the special highlights I have experienced firsthand regarding Lee, and that sets him apart from other traditional marketers, is his experience and ability to collaborate with sales teams to create marketing that truly produces results.

Lee Oberg has three decades of executive marketing leadership experience as former *Executive VP of Marketing and CEO* of spa and entertainment companies. Lee has worked for athletic club industry leaders such as *Life Time, Wellbridge, U.S. Swim & Fitness, Fitness Planet and Massage Retreat & Spa*.

I had the privilege to interview him and ask some pertinent questions I would ask as a club operator in the industry. Hope you take away some golden nuggets!

An Interview With Lee Oberg of Polic Consultants Group, LLC

Polic Consultants Group (PCG) - What are the best ways to identify marketing and budget opportunities in an existing marketing plan?

Lee Oberg (LO) - A good start is to review all existing marketing strategies, sales promotions and marketing vehicles. Look hard at brand messaging, offers, services and call-to-action tactics used to generate leads. Assure the marketing message creative is on point and drives urgency. Evaluate the monthly, quarterly and yearly marketing spend. Data research, analysis and review provides a clear picture of an existing monthly marketing plan and budget, providing a true understanding of existing cost per lead and cost per sale.

Information on sales closing percentages based on lead generation support the build or refresh of a winning marketing lead generation plan and budget. Marketing success comes from a variety of controllable variables and needs review and evaluation on regular basis. Good marketing leadership budgets a certain amount of monthly marketing dollars for a needed strategic marketing spend to generate additional leads to support exceeding close-out goals. This can be a key marketing success driver. Best results from continuous evaluation of marketing results and great planning with continuous marketing enhancements will deliver the right amount of leads to achieve sales WINS.

PCG - How can marketing better support sales results?

LO - Marketing or agency team planning

using lead acquisition and spend data provides knowledge for best results. Marketing and sales leadership collaboration are key to delivering consistent wins: always marketing with a smile, can-do attitude, support-delivering energy and conviction to marketing plans. This motivates positive sales energy and provides a boost for desired results. At a minimum, an approved quarterly marketing plan and budget is key for achieving desired lead generation. Marketing thrives with knowledgeable, experienced leadership and/or agency partners who deliver quarterly creative brand themes, offers, events, profit center options and quarterly budget plans, including leads attained from past months' marketing spend with CPL, CPS data.

Great marketing selects the right marketing vehicles, uses consistent impactful, action messaging and scheduled timely delivery plan. Marketing day-to-day communication with agency and third-party marketing vendors will bring desired results from web, digital, electronic, direct mail, outreach print, mail house and additional marketing opportunities available. Sales WINS are delivered with great planning, eye catching creative with urgency, valued vendor partnerships, adjustments and teamwork between marketing team, club sales and department leaders.

PCG - Why is marketing leadership and communication key to lead generation and client buying?

LO - Our team has over three decades of experience working with industry leaders dedicated to growing their athletic, fitness, spa and lifestyle businesses through membership acquisition, retention, profit center opportunities and club expansion. Marketing leadership starts with planning and budgeting. Consistent weekly and monthly review with membership sales, racquet sports, corporate sales, camp, spa and personal training leaders will bring fresh ideas and clarity to develop timelines and ultimately the best marketing plan. Approved marketing plans should be shared with all business stakeholders nationally, regionally or at the club level for sales success. All sales stakeholders should be knowledgeable of marketing plans with regular collaboration meetings during the month. An approved marketing plan, including creative brand theme, offer, incentives, monthly events, referral offer, profit center offers, corporate or small business outreach strategies need to be delivered timely to club leaders. This will provide them the time to schedule, communicate and share the upcoming month's marketing plan with sales, profit



Gary Polic

center, customer service teams, etc. This consistent sharing of monthly marketing plans will increase leads to sales from both outreach and incoming lead opportunities. Properly informed sales, profit center, service teams, etc. are now equipped with the right information and more confident to present and close a sale. Best experience; best results.

PCG - What tools or tactics could deliver better results from our marketing investment?
LO - Sales and marketing achieve bigger wins with a centralized lead management team. Connect with more prospects faster, set more club tour appointments, improve appointment shows, and ultimately, generate more monthly membership sales. Connect, inform, engage, inspire and compel: *The Big 5*. A centralized lead management team becomes a membership SEAL Team. Many athletic or fitness clubs leave too many digital leads on the table daily due to slow response to club inquires, unsuccessfully reaching a majority of incoming leads and failing to engage the prospects who are reached in meaningful and productive conversations. This results in not capitalizing on a significant percentage of lead opportunities who come their way.

