More people
More active
More often

SPORT ENGLAND

REWRITE DIGITAL

DIGITAL FUTURES 2023

The third annual review of the digital maturity and effectiveness of the UK's fitness, leisure, and sports sector.

Digital Futures Core Strategic Partner Group

myzone Gladstone EGYM LesMills Technogym xplor

Contents

The Digital Future programme has been designed by the fitness, leisure and sport sector for the audiences it serves. It would not be possible without all those organisations who have participated in this consultation and the support and thought leadership of the Digital Futures Advisory Group. The advisory group represented by the partner organisation below looks to build a digital transformation programme built by the sector for the sector and are willing to collaborate, challenge ideas alongside sector leisure operators to provide guidance. Special thanks go to our operator members, Everyone Active, Parkwood Leisure, Anytime Fitness, PureGym, Fitness First and David Lloyd.

Digital Strategic Partners

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Foreword

It is with great pleasure that I introduce Digital Futures 2023 – a comprehensive report on digital transformation in the fitness, leisure and sports sector in the UK.

In today's rapidly evolving business landscape, digital transformation has emerged as a critical driver of success and competitiveness across all industries. Organisations are recognising the need to embrace digital technologies and strategies to stay relevant, enhance operational efficiency, and unlock new avenues for growth. The findings presented in this report shed light on the current state of digital transformation across the UK fitness, leisure and sports sector, providing valuable guidance for businesses navigating this transformative pathway.

The British Chambers of Commerce has long been at the forefront of championing the interests of businesses and promoting economic growth, and we are delighted to see this report look at other territories as we grow UK economic wealth.

To those embarking on this journey, it is important to recognise that digital transformation is not a one-size-fits-all approach. Each organisation must navigate its unique set of circumstances and challenges. However, by leveraging the insights presented in this report, businesses can gain a deeper understanding of the digital landscape, identify areas for improvement, and develop tailored strategies working with their suppliers and peer group to drive their own digital transformation.

This report is a culmination of extensive research and analysis, which also draws comparisons with the British Chambers of Commerce's Digital Revolution Challenge, published in September 2023. As with our work, this report from ukactive highlights that further work is needed across all sectors to understand how advancing technologies can benefit both suppliers and consumers.
It is the intent of the British Chambers of Commerce to pull together a set of clear and pragmatic recommendations for both the Government and UK companies on how to harness new technologies to ensure competitiveness in this modern business landscape. With enhanced understanding comes many benefits to UK businesses, leading to efficiency gains, improved decision-making, better customer experiences, enhanced risk management and game-changing innovations.

I would like to express my sincere gratitude to fitness, leisure and sports operators, the Digital Futures Advisory Group, and of course, ukactive, for their collaboration and support in making this report possible. Their commitment to fostering digital growth and value in the UK has been truly commendable, and their insights have undoubtedly enriched the findings presented here.

I hope that this report serves as a valuable resource for businesses, policymakers, and stakeholders alike, as we strive collectively to embrace the digital future and unlock the immense potential it holds. May it inspire and guide you on your own digital transformation journey.

Alex Veitch
Director of Policy & Insights
British Chambers of Commerce

Executive Summary

The 2023 ukactive Digital Maturity and Effectiveness consultation has been a pivotal moment in establishing a true score of the Digital Maturity of the fitness and leisure sector since its inception in 2021. Through new and continued participation from operators and guidance from the ukactive Digital Futures Advisory Group, this year has seen significant progress in achieving the programme aims of increasing engagement which in turn enhances credibility and through data and insight provides value to those organisations which participate.

We've welcomed the continued participation of dozens of organisations and are delighted to have increased participation by 2.5 times, greatly expanding our evidence base. Within the report we highlight the significant positive trend in the digital maturity scores of those operators we call the 'Digital Futures Cohort', which have participated in successive years and have designed and integrated their digital strategy within their overall strategy. These organisations are seeing their scores on average increase across most areas of digital through their participation in the programme, gaining greater understanding of their digital maturity and the steps to improve their digital landscape.

Additional depth given to these insights by advisory group member Everyone Active, with the support of Sport England, included the scoring of both National Governing Bodies and the Active Partnership Network, which crucially collaborate with the fitness and leisure sector to drive participation. The Digital Futures programme is referenced within the Government's new 'Get Active' strategy from the Department for Culture, Media and Sport, further supporting this close association. This year also saw an initial sample set of global territories as a benchmark recommendation by advisory group member PureGym – we thank AUSactive, EuropeActive, Sport:80 and GameDay app for their support for the programme.

Executive Summary

Since the initial report in 2021 the fitness and leisure sector has witnessed a significant shift towards digitisation and is finding a degree of balance in its use of digital experiences after the learnings of the online-only delivery models of 2020.

This study is providing lessons to us all and as our understanding of the state of digital in the sector increases, two overarching themes emerge. Firstly, there is an acknowledgement by the sector of the increasing wealth of data and insights at its fingertips and the analytical value to both the consumer, through personalisation and enriched experiences, and to the operators by providing commercial opportunities. However, the overall score for data has gone down, and the challenge of understanding what to do with it remains. There is much still to be done for the sector to benefit from the harnessing of data.

Secondly, there is a clear understanding that operators need to do more to ensure inclusion and accessibility. This report recognises that digital transformation must not exclude any segment of the population. There is a need for shared resources and case studies to demonstrate how the thoughtful implementation of inclusion and accessibility in digitisation can benefit all individuals, regardless of their background or ability, particularly through the application of personalisation. This not only aligns with ethical, diversity and inclusion considerations, but also opens new market opportunities and strengthens customer loyalty. By doing so, businesses can tap into a larger customer base and create a more inclusive and equitable fitness and leisure experience for all.

These two overarching themes can only be integrated into an operator's overall fitness and leisure strategy if it is clearly identified, supported, and resourced. A strategy for digital that is integrated into an operator's overall business strategy brings immense value. It aligns digital initiatives with business objectives, provides a competitive advantage, enhances customer engagement, drives operational efficiency, fosters agility, and promotes data-driven decision-making.

2023 also saw the launch of the Digital Futures microsite, which allows operators to see year-on-year views with recommendations and resources. It also allows suppliers in the industry, through opt-in by operators, to work closer in strategic collaboration to support their customers to embrace digital transformation as a strategic imperative. In this way operators can position themselves for long-term success in the digital age.

ukactive welcomes feedback on the approach outlined within this report and if you feel you can contribute, please contact davegerrish@ukactive.org.uk. We would also encourage all fitness, leisure, and sports organisations to actively participate in this cornerstone study that seeks to support the sector for the benefit of us all.

David Gerrish
Strategic Lead Digital
ukactive

Background

The fitness sector has experienced tremendous turbulence over the past few years. From the global COVID-19 pandemic to the energy crisis and economic downturn, the sector has never been under so much pressure to adapt.

When the COVID-19 pandemic saw forced closures or restrictions for many physical sites, digital platforms were propelled and launched at speed, creating innovative and often more efficient experiences. Coming out of the pandemic, customers have returned to facilities in the millions, yet, while some digital at-home experiences have waned, we are by no means less digital in our attitudes and behaviours. In fact, most of the high consumer expectations developed during the pandemic have endured – and they continue to rise.

The digital landscape in which consumers are interacting with their wellbeing is also changing. A rise in monitoring technology and personalised programmes to optimise wellness results further an expectation for improved digital experiences within a 'hybrid' or 'always-on' wellness model.

While consumers are demanding better, the backdrop of a shifting and indeterminate period of economic challenge for both consumers and businesses is having a very real impact. With tightening belts and rising costs, retention and the protection of revenue is harder than ever to maintain. Filling staffing gaps and the cost of retaining staff adds further pressures to the sector.

Yet the health and social benefits provided by the sector are of major importance – even more so in these times – and many people are thankfully still choosing to prioritise their wellbeing by making use of the sector's vital facilities.

Creating fulfilling experiences that provide value-for-money and services that are optimised for efficiencies is key to the sector's survival and growth. Digital is at the heart of enabling this, and this is why our Digital Futures work exists.

This report gives a measure of how the fitness and leisure sector is embracing digital in 2023 and what needs to be done next to build our digital future.

Who is this report for?

Digital Futures is an inclusive initiative for the fitness, leisure, and sports sector in the UK. Our research is conducted to identify the digital gaps in the sector and to support organisations to start, improve and maintain their ongoing digital strategy and journey. We welcome any size of fitness, leisure, or sports organisation – from single site local operators, boutique gyms and multi-site independents to public leisure facilities – to participate in the research, and we produce this report to inform their leadership and digital functions. As is demonstrated in the findings, being a part of the Digital Futures initiative in itself is beneficial in maintaining momentum for digital advancements. This report is for anyone who seeks to benefit from digital improvements within their fitness and leisure operation, providing evidence of the benefits of implementing a digital strategy, and some advice on how best to do it.

> *"The Digital Futures programme stands as the keystone for effective digital transformation within the fitness, leisure, and sports sector. The programme plays a pivotal role in bridging the gap between operators and suppliers, fostering stronger collaboration among all stakeholders within our sector. It's not merely about knowing your score; it's about fortifying our journey as a sector toward a future where data serves as the guiding star for our sector's success."*
>
> ***Utku Toprakseven, Chief Product Officer, 4Global***

Methodology

Overview

The digital consultation was conducted with UK fitness and leisure operators, National Governing Bodies (NGBs) for sports, Active Partnerships, sports clubs and other physical activity organisations between June and August 2023. The consultation was designed and conducted by an external agency, Rewrite Digital, utilising equivalent experience from other sectors to help define the methodology and design the resource tools to evaluate the sector.

The target audience included public leisure facilities (which is defined as doing activity in a government/council-owned facility), private leisure facilities (which is defined as doing activity in a privately owned facility where a private membership is required to use) and university leisure facilities (which is defined as doing activity in a university-owned facility). This year, for the first time, the consultation also targeted sports organisations and international organisations from the sector. The scale of operators ranged from those with single sites through to several hundred sites.

It was acknowledged that the digital measures being assessed require a representative view from many departments and at board-level for strategy oversight, so all survey respondents were asked to engage with all areas of the business where digital is used before submitting their response.

Definition of digital

As part of the consultation design process with stakeholders, a definition of digital and its interpretation was required because digital can mean different things to many people, not to mention how it is used within different departments. For the purposes of this review, the following definition of digital has been used and was conveyed to all participants in advance of completing the consultation:

Digital: The use of technology and data to meet raised consumer expectations and drive innovation, actionable insights and value across:

- Capabilities and culture
- Processes and systems
- Services and experiences (online, in-venue and in the community)

Methodology

The Digital Maturity and Effectiveness Score

What we measured

A digital maturity and effectiveness score was established for each operator and sports organisation based on multiple choice responses from an online survey. The survey covered more than 40 individual measures across five areas of digital to form an overall digital maturity and effectiveness score.

