Member choice:

Exploring the difference in membership length, visit frequency and retention of members of single and multiple operators

moveGB

UK active RESEARCH INSTITUTE

Powered by DataHub

Introduction

Recent developments within the fitness sector have brought the role and value of 'aggregators' or booking intermediaries into focus. There is now greater emphasis on the need for factual, evidence based and independent analysis of both the risk and opportunity presented by aggregators.

For this project the ukactive Research Institute have partnered with MoveGB and DataHub to explore how key membership metrics differ between two data sets: individuals with a standard membership who use one operator (but could visit different sites within that operator group), and those who access a range of operators and activity types. This will start the process of understanding how aggregators and intermediaries act within the market and how this interacts with traditional gym membership models.

To do this we have analysed data supplied by both MoveGB and DataHub. This has allowed us to investigate the following key topics:

>> Who uses the different membership types and how does this differ?

>> What is the impact of increased choice on exercise habits?
- How often do individuals visit facilities using different types of memberships?
- How long to individuals remain members and when do they start to cancel their memberships?

>> How do members feel about the facilities they are using and how is this reflected in NPS scores?

UK active RESEARCH INSTITUTE

The ukactive Research Institute aim to bridge the evidence gap between traditional laboratory based 'exercise is medicine' research and real-world interventions.

Our in-house insight team looks to capture, share and analyse data in new ways to transform how the physical activity sector makes decisions. It exists to explore how a data driven approach to mining the rich information held by the sector can be used to identify good practice, push the physical activity sector forward, and ultimately get more people, more active, more often.

moveGB

MoveGB is a nation-wide aggregator of sports and physical activities, operating in sixteen cities across England. It works with sport and leisure operators in an area to offer members a variety of classes to choose from.

Users can select a membership type, which are designed according to how often users want to work out per week.

Users can then search for classes and activities by date, time or booking type, and subsequently book and check-in through the MoveGB app.

Powered by DataHub

The DataHub project was launched in 2013 as an automated way for all sport, leisure and physical activity providers across the sector to securely bring their data together, align it with consistent sector data standards and then access and share business intelligence and best practice, at the point of decision.

The result is that all DataHub Club members now access accurate reporting information, relative benchmarks and actionable operational solutions, based on a growing repository of over 300+ million participation visits from over seven million individuals.

Methodology used in report

Throughout this report, various metrics have been calculated for two different data sets:

1. DataHub sample: 'single operator'

This consists of 15,000 randomly selected members from across DataHub who have been tracked over the past full year and have visited either one site or multiple sites within one operator group. The data sample consists of members of local authority facilities.

2. MoveGB sample: 'multi operator'

This consists of 9,596 MoveGB members from the Bristol local authority area. These users have used MoveGB to access at least two different operators. For some metrics an additional 'variety' sample has been analysed which includes those members who have used three or more operators.

These two data sets have been used throughout the report, with key metrics calculated for each of them in order to allow comparison across the groups.

The metrics that are analysed in this report are:

>> Visit frequency and activity choice

>> Membership length and membership decay

>> Lifetime value of members

>> Net Promoter Score of members

>> Demographics of users: age, gender, social deprivation and Mosaic profiles

Further explanation of how analysis was undertaken for each of these metrics is provided in the relevant report sections.

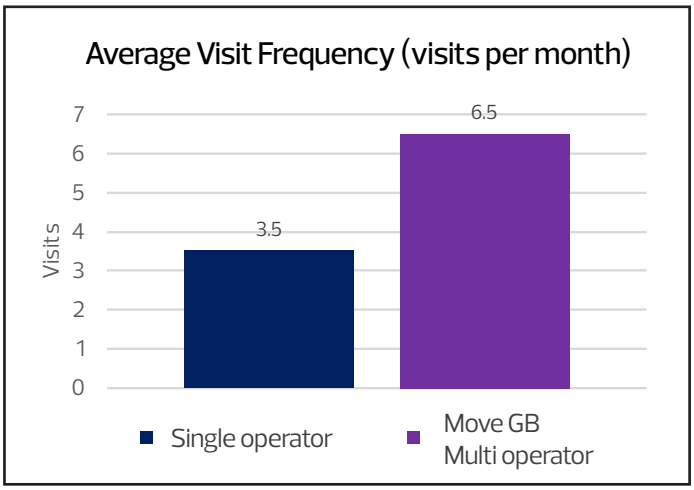
Visit frequency: how often do different groups visit facilities?

