



More people
More active
More often

Digitally Fit

Rising to consumer demand for the
connected digital experience

Paper sponsored by Digital Futures Core Strategic partners:

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 **SPORT ENGLAND**  **REWRITE DIGITAL**

FOREWORD

If you were to search the common term ‘connected fitness’ you may stumble across the following definition:

“Connected fitness refers to the set of tools, whether apps or equipment, which bring together one's fitness and one's digital life, allowing fitness enthusiasts the near experience of working out in the gym from the safe and comfortable environment of their home”.

You would not be wrong in thinking this refers to at-home on-demand and virtual offerings, which can be connected and measured through either equipment or wearables. However, looking through the lens of digital transformation and connected digital experiences, ukactive and the Digital Futures Group propose the following definition of connected fitness:

“Connected fitness is the symbiotic connection of front and back-end systems, using data to inform business decisions that meet commercial objectives and consumer expectations while improving wellbeing”.

We feel that the above statement is a more accurate description and that we should re-evaluate and reframe ‘connected fitness’ through the lens of digital transformation. This will help with our understanding of how we can deliver the experiences expected by the consumer now and in the future, when compared to other sectors, such as retail. Retail Week Connect recently published the Retail Digital Spend Report 2022 – conducted with 50 of the UK’s largest retailers – and it was cited that:

“Retailers’ investment in technology over the next 18 months will largely be driven by the need to respond more quickly to consumer demand (23 retailers) and to deliver a more frictionless customer experience across all channels (20). These rank as far more important drivers than the desire to create a more unified back-end business (four) or to deliver cost and efficiency savings (three)”.

Finally, an important but often overlooked consideration in ensuring you have the right ecosystem of products in place is to position yourselves for the future. Currently, 3.9 billion people in the world still do not have access to the internet, but businesses and governments are working hard to close this gap. In the UK, OneWeb (which is co-owned by the UK Government) and BT have signed a deal to look at ways of improving rural broadband, and World Mobile is creating a sharing mesh telecom network to help bring connectivity to the 3.9 billion people globally that do not have internet connection.

With the increasing availability and access of broadband and telecommunication models, and the rise of 5G experiences, a much wider market is opening up for the fitness and leisure sector. As this happens, consumers will have the opportunity to interact and measure the experiences you give them against others, which could highlight the gap between those who have a robust and resourced connected digital experience strategy across internal and external omni-channels, and those who don't. With the current economic challenges, it's imperative to be smarter. You must consider how you can and consider how you can use the data you already have and what measures could be implemented to ensure you are not left behind the competition.

In this paper we hope to share steps that you can take, regardless of your organisation's digital maturity, that will help you to prepare and develop your organisational connected digital framework to protect, prepare and propel your services into the future.



DAVID GERRISH
ukactive Strategic Lead Digital Transformation

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THE CONNECTED EXPERIENCE IN ACTION

5 PRACTICES OF CONNECTED DIGITAL EXPERIENCES

1. **Connecting processes** – with end-to-end user journeys providing seamless interactions.
2. **Connecting people** – by improving communications between departments, customers and staff, and with partners (such as local authorities and digital providers).
3. **Connecting systems** – by allowing legacy systems to interact with new solutions and connecting apps, CRM systems and online tools to offer real-time transactions.
4. **Connecting channels** – empowering and improving human interactions with the use of digital tools and convergence of information between apps, online, on-site and in-person.
5. **Connecting spend** – by making sure digital spend is a shared consideration across all departments.

Move Technologies sought to address the problem of demotivation in its clients' members, with the knowledge that 90% of people quit the gym within three months of joining, and keeping up physical activity is a matter of creating habit. Understanding that a member's motivation to re-book drops over time, Move Technologies developed a one-click 'Book Again' feature and personalised motivational messages delivered to customers as soon as they had completed an activity. The result was an 18% increase in re-booking of activities within 24 hours.

This example demonstrates the agility that is enabled through digital implementation, providing transformative effects in the 'real' world from very simple digital solutions.



DRIVING DIGITAL EVOLUTION IN YOUR BUSINESS

Digital evolution is not intended to be a one-size-fits-all and with it comes recognition that every organisation has differing needs and capabilities depending on its digital maturity, funding and existing systems. However, regardless of its maturity, every organisation can implement steps towards creating an improved connected experience for its people and its customers.