The questions asked in 2023 were identical to those asked in 2022, with the addition of two questions about emerging technologies and environmental impact.

Upon completion, all participating organisations received a short summary report outlining their digital maturity and effectiveness score, with high-level recommendations to be further explored with Rewrite Digital, to help form a starting point for internal discussion.

To enhance the research, a deeper dive was conducted with a subset of participating organisations, comprising a qualitative interview against an agreed question bank with key stakeholders.

The areas of digital covered by the measures were:

Organisational model**:** A measure of how adapted and prepared an organisation is for digital. This looks at the products and services an organisation provides, how it is structured, its culture, people, infrastructure, processes, and plans.

Performance and impact**:** How digital is contributing to an organisation's commercial, social, and other KPIs. This covers downloads and engagement, digital revenues, operational efficiency, participation growth and customer retention.

Data and insights**:** Collection and use of data to improve the relevance and quality of consumer experiences and drive value. The areas looked at were explicit and implicit data collection, consumer insights, open data, data reporting, security and privacy, database, and CRM, and how personalisation is formed using data.

Digital experiences**:** A measure of how rich and thriving the organisation's digital experiences are. We looked at ease of use, third-party exposure and discoverability. Channel use covered websites, apps, email, social media, connected experiences and virtual experiences.

Accessibility, inclusion, and satisfaction**:** How digital experiences welcome, support, engage and satisfy all consumers. This looks at digital access and inclusion, social listening, Net Promoter Score (NPS) and other satisfaction measures, as well as the end-to-end consumer journey.

The purpose of the consultation was to measure the current digital maturity and effectiveness of the fitness, leisure and sports sector and provide a reference point to build further understanding and actions to meet the needs and demands of the consumer.

Methodology

Scoring

Digital maturity and effectiveness scores are matched to five digital percentile stages – as defined below – in which to measure growth through interventions.

Digitally Aware (0–19)

The organisation has taken the first step to be part of the Digital Futures programme but is not quite ready to meet the increasing demands and expectations of a digital world. A focus on its people, processes and infrastructure can put it on the path to success and align it with peers.

Digital Foundations (20–39)

The organisation has some elements of digital in place but to align it more with peers, the main recommendation is to review its digital strategy to identify where it is heading and where best to focus attention next.

Digital Experimenter (40–59)

The organisation is already making some great advances in digital. A committed and ongoing investment in digital from the top will accelerate business performance and put it ahead of peers.

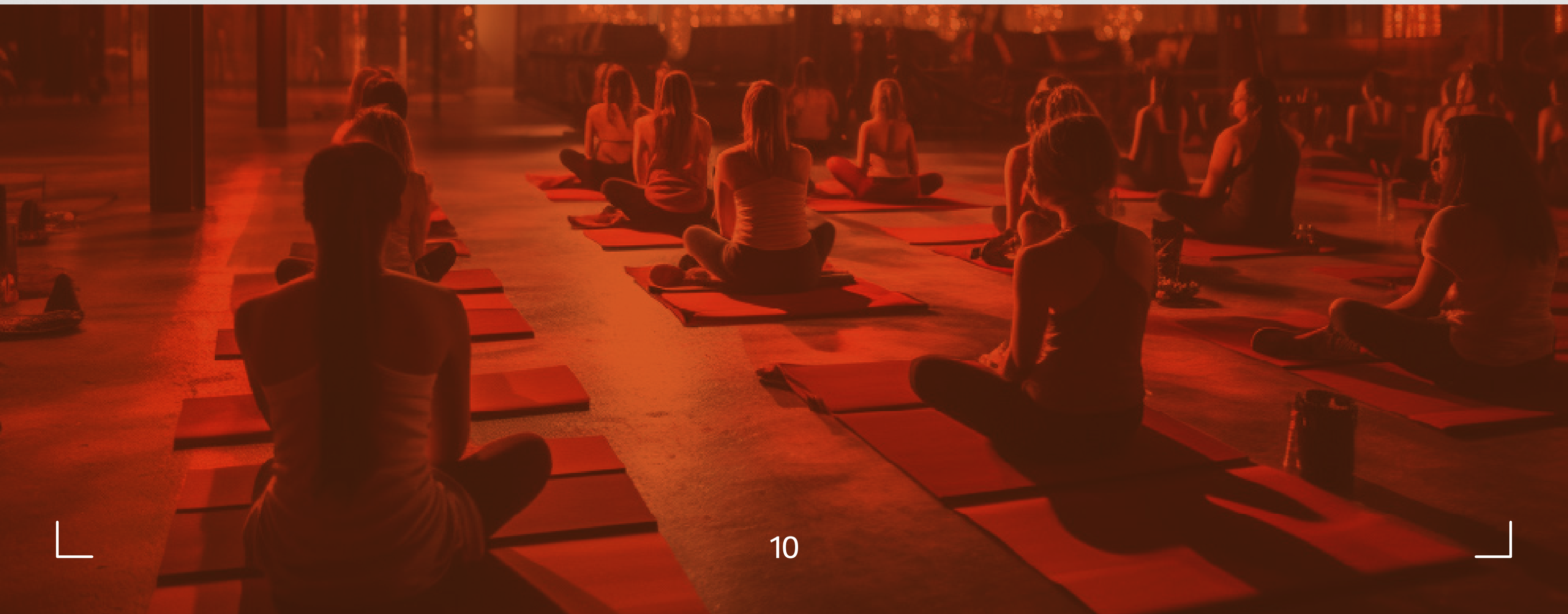
Digitally Established (60–79)

The organisation is already benefiting from operating a successful digital model. It is harnessing digital more than most peers but there are still opportunities to stand out, deliver more return and lead the way through greater automation and innovation.

Digital Leader (80+)

The organisation is already making digital deliver significant business performance and setting the benchmark for peers to follow. As digital continues to evolve, it must ensure it can constantly adapt to stay on top.

To enable comparison of our sector with others, some additional questions were included that were identical to those asked in the 2023 Charity Digital Skills Index.

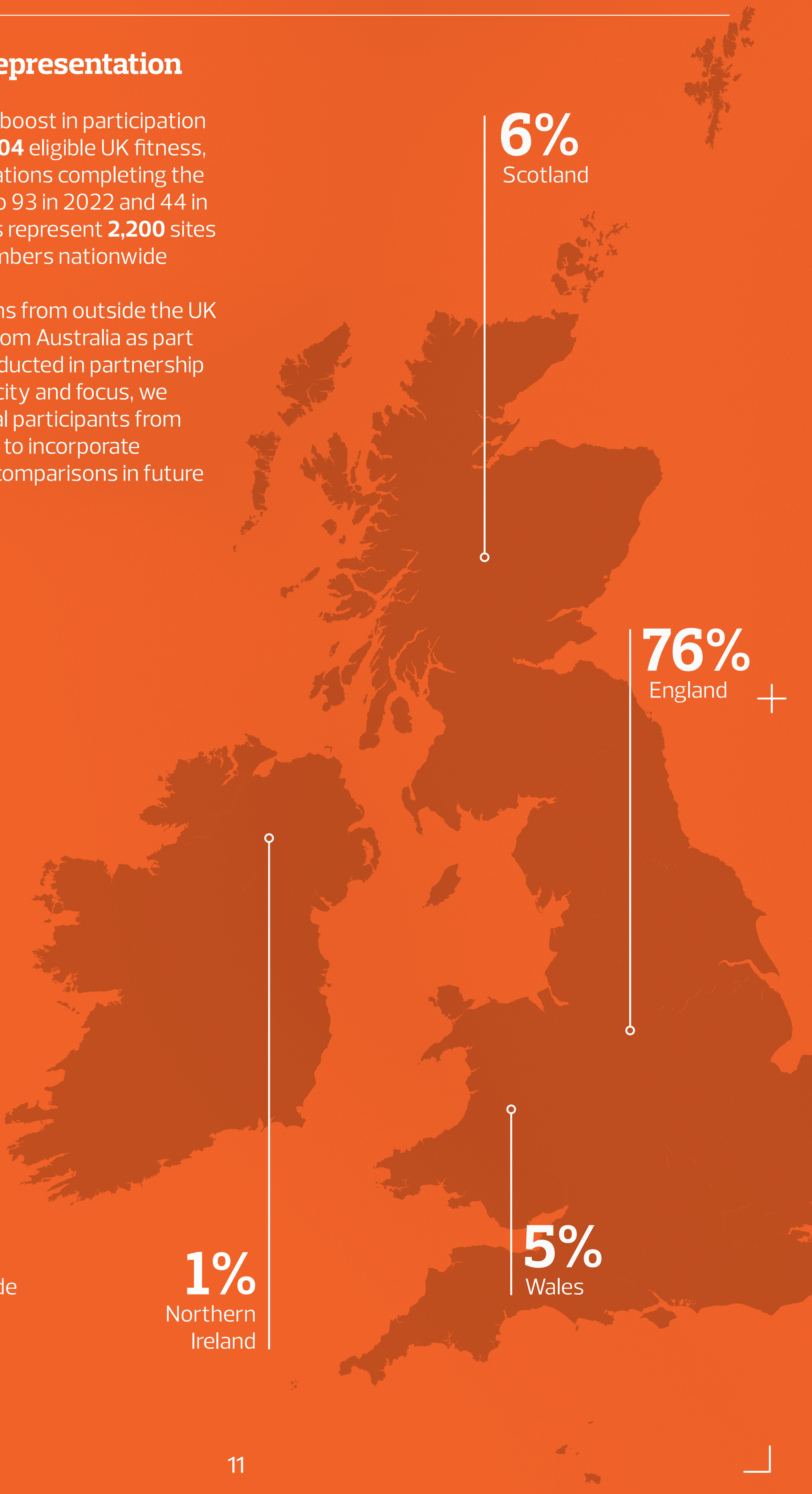


Methodology

Participation and representation

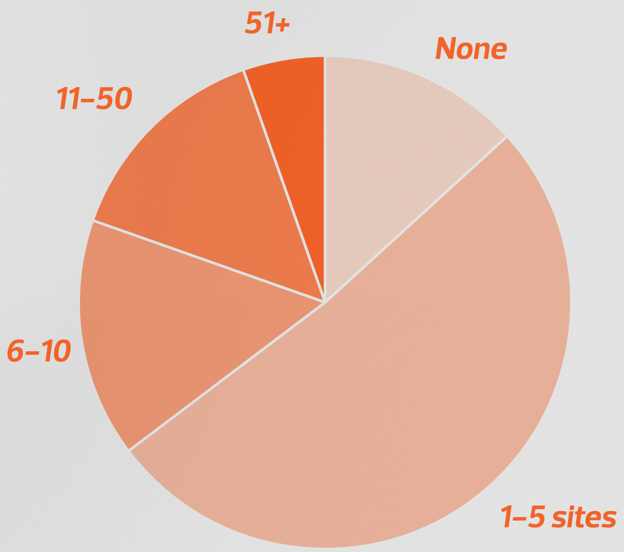
This year saw a significant boost in participation and representation, with **204** eligible UK fitness, leisure and sports organisations completing the online survey (compared to 93 in 2022 and 44 in 2021). These organisations represent **2,200** sites and around **5.5 million** members nationwide

In addition, **40** organisations from outside the UK participated, including **31** from Australia as part of a specific campaign conducted in partnership with AUSactive. For simplicity and focus, we have excluded international participants from this year's report but hope to incorporate international findings and comparisons in future reports.