Methodology

For each dataset, the frequency of participation of members at a facility or range of facilities has been calculated. The activities that make up this participation have also been analysed.

Average Visit Frequency

The average visit frequency for members in both data sets has been calculated, This showed that members within the multi operator dataset attended three times more a month, with an average visit frequency of **6.5** visits compared to **3.5.**



Visit Breakdown

The type of activities that make up these visits have been analysed. As would be expected from the single operator sample, the three most popular activities were fitness (gym visits), swimming, and group workouts. These made up 36% of total visits, with fitness the most popular. This largely reflects the typical offering from facilities that submit data into DataHub. The activity mix for multi operator customers was different, with Mind Body/ Yoga the most popular option, reflecting the broad range of facilities and activities available on a multi operator membership.

Single operator	% Total visits
Fitness (gym visit)	22%
Swimming	8%
Group Workout	6%

MoveGB Multi operator	% Total visits
MindBody/ Yoga	34%
Group Workout	22%
Fitness (gym visit)	7%

Retention: What is the membership length of different groups?

Methodology

For each dataset, two membership lengths have been calculated for each sample– 'payment retention' and 'active retention'.

Payment retention: this calculation includes every month that a member pays for their membership, regardless of whether they are using any facilities during that time.

Active retention: this calculation only includes months where a member has visited a facility at least once.

For both calculations an assumption has been used on both data sets, whereby if a membership is inactive for a period greater than three consecutive months, it is deemed to be ended. If a member was to participate further in the future after this three month period, it is treated as a separate membership.

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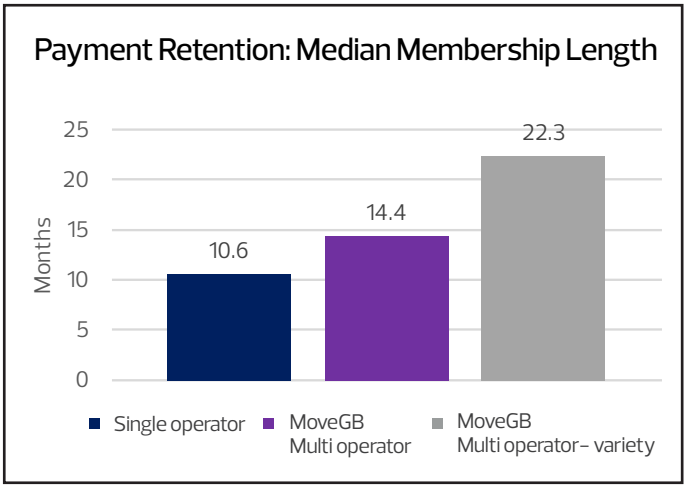
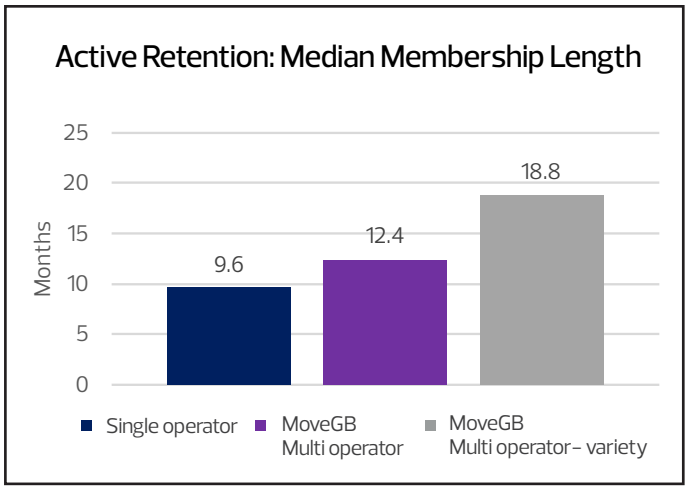
*For this section an additional data set has been included, to explore if members who visit more facilities and do a wider range of activities are more engaged. The '**multi operator– variety'** data set is a subsample of the main multi operator data set, but only includes those people who have accessed three different types of activity at three or more different operators. This consists of* **5,243** *members from the overall data set of* **9,596** *members.*

Membership length

Membership length for both payment and active retention was greater for multi operator customers. For payment retention, this was nearly four months longer, at **14.4** months compared to **10.6** months. The difference for active retention was just less than three months, at **12.4** months compared to **9.6** months.

These figures, coupled with the higher average visit frequency for multi operator members, suggest that members who have easy access to a variety of exercise options are more engaged and remain engaged for longer. The higher membership lengths seen by the multi operator– variety subset (**22.3** months and **18.8** months) show that people who fully optimise their multi site membership by visiting a wide variety of facilities will tend to stay a member for longer.