A McKinsey Report into successful digital transformation found that when key factors are put into place, digital transformation of an organisation is three times more likely to be reported as successful. Those factors include:

- A clear change story for transformation.
- Digital tools implemented to make communication more accessible between departments.
- Digital self-serve technology implemented for employees and partners to use.
- Senior managers fostering a sense of urgency for making transformation changes.

Still, it can be challenging to understand what steps to take. Our [research into the digital maturity of the fitness and leisure sector](#) aims to provide a baseline in helping you understand what level of digital maturity your organisation has. From the early responses to the 2022 operator consultation, we have identified typical scenarios relating to where organisations sit on our Digital Maturity index, and here we have suggested some basic steps that could be taken to drive digital evolution. If you do not yet know your digital maturity level, [you can find out here](#).



DIGITALLY BEHIND (SCORE OF 0-19)

Typical scenario:

- Minimal customer insights.

What to do:

- Use a variety of data collection methods to capture the needs and expectations of your current customers and target non-customers.

DIGITAL EXPERIMENTER (40-59)

Typical scenario:

- Not currently getting collective meaning or value from data.

What to do:

- Build meaningful business reporting from data.
- Analyse and interpret insights in order to action service improvements.

DIGITAL LEADER (80+)

Typical scenario:

- Automated reporting and use of data.

What to do:

- Continually optimise communications and processes to improve KPIs.
- Use Artificial Intelligence (AI) to understand and apply increasingly smarter use of data.

DIGITAL FOUNDATIONS (20-39)

Typical scenario:

- Inconsistent or duplicate data.

What to do:

- Consolidate or connect multiple data sources.
- Cleanse or update old or incomplete data.

DIGITALLY ESTABLISHED (60-79)

Typical scenario:

- Manual reporting and acting on data.

What to do:

- Develop automated, real-time reports.
- Automate and personalise communications and processes based on data insights.

The starting point of any digital journey is data. Obtaining reliable consumer insights allows you to align organisational practices with the consumer experience and expectations at speed.

"Data shines a light on what's going well, where gaps are and how to change it. It's enshrined in our business to harness data for decision making". Matthew Goode, BHLive

EVOLVING A CONSUMER-LED APPROACH

“Data and insights derived from research that give profound understanding of the consumer experience are the driver for a connected approach to digital for operators in health and fitness,” says **Tom Davis**, from **Anytime Fitness**. He adds:

“The consumer must always come first – including their needs, wants and pain points - and a unified, business-wide approach to front and back-end digital infrastructure that delivers against this is what should follow.”

WHY WE NEED A CONSUMER-LED APPROACH

In recent times we’ve seen a significant shift in how consumers require the sector to provide services. Lifestyle changes such as working from home more often and travelling less have driven the at-home fitness market, allowing new online-only providers to grow and creating a necessary drive for omni-channel fitness provisions from fitness and leisure providers.

Deloitte’s Fitness Market Overview Post COVID-19, released in 2020, advised that:

“COVID-19 forced all players in the fitness industry, including boutique gym owners, to face a stark decision: adopt virtual training options or risk having to shut down permanently. With the rise of online-only players and COVID-19’s role in shattering the myth that location and facility are irreplaceable, the evolving market features new opportunities to capture the attention and loyalty of members in an already competitive market.”