12% Operate nationwide

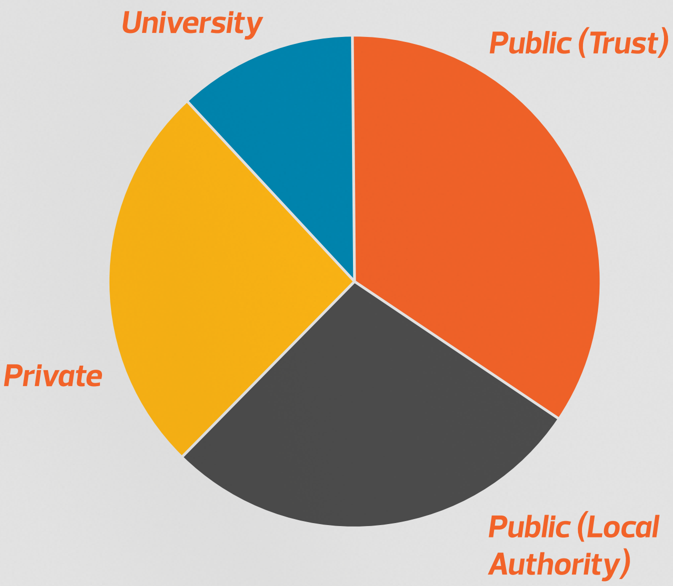
Participation and representation



UK participants (n=204)

Number of sites

51% have 1–5 sites, **16%** 6–10 sites, **14%** 11–50 sites, **5%** 51+ sites and **13%** no sites (NGBs / Active Partnerships).



UK fitness & leisure operators (n=136)

Public, Private and University

Of the **136** UK fitness and leisure operators, **62%** are public, **26%** private (up from 12% in 2022) and **12%** universities. Of those public, **55%** are trusts and **45%** local authorities.

Digital Futures Cohort

58 organisations participating in 2023 also participated in 2022 (**28** have completed all three years) enabling direct comparisons in the digital performance of these organisations over time. These organisations are known as the 'Digital Futures Cohort'.

10 participating organisations were also interviewed to provide more in-depth qualitative insights and quotes to help substantiate findings.

Participation and representation

Digital is for everyone

This year, to understand the validity of the survey data and its subjective nature, we asked respondents to say how many people they collaborated with in their organisation to answer the questions.

55% consulted no-one, while only **3%** consulted 5 or more people.

34% of those completing the survey were CEOs, Managing Directors, or service leads, **17%** were in marketing roles, **13%** in IT and **12%** in business development. Just **4%** were specifically in data roles and **2%** in holistic digital roles.

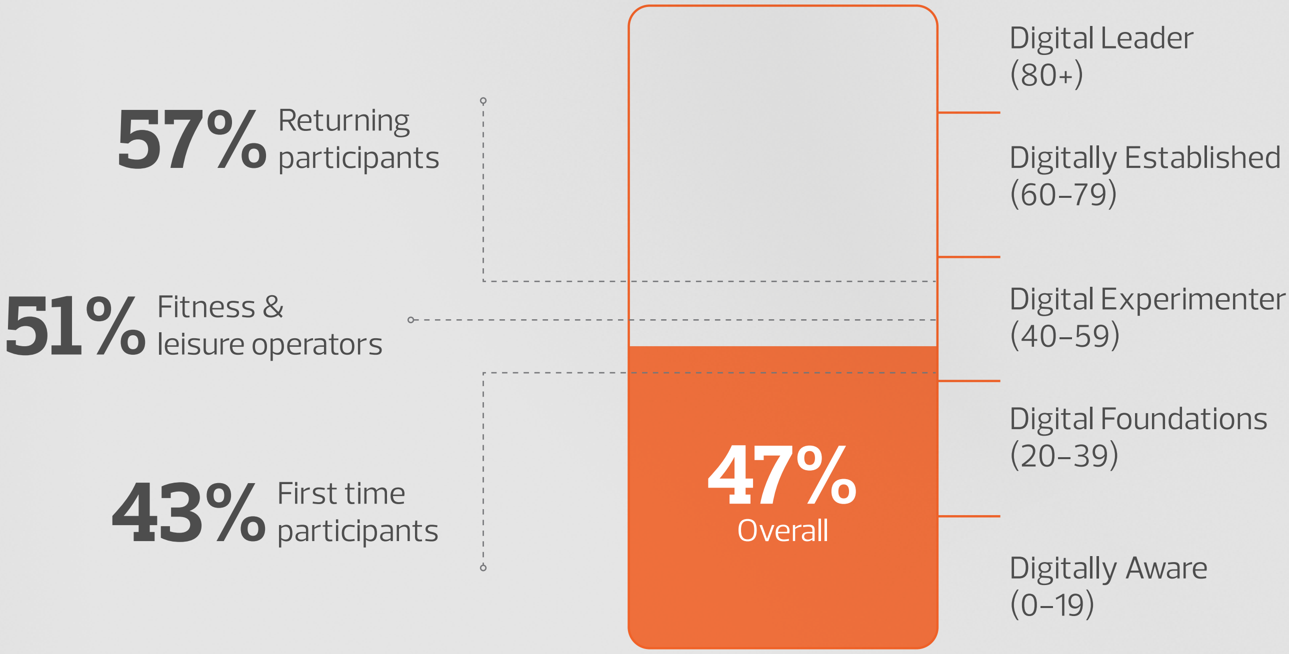
Findings

Overview

Wider coverage reflects lower digital score

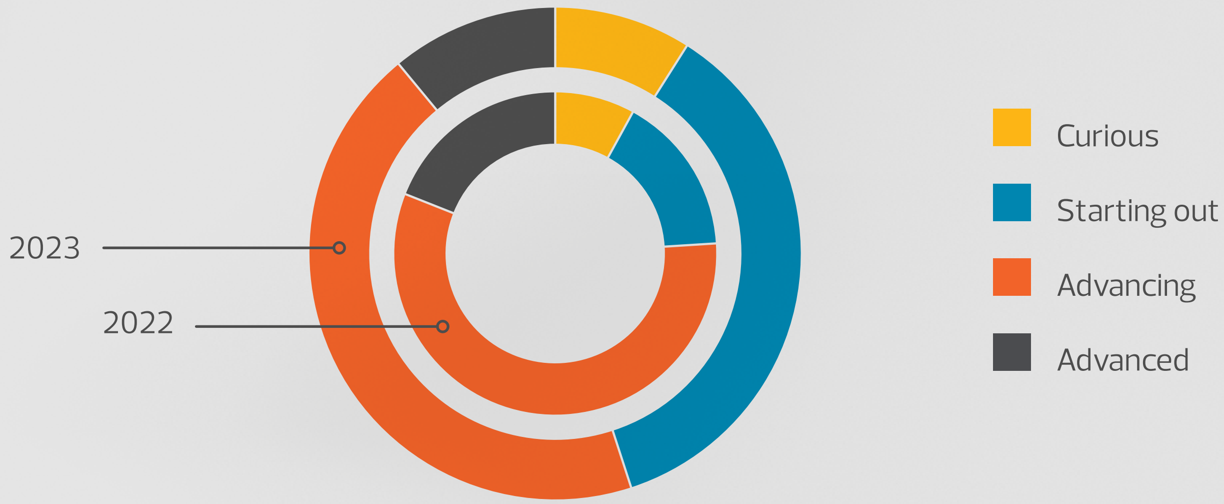
Overall, the surveyed UK organisations averaged a **47%** score for digital maturity and effectiveness. Fitness and leisure operators averaged a **51%** score, equalling 2022.

This once again puts the sector at the **Digital Experimenter** level (40–59% range) overall. However, the story is more nuanced, with those completing for the first time scoring an average **43%**, compared to those returning for a second or third time scoring **57%** (**+4%** on their previous score).



Just **55%** of organisations consider themselves as advancing or advanced in digital (compared to 76% in 2022).

Digital Futures Participation



UK participants (n=204)

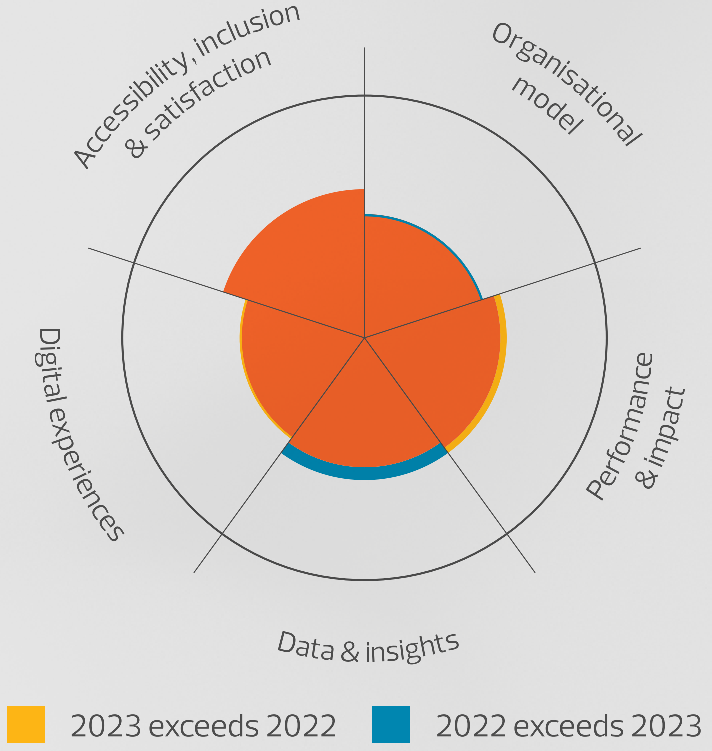
Of fitness & leisure operators, the highest-scoring digital area was **Accessibility, inclusion & satisfaction**. The lowest scoring areas were **Organisational model** and **Digital experiences**.