Some factors that lead to extremely low conversion of digital leads to memberships are: insufficient staffing levels, intermittent availability of staff to handle the leads effectively, gaps in lead acquisition training, as well as daily distractions at the club. This negatively impacts sales results. Having singularly focused individuals and handling these valuable digital leads daily as part of lead management team supports faster speed to lead communication, more quality appointments set and higher closing percentages of memberships all day, every day. A centralized lead management team

(See Gary Polic Page 17)



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"Your Club's Complete Success Solution"

Meet PCG's Lee Oberg



Oberg consulting provides all marketing services, centralize lead management development, sales and management training and key marketing vendors to generate more leads... more sales.

Testimonial: "Club owners, executives, marketing teams and club sales leaders have all benefitted from Mr. Oberg's marketing leadership. His passion toward planning, creative, delivery and club communication supported achieving monthly, yearly sales goals. Mr. Oberg earned trust from his leadership of in-house marketing teams that consistently delivered winning strategies, campaigns, marketing plans that produced consistent wins for fast growing athletic and fitness clubs and Spas over the past three decades." **Mike Brown, former SVP Life Time Fitness**

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How to Dramatically Reduce Rising Construction Costs for New Clubs and Renovations

By: Bruce Carter

Moving forward in a post-COVID economy, one of the profound effects is rising prices. Obviously, there are other contributing factors, but the end result for new clubs or renovations of any kind or size is that it is going to cost approximately 20 - 30% more than it did a couple of years ago. Not surprisingly, many experts predict this will continue, so making a planned effort to reduce costs is a **must**.

It should be noted that the term, "Spiraling Inflation," results when prices of one item or service goes up, such as energy, then this increases costs for materials, distribution and so on. Creators of goods and services, therefore, try to pass on these costs with rising prices to consumers.

One thing that is quite unique in the club industry is that overall membership dues have not risen much in the last thirty years; nowhere near how other costs have risen. For example, the average cost of a new car in 1992 was \$16,000, and in 2022, it was \$47,000. A very successful low-price chain started in 1992 at \$10 per month, and in 2022, it is still at \$10 per month, although thriving with higher volume. Many clubs were charging \$29 to \$49 per month 30 years ago and are still doing so today. What has changed is the growth of higher end chains and boutique studios getting \$100 - \$300 per month. No matter what the situation is, in general, clubs have a much harder time increasing dues to account for inflation.

...Gary Polic

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provides a 7-day per week focus on caring and management of converting digital leads to club tour appointments and memberships.

All components of the sequence are tracked, monitored and reported. Expectations, metrics and KPIs are established with complete visibility to the digital lead conversion funnel. With a centralized lead management team handling all digital leads, this will provide your in-club sales team with time and focus to work the current book of business and walk-ins, following up with missed guests, maintaining an effective member referral program, corporate outreach and engaging in other prospecting activities to generate more leads. A centralized lead management team will provide timely, accurate marketing feedback regarding current promotions and an amount of leads generated daily. Additionally, the centralized lead management SEAL team

Therefore, the need to reduce increasing construction costs for new clubs and renovations is critical to the future profitability of the club. The goal is to make creative decisions that will reduce costs as much as possible while also achieving the objective of creating exciting state-of-the-art facilities.

These are key controllable factors that will noticeably reduce construction costs:

- First, decide what is the image and competitive advantage you want to provide, then go about working with a design professional who can create this environment. Research your desired plan aggressively while also asking the question, "Can you work with less square footage?" which will affect construction and operating costs.

- Be ready to compare what you think you have to have (spaces, finishes, lighting and mechanicals) with the construction costs once you get your bids. In other words, know ahead of time what you would cut or reduce, if costs get too high.

- Certain areas, such as the reception/lobby area, should always be a priority, so your plan should find/allow for savings in other areas of your facility.

- Lighting should be dynamic in any type of facility, but shopping for competitive prices is a must. Also, always check with local utility companies to see if there are rebates for specifying certain types of energy-

can be redirected or repurposed quickly to support accelerated membership drives, unexpected staffing vacancies as well as monthly sales closeouts.

Having a centralized lead management team will result in more membership sales, higher revenues and increased profits.

■ ■ ■

A big thank you Lee for his insightful feedback. You can contact Lee directly at www.policconsultantsgroup.com for a complimentary club marketing assessment or www.obergconsulting.com. His direct line is (952) 451 - 7150.

(Gary Polic is the Owner of Polic Consultants Group, LLC and National Director of Sales Support at The Wellbridge Company. Gary can be reached by phone at 630-410-1120 or email at gary@policconsultantsgroup.com. You can also visit www.policconsultantsgroup.com.)

saving lighting.

- Stay away from custom-designed architectural features whenever possible. For example, certain things, such as a reception desk, may be able to be purchased online at a lower cost.

- It is more important than ever to get competitive bids. Only get bids from contractors you know from referrals who are honest, reliable and have a history of completing a job on their bid price. If you are doing a small renovation and not using a GC, once again use subcontractors you know are good. And, you may want to get other bids.