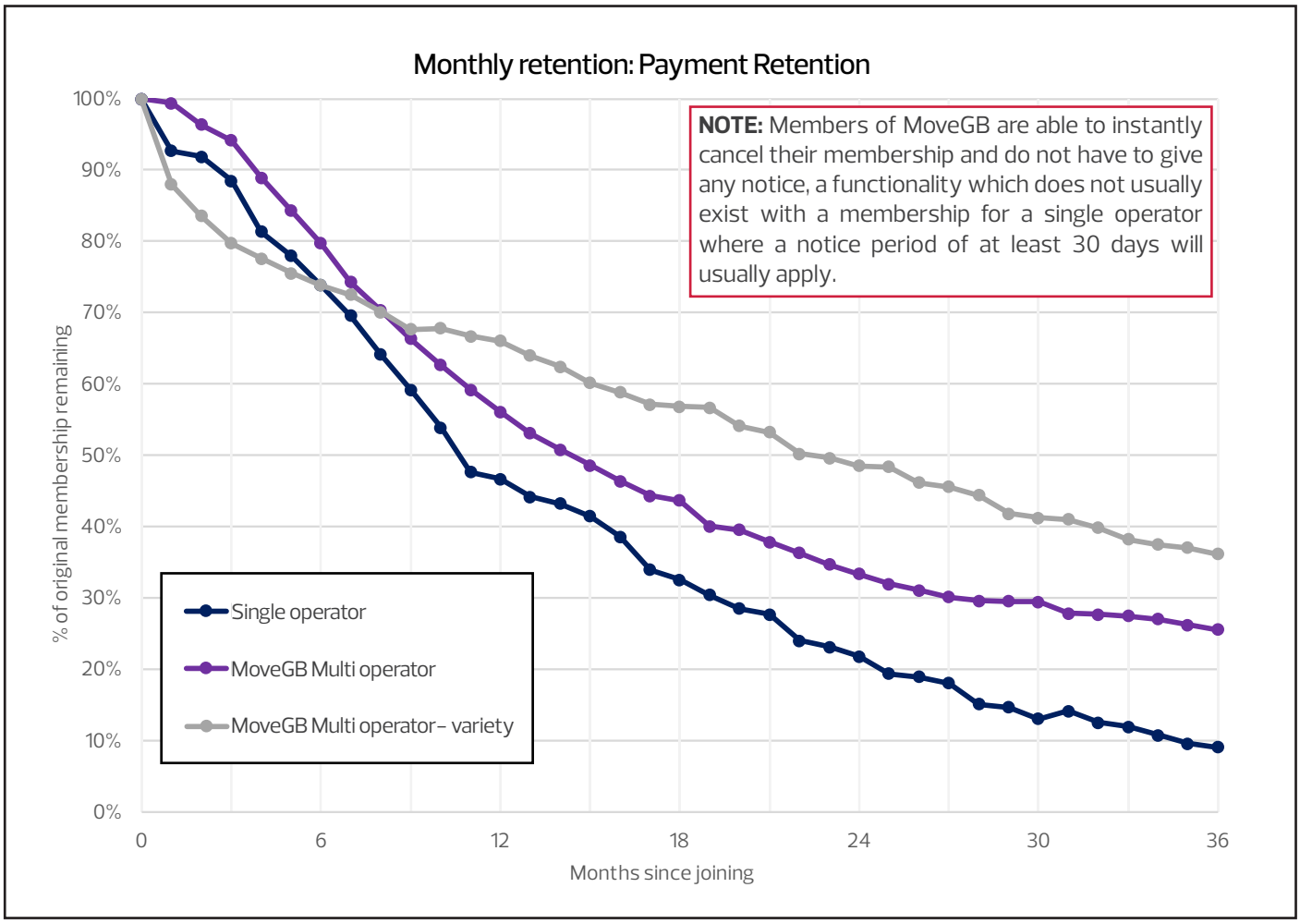
Monthly retention: Paid Retention

The retention curves for membership have also been calculated, showing the percentage of original members who remained members (e.g. they did not cancel) at each subsequent month from the date they initially joined.

The paid retention curves follow a similar trajectory for the initial six months of membership, with **74%** of single operator members remaining at this point compared to **78%** of multi operator members. From this point the lines diverge, with the gap between the two lines increasing as time progresses. By 12 months, over half of multi operator members still remain (**56%**), compared to **47%** of single operator members. By two and a half years (30 months) the gap has increased further, with just under a third of multi operator members remaining (**30%**) compared to **13%** of single operator members.