Data & insights was **–5** percentage points compared to 2022, while Performance & impact was **+3** percentage points.

Organisational model	Performance & impact	Data & insights	Digital experiences	Accessibility, inclusion & satisfaction
47% (–1% vs 2022)	**55%** (+3% vs 2022)	**50%** (–5% vs 2022)	**47%** (+1% vs 2022)	**56%** (Equals 2022)

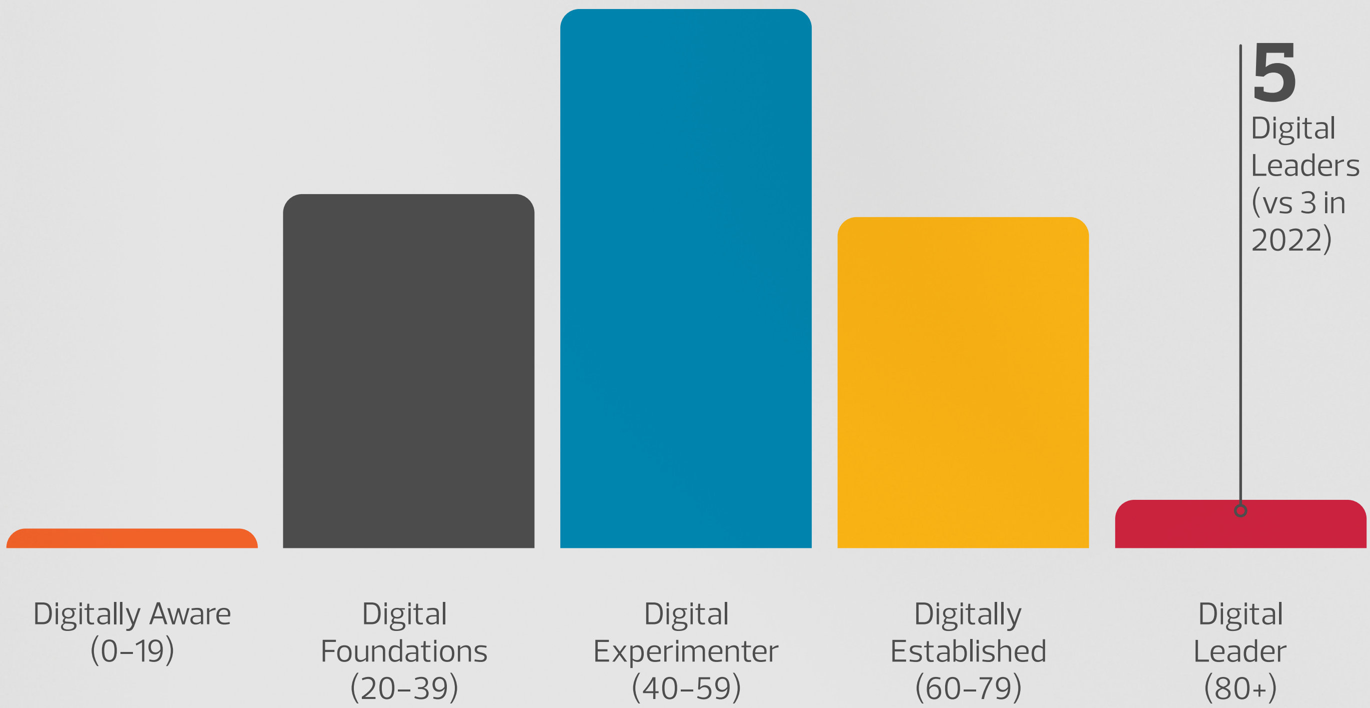
UK fitness & leisure operators (n=136)

Findings



UK fitness & leisure operators (n=136)

The highest overall score was **87%** – one of five **Digital Leaders** (80%+) compared to three in 2022, with the lowest at **29%**.



UK fitness & leisure operators (n=136)

What do this year's scores tell us?

The lower overall score this year doesn't necessarily mean a drop in digital maturity and effectiveness for the sector as a whole. We have had new participants from inside and outside fitness and leisure and a slightly higher participation from smaller organisations, which tend to score lower. And as we have heard before, the greater the level of knowledge on digital, the more accurate and realistic (and sometimes lower) the score.

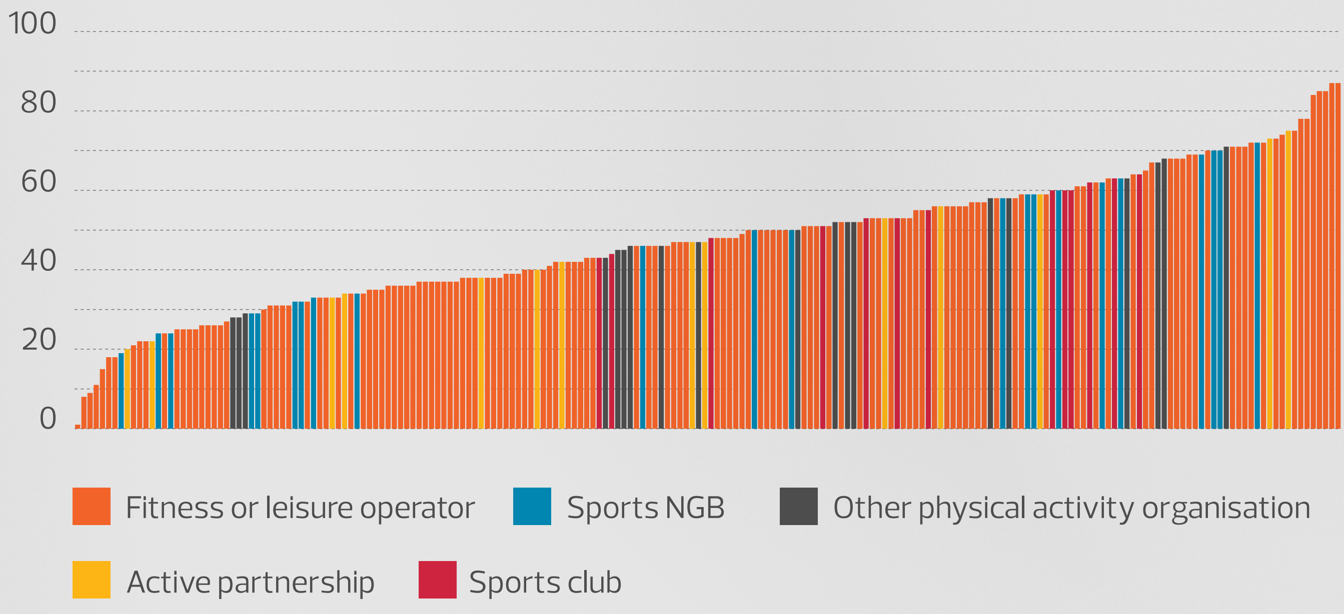
With the influx of new technologies such as generative artificial intelligence (AI) and the increasing volume of data that organisations are collecting, it is likely that people feel more behind, even if they have been progressing in some areas of digital.

Whatever the score, the greater level of participation in this year's consultation demonstrates recognition of the first step in growing digital maturity and effectiveness for nearly 140 new organisations.

Results by organisation type, size and location

Large and private fitness & leisure operators are 'Digitally Established', performing well above the sector average.

UK sports NGBs scored **42%**, Active Partnerships **44%**, sports clubs **32%** and other physical activity organisations **41%**.

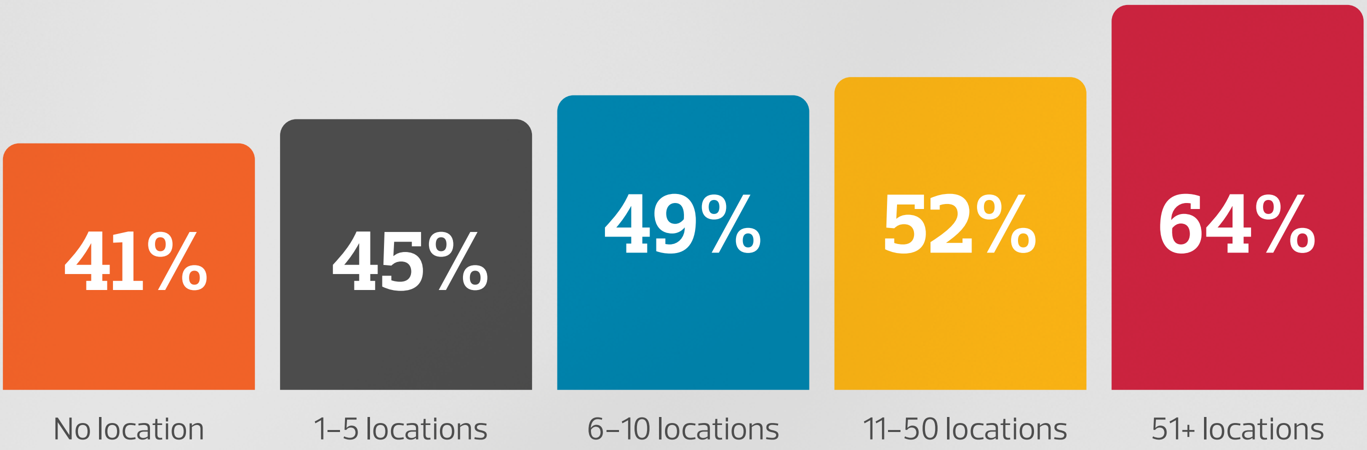


UK participants (n=204)

Of UK fitness and leisure providers, private operators scored highest on average with **65%** (attaining the **Digitally Established** level), trusts **56%**, local authorities **54%** and universities **53%**.

As with previous years, organisations with more physical sites scored higher. Those with 51+ sites scored **64% (Digitally Established)**, 11–50 sites **52%**, 6–10 sites **49%**, 1–5 sites **45%** and no sites **41%**.