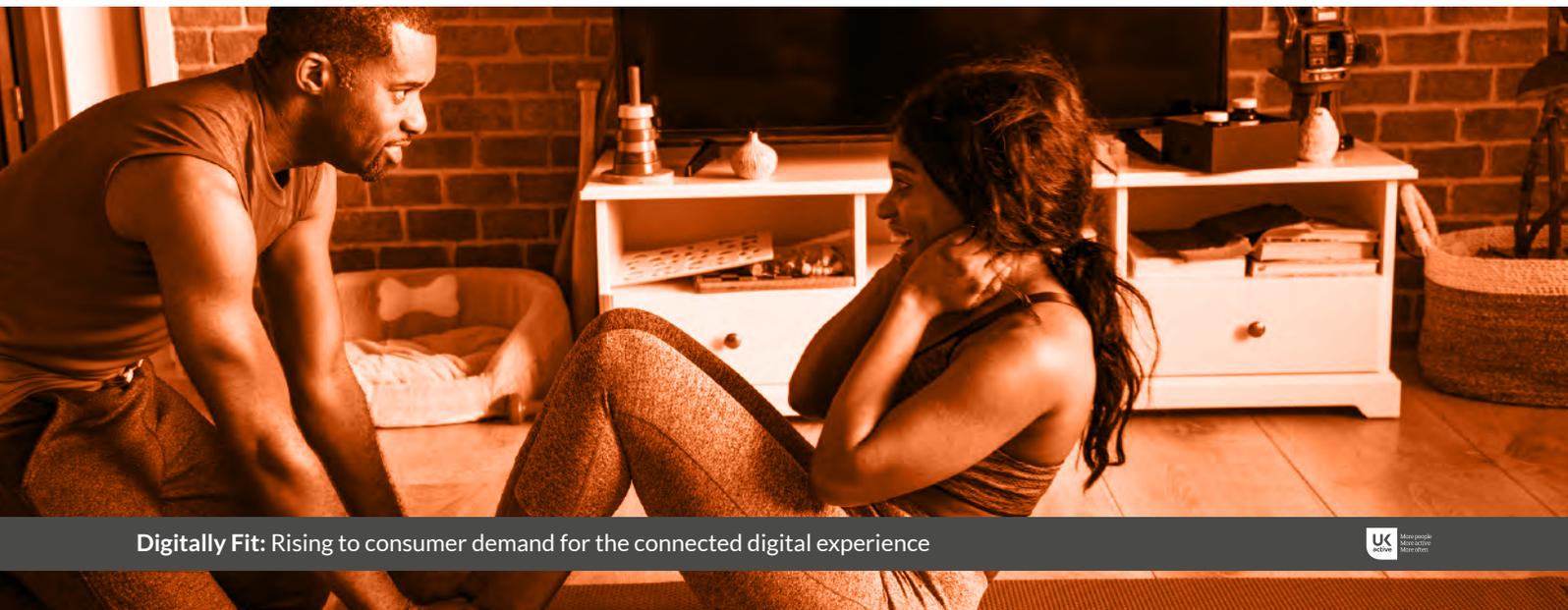
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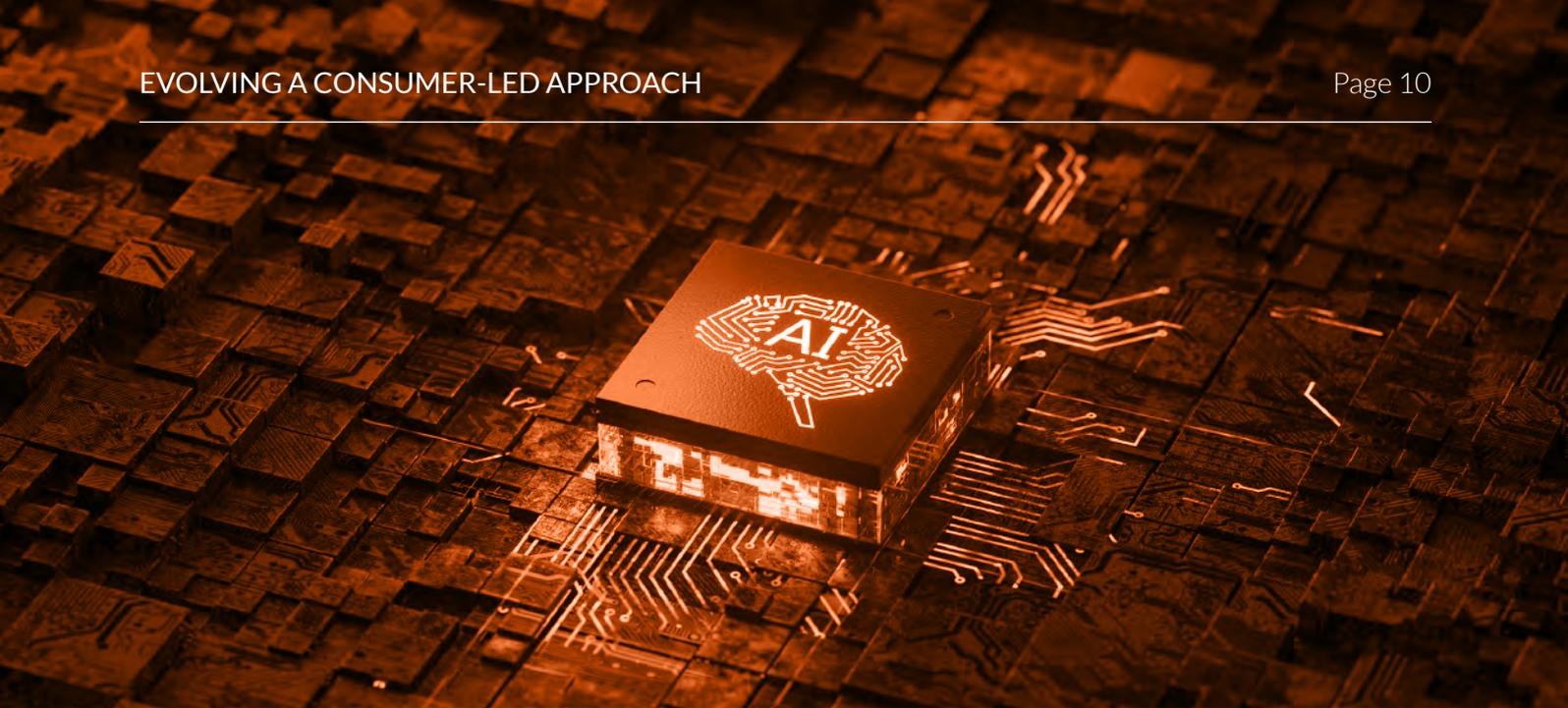
is the ideal consumer mix between gym and home workouts going forward.