The multi operator– variety curve initially falls at a faster rate than both single and multi operator samples, but from nine months onwards members in this group retain at a higher rate than the other two groups. At 30 months, over one third (**41%**) of these members still hold a membership.

	Paid retention: % of members left at each month since joining					
Type	**0 months**	**6 months**	**12 months**	**18 months**	**24 months**	**30 months**
Single operator	100%	74%	47%	33%	22%	13%
MoveGB Multi operator	100%	78%	56%	44%	33%	30%
MoveGB Multi operator variety	100%	74%	66%	57%	49%	41%



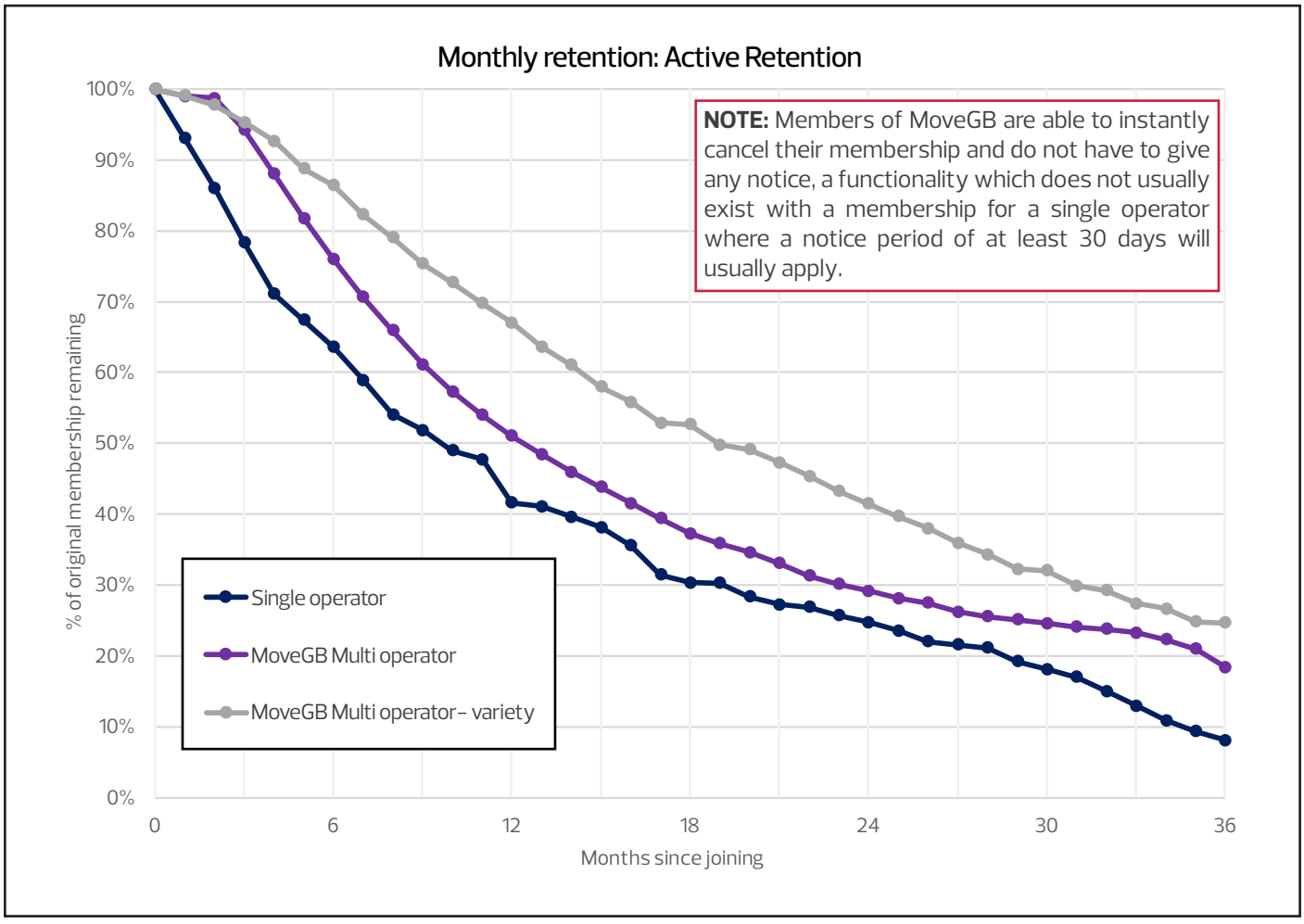
Monthly retention: Active Retention

The active retention curves drop off at a slightly faster rate than the payment curves, as would be expected once 'non-active' members have been removed from the data set.

