

THE FIT-TECH FRAMEWORK



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CONTENTS

INTRODUCTION



THE FIT-TECH
FRAMEWORK



FRAMEWORK
SUMMARY



FUNNELLING THE
FIT-TECH OPPORTUNITY



EDUCATION

BUSINESS OPERATIONS



COST



CONCLUSION

INTRODUCTION

The opportunity technology presents to the physical activity sector is quickly being realised across the globe.

Fitness technology (fit-tech) has become widespread throughout consumer and commercial markets. 79% of people use technology to support their health and wellbeing,¹ and physical activity businesses are developing their own answers to increasing consumer demands for more exciting digital experiences.

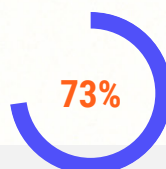
The opportunity is real and has been grasped by too few commercial organisations to date, and the effective adoption of fit-tech is yet to engrain itself into the day to day operations of the physical activity sector.

The fit-tech opportunity has been defined in the Current State of Fit-Tech report released by Active-Lab and Life Fitness in March 2019.² This report outlined the demand from both consumers and commercial organisations for fit-tech, and the role it has to play in getting more people, more active, more often.

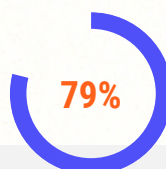
Fit-tech presents the commercial market with three key opportunities to drive business growth:

- ✓ **Creating more engaging experiences**
- ✓ **Enhancing business operations**
- ✓ **Improving customer retention**

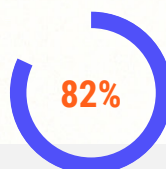
However, barriers to fit-tech adoption are hindering the ubiquitous adoption of fit-tech throughout the physical activity sector. The Fit-Tech Framework seeks to set out the initial steps needed to overcome these barriers and realise the opportunity of fit-tech.



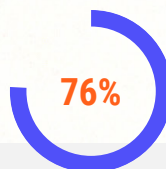
73% of people felt technology is important for the physical activity sector



79% of people who use technology agree or strongly agree that they have positive physical activity experiences when using technology



Among users who employ technology to support their health and wellbeing, 82% perceive technology to be important to them getting active.



Of those who don't use technology to support their health and wellbeing, 76% perceived technology to be important within the physical activity sector

THE FIT-TECH FRAMEWORK

The Fit-Tech Framework, developed by ActiveLab and Life Fitness, answers the call made in the Current State of Fit-Tech report to outline the practical tactics needed for businesses in the physical activity sector to overcome the four key barriers to adopting fit-tech:



Funnelling the fit-tech opportunity

finding the right technology for you in a crowded marketplace.



Education

ensuring staff and consumers are educated to ensure the continued and correct use of fit-tech products and services.



Business operations

making sure businesses and fit-tech providers have the right foundations to work with each other.



Cost

justifying the cost of fit-tech to enable adoption and the subsequent positive impact

The Fit-Tech Framework has been developed to provide the foundations for established physical activity providers, and those developing innovative fit-tech solutions, to adopt fit-tech in the long-term. These key parties referred to throughout the Fit-Tech Framework include:

Established Adopters

leisure operators and established suppliers who are looking to adopt fit-tech and innovate within the physical activity sector.

Fit-Tech Providers

small to medium enterprises (SMEs) developing new fit-tech solutions for the physical activity sector, as well as established suppliers with new fit-tech approaches for the sector

Established adopters hold the key to scaling fit-tech - realising both the commercial and consumer benefits. Transport for London are a great example of this, embracing open-data in an effective way to enable collaborative approaches with innovators, providing better consumer experiences, resulting in a more efficient, mobile and connected London.³

Those developing fit-tech solutions are often SMEs with small teams developing new approaches to getting people active. Established adopters and fit-tech providers have their own barriers around fit-tech development and implementation, but it is imperative that both established adopters and fit-tech providers work alongside each other especially when SMEs represent 99.3% of all businesses around the world.⁴

Throughout the Fit-Tech Framework, each fit-tech barrier is paired with practical mitigation tactics for both established adopters and fit-tech providers, enabling collaborative and effective approaches to fit-tech adoption.

METHODOLOGY

Barriers to fit-tech adoption were identified as part of the survey and focus group research conducted for the Current State of the Fit-Tech report.

Focus groups were conducted with various physical activity sector leaders, including established fit-tech adopters and fit-tech providers, and were conducted to provide a deeper understanding of the consumer and commercial demand, opportunities and barriers around fit-tech.