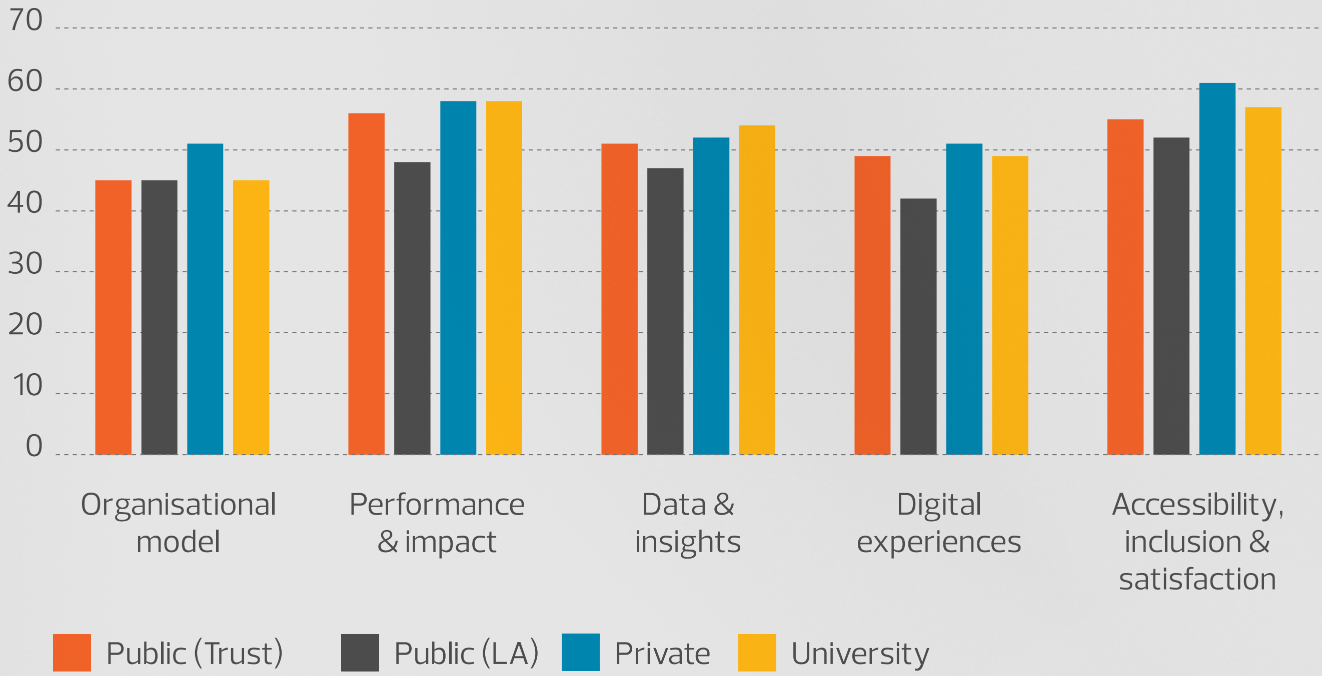
Findings



UK participants (n=204)

This year, organisations operating only in Wales (**49%**) and Scotland (**48%**) outperformed those in England (**46%**) on average. Acknowledgement that the sample set is lower outside of England. Wider participation will reflect true score representation.

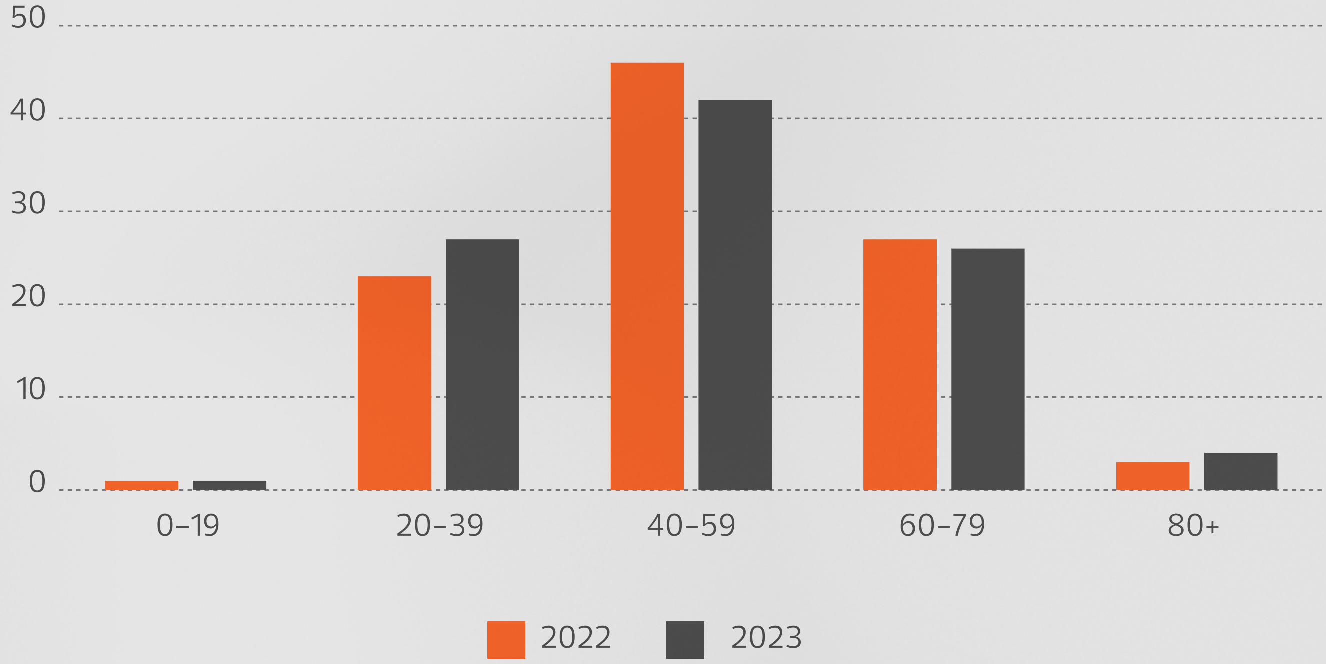
Of fitness and leisure operators, private operators scored higher than public operators and universities for most digital categories, but universities scored highest for **Data & Insights** and matched private operators for **Performance & Impact**.



UK fitness & leisure operators (n=136)

2023 vs 2022

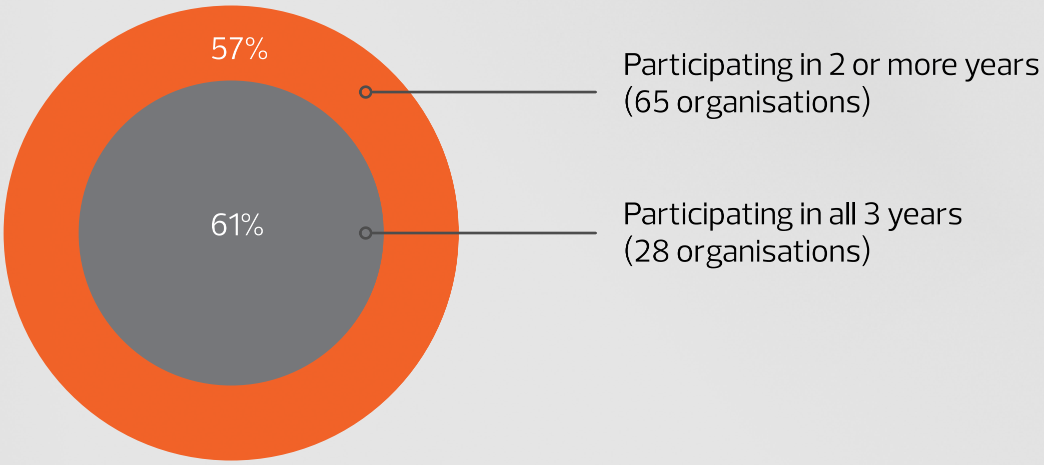
While there was one higher-scoring organisation in 2023, **35%** (and **29%** of fitness and leisure operators) scored less than 40 this year compared to just 24% in 2022.



UK fitness & leisure operators (n=136)

Returning Digital Futures cohort improves maturity scores

The **'Digital Futures Cohort'** is the set of organisations that participated in 2023 and at least once before.



As with last year, the Digital Futures cohort has performed above the sector average, and those participating in both 2022 and 2023 have increased their score by **4%** on average.

Case Study: Everyone Active's 15-year digital transformation journey

The opportunity

We set ourselves a digital mission to create an efficient customer journey to get people active and utilise our facilities at the click of a button.

What we did

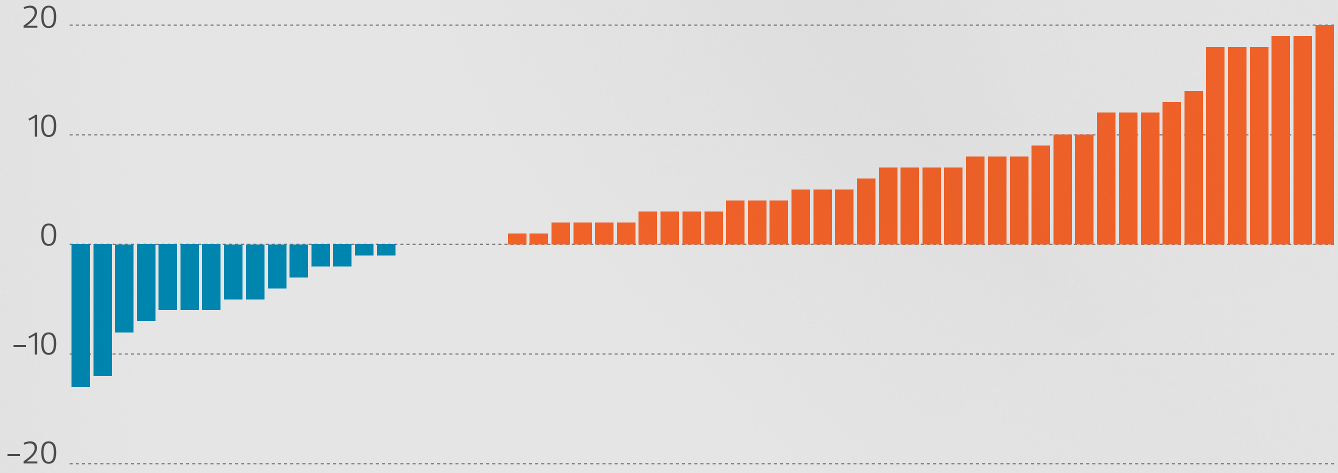
Since 2007, we've had a clear idea of our customers' demographics, the activities they undertake and their motivations. We have become more discoverable, broken-down barriers and increased length of stay by enabling our customers to do everything digitally.