The gap between the two curves is more uniform for active retention, but more multi operator original members retain their membership at every time point. The gap between the two retention curves is most prominent in the early months of membership, with a 12 percentage point difference in remaining members at 6 months- **76%** of multi operator starters are still members at this point compared to **64%** of single operator starters. By 24 months this difference has reduced to **29%** and **25%**, with the two retention curves starting to move apart as membership moves towards the 36 month point.

The multi operator- variety curve retains at a higher rate than either the single operator or overall multi operator and for the first twelve months is also higher than the paid retention curve- this is due to this curve only including members who have participated in activity within that time.

	Active retention: % of members left at each month since joining					
Type	**0 months**	**6 months**	**12 months**	**18 months**	**24 months**	**30 months**
Single operator	100%	64%	42%	30%	25%	18%
MoveGB Multi operator	100%	76%	51%	37%	29%	25%
MoveGB Multi operator variety	100%	86%	67%	53%	41%	32%



Lifetime Value: how do different memberships compare?

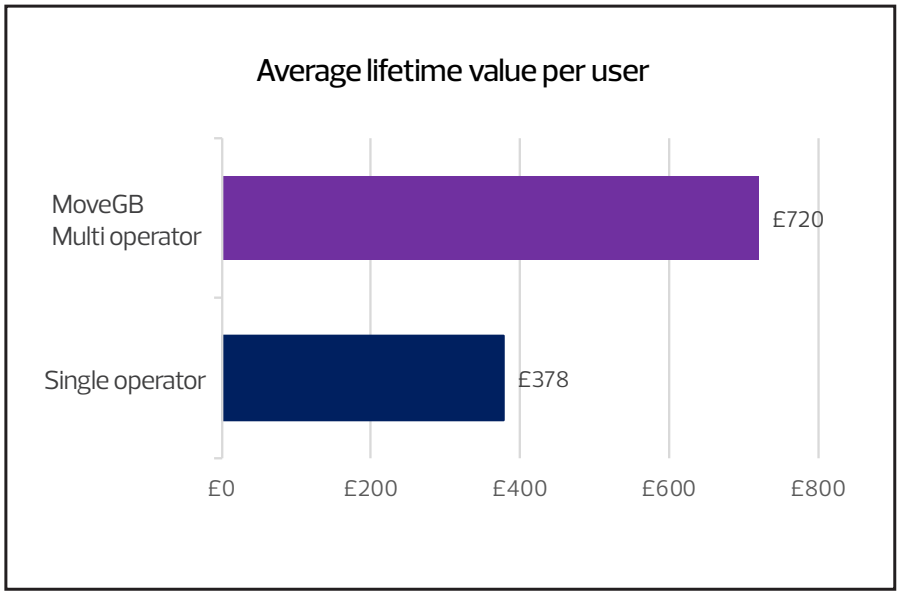
Methodology

For each sample, the average paid membership length (calculated in 'Payment Retention') has been multiplied by the average cost paid for the relevant membership type to get an estimated lifetime value for a member.

Lifetime Value

Using the metrics that have been calculated so far, an estimated life time value can be generated for a member falling into each of the membership types. This has been calculated using the average membership lengths calculated in the payment retention section (10.6 months for the single operator sample and 14.4 months for the multi operator sample) and multiplying this by the relevant average monthly payments. The average monthly payment of £35.62 for the single operator sample is the average cost that is paid for a standard continuous membership (direct debit) across DataHub. For the multi operator sample, this is the average fee paid by a monthly MoveGB member (£50.00).

The lifetime value for multi operator members is over £300 more than those in the single operator sample, at **£720** compared to **£378**.