FRAMEWORK SUMMARY

Core Barriers



Mitigation Tactics



Established Adopters

Fit-tech Providers

Funnelling the fit-tech
opportunity

Strategy

Clarity in proposition

Understanding the consumer

Relatability

Education

Educating decision-makers

Educating Adopters

Educating front-line teams

Educating the sector

Business operations

Decision making

Positioning for procurement

Procurement

Preparing for reality

Cost

Justifying investment

Justifying cost





FUNNELLING THE FIT-TECH OPPORTUNITY

There are swathes of technology focussed solutions available to businesses across all sectors, from open-data driven information sharing platforms to virtual reality teaching assistants. The physical activity sector is no different. Funnelling the Fit-Tech Opportunity seeks to enable businesses to find fitting fit-tech solutions amongst various technology offers, by ensuring it matches the adopter's priorities and confirming that fit-tech providers enable adopters to clearly understand how their fit-tech solution relates to them.





To have a clear understanding of which fit-tech solution an established adopter should invest in, a fit-tech strategy needs to be in-place which aligns with the wider business strategy, alongside a clear understanding of a business' customers – ensuring buy-in across an organisation.

STRATEGY

Ensuring proposed fit-tech solutions supplement existing or new business strategies is key to their successful adoption from two points of view:

- 1 **Ensuring organisational buy-in once the proposed fit-tech solutions are implemented.**
- 2 **Ensuring the proposed solutions have the impact they set out to achieve through the clear alignment of priorities.**

Whether a business is developing a new strategy, or working to an existing one, key tactics a business should deploy to enable fit-tech adoption are:

EMBEDDING FIT-TECH INTO EXISTING STRATEGIES

Consider whether the fit-tech solutions the business is looking at are going to supplement this strategy or negatively disrupt the strategy.

Supplementing the strategy is absolutely key to successful adoption.

Develop a clear picture of the business' vision for the future based off the current strategy.

Does fit-tech have a key role to play in this vision? If so, current fit-tech solutions should be mapped out and those with clear alignment to the business' vision should be prioritised.

Identify the key pain points around implementing the business strategy to date – for example understanding the business' consumer, providing best in class experiences or enabling business efficiencies.

These pain points will be where new, innovative approaches will have a role to play in realising the business' strategy.



EMBEDDING FIT-TECH INTO NEW STRATEGIES

Which fit-tech developments are having an impact on the physical activity sector, and how could these developments will impact the new business strategy.

If there will be an impact, map out which key business strategy areas will be impacted, and how the business can stay ahead of the curve through innovative approaches.

Consider whether or not fit-tech adoption will be the key to the business strategy's success in two to three years' time.

If so, build key technologies into the business strategy, ensuring current technologies, but also new future technological developments, are factored into continued growth and success.

What is the bigger picture and how could technology enable the business to approach key areas of your strategy in new ways.

Be open to new approaches. If considered at the early stage of business strategy development, fit-tech can provide impactful ways of achieving goals without time and cost intensive restructuring or retrofitting.

Build agility into the strategy, maintaining a stubborn vision but enabling flexibility in the detail.

The fit-tech landscape will change, a business strategy needs to be able to react to new opportunities. This could be achieved by ensuring a business strategy is reviewed every 2 years with technology in-mind.

Through successfully identifying how fit-tech fits into existing or new business strategies, a clear idea of what opportunities fit-tech could solve for a business should arise, alongside a mechanism to identify new opportunities into the future. Ultimately enabling a business to funnel fit-tech opportunities into solutions which suit a business at its core.



UNDERSTANDING THE CONSUMER

Understanding how a proposed fit-tech solution could work with a business' consumers before its adoption ensures:

- 1 **Higher adoption rates based on mutual understanding and need**
- 2 **Limited negative disruption**
- 3 **Maximum desired impact for your business**
- 4 **Decreased risk of failure**

This is critical to the successful identification and adoption of any consumer facing product or service. Detailed consumer understanding ensures the proposed fit-tech solution suits the business and consumers, and enables adoption without costly behaviour change campaigns and disruption to your business.

If the solutions a business is looking to adopt impacts directly on its customers (for example providing new, connected experiences) then consider how the consumer already interacts with fit-tech and understand how a new fit-tech solution fits within the current state of fit-tech adoption. Tactics to build an understanding of these consumers differ between operators and suppliers:

LEISURE OPERATORS

Achieve an understanding through simple data collection:

- ✓ Verbal surveys asked at key member touchpoints
- ✓ Gym floor visual surveys
- ✓ Online surveys

An understanding of current fit-tech ensures that any proposed solution has the capability of interacting with members and integrating into their existing technologies.