84%

of gym members also workout at home.

*Les Mills 2021 Global Fitness Report of 12,157 consumers worldwide





Additionally, Deloitte's research found that during the pandemic, "gyms and fitness studios that offered online sessions had 7% fewer frozen memberships than businesses that didn't offer a virtual alternative." The fitness and leisure sector is a people-centric industry. The ability to adapt to customer expectations is essential to our productivity and our profitability. By providing agility, data and efficiency, connected digital experiences facilitate this need. Based on our recent digital consultation process, it is clear the sector is still determining the right balance between on-demand/virtual and in-venue experiences, but what seems to be an emerging trend is getting the brilliant basics in place which mirror other sector experiences, so as not to look disjointed in the eye of the consumer.

To help achieve this there are two approaches; firstly, direct consumer engagement, and the other, learning through digital touch-points by connecting your system and applying Artificial Intelligence (AI) and Machine Learning (ML) to refine a personalised experience.

"The more you understand, the greater the experience you can deliver through technologies such as AI and ML by blending unique information on each customer with hyper-personalised automation. Your customers already enjoy consumer experiences outside of wellness based on every interaction being rigidly captured and processed through a connected omnichannel approach. Embracing the proven value of this ensures a memorable brand experience as well as consistent, predictable business outcomes".

Jon Dickson, Keepme.

At the heart of the connected digital experience must be the customer and their data.

"We've been putting data in front of our internal teams for years, so the right mindset is there. We have a data science function building models on pricing, yield, churn and usage. We don't have too much data, but we do have finite resources".

Jasper McIntosh, The Gym Group.

FINDING THE RIGHT PROBLEM TO TACKLE

While recent, unprecedented events have supercharged digital change, the emerging impact of the cost-of-living crisis throws up new challenges, and the connected digital experience will continue to be an evolving process that can be developed one step at a time. It begins by identifying the problem that will be most impactful to resolve, then working to create a 360-degree approach to tackle it.

The problem might be the loss of membership retention at a specific point in their journey, it might be a poor customer experience, low booking levels or multiple other challenges. Whatever the problem, all roads should lead to the consumer, to understand what needs to be solved, whether that is using existing data that has been collected, or conducting new user research.

“We were early in getting our users to create accounts so we have a solid foundation of data – we have used it to help build business cases and shape services”.

Nicola Smyth, Active Nottingham



TAPPING INTO USER RESEARCH

DIGITAL SOLUTION DEVELOPMENT APPROACH

1. Define the problem and understand the users' needs.
2. Explore potential digital and non-digital solutions, prove and disprove assumptions. Do your systems have Application Programming Interfaces (APIs) to integrate with others?
3. Define a plan of how the solution will be delivered by teams, software and any other elements. Can it be supported through a connecting system?
4. Iterate the execution with prototypes, user testing and demonstrations.
5. Deliver the solution with live systems, processes, software and/or hardware.