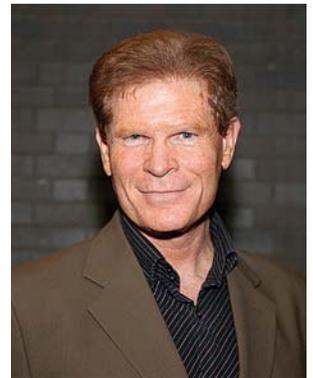
- Before you accept a bid, always ask the contractor the question of what potential roadblocks or other challenges they see. How they answer this question will tell you a lot about them as a potential team member.

- One of the biggest ways to let construction costs get out of control is to end up with a lot of change orders. Change orders result when something is changed because it is different than the bid and drawings. How do you get good bids that minimize change orders along the way? Make sure your drawings, including mechanicals, are accurate and detailed so bids are "apples to apples." Often, very low bids have left out certain items, and then, the project is filled with change orders, totally nullifying the lower bid. This is a practice used by different contractors. Also, as mentioned before, make a disciplined effort to know what you want ahead of time in your initial planning, and don't make changes after construction has started, unless absolutely necessary.

- From the beginning, instruct your interior designer and/or architect to shop for low-price items such as lighting and finishes. Lower priced items when properly chosen and combined with other choices can look just as dynamic as higher priced items.

- Right up front, initiate communication with your contractor and or subs to know what items will have long lead times in getting, and don't wait until the last minute to order, thus increasing the chances of having to change an item to a less desired or more expensive option.

- In a renovation where you may doing a lot of the choosing of finishes and lighting on your own, shop online, then shop elsewhere to get lower prices. Always get samples first, before making a final choice. This all takes time, but it makes quite a difference.



Bruce Carter

- The term, "value engineering," is the common process of going back into a project and making decisions on where costs can be cut once prices have been determined. In today's inflationary times, value engineering should be a process that starts at the beginning of a plan and continues throughout. Just assume that what you plan to build or renovate will end up costing you more than you initially want to spend, so be very disciplined from the start.

- Also, remember your attitude. Do not be overly optimistic that you can get something built or renovated at "yesterday's prices." Yes, there are clear ways to reduce pricing, but "hoping" that your construction project will cost less because you "want it to" just leads to disappointment.

■ ■ ■

Creating the dream facility you want is a team effort between you, your design professionals and your contractors and sub-contractors. In this era of rising costs, product shortages and long lead times, planning and communication between team members is critical. You, as the club owner, are the leader of the team and being proactive from the beginning in keeping costs down is a role you need to be comfortable with. You also need to have done your homework and planned for a newer model or renovation that achieves your objectives while also "cutting the fat and leaving the muscle" in what you will spend. People need clubs more than ever because the demand for physical, mental, spiritual and social health is at an all-time high.

(Bruce Carter is the owner of Optimal Design Systems, International. Bruce can be reached at bruce@optimaldsi.com.)

Have You Ever Thought About Speaking at a Conference?

By: **Chris Stevenson**

IHRSA 2022 is in the books and IHRSA 2023 is already on the horizon! Now, thinking back, presenting at conferences has been an incredible experience for me. I have literally had the opportunity to speak all over the country and all over the world. People often ask me if speaking is a natural ability or if it is something that can be learned. The truth is, while it is helpful to have some natural ability, it is a skill that can be learned with a little time and effort. If you are good at what you do, and passionate about sharing that with others, you can be a presenter. While there is a lot that goes into it, I want to share five important aspects that will help you get started:

1. Pick a Topic. While this may seem obvious, there is an art to it. You want to pick something that you have extensive experience with, have had success with and are passionate about. When I first started presenting, I chose customer experience for those reasons. Using these criteria will make it easier for you to create the presentation and your authenticity will shine through. The great topic equals a great debut.

2. Create an Outline. A well-organized outline leads to a well-organized presentation. A complete outline will include items such as an introduction, objectives, teaching points, action items, etc. The outline is key to creating a presentation flow that is understandable and engaging. Your outline is your roadmap.

3. Build a Deck. Creating a deck, with Powerpoint or Keynote, brings your outline to life. While it is important, remember it should support your speaking, not distract from it. Make sure to select high quality images, use legible fonts and keep the style consistent throughout. Finally, always have someone else edit your deck for spelling and grammar.

4. Practice. The only way to get good, other than actually presenting, is to practice. Early in my career, I would gather a handful of people and present for them. This gave me the opportunity to master the content, nail the timing and get feedback to make edits and revisions. If you don't have access to an audience, practice on your own in front of a mirror. Record yourself and watch it back. Practice keeps you from stumbling over material, running out of time, etc.

5. Apply!!! You can't present if you don't apply to do so. Create a title, short description and three to five learning objectives for your topic. Make sure you have a short bio that highlights your experience and demonstrates why you would be an excellent speaker at an event, and make sure you have high quality headshots. Finally, research all of the events you want to speak at and apply to more than one. Note that most speaker selections happen well ahead of the events, so start checking now!