Focus on understanding:

- ✓ Popular technology brands used
- ✓ When and how technology is used when getting active
- ✓ Core purpose for using fit-tech to get active

Consider a customer's current infrastructure and how a new fit-tech solution would fit into this.

Knowledge of the infrastructure baseline ensures a supplier doesn't adopt fit-tech that is too far removed from what the sector can adopt now. Those with good infrastructures can act as early adopters which push the development of new fit-tech approaches.

Do customers understand their members?

If not, work with customers to gain this understanding, acting as a great way to deepen relationships whilst ensuring the development of impactful products.

SUPPLIERS





Developing new fit-tech is a difficult task. Making these commercially viable and creating a need is more difficult. Clarity in a fit-tech provider's proposition and making this relatable to potential customers and users will help elevate a particular fit-tech solution above the rest.

CLARITY IN PROPOSITION

Having a clear proposition is fundamental to any business, especially when introducing new, innovative approaches to those who have not interacted similar approaches before.

When developing a proposition, there are two key elements to consider before approaching an established adopter with your solution:

1 Who is the proposition being developed for?

Consider how different organisations in the physical activity sector differ and research how to best position a fit-tech solution to them.

For example, the motivations of public or private leisure operators differ, as do the motivations of suppliers and operators. Each market segment needs a different approach and this will be the difference between adoption and no adoption.

2 Ensure the proposition caters towards three key areas:

- 1 **The business itself.** How does the fit-tech solution relate to the business' strategy going forward?
- 2 **The team.** How does the fit-tech solution supplement the team?
- 3 **The consumer.** What is the end result of adopting the fit-tech solution, and how does this relate to overall business objectives.

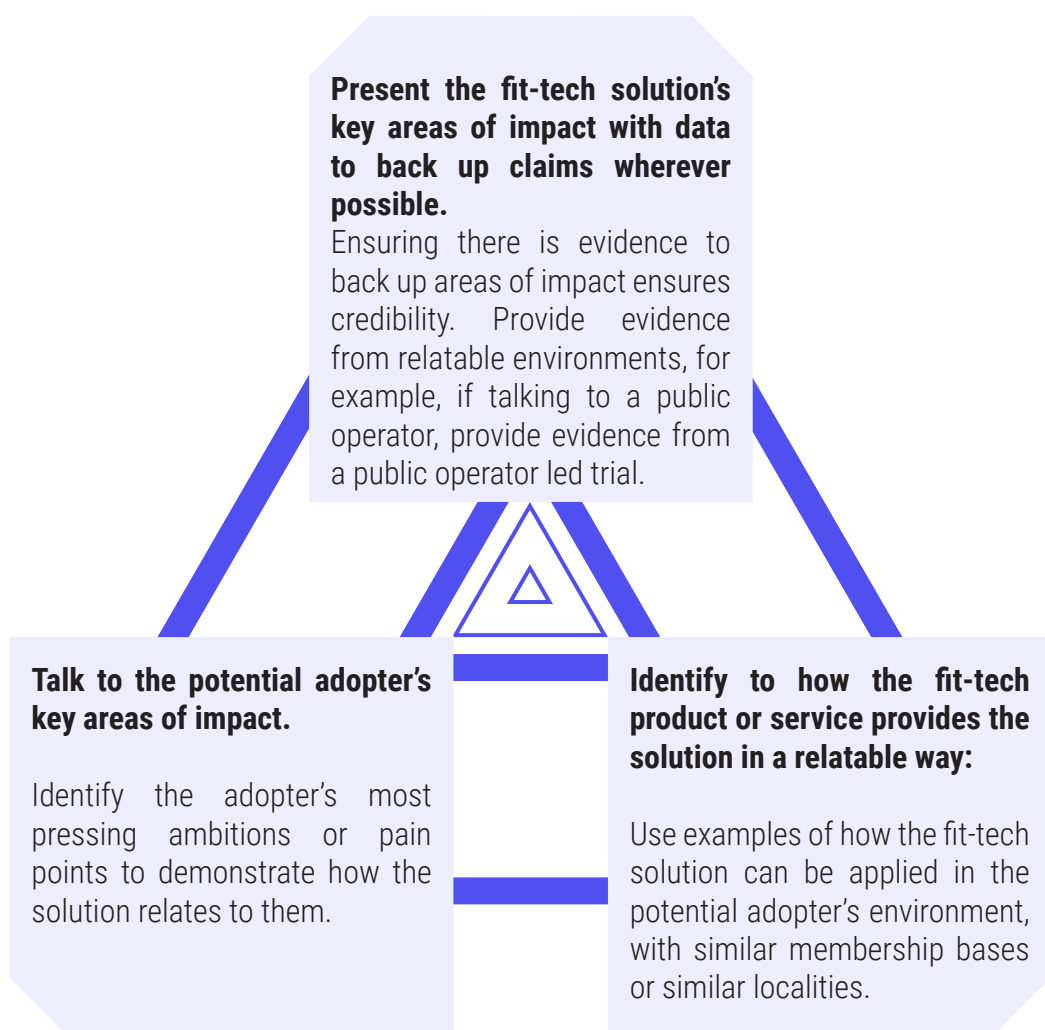
Being clear in a proposition enables adopters to quickly identify the fit-tech solutions most relevant to their business and consumers, and sets the adopter and provider relationship off on the right foot. However, adapting the proposition for each potential business partner will distort the proposition, and make it difficult to implement a fit-tech solution successfully, so ensure the proposition remains unchanged at its core, picking and choosing potential adopters relevant to the solution.