What we get by being part of Digital Futures

Having direct influence on digital's role in driving the sector and our place in it.

Playing an active role in the Digital Futures programme has helped organisations to increase their use of digital and its positive impact on their performance. We encourage more organisations to follow in the footsteps of the Digital Futures Cohort into 2024 and continue to benefit from the support obtained through participation.

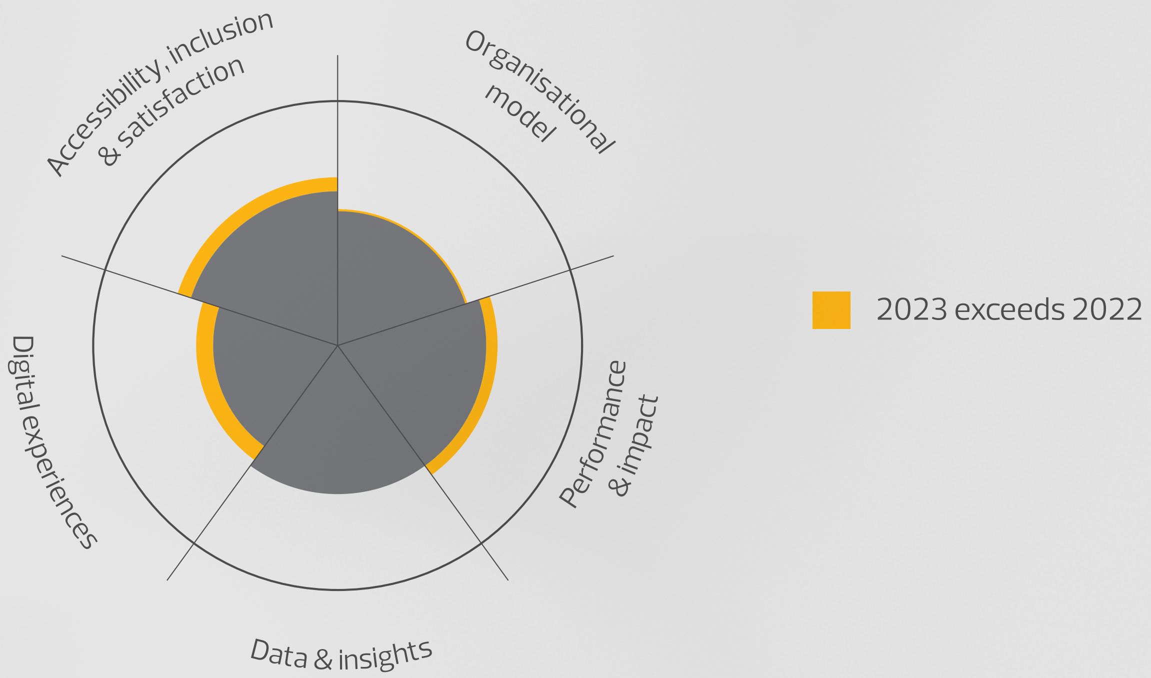
The highest gain in overall score for the Digital Futures Cohort this year compared to 2022 is **+20** percentage points. The highest loss is **–13** percentage points. So, while on average these organisations have performed better, not all have.



Digital Futures Cohort 2022 and 2023 (n=58)

Findings

All areas of digital scored the same or higher on average in 2023 compared to 2022.

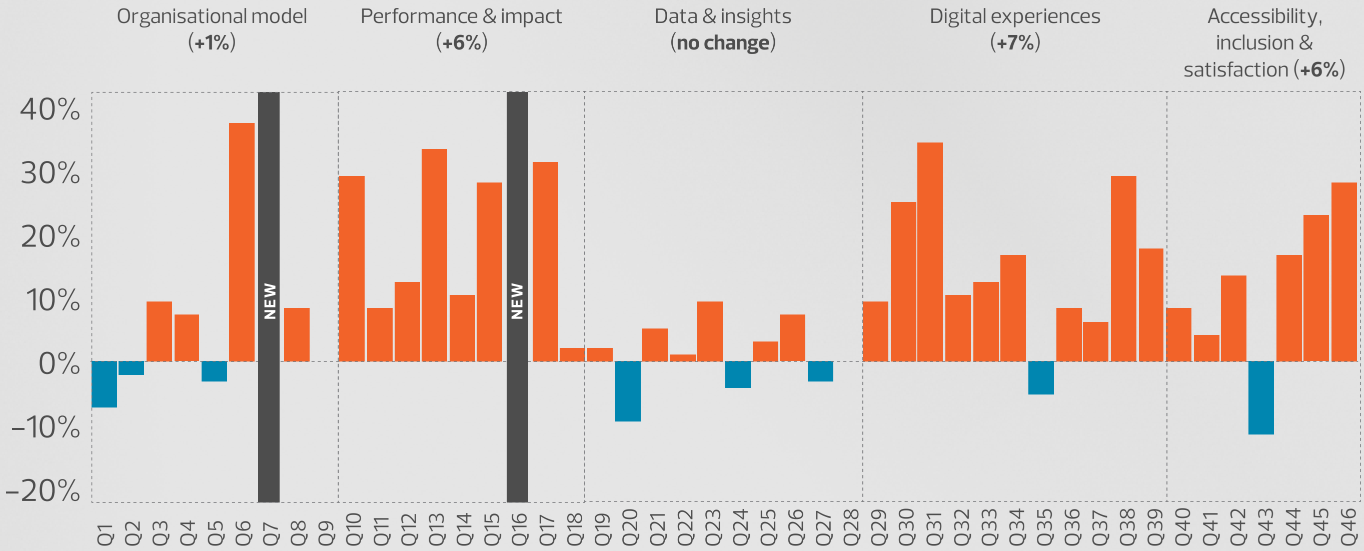


Digital Futures Cohort 2022 and 2023 (n=58)

Scores for some individual questions were lower on average this year, however.

A few highlighted gains and losses:

- Q6 – Do you have a digital strategy? (up **36%**)
- Q13 – How does digital influence participation or engagement growth? (up **32%**)
- Q20 – What do you do with data you collect from audiences? (down **9%**)



Digital Futures Cohort 2022 and 2023 (n=58)

Findings

Organisational model

In Digital Futures, the 'organisational model' measure looks at the structure, culture, people, infrastructure, processes, and plans of an organisation, as fundamental to the success of any digital transformation programme.

Too many organisations are not set up for success

This was the equal-lowest scoring category for fitness and leisure operators, and the lowest for organisations with one to five sites, highlighting gaps in organisational set up and level of digital strategy development.

Overall
45%

Fitness & leisure operators
47% –1% vs 2022

Digital Futures Cohort 22+23
52% +2% vs 2022

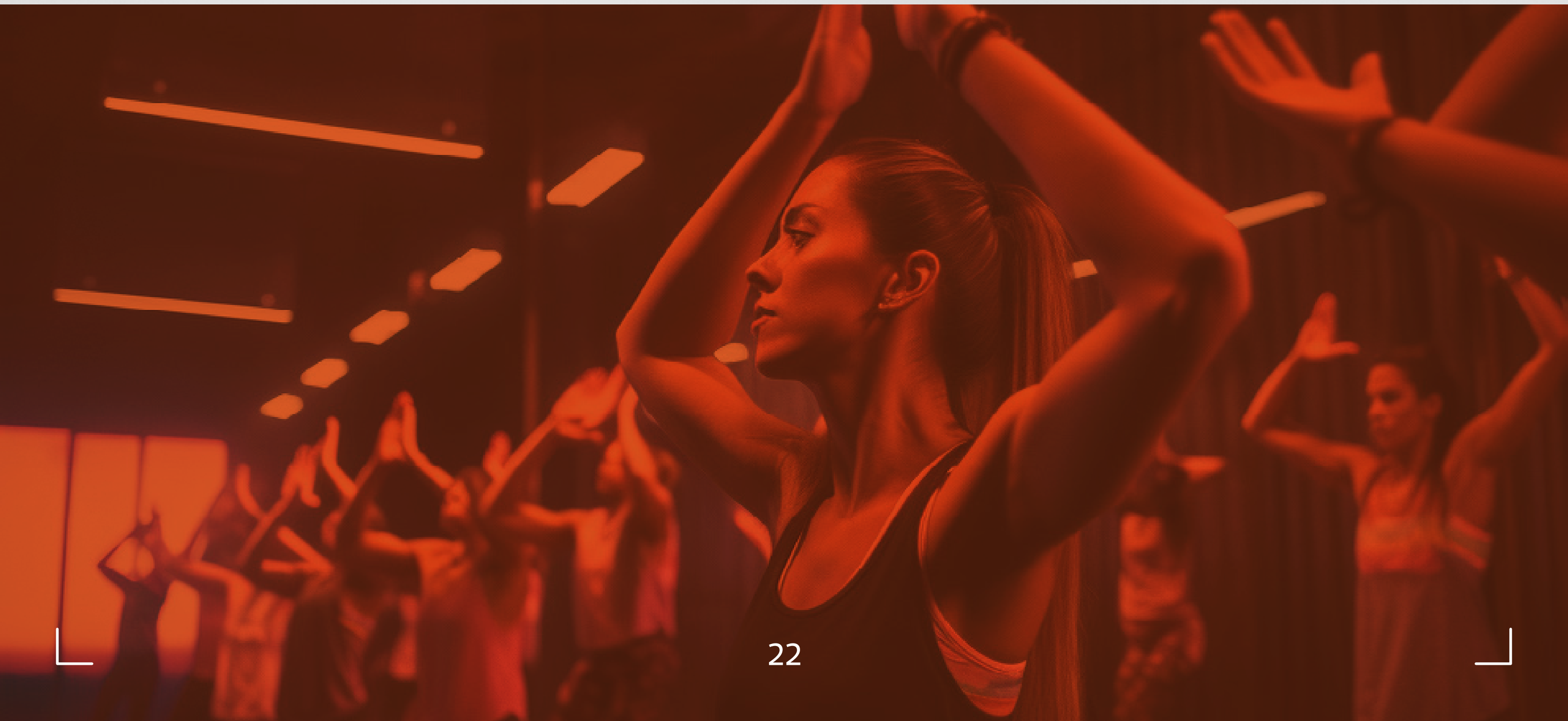
Digital Futures Cohort 3 years
55% +2% vs 2022