If you have any questions about structuring presentations, applying, etc., please don't hesitate to reach out. We at *The Empower Group* are always happy to help!

(Chris Stevenson, former Power Ranger stuntman, is the Founder of The Empower Group, a full-service consulting firm with services ranging from staff training, workshops, full facility management and more. Stevenson has over 20 years of experience in many aspects of the health and fitness industry. In addition, he is



Chris Stevenson

an international speaker who regularly presents at IHRSA, Athletic Business, Club Industry and many other fitness and business events. From health and wellness to business strategies, Chris has the unique ability to instantaneously connect with people and to present viable, applicable lectures that resonate with every audience. Chris can be reached by phone at 818-519-6038 or email at chris@stevensonempowers.com.)

2022 IHRSA Global Report Recognizes Fitness Industry Resilience

BOSTON, MA - More than two years after the landscape of the health and fitness industry was forever altered, *IHRSA* sees reassuring signs of recovery. The *2022 IHRSA Global Report* focuses on how various regions are renormalizing through ongoing disruptions, highlights several landmark achievements, including increasing influence of the *Global Health and Fitness Alliance (GHFA)*, and notes numerous mergers and acquisitions that shook up the industry.

In other positive news, some promising U.S. data was released before the publication of *The Global Report*. According to a study conducted by IHRSA as part of the *Physical Activity Council*, more than one out of five Americans (21.8%) belonged to a health club or studio in 2021, totaling 66.5 million consumers ages 6 years and older. This represents a 3.8% growth over the last two years, a validation of the importance of our industry despite COVID's severe challenges.

This data also indicates the importance of the bricks-and-mortar component of the fitness industry; growth returned despite the pandemic-related lockdown of clubs, the severe governmental restrictions imposed and the surge in digital offerings. The value of clubs and studios, the importance of community,

the quality of in-person instruction and the expansive offerings of the on-site experience are critical to consumers. As we have all learned during these past two years, nothing can completely replace the in-person experience.

The health and fitness industry is a major driver of global economic activity; it directly adds upwards of \$100 billion to the economy, supports tens of millions of jobs and significantly improves overall health and wellness. IHRSA has put together a sneak peek into regional analyses included in *The Global Report* that detail how some players in the industry are restructuring and innovating to drive expansion.

North America

Recovery is staggered throughout the North American region due largely to varying restrictions, shutdowns, vaccine requirements and access to pandemic relief grants. However, collectively, the region has been successful in building advocacy efforts and promoting the importance of exercise to overall wellness.

The *Fitness Industry Council of Canada* aggressively lobbied in support of Bill C-2, a law that offers a range of benefits and programs to help workers and businesses facing more hardship as a fresh

variant began to take hold. The law was passed in late 2021, and industry leaders hope it will assist in sparking the estimated 7% industry growth this year.

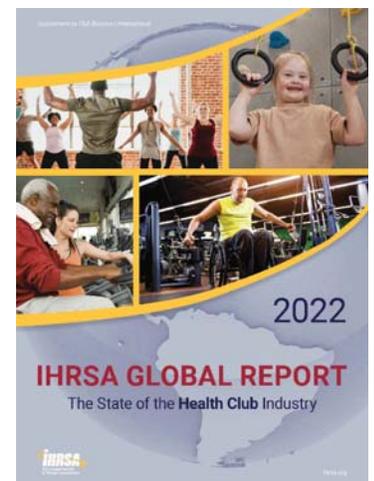
Meanwhile, in the U.S., IHRSA and the *National Health & Fitness Alliance* increased the industry's influence and launched initiatives to grow advocacy efforts. *The IHRSA PAC* (political action committee), *Team 435* (formerly Project 435) and increased support of State Alliances have intensified current efforts.

In the U.S., some fitness chains reported substantial increases in membership this year:

■ Planet Fitness reported Q1 2022 system-wide same store sales increased 15.9% while system-wide sales increased \$196 million to \$961 million, from \$765 million in the prior year period.

■ Blink Fitness reported that March 2022 was the best sales month in the history of the company. In addition, the company says that check-ins for March 2022 increased by double digits versus March 2019.

■ Life Time reported that memberships increased 23.8% in Q1 2022.



Europe, Middle East and Africa (EMEA)

In-person industry events --the inaugural *IHRSA SMART Summit* and *FIBO*, both held in Germany-- proved that resiliency and optimism haven't dimmed for European fitness professionals. Plus, creating incentives to get people moving and active have gained backing from healthcare professionals. In Italy, the *(See IHRSA Global Report Page 19)*

Have I Ever Thought About Being an Instructor? No. But Also, Yes.