RELATABILITY

Once the proposition of a fit-tech solution signed off, ensure this proposition is relatable on multiple levels to those the solution is being presented to.

This requires a level of transparency to ensure the solution and the potential adopter aligns around key areas of impact:



Relating the solution to potential adopters not only makes new business more likely, but also ensures there is complete understanding as to how the fit-tech solution can impact the business, its staff and most importantly consumers, resulting in the best solution being adopted for both parties involved.





EDUCATION

The recent inundation of new technologies across all sectors presents one common problem - educating stakeholders, staff and customers using these technologies. Without education, the most impactful technologies can be implemented without the intended impact. This education section seeks to provide the core tools both adopters and innovators can implement in order to ensure the effective understanding of fit-tech innovation to enable the most positive impact possible.





Educating staff is core to implementing anything new. This education does not start and finish at any one point. From boardroom to gym-floor, all staff must be educated on the opportunity of fit-tech solutions for implementation, financial reward and user benefit.

DECISION MAKERS

Understanding the impact of technology on a business needs to be present throughout an organisation – from boardroom to gym-floor. When seeking to educate high-level decision makers, key areas of education should focus on:

The proposed impact of the technology on the day-to-day, but also strategic elements of the business:

- ✓ **Consumers.** How will this technology impact a consumer's experience and how will the benefit of this be quantified?
- ✓ **Teams.** How will this technology enable a team to do their job more efficiently, and what long-term impact will this technology pose on the team?
- ✓ **Business operations.** Where can financial savings / gains be made and how can these be reinvested to further develop the business and the rate of technology adoption?



The time implications associated with adopting a new technology.

Impact will not be immediate in many circumstances, so the proposed timeline for implementation and subsequent adoption needs to be fully understood alongside the technology provider.

The financial reward associated with adopting a new technology.

Initial investment for fit-tech can be high, however the return on this can be swift if implemented properly. Understanding this and the core parameters needed in order to achieve this financial reward will increase buy-in.

Tactics to ensure there is top-level understanding around the opportunity of technology ►





ENSURING TOP-LEVEL UNDERSTANDING



The full understanding and buy-in of all decision makers is imperative to successful fit-tech adoption. The time and investment needed to gain this buy-in is worth amply investing in.

Bring the executive team on board during the business planning process

Embed technology into this business plan, ensuring there is an understanding of how technology impacts on each core pillar of the plan and those responsible for them.

Appoint a digital champion at board level

Someone with a deep knowledge of the fit-tech opportunity will provide strategic direction for the business' technological adoption, future proofing for years to come as this thinking is embedded into boardroom processes.

FRONT-LINE TEAMS

The understanding of new technologies on the gym floor is equally as important, if not more so, as knowledge at the top level of an organisation. The gym floor is where the efficiencies will be realised, where consumers will be engaged, and subsequent benefits will arise.

Ensuring understanding at all levels of your business requires both skills development and careful messaging – enabling teams to convey the benefit of technology but also buy into it themselves. Front-line staff education tactics include:

Work closely with the fit-tech provider to ensure the necessary skills are embedded into the workforce.

Ensure the baseline level of digital skills throughout a business is understood by taking the time to survey staff.