Sports NGBs
46%

Active Partnerships
44%

Sports clubs
32%

Other physical activity organisations
45%



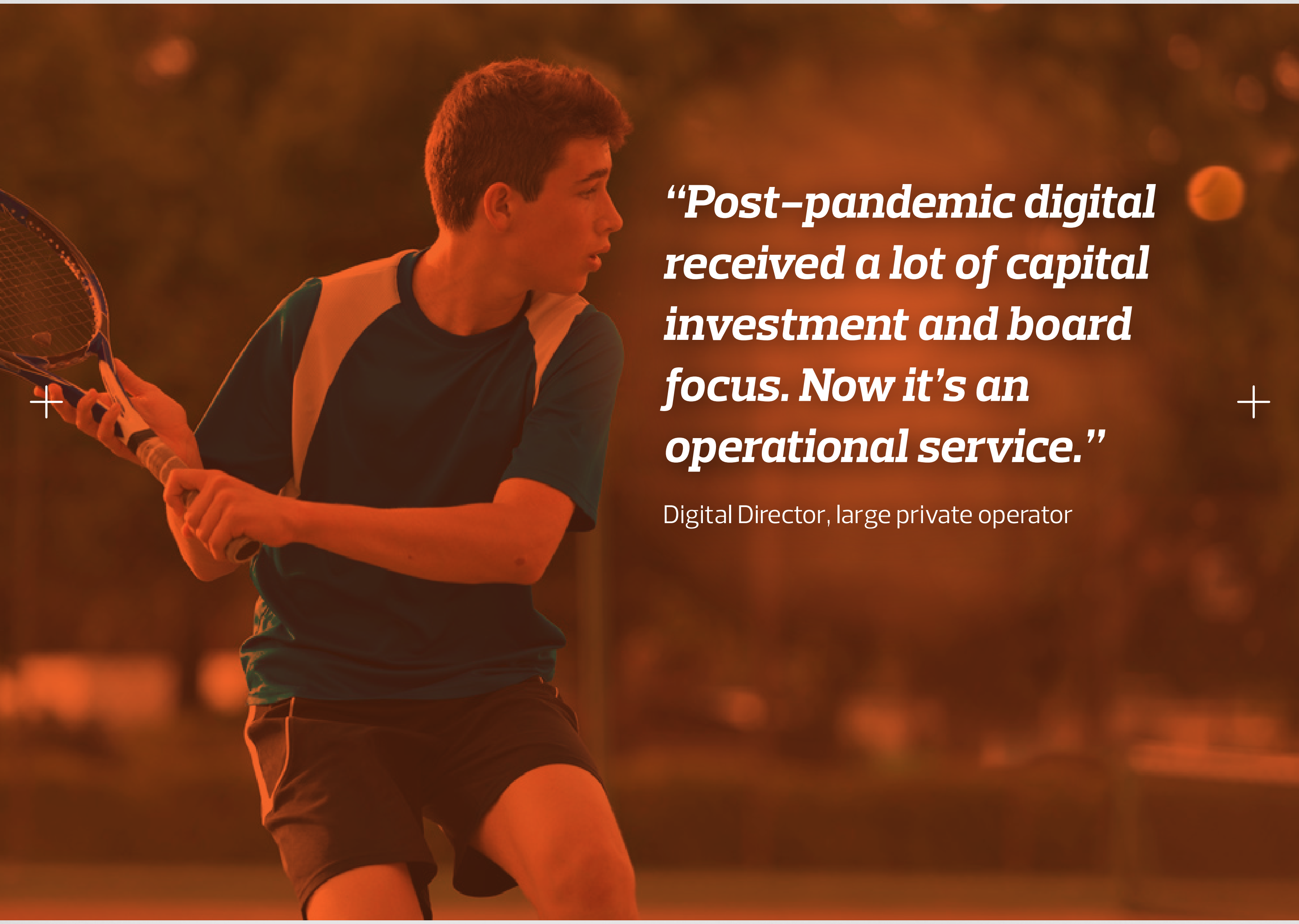
Findings

Digital Skills

48% say a large proportion of their people are 'digitally savvy' and 'digitally skilled', but this rises slightly to **50%** for fitness and leisure operators (compared to 48% in 2022).

Digital is 'business as usual'

38% actively or heavily invest in digital, rising to **44%** of fitness and leisure operators (compared to 46% in 2022).



"Post-pandemic digital received a lot of capital investment and board focus. Now it's an operational service."

Digital Director, large private operator

Challenges remain with the digital literacy and mindset of some leadership teams.

> *"Senior leaders are interested in digital, but don't understand it. They believe they know what they want and get involved in decision making when perhaps they shouldn't."*
>
> ***Head of Digital Engagement for a large sports organisation***

Case Study: Lampton Leisure's digital-first model

The opportunity

When we formed in November 2020, our digital offer was basic and only included a member management system and a quickly thrown-together website.

What we did

We put digital at the heart of our growth. We created a digital strategy to improve our customer journey and internal processes for staff. We then rapidly delivered key digital projects, prioritised to have the biggest impact. Our digital transformation has helped to transform our whole business.

What we get by being part of Digital Futures

Recognising our gaps and where to focus, then seeing our score improve each year.

Findings

Systems still failing the sector?

89% (and **90%** of fitness and leisure operators) say that at least some of the systems they have hold them back (compared to 84% in 2022 and returning to the same level as 2021).

Legacy systems that do not integrate seamlessly with one another and don't fit with today's expectations present both a cost and a logistical challenge, particularly when multiple systems are required to provide the best experiences.

Operators are still finding Leisure Management Systems (LMSs) in particular challenging to work with.

> *"LMSs were originally developed for use by staff, not customers."*
>
> ***CEO, fitness and leisure operator***

> *"Systems not integrating together is the biggest challenge."*
>
> ***CEO, fitness and leisure operator***

There is a cost and resource impact in changing systems but operators that are upgrading to the latest cloud-based versions can better meet consumer needs through quicker deployment, flexibility, reduced costs, and increased insight through scalable solutions to meet the ever-increasing needs of the consumer and business compliance.

Some of the larger operators are conducting bespoke development on platforms that the rest of the sector can then benefit from. In exchange for more cost-effective development and non-exclusivity, they are helping to grow the maturity of platforms for all.

"Since 2006, our collaboration with Gladstone has thrived. In 2024, we're moving to the cloud for improved security, reliability, and capacity planning. We offer diverse services, including theatres, golf, climbing and fitness, we focus on delivering an exceptional user experience. GaldstonePay streamlines member payments , and API integration brings us closer to understanding member habits, nurturing healthier communities."

Ben Beevers, Group Development Director, Everyone Active

5% (and **7%** of fitness and leisure operators) are using machine learning in automation (compared to 8% in 2022).

36% (and **32%** of fitness and leisure operators) do not really know or understand what is out there in terms of emerging technologies such as AI, Web3 and the metaverse.

"We need to sort the basics first – our website is so far behind – but we might adopt new technologies through partnerships with organisations already using them."

Head of Digital Engagement for a large sports organisation

Case Study: Fitness First AI onboarding

The opportunity

To speed up and scale our onboarding process, gain more insights on our members, and support them better over their lifetime with us.

What we did

We trialled the innovative Shosabi AI onboarding platform in our flagship London club for new members – a first in the UK.

What we get by being part of Digital Futures

Learning about our digital maturity and how we can adopt new technologies to maintain a leading place in the market.

Findings

Digital strategy and process

43% do not have a digital strategy but this falls to **36%** of fitness and leisure operators.

> *"Our digital strategy was pivotal to getting buy-in, clarity and momentum in our digital progression."*
>
> ***Charlie Bull, Marketing & Communications Manager, Brio Leisure***

> *"A digital strategy allows you to dream as well as get things done."*
>
> ***Steve Ward, CEO, Newport Live***

While there is progress among some, there is still a clear need to help more organisations create a digital strategy.

Only **16%** say they have a digital strategy that is up to date, complete, ambitious, and supported with a roadmap, but **20%** of fitness and leisure operators and **43%** of the Digital Futures Cohort.

84% (**93%** of fitness and leisure operators) have automated at least some of their processes (compared to 87% in 2022).

36% (**39%** of fitness & leisure operators) have an established approach for innovation (compared to 44% in 2022).

A call for collaboration

A simple and effective approach to supporting innovation at an organisation or whole-sector level is through working in the open. Practising 'open working' we share as we are doing, creating open invites for others to also learn and provide early feedback, re-use if appropriate, and build on to ultimately make better products for our customers. The third sector has a track record of open working and you can read about how non-for-profit organisations have approached this in this Catalyst article.

Provision of digital products dropping

64% provide digital products or services as well as physical ones (compared to 62% in 2022).

In ukactive's Consumer Engagement Polling and Insights survey, September 2023, **50%** of gym or leisure facility members aged 16+ surveyed do at least some of their workouts online, with time and cost savings cited as the top reasons for doing so.

Case Study: Actif Sport & Leisure's digital classes

The opportunity

During the pandemic, our members were left without facilities to stay active. Regardless of these restrictions, many of our communities are rural and in areas of deprivation, finding it difficult to participate within our facilities.

What we did

Actif Anywhere was launched in September 2020, initially offering 25 weekly live-stream classes. With approximately 100 on-demand videos by January 2021, Actif Anywhere became crucial for post-COVID recovery, resulting in a hybrid health and fitness experience. As recovery evolved, livestream sessions were reduced but nearly 300 on-demand videos remain available. The programme now extends to schools and 'hard-to-reach' communities.

What we get by being part of Digital Futures

Growing our digital awareness and skills and being supported to innovate through digital.

Findings

As people return to facilities, some of the virtual services that were provided during the pandemic have been cut back, where demand is low or where there are insufficient commercial returns.

This highlights a need for customer research and analysis to support the provision of digital services. Multiple factors can affect digital product use, from their marketing to the user experience. Implementing customer research prior to and after launch will support the effective delivery of digital experiences to match customer expectations and optimise the outcomes from the investment.

92% (**94%** of fitness and leisure operators) enable their audiences to buy or book products and services online (compared to 90% in 2022).

Digital Futures Cohort

Organisations participating in the programme over multiple years outperform the rest of the sector and have scored higher on average than their previous score.

The 3-year cohort scores **55%** for Organisational model, **+8%** compared to the sector overall.

71% say a large proportion of their people are 'digitally savvy' and 'digitally skilled' (vs 48% of the sector overall).

71% actively or heavily invest in digital (compared to 38% of the sector overall).

82% say that at least some of the systems they have hold them back (compared to 89% of the sector overall).

57% have an established approach to innovation (compared to 36% of the sector overall).