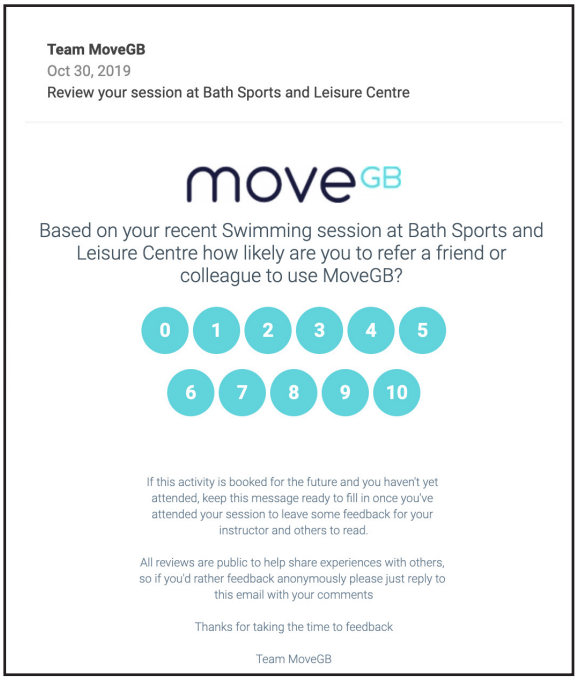
NPS scores: how do different facilities compare?

Methodology

NPS scores have been calculated from an overall DataHub sample taken from members who have given their facility an NPS rating, and a MoveGB sample where members have responded to an NPS feedback email. For the sample in each dataset, the net promoter scores have been calculated.

Net Promoter Scores

For this calculation, a sample of 125,696 ratings from across DataHub and 5,480 from MoveGB have been used. When converted to an NPS score this translates to 33 for the DataHub sample and 82 for the MoveGB sample.



Team MoveGB
Oct 30, 2019
Review your session at Bath Sports and Leisure Centre

moveGB

Based on your recent Swimming session at Bath Sports and Leisure Centre how likely are you to refer a friend or colleague to use MoveGB?

0 1 2 3 4 5
6 7 8 9 10

If this activity is booked for the future and you haven't yet attended, keep this message ready to fill in once you've attended your session to leave some feedback for your instructor and others to read.

All reviews are public to help share experiences with others, so if you'd rather feedback anonymously please just reply to this email with your comments

Thanks for taking the time to feedback

Team MoveGB

Type	Single operator	MoveGB Multi operator
Detractors (0-6)	18.0%	3.3%
Passive (7-8)	30.6%	11.4%
Promoters (9-10)	51.4%	85.3%
NPS Score	**33.4**	**82.0**

Data for the sector-wide NPS scores come from Leisure-net's e-Focus tool, hosted by DataHub. Leisure-net Solutions is the leading provider of Customer Insight, Business Intelligence and Consultation services to the cultural services, active Leisure and Health and Fitness Industries.

Leisure-net Solutions Ltd

What do single operator and multi operator users look like?

Methodology

For this analysis, participants in each data set have been matched to an IMD deprivation decile, and, where possible, to an Experian Mosaic Group. Additionally, by using the members date of birth the average age of participants has been calculated. Outputs showcase the difference in the persona of a member within each dataset and the types of people who are using each membership type.

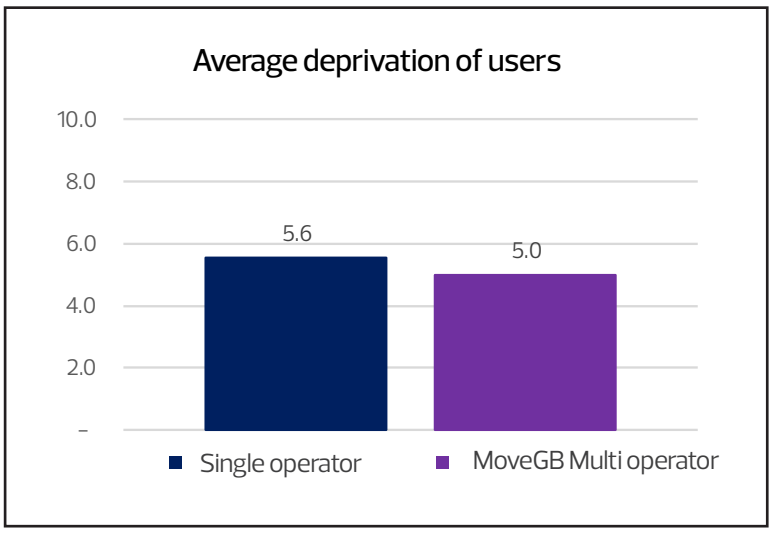
Average Age

The average age of a multi operator user **(33 years and 6 months)** was nearly five years older the average age of a single operator user **(28 years and 8 months).**

Type	Average Age
Single operator	28 years 8 months
MoveGB Multi operator	33 years 6 months