Ensure the fit-tech provider fully understands the level of digital skills throughout the organisation.

As well as the core goals of an organisation to ensure their training is effective and uses the relatable language.

Push the provider to invest the time necessary to up-skill the workforce as part of implementation.

This will save time later, enable faster adoption, and faster return on investment as core skills are developed.

Support front-line teams in your messaging around new technologies.

Technologies can be seen as a replacement for front-line staff, however this need not be the case. Technologies supplement all staff in the organisation, be that through providing more understanding, through to enabling them to focus on other areas of their job to provide better member experiences. The right messaging is crucial to gaining buy-in from those core to the use of technology, and is unique to each organisation's level of understanding and approach to fit-tech adoption.



If a new technology is consumer facing, consider that front-line staff are literally at the front-line battle of getting consumers more active using new technologies – ensure they are equipped for this:

Ensure staff are confident in the language they are using .

And that this language speaks to your consumer. Technical terms like “artificial intelligence” can put consumers off, but “personalised workouts” is appealing.

Once initial education is successfully completed, do not stop there.

Continuous education ensures front-line staff are up to date with new versions of the technology, and on the impact of this technology to encourage usage.

Use data and communicate this to consumers in effective ways

The data fit-tech collects can demonstrate the impact it’s having on activity levels, and effective communications creates a fear of missing out.

Continuous education is core to any business’ success, let alone technological adoption. Getting this right at the front-line of an organisation ensures that both the consumer and staff realise the full benefits of a technology from its implementation.





Fit-tech providers need to be part of fit-tech education on all levels. This need not be reserved to those adopting fit-tech solutions to ensure their success, but also the entire sector as more organisations begin to consider new solutions to their long-standing problems.

EDUCATING ADOPTERS

Ensuring adequate levels of education are implemented around fit-tech products or services is essential to successful adoption. Throughout educational activities, it is important to set a baseline understanding for all those in the adopting organisations and to never assume understanding of a product or approach.

The following steps are necessary to ensure an adopting organisation is ready to successfully bring onboard your technology at three different levels:

DECISION MAKERS

Ensure decision makers in any adopting organisation understand the proposed benefit of a technology on:

- ✓ **Consumers.**
- ✓ **Front-line teams.**
- ✓ **Business operations.**

With a focus on the financial benefit of these – ensuring buy-in and subsequent education on use will be easier to achieve.

FRONT-LINE STAFF

Deliver clear implementation guidelines with realistic outlines of:

- ✓ **The level of support needed from front-line staff** to implement fit-tech successfully.
- ✓ **The level of support available from the fit-tech developers** for implementation troubleshooting.
- ✓ **What it takes to implement the technology** on a daily basis, for example the time needed to manage new users.

CONSUMERS

If providing a consumer facing product or service, collaborative marketing should be implemented by yourselves and the adopting organisation:

- ✓ Outlining the benefits technology brings to the consumer's experience.
- ✓ Demonstrating the ease of use with as few barriers to entry as possible.

Ensuring this marketing is fully inclusive is imperative. Fit-tech solutions should enhance anyone's experience, no matter their background or ability. Consider how collaborative marketing can enable this.

Most importantly – be part of the education on all levels. It is the provider's responsibility, as the technology experts, to drive the education of the adoption partners from boardroom to gym floor.



EDUCATING THE SECTOR

Innovative technology providers have a critical role to play in educating the physical activity sector as a whole. The sector is adopting new technologies all the time, but with the pace of technological development ever increasing, technology providers need to demonstrate the importance of technology and its impact to keep up with the rising tide of innovation.

Fit-tech providers are in the unique position to demonstrate the power of innovation to the sector by using the assets fit-tech solutions provide:



Collect impactful data and openly communicating this to the sector.

This provides an evidence base technological impact on different elements of the physical activity sector.



Communicate experiences working with the physical activity sector.

Talk about experiences of implementing fit-tech, what works and what doesn't, enabling the sector to shift practices over time.



Experiences working with other sectors.

There are great examples of technology adoption in other sectors, and bad examples to learn from too. Share these experiences and how they apply to the physical activity sector.



There is room for thought leaders in fit-tech to help guide the sector to adopt technology in the most impactful ways possible. These thought-leaders need not be exclusively established industry stakeholders, but also those with fresh opinions and ideas that positively disrupt the status quo.