By: **Jeffrey Pinkerton**

In 2005, a friend invited me to do a sprint triathlon with a few other guys. Thanks to busy jobs, young families and the traffic of the Atlanta suburbs, part of our training was to meet at the gym for a 5:30AM indoor cycling workout a few times a week. I loved the energy of the group, the accountability of getting the workout done early, the motivation of the music and the friendly competitiveness of it all. After a few months and a few triathlons, I was totally hooked on both. Indoor cycling was solidly built into my life schedule... until we got some bad news.

The instructor, **Stephanie**, was moving and the next Friday would be her last class. She apologized for the unwelcome

news and told us that the gym was hoping to find a replacement. Unfortunately, until someone was found, the 5:30 AM workout would fall off the schedule. Fall off the schedule!? WHAT!? Canceled until they find someone!?

I had so many questions. Where are they looking? How long have they been looking? How long have you known that you were moving? Sorry, too personal? How much longer do you think it will take? Where do people even look to find instructors? Come to think of it, how does someone even become an instructor? "Maybe you should just talk to the Group Fitness Director," she said politely, now exhausted from both the workout and my questions.

"Well. I Think. I. Will."

I saw the Group Fitness Director on Saturday morning and asked her, once again, so many questions. Do you have any prospects? Any applicants? Any interviews? Any, anything?

There seemed to be two options. One option, by my math, if half of my workouts were being temporarily suspended, maybe half of my membership fee should be temporarily suspended as well... The Group Fitness Director thought this was a terrible idea, but she also knew that I was mostly joking. By her math, I should just shift my schedule around and come to the workouts offered at 9:00 AM or 10:00 AM. She, however, was *not* (See **Jeffrey Pinkerton** Page 22)



Jeffrey Pinkerton

...IHRSA Global Report

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Ministry of Health agreed to an ANIF Eurowellness initiative that urges family doctors to prescribe physical activity for their patients with pilot projects in Emilia Romagna, Veneto, Lombardy, Piedmont and Umbria.

Great success stories in the region include:

- France, which added 81 clubs in 2021, and is dominated by large low- and medium-cost franchises or partly franchised operators.

- Spain, one of the most severely hit countries during the pandemic, rebounded well in 2021 with membership increasing by 12%, reaching 4.8 million. Overall market revenue grew by more than 18%.

- Scandinavia, the European region with the highest penetration rates.

- Germany, down just 0.5% of facilities from 2020 levels, a large feat considering clubs were closed for six months in 2021.

Latin America

As is true for most regions, Latin America is experiencing a staggered rebound from the pandemic:

- Over the next five years, Mexico is set to increase its *Planet Fitness* locations by sixteen-fold, "to provide millions of Mexicans a non-intimidating, high-quality and affordable fitness experience," says **Carlos Ibarra**, *Founder and Owner of the Ibarra Group*, a retail services company.

- In Brazil, the return of *IHRSA Fitness Brasil* is being called "a milestone in the market recovery" by event organizers.

Gustavo Almeida, *Executive Director of Fitness Brasil*, says this is, "a great opportunity to meet again; to reinvent and expand our careers and our businesses."

- Colombia experienced a sudden uptick in former members returning (20%) to facilities after May 1, 2022, as the mandatory use of masks was eliminated.

- *Bodytech* locations were forced to close across most of Peru and Chile due to limited consumers engaging in physical activity and low revenue, an estimated 30% of the countries' facilities permanently shut down.

Asia-Pacific

With the launch of *ihrsa.cn* in 2021, made possible through the IHRSA and *ChinaFit* partnership, IHRSA membership and digital and print reports are more accessible to Chinese fitness professionals via translation. With 27,600 clubs and nine million members, the Chinese market is a key player in strengthening ties across the global fitness industry.

Uniting the global industry and comprehensive wellness are target areas for the Asian fitness industry, especially *Catic Wellness Group* in China and *True Group* in Singapore.

Sean Tan, *Director of True Group and President of the Singapore Fitness Alliance*, says, "Singapore's fitness industry has delivered huge health benefits to Singapore, well before and throughout the current COVID pandemic. We are excited about how our industry can work together, to collaborate further and to ensure more people become healthier and happier, whilst improving their overall health, immunity and wellbeing."

Creative problem solving is in the cards for the Australian industry,

which sites staffing issues and inflation as concerns for recovery. **Justin Tamsett**, *Managing Director of Active Management*, says, "There's also a hesitation among owners to do anything with prices to cover the increased costs. If I haven't got leads at my current price, then if I raise my price, I'm going to get even less leads, less sales."

Fitness & Lifestyle Group, with more than 530 health clubs across Australia, New Zealand, Thailand, Vietnam and Singapore, has unveiled ambitious technology innovations to enhance the user experience and drive value to the business. For one, the company created a fully paperless digital experience for new members that

incorporates user insights around how people select memberships and join online. **Where We Go From Here**

There's no one-size-fits-all approach to recovering from the devastating effects of the COVID pandemic. Although each region has its successes and ongoing challenges, IHRSA is keeping hopes up and ramping up efforts to bring the global fitness industry closer than ever.