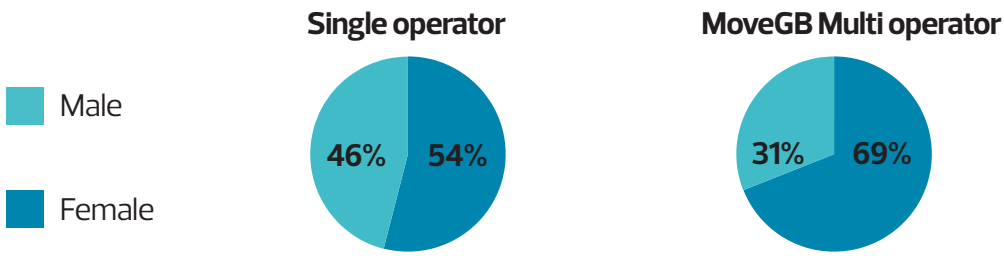
Social Deprivation

Using the home postcode of members, a social deprivation index can be calculated using the Index of Multiple Deprivation. The IMD is a government tool which measures the relative deprivation of a local area using a range of factors including income deprivation, health deprivation and disability, employment deprivation, crime, education, skills and training, and barriers to housing and services. These factors are weighted for over 30,000 small areas in England. These areas are then ranked according to their deprivation level, with the 10% of areas that are most deprived falling within the first decile (1 on the 1–10 scale). The tenth decile (10) represents the 10% of areas that are least deprived. The graph shows the average deprivation score of multi operators members is similar than single operator members, at **5.0** compared to **5.6**. The two samples are not from geographically identical areas (Bristol local authority for multi operator and similar cities for single operator) but these figures show that both membership types are appealing and accessible not only to those from the most affluent areas.



Gender Split

The charts below show the percentage of female and male members in each data set. The multi operator data showed that females made up a much higher percentage of the total membership than the single operator sample, with over two thirds (**69%**) compared to **54%**.