BUSINESS OPERATIONS

Technology can arise from many different places; the reality is these technologies are developed by SMEs with small teams and little sector influence. In order to adopt innovative technologies with the power to create the most impact, both large established adopters and fit-tech SMEs need to provide good operational foundations to enable collaboration. Business operations can be malleable, and this business operations section provides approaches to encourage the effective adoption of fit-tech.





Inefficient business operations can remain unchanged for years. This is not an efficient way to run a business, and not an effective way to interact with fit-tech providers, which are often far removed from the usual kind of organisations established adopters will be used to working with.

DECISION MAKING

Fit-tech provides an opportunity to drive business efficiency, create better experiences and ultimately secure financial benefit at all levels of an organisation.

Once an organisation has educated its staff on the benefits and opportunity of fit-tech, it must ensure that the decision-making process embraces technological innovation to stay ahead of the fit-tech adoption curve by identifying fit-tech opportunities early on.

However, it is not realistic to expect the necessary expertise to identify how fit-tech fits into diverse areas of a business within the current structure of an organisation. Consider three approaches to bolstering internal expertise and enable impactful decision making:

1

A full-time member of staff focussing on innovation.

This enables an organisation to consider technology at all levels. This member of staff should be multi-disciplinary with an ability to work across teams and identify and implement technologies that impact on all areas of the business.

2

Enable a current member of staff to focus on fit-tech developments.

A part-time role with regular updates provided to the senior leadership team will ensure the organisation keeps its finger on the fit-tech pulse, and provide the opportunity to adopt fit-tech on a smaller scale to demonstrate impact.

3

Use existing third-party expertise.

If working with third parties, from communications agencies to member management platforms, ensure they are briefed to identify fit-tech opportunities to enhance their work, and subsequently a business operates.

Providing the necessary resource to effectively embed technology into the decision-making process is key. Technology is an expertise in its own right, and one that will be critical to business sustainability in the future, so investing in resource and expertise now future proofs a business.



PROCUREMENT

Procurement procedures are the foremost barrier to SMEs working with large, established organisations. This is a barrier for SMEs across sectors, but particularly in the public sector, where procurement procedures are built to avoid risk. Risk is a part of innovation, and future-proofing your business requires considered risk in order to stay ahead of the game.

Agile approaches to procurement are not easy to implement, but are essential should an organisation be looking to work with SMEs, as many of these businesses are unable to comply with many established procurement rules despite often being perfect partners.

Key things to consider implementing in procurement frameworks to enable interaction with innovative businesses:

- ▶ **Consider the definition of SME and where certain procurement rules may apply or may not.** The European Union's definitions of what constitutes an SME are:⁵

Micro Businesses

less than 10 headcount and less than or equal to €2m turnover, or less than or equal to €2m balance sheet total.

Small Businesses

Less than 50 headcount and less than or equal to €10m turnover, or less than or equal to €10m balance sheet total.

Medium Businesses

Less than 250 headcount and less than or equal to €50m turnover, or less than or equal to €43m balance sheet total.

- ▶ **Consider alterations to a procurement framework to enable SME interaction:**

1 Limiting existing turnover requirements for younger businesses with lower turnover.

2 Shorter payment timelines to allow SMEs with limited cash-flow to participate.

3 Encourage SME consortia, resulting in more impactful and cohesive partnerships.

4 Transparent processes that enable those with less bid writing experience to compete on a level playing field.

5 Specific bid sizes for SMEs to enable more interactions with multiple SMEs across multiple bids.

6 Clear communication of tenders to ensure all those with applicable products / services are aware of opportunities.

If an organisation is particularly willing to adopt innovative products / services and to support SMEs in their development, designated proportions of the procurement budget can be set aside to enable SME interaction on a controlled and impactful basis. This is not an exhaustive list, and creative approaches to working with SMEs can be taken throughout the procurement process, depending on the organisations level of buy-in.

Core to achieving any of the above relates back to education, and understanding the benefit of enabling SMEs to interact with a business.





Small businesses creating innovative fit-tech solutions will not simply walk into providing fit-tech solutions for large, established adopters. Careful thinking to position a small business effectively is needed, with a full understanding of the reality of working with established adopters.

POSITIONING FOR PROCUREMENT

Particularly if a fit-tech provider is relatively new to the physical activity sector, understanding how to position a product or service in the right way is crucial to winning the business of established adopters.