To learn more about and download *The IHRSA Global Report*, go to www.ihrsa.org/publications/the-2022-ihrsa-global-report.

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Four Strategies to Make Your Fitness Facility Recession Proof

By: **Donna Krech**

If you're paying attention to your financials, you may already be seeing members/clients start to drop off. I don't need to tell you that inflation is the highest it's been in more than 40+ years. But, what does that inflation mean? Could a recession lie ahead? And, what would a recession mean for your fitness business?

According to economists and financial experts, there are indications signaling a recession is on the way. Many believe it's already upon us. An article in *Bloomberg* stated, "Often, it takes a recession to break inflation. *Economist, Lawrence Summers*, observed that this has been the case every other time inflation was this high and the labor market was this tight."

While I cannot say for certain what lies ahead, I can tell you that recessions are semi-predictable. They tend to happen every dozen or so years, and what comes alongside recessions is low retail spending. Historically, one of the first things to be cut from household budgets is gym memberships, which makes fitness facilities particularly vulnerable during a recession.

The good news is that, when you implement the right strategies, you will not only protect your fitness business against taking a hit, but you can even grow during a recession. In the more than 36+ years' that I've owned my own health, fitness and wellness businesses, not only have I survived multiple recessions, my businesses have *GROWN* during them! I've made several discoveries and built a business system that is not just recession proof but depression proof.

I've been at this for a long time and tried a lot of different things. But, today, I want to talk about strategies from the most impactful, profitable, results-driven model I've ever used in my business. It's recession proof and allows you to make the income you want, working when you want so you can enjoy the lifestyle and freedom you want.

I've taught this to hundreds of fitness business owners, and typically, they add an additional \$100K or more per year to their income. It always brings profit to the owners within thirty days, doubles the length of time clients remain members, attracts doctor referrals and even gets people to pay on eight different levels. Plus, it can be implemented in as little as six hours a week.

Here are four strategies from this model for recession proofing your business:

1. Implement a proven business system that generates residual money from multiple avenues. In other words, have

an ascension plan where a customer purchases not only basic membership but group fitness. Not only those two but personal training and nutritional coaching. Make this a system, and they won't buy only one, individual thing, ever again. Not only will they never leave you; they will also invest more over time.

Over the years, I perfected what I call the *Automatic Revenue From Multiple Streams (A.R.M.S.©)* program, which brings in residual income through eight different avenues. I've tested the program with hundreds of health, fitness and wellness business owners who've implemented A.R.M.S., and I've found that, by having a system that continually leads people from one stream to the next, you can keep progressing people up stream. Plus, even if they stop paying you on one of the streams, they are still paying you on another one.

2. Have people pay you to market to them. With a recession, you'll need ways to tighten your spending. Create a script where people pay to hold their spot for a presentation, any presentation. It's simple to create and even simpler to implement. And, it works every time. What do I mean by that? They not only pay you to market to them; because they paid, they show up for the presentation!

We produce leads who are ready to purchase by using a marketing campaign that costs zero spend. Zero. Instead, each person *pays us* \$25 to market to them during a group presentation. Because they are paying us, this attracts a highly qualified lead, which creates conversion rates that are 75% to 95%. I've even seen businesses make up to 47 sales *in one hour* using this method.

Incidentally, after this initial step, they then pay us \$549.00 to market the next level to them. And, that level has a consistent 90% closing rate.

3. Create FAST results for your client. Studies show that, during financial hardship, consumer confidence falls to an all-time low. Measure results and offer plans that produce differences, quickly. Build consumer confidence by representing those successful outcomes. Also, be sure that you are constantly relaying to your member the great results they're getting from working with you.

The program I use to do this is a science-backed, hormone balancing weight loss and wellness program where I guarantee that clients will see results within two days. The average client loses 20 pounds in 30 days without hunger or losing muscle mass, and they experience many results beyond weight loss such as ideal blood pressure, perfect blood sugar levels,

sleeping like a baby, no inflation and skyrocketed energy. We've received thousands of testimonials from clients who've followed this program, boasting these incredible results which further boosts confidence and even attracts doctor referrals. We typically have 200 doctors in an area that refer to the locations that work with us.

4. Offer Supplements. Wellness industry stats say that more than half of the members/clients in a fitness facility are spending their dollars on weight loss, nutrition and wellness supplements with a competitor of the fitness facility. In fact, 60% to 83% spend money somewhere else simply because the fitness business owner isn't offering supplements! When we began working with the locations that were asking for our help, our polls proved this stat to be 100% accurate.

Simply put, you cannot afford to NOT offer supplements! Because right now, at the very moment you're reading this, 60% to 83% of your customers are buying product elsewhere.

Several years back, I hired a team of experts to develop custom blended supplements for my business. During initial beta testing, the results were so significant that I began getting requests from other fitness business owners about what I was doing. As I shared what I was doing, time and again, those I worked with were adding \$14K to \$94K within as little as six weeks, offering further proof that these stats are accurate.