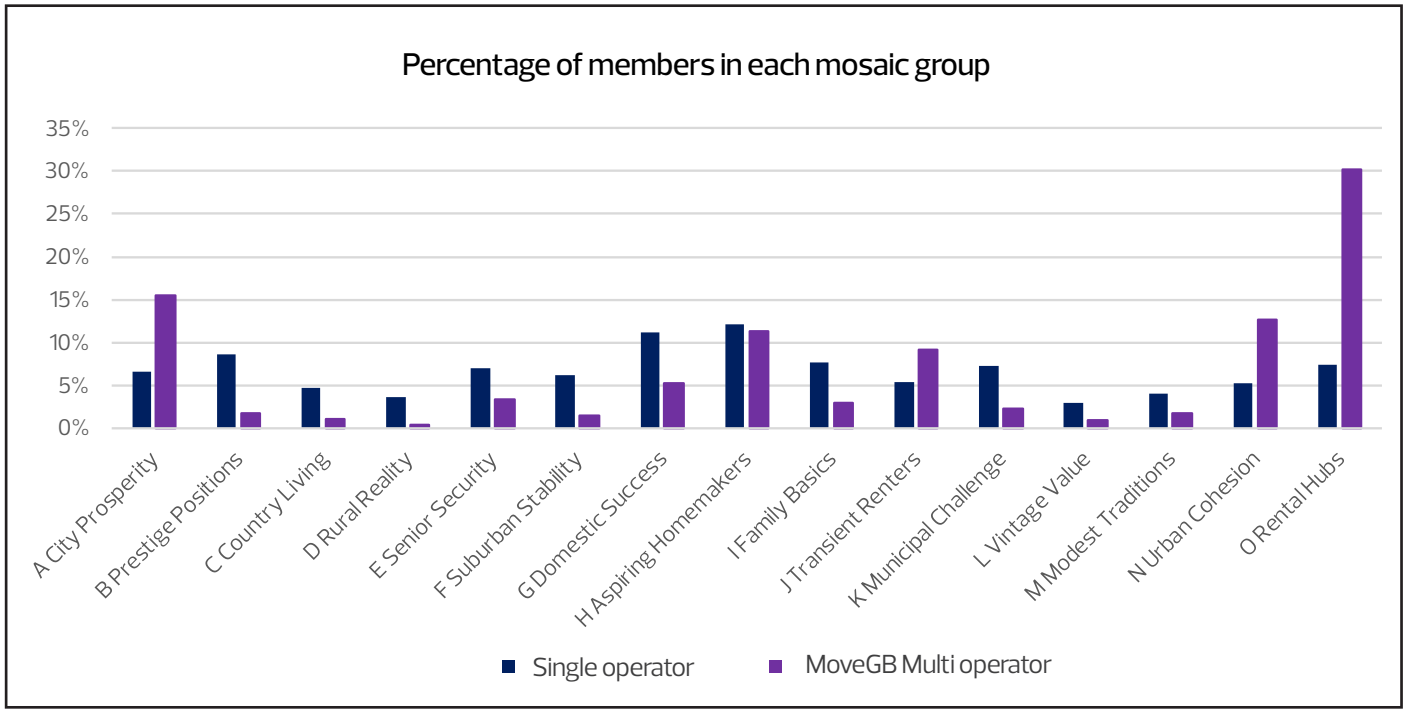


Mosaic Profiles

A Mosaic profile has been assigned to each individual in the two data sets based on their demographic characteristics. Mosaic profiles segment individuals in the UK into fifteen main groups which can help with understanding more about how they behave.

The graph and table that follow show the percentage of members within each data set that fall into each of the fifteen different Mosaic profiles. There were some noticeable differences across the two data sets, with the most striking being the high percentage (**30%**) of multi operator members who fell within the 'O- Rental Hubs' category. Just **7%** of the single operator members fell within this category.

The most frequent category for a single operator member to be part of was 'H- Aspiring Homemakers' which contained **12%** of all members. In general, members were distributed across the different categories far more evenly within this data set, with a range of 3- 12% across the different profiles, compared to 0- 30% for the multi operator data.



Mosaic Breakdowns

Mosaic Profile	Single operator	MoveGB Multi operator
A City Prosperity	6.5%	15.4%
B Prestige Positions	8.7%	1.7%
C Country Living	4.7%	1.1%
D Rural Reality	3.6%	0.3%
E Senior Security	7.0%	3.3%
F Suburban Stability	6.1%	1.5%
G Domestic Success	11.2%	5.2%
H Aspiring Homemakers	12.2%	11.3%
I Family Basics	7.7%	3.0%
J Transient Renters	5.3%	9.2%
K Municipal Challenge	7.3%	2.3%
L Vintage Value	3.0%	1.0%
M Modest Traditions	4.1%	1.8%
N Urban Cohesion	5.2%	12.6%
O Rental Hubs	7.4%	30.2%

Conclusion

Results from the analysis of the two data sets show that individuals who held a multi operator access membership tended to visit facilities more often on average than those who were members of just one operator. In turn, they remained members for longer, potentially due to the variety of options that are available to them driving higher engagement levels. This suggestion supports the hypothesis that offering a greater variety of exercise and class options to consumers can help them to maintain motivation for regular, consistent exercise.

This effect was more prominent in those members who visited more operators. For those who visited two or more operators, membership length (paid) was 14.4 months. Whilst this is longer than the average membership length for members of a single operator (10.6 months), the bigger gap was between those who visit three or more operators. Membership length for this segment jumps by nearly eight months to 22.3 months.

A similar effect was seen with membership decay, with a bigger percentage of the subset who had visited three or more operators remaining members from 12 months onwards. At this point two thirds of original members of the three or more operator subset still held their membership. The equivalent figure for the two operator segment was 57%, decreasing further to 47% for the single operator group. The effect was similar for active membership length and decay curves.

The analysis of demographics of members showed some noticeable differences between those who are members of single operators and those who are members of multiple operators. Multi operator members were older and much more likely to be female. Whilst the two datasets were not from identical geographical areas, there was still some striking differences displayed in the Mosaic profiles of members. Single operator members were reasonably evenly split across all 15 profiles, whereas nearly one third of multi operator members fell within the Rental Hubs demographic.

The average MoveGB membership in this data sample was more expensive than the single operator equivalent from the DataHub sample (however, this is not necessarily the case with all multi site or operator memberships), and this, combined with the longer membership length, has the knock on effect of producing a greater lifetime value than the single operator equivalent. Despite the higher price, the analysis on social deprivation of members suggests that the average IMD of both types of member is very similar, which is positive for reducing the barriers to accessing all types of sport and exercise facilities.

This report, looking at two sample data sets totalling nearly 25,000 members, shows that there are positive effects on membership length, retention, and visit frequency when consumers have access to more sport, exercise and wellbeing options through a multi operator membership. Further investigation would need to be done to establish the impact of different features of multi operator membership, to see what drives this increase in visits. This could be due to the convenience of having access to a broader range of locations, the choice of a range of different activity types, the ability to pick from a range of class times or the opportunity to try out new activities.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