It is important to understand that in some cases, an innovative SME will be competing against industry giants who know how to win the business of established adopters, so the following basic steps should be taken to set off on the right foot:

- 1 Linking to the clarity of proposition (in Funnelling the Opportunity), a small business must know who they are pitching to and their priorities, building this into their pitch.
- 2 Be professional and consistent, maintaining integrity throughout the interactions with confident consistency in how the business presents the product.
- 3 Give clarity in the costs and proposed return of investment throughout each element of the proposition. With innovative technology businesses, implementation costs can be high so complete clarity and understanding is paramount.

Although competition may be fierce, the opportunity for a small business to play to their strengths can give them an edge against larger businesses:

Be personable

Take time to understand the core challenges of the organisation looking to adopt fit-tech.

Enable creativity

Especially in the way the business presents itself, pitches, and delivers the product or service.

Be agile

Enable the business to work in ways that other, larger organisations are inhibited to do so, without over-promising.

Demonstrate these strengths throughout a procurement process, be that building examples of creative strengths into pitch decks, or taking the time to be available to discuss options in further detail.

Positioning a small business in the correct way ensures that established adopters looking to procure a service have confidence in the offering, encouraging further work with SMEs despite the operational challenges adopters may have.



PREPARING FOR REALITY

Both SMEs and established adopters differ massively in the way they operate, and the reality of collaboration between the two is that SMEs will usually need to adapt to an established adopter's processes.

The ambition remains to encourage established adopters to adapt their processes to enable a balance between both party's needs. A SME must understand the impact of established adopter's operations to ensure limited negative impact for the small business is experienced:

- ▶ Decision making can be slow due to complex processes, be that around a tender or how an established adopter wants to proceed with the adoption of a new technology.
- ▶ Payment schedules can be slow so ensuring a fit-tech provider is prepared for periods of time with limited cash flow is important.
- ▶ Demands from established adopters can be high and costly as expectations will be set very high and internal processes require long, drawn out requirements in some cases.
- ▶ Contract lengths can be long and stifle a fit-tech provider's ambitions around product and creativity
- ▶ If a small business loses a big client, a large revenue gap will need to be filled, which can be especially damaging if the small business is reliant on one or two big client's business.

Being honest about the reality of working with large, established adopters and the impact it can have on a SME is crucial. It is key to maintain honesty within a small business to ensure the right processes are in place to deal with the demands of an established adopter, and honesty towards the established adopter to ensure full mutual understanding, as compromises can be made.





COST

Cost is a barrier to the implementation of anything in almost any organisation. Implementing technology is no different, in-fact this barrier is often exacerbated by higher implementation costs than traditional approaches. Despite the first hit, the return on investment can outweigh the initial investment in order to get a good fit-tech solution off the ground. The thought process behind justifying the initial cost of adopting innovative fit-tech solutions are outlined in this section.





Fit-tech comes with a cost. However fit-tech solutions should not be discounted purely due to implementation costs. The investment in fit-tech solutions can be quickly returned through cost savings and financial gains throughout a product or service's whole life.

JUSTIFYING INVESTMENT

Innovative fit-tech products and services, more often than not, can cost more than traditional approaches. This investment should not be underestimated in the long-term, as the benefits of technology on an established adopter can far outweigh the initial costs.

When justifying the cost of a fit-tech product in the first instance, understand the wider impact that product could have on an organisation:

WHOLE LIFE COST

What financial efficiencies can be made:

- ✓ Staffing time freed up to enable a more beneficial focus with less down-time (replacement of staff should not be a focus).
- ✓ Improved business operations as a result of more efficient management techniques being deployed.
- ✓ A greater understanding of a consumer base resulting in more efficient, impactful consumer services and targeting.

There is often gain associated with fit-tech:

- ✓ New consumer acquisition through the provision of unique experiences, more efficient sales techniques or more impactful communication.
- ✓ Higher member retention rates as fit-tech enabled personalised experiences deepen members' engagement in an established provider's service.

FINANCIAL REWARD

Cost efficiencies and rewards are often shouted about with little evidence. Before adopting fit-tech solutions, ensure there is evidence behind the marketing numbers presented, and if committing to new fit-tech approaches with little evidence, ensure the continuous collection of data to measure the effectiveness of the solution over time to allow continual improvement.

High cost often means high reward, taking the time to evidence this properly can result in business savings to reinvest elsewhere, ultimately enhancing the holistic operations of an organisation to providing new opportunities.





It is easy to get carried away when costing fit-tech solutions, however the costs of a product or service must be grounded in reality. Established adopters will have tough lines of cost questioning lined up for a fit-tech provider to get past the first hurdle, so complete costings confidence is imperative.