Offering supplements is even more important now because according to *NutritionInsight*, "The supplements segment has historically been found to be recession proof." Supplements also attracts a wider audience.

Prior to the last recession, **Jennifer Stafford** and her husband spent three years building an audience of 400 for their fitness business. But, their business got into trouble when members started dropping off because of the downturn in the economy. They became a *Total Life Licensed Retailer*, offering our supplements and the system we use with our clients.

"Before we only had people who were interested in fitness, and now, we have people that would have never stepped foot in a gym," Jennifer said. "They would not even have considered it. It was the last thing on their minds. They wanted to lose the weight before they got into the gym. In the first year, we put over 1,500 people into the program, and it's just continued to progress."



After such massive success, teaching of our system and providing our



Donna Krech

supplements to fitness locations, I became a wholesaler. Today, my company provides a proven business system that is more result-producing than any other. We provide both the retail product and the business system that includes all the marketing and sales systems so that you can sell product and make a great deal of money from it. We guarantee profit within 30 days, something no other wholesaler anywhere does.

Despite the uncertainty of the economy, by implementing these four strategies, you can create ways to generate reliable revenue and insulate your fitness business from a recession. Plus, you'll improve your clients' wellness in tangible ways, which will give them health benefits they'll never want to give up even if they are experiencing financially challenging times.

For information on joining our newest beta group, where you can access the business system and licensed retailer program mentioned in this article, visit www.TotalLifeBetaLaunch.com.

See the **Ad** on the **Opposite Page**.

(Donna Krech's systems, and the assets these systems provide, have helped 5.1 million health, fitness and wellness clients achieve weight loss and wellness results while generating over \$1.9 Billion for the businesses she's trained and that serve those clients. You have the opportunity to get into a new beta group where Donna will reveal her proven business system for recession-proofing your business along with her plug and play licensed retailer program and the assets that these systems provide for adding \$100K or more to your business in as little as six hours a week. Donna will be accepting 30 people into this beta group. For more information go to www.TotalLifeBetaLaunch.com There is a qualifying process, so please know, acceptance into the program, is based on that.)

Are You Worried that the Economy is Going to HURT YOUR BUSINESS?

Some thoughts from Donna Krech

Founder/CEO, Total Life Nutritionals & WOW Wellness



Industry Veterans Guide on How to Make Your Business Not Only Recession Proof - But DEPRESSION PROOF!

Wellness industry stats prove that 60 to 83% of your members... at this very moment... are spending money elsewhere on supplements because you don't offer them.

Not only is offering supplements a way to recoup money being spent elsewhere, (like a MINIMUM of \$100,000.00 to you!) it's also a smart move during a down economy.

According to NutritionInsight, "The supplements segment has historically been found to be recession proof."

And, according to a plethora of historical data collected, even during the *Great Depression*, consumers bought products to keep them healthy or restore their health.

All today's data says the same thing. Your clients are spending most of their dollars with someone else.

That's right. After working with thousands of Health and Wellness Professionals we discovered something shocking...

More than half of their clients were spending all their dollars on Weight Loss, Nutrition, and Wellness supplements, with one of their competitors. In fact, between 60% to 83% were spending money somewhere else.

The reason? We found that many clients were spending their money with other health and wellness competitors, simply because their coach did not OFFER them!

Think about this in your own business. If you only have 200 clients in your data base, between 60% to 83% of them are giving someone else, on average, \$167 per month.

Over the course of the year that means \$2000 per client is going into someone else's pocket instead of yours.

At 60%, that means 120 of your clients are buying product from someone else, which means you're losing \$20,040 every month or \$240,000 per year. (120 X \$2000 = \$240,000) Even if you only got half of those customers to buy from you instead of the competition, you're looking at \$120,000 that drops into your bank account this year.

If 83% are buying from someone else, you're losing \$33,200 every month or \$332,000 over the course of one year that is NOT going into your pocket, but someone else's instead.

Again, even if you cut that number in half, and gain back 41.5% of that, you could add \$166,000 to your income.

Would \$120,000 or \$166,000 make a difference to your business?

That money is there for you to take, you just need to see if you qualify for the TOTAL LIFE BETA LAUNCH program we've put together for you.

Imagine for just a moment... that you had an easy-to-implement marketing campaign that cost you ZERO dollars AND that each

prospect, not customer, but prospect were paying you \$549 EACH for you to market to them...

Imagine that you had physician grade quality, custom blended supplements with the highest potency and absorption available anywhere, with a markup between 70% and 120%...

...And that you, and you alone had exclusive rights to sell these supplements within a 50-mile radius...

This is what you get with the TOTAL LIFE BETA LAUNCH program!

Imagine that you had a guaranteed way to get your clients walking through your door and paying you, monthly...