It is impossible to understand user needs properly without user research and the consumer is your strongest asset when it comes to understanding how to improve your service and boost your profits. Their pain points, their understanding of your offering, and the way they use your service can all provide insight into where the problems lie and ensure that you provide viable and effective solutions. It need not be a protracted or expensive activity. User research can include:

- Guerrilla research with on-the-spot interviews or user testing on site
- Regular or one-off customer surveys
- Using customer service data/observing customer service calls
- Focus groups
- Customer satisfaction check points online and on site
- Explore existing sources of customer research relevant to your industry.
- User research acts to prove or disprove assumptions and can be incredibly valuable in preventing spend on unnecessary or inappropriate solutions.

“Sometimes innovation is not shown through complexity, but through the simplicity of giving people what they need in a way that’s effortless to use. Everything we’ve done is embedded in the principle of ‘user-centred design.’”

David Davis, Parkwood

CASE STUDIES

EVERYONE ACTIVE: REDUCING BARRIERS FOR UNDERSERVED GROUPS

Problem defined: Underserved groups face additional barriers in accessing facilities. It was recognised that Everyone Active needed our digital offerings to be able to support everyone's journey.

Solution: To help achieve this, we added accessibility features such as a screen reader, language translation and styling adaptability to our website. We are also adding virtual walk-throughs for our physical sites and have shared each physical site's accessibility features on our website pages.

Results: The use of these functions confirmed their need. Screen Read was used more than 10,000 times in one month, and reading aids such as screen magnifier were used more than 100,000 times. The virtual walk-throughs that are currently available were viewed more than 7,000 times.

PARKWOOD: REDEFINING THE CUSTOMER EXPERIENCE

Problem defined: Consumers expect a seamless experience when dealing with digital technology; from intuitive web journeys, through to timely communications driven by real-time data. Parkwood had a number of legacy systems constraining the user experience, limiting our opportunities for growth.

Solution: Our whole transformation project has been built around a singular focus; creating digital solutions to real world problems. Working with an external research agency, we set out to identify the problems experienced by our members and understand how they wanted to interact with us.

This provided us with clear requirements, enabling us to review our existing technology and create simple, but effective solutions to help drive growth.

Results: We have overhauled a number of front and back-end systems. We've introduced a new CMS, changed the architecture and content on the website, changed our app provider and developed a number of bespoke platforms. All of these have been done to improve the experience for our members. We're seeing incredibly strong results across the board, with significant improvements to our app store ratings, website traffic and online sales.

CONCLUSION

Digital connectivity is fundamental to meeting the rising consumer demand for services that are convenient and address their needs. It is possible to implement digital measures no matter how digitally mature your organisation is and the starting point should always be understanding the consumer. You can do this by obtaining data through connected back and front-end systems that will enable you to identify the problem that you should tackle first. A crucial factor for the success of your journey of digital evolution is that it should not be a siloed practice. To be effective, digital evolution must be adopted organisation-wide, supported by leadership and iterated on for continued evolution.

5 STEPS TO PROGRESS YOUR DIGITAL TRANSFORMATION:

1. **Discover your digital maturity** by obtaining a digital score. You can do this annually to see how you are progressing.
2. Book a free half-hour consultation with Rewrite Digital to discuss your digital score and the next steps to take.
3. Begin collating consumer insights and data to understand the opportunities and threats.
4. Identify the opportunities/problems that need to be tackled.
5. Outline your digital vision as a story that can encourage organisation-wide support.

DISCOVER YOUR DIGITAL SCORE

Complete the digital maturity tool to discover your organisation's digital maturity and effectiveness, with year-round access to measure progress and benchmarking.

Visit: <https://digitalscore.ukactive.com>

RESOURCES:

[NHSX - Seven measures for successful digital transformation](#)

[PWC consumer intelligence - customer experience](#)

[McKinsey - unlocking success in digital transformations](#)

[TRP survey service - add your questions to be answered by a panel of respondents](#)

[Keepme - a blog on why gym software should have an API](#)

[Keepme - The future fitness rules of engagement](#)

[Keepme - Data and AI](#)

[Les Mills Global Fitness Report](#)

[Retail Week - The Digital Spend Report](#)



WITH THANKS:

With thanks to the Digital Futures Advisory Group members, Gladstone, Technogym, Les Mills, Keepme, Move Technologies and sweatworks; and invited operator guests, Everyone Active, Parkwood, and PureGym, in the support of this paper. Special thanks to Niki May Blane at Big Bee Content who co-facilitated the workshop and co-authored this report.



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