JUSTIFYING COST

Costing accurately is an essential part of a sustainable business. Technology SMEs often get carried away with the perceived value of their products, without considering the answers to tough questions when asked to justify this.

Realistic costs need to be presented to established adopters to cross the first of multiple hurdles surrounding the costs barrier. These costs can be presented in effective ways to ensure the real value of the product or service is conveyed:

POSITIONING

Linking to the fit-tech provider's proposition, each business must know who they are presenting to.

Fit-tech providers cannot present private sector costs when pitching public sector organisations.

All fit-tech providers will need to consider this carefully, targeting specific market segments that realistically fit within their pricing structure.

Present a product's costs in a sensible, coherent and confident way:

- ✓ Breakdown costs accurately, providing the right foundations for further negotiation.
- ✓ Ensure costs are presented with opportunities. Each cost should have a subsequent financial gain into the future.
- ✓ Convey in-depth knowledge and confidence around each element of the fit-tech solution and its cost.

PRESENTATION

Accurate and realistic costs are imperative to building any relationship. Fit-tech providers cannot get carried away by the size and buying power of an established adopter and raise costs without clear reason – these will get found out somewhere down the line and cause larger barriers to adoption in the future.



CONCLUSION

The opportunity fit-tech provides is undeniable, as are the barriers to its adoption. These barriers need not stand for long.

The Fit-Tech Framework seeks to start the process of more effective fit-tech adoption across the global physical activity sector. The transformational opportunity fit-tech presents the physical activity sector is a seismic one, however it must not be underestimated that digital transformation is a time-consuming process, with years needed to work out its most effective course.

There is a responsibility on both sides of the fit-tech fence to enable the physical activity sector to realise the opportunity presented. Established providers looking to adopt technologies for their business' benefit need to take responsibility for the effective development of fit-tech by creating clear thought and business processes for fit-tech developers to follow. The physical activity sector has an opportunity to adopt technology effectively, but this must be guided and facilitated by the influential physical activity organisations that have shaped the market to date, and can still do so now.

Fit-tech developers have a similar responsibility to keep on pushing the agenda forward. The physical activity sector cannot be left behind in the race to adopt technology, especially when falling behind in this race can impact on the health and wellbeing of millions around the world, and those businesses who have been getting millions upon billions more active to date. The agenda must continue to be pushed forward, but in effective and impactful ways – understanding the need for technology within the physical activity sector and delivering this in coherent and beneficial ways for all those involved.

The fit-tech opportunity is real and the physical activity sector has the power to grasp and wield it to its advantage. The proactive approach set out in this framework sets out the first steps needed to enable effective partnerships and the subsequent adoption of fit-tech throughout the physical activity sector.

For both those adopting and developing fit-tech, consider and implement this Fit-Tech Framework from concept to delivery, realising the opportunity of fit-tech for long-term benefit.

References

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ACTIVELAB

ActiveLab is ukactive's global launchpad for innovation in physical activity. ActiveLab's accelerator programme works with innovative businesses who are using technology to get more people, more active, more often and helps them scale throughout the UK market.

ActiveLab helps businesses scale throughout the UK market through providing the expertise, connections and actionable insight needed to do so – delivered via a series of workshops, networking events, 1:1 mentorships and large-scale sector events.

Since its founding year in 2017, ActiveLab has supported 32 start-ups, enabled businesses to raise over £3.5million in investment and engaged over 60 experts in programme delivery.

www.activelab.co

LIFE FITNESS

At Life Fitness, our calling is to encourage people around the world to reach their full potential by providing the tools needed for a transformational workout experience. For 50 years, we have been dedicated to creating exciting and invigorating fitness solutions that allow fitness facilities to succeed and exercisers to reach their goals.

The Life Fitness family of brands promotes a full spectrum of social and active lifestyles across the world, ranging from the traditional fitness options provided by Life Fitness, Hammer Strength, Cybex and ICG; plus activity for older adults and those in rehabilitation offered by SCIFIT.

To forge the path of merging advanced technologies with everyday workouts, we have created a Digital Ventures Group. The group is focused on accelerating technology adoption and innovation within the global fitness industry, and underscores our vision to be the platform that connects the world to fitness. We are dedicated to searching for the newest and most exciting advancements for fitness, which can be integrated and delivered through our Halo Fitness Cloud, ensuring our customers and their exercisers stay at the forefront of the digital evolution.

Please contact Adrian Nash our UK Digital Experience Manager, to begin your journey: adrian.nash@lifefitness.com

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