...A way to retain your clients twice as long as average... (Statistics say the average client stays with a health coach for one year, our system keeps clients two years and longer.)

...Plus, you had a plug & play system that offers ADDITIONAL, PREDICTABLE monthly residual income...

...AND Imagine that you were guaranteed to make a profit within your first 30 days...

Wouldn't that be nice?

The amazing news is that is not only possible, it's proven! In fact, I reveal the complete, proven, repeatable system in a FREE Guide that you can download in under 30 seconds, just by visiting our site. There's no cost or obligation, and the guide is 100% free. Plus, if you qualify, we'll also enroll you in our brand-new TOTAL LIFE BETA LAUNCH program, where we'll walk you through the complete system, step-by-step to make absolute sure you're set up for success with our system. (within the first 30 days!)

Do you have 30 seconds to download the guide that could actually save your business and protect you from recession? Visit our site now!



Get your FREE guide at: TotalLifeBetaLaunch.com

...Jeffrey Pinkerton

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joking. She was doing her best, but with my having a day job and all, it became another contribution to our exchange of terrible ideas.

It turned out, she had a third option in mind: "Have YOU ever thought about being an instructor?" she asked.

"Um. No."

The truth was I had kind of thought about it. Not enough to say it out loud, but enough to wonder how these instructors got started and how they built their workouts and picked their playlists. She added, "You

should think about it! I think you'd be great!"

The problem is, I didn't really *know enough* about it to think about it. I had some questions, but I wasn't ready to confidently jump into a conversation. She mentioned a two-day training, possibly out of town, and then you'd have to video yourself and a flurry of other details. She told me it was awesome, exhausting, life-changing, challenging and a ton of fun. To me, it sounded like a ton of work, plus a financial investment, and a really long weekend of working out. It sounded like a lot. A big leap.

Fast forward and let me *answer* a few questions for a change. Yes, I made the leap. Am I happy I did? Absolutely, without question. It gave me the opportunity to

keep people connected and moving, it fueled my love of cycling, and as a huge bonus, it completely changed the trajectory of my career.

To save a class... is that a normal reason to become an instructor? I'll admit, not really. But, here's why: Classes shouldn't be on the edge of cancellation because of an instructor shortage. Recruiting should happen long before we have gaps in our schedules; in fact, it should happen always, because that's how often we need people to inspire people. *Always*.

Speaking of gaps, at MOSSA, we recently decided to address a gap in recruiting. Specifically, we want to bridge the information gap from, "Has instructing ever crossed your mind?" to "Are you ready

to register for a training?" Because, to most people, that's like jumping from, "Would you like to have dinner sometime?" to "How about a long-term, exclusive relationship?" That's why we're introducing **Join the Movement**, a comprehensive recruiting tool and a place where you can send instructor prospects so they can learn more and go from, "It has crossed my mind," to "I'm ready to learn more," to "Let's do this."

Join the Movement starts with a short video series (a great mix of information and inspiration) and continues with personalized support from our team at MOSSA to prepare people for trainings, see them through the process, connect with facilities, and we hope, demystify the process, so the next time you ask someone, "Have you ever thought about becoming an instructor?" they might say, "I was hoping you'd ask me that question."

To learn more, visit mossa.net/instructors/join-the-movement.

(Jeffrey Pinkerton is the Business Development Manager for MOSSA. Jeffrey can be reached by phone at 770-989-4737 or email at jeffreypinkerton@mossa.net.)

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REACH MORE PEOPLE. SELL MORE MEMBERSHIPS.

MOSSA creates the highest quality group fitness workouts so you can reach more people. Our proprietary M4 Programming (Movement, Music, Motivation, Metrics) ensures everyone feels successful and gets results, from the new exerciser to the serious athlete.

MOSSA'S M4 PROGRAMMING TO IMPROVE MOVEMENT HEALTH™

- ▶ **Movement:** Helping people get muscle and movement strong.
- ▶ **Music:** The world's best exercise music.
- ▶ **Motivation:** Motivate, not intimidate.
- ▶ **Metrics:** The industry's most comprehensive testing process.

DESIGNING AND DELIVERING A BETTER MEMBER EXPERIENCE

To maximize the impact of group fitness, your team needs to manage every detail of the member experience - scheduling, programs offered, instructor recruitment and training, music licensing, room design, equipment selection, marketing message, and member onboarding. If you don't have a solid strategy for managing every detail of the member experience, we can help.

INNOVATIVE PROGRAMMING TO EXPAND YOUR REACH AND ATTRACT NEW MEMBERS

EMOTIVE, INSPIRING MARKETING CAMPAIGNS TO IMPROVE YOUR MESSAGE

STRATEGIES FOR MEMBER ACQUISITION, ENGAGEMENT, ONBOARDING, AND RETENTION



 [LEARN MORE AT WWW.MOSSA.NET](http://WWW.MOSSA.NET)

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