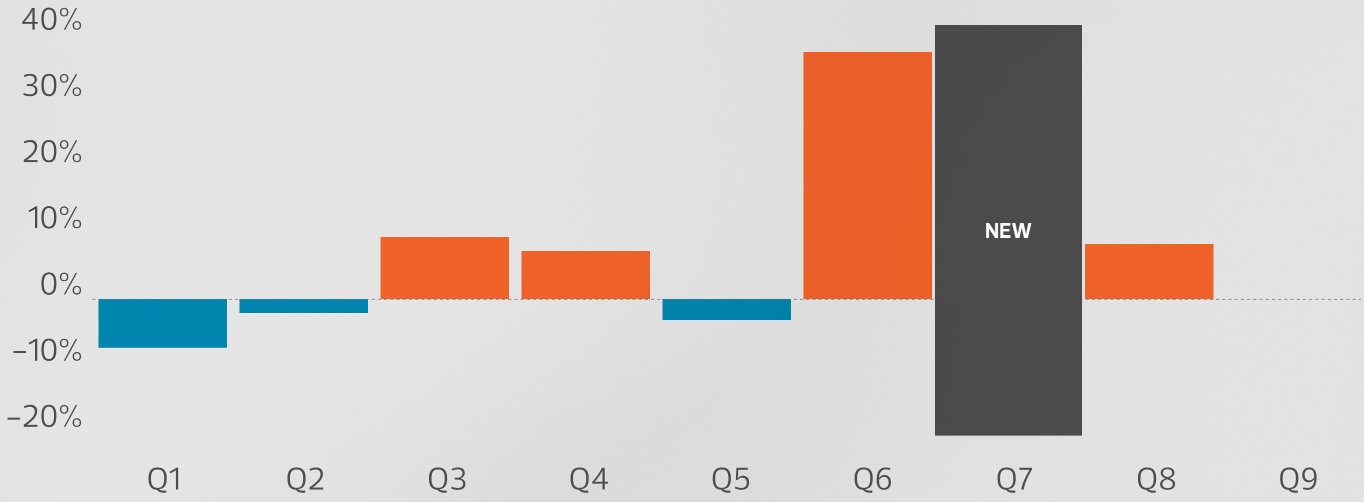
21% do not have a digital strategy (compared to 36% of the sector overall).

100% enable their audiences to buy or book products and services online (compared to 92% of the sector overall).

Participants in both 2022 and 2023 have scored **+1%** for Organisational model compared to their previous score.

Variance by question shows significant improvements in digital strategy (Q6 **+30%**) but also slight falls in some areas, such as digital service provision (Q1 **–7%**).

Findings



Digital Futures Cohort 2022 and 2023 (n=58)

Steps to improve your organisational model

1. Ensure digital is baked into processes organisation-wide
2. Work to improve digital literacy throughout the organisation
3. Invest in systems improvements
4. Develop a robust digital strategy
5. Implement customer research ahead of development

Performance and impact

Digital Futures defines performance and impact as the ways in which digital is contributing to an organisation's commercial, social, and other KPIs. It is not the growth of digital that matters, but the impact it has on metrics such as participation, income, and cost-effectiveness.

Digital is delivering results

Performance and impact saw the greatest rise of all the categories since 2022 and is the highest-scoring category overall, highlighting the growth in confidence that organisations are experiencing in connecting digital and business performance.

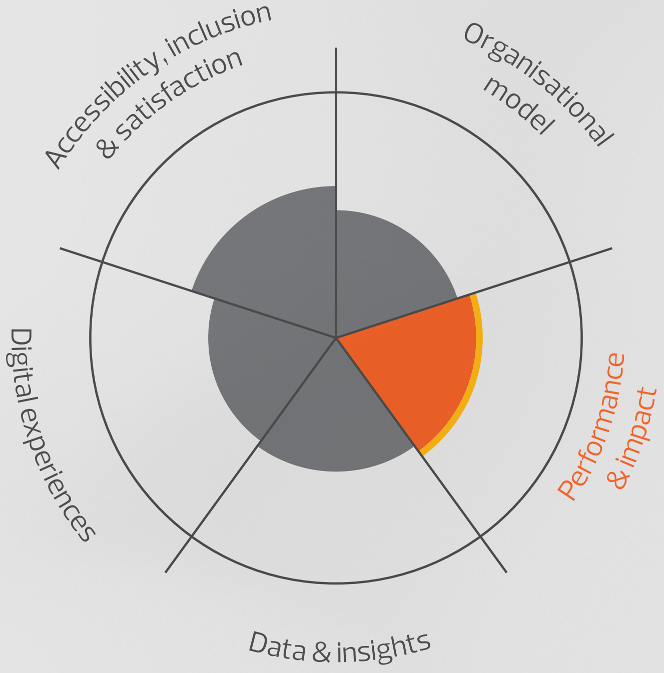
Findings

Overall
52%

Fitness & leisure operators
55% +3% vs 2022

Digital Futures Cohort 22+23
61% +2% vs 2022

Digital Futures Cohort 3 years
65% +2% vs 2022



2023 exceeds 2022

Sports NGBs
51%

Active Partnerships
52%

Sports clubs
42%

Other physical activity organisations
42%

72% (and **77%** of fitness and leisure operators) say their digital experiences play an important role for customers (compared to 63% in 2022).

In ukactive's Consumer Engagement Polling and Insights survey, September 2023, **77%** of members of a gym or leisure facility aged 16+ say they use a digital platform provided by their operator. **16%** of those surveyed reported they do not use the provided platform and **7%** stating that one is not provided by their operator. Younger people are more likely to use one (**84%** of 16–24-year-olds compared to **51%** of 65-74-year-olds).

47% (and **53%** of fitness and leisure operators) say digital accounts for at least half of their revenue (compared to 42% in 2022).

84% (and **88%** of fitness and leisure operators) say they make at least some operational savings through the use of digital (compared to 89% in 2022).

91% (and **93%** of fitness and leisure operators) say that digital helps to increase participation (compared to 91% in 2022).

86% (and **89%** of fitness and leisure operators) say that digital helps to increase retention (compared to 88% in 2022).

85% (and **88%** of fitness and leisure operators) say that digital helps to make a positive social impact (compared to 88% in 2022).

Case Study: Active Partners Trust – Ramadan Recharge

The opportunity

It's important to stay active during Ramadan but it can be difficult to do so while fasting.

What we did

We hosted a series of online learning sessions as a way of connecting through COVID. This led to the development of a collaborative campaign around being active during Ramadan. These sessions continue to be a popular online space for partners to come together on an informal basis.

What we get by being part of Digital Futures

Active Partners Trust is always seeking new ways to enhance our support to local initiatives and highlight the amazing work our partners are doing. The Digital Futures programme supports this awareness to the wider Active partnerships network to share case studies for growth.

Findings

52% (and **47%** of fitness and leisure operators) have made no consideration to the environmental impact of digital technology.

Some, though, have integrated digitisation strategies with their organisation's overall sustainability policy and actively seek to minimise the environmental impact of digital.

> *"We have an Environmental Sustainability Plan which includes how to make digital more sustainable."*
>
> ***Katie Crockett, Marketing and Insight Strategic Lead, Active Partners Trust***

75% (and **76%** of fitness and leisure operators) say their use of digital supports the sector as a whole (compared to 66% in 2022).

61% say that digital will play a critical or central role in their future (compared to 60% in 2022).

Digital Futures Cohort

Organisations participating in the programme over multiple years outperform the rest of the sector and have scored higher on average than their previous score.

The 3-year cohort scores **65%** for Performance & impact, **+10%** compared to the sector overall.

64% say digital accounts for at least half of their revenue (compared to 47% of the sector overall).

97% say they make at least some operational savings through the use of digital (compared to 84% of the sector overall).

86% say that digital helps to increase retention (compared to 86% of the sector overall).

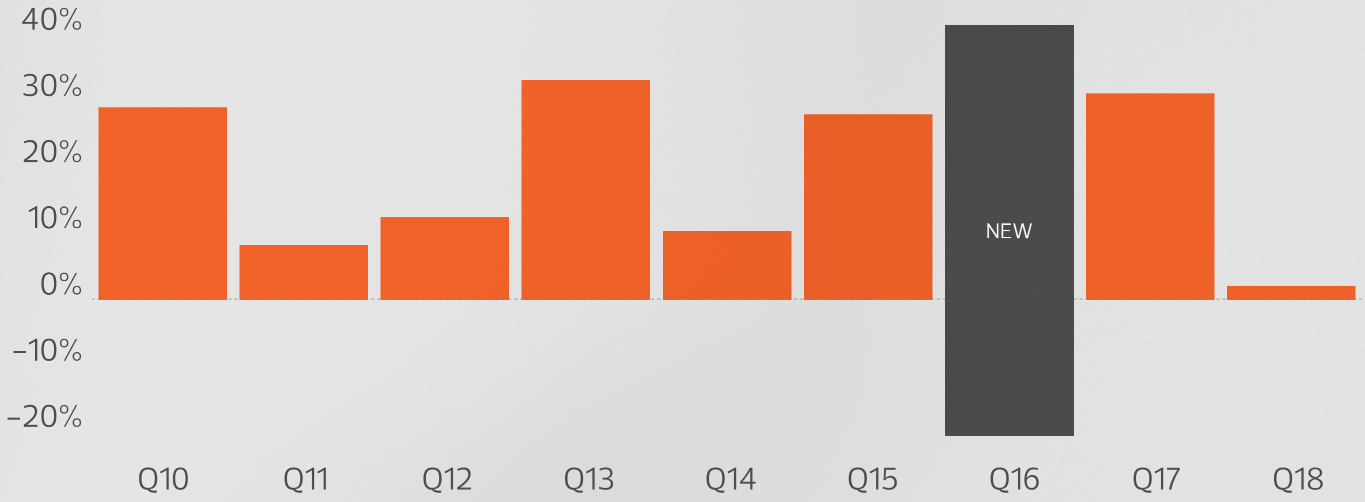
86% say that digital helps to make a positive social impact (compared to 85% of the sector overall).

86% say their use of digital supports the sector as a whole (compared to 75% of the sector overall).

Participants in both 2022 and 2023 have scored **+6%** for Performance & impact compared to their previous score.

Variance by question shows an increase across all measures, with the highest areas being: digital's role in participation growth (Q13 **+32%**), sector influence (Q17 **+30%**), digital engagement (Q10 **+28%**) and social impact (Q15 **+27%**).

Findings



Digital Futures Cohort 2022 and 2023 (n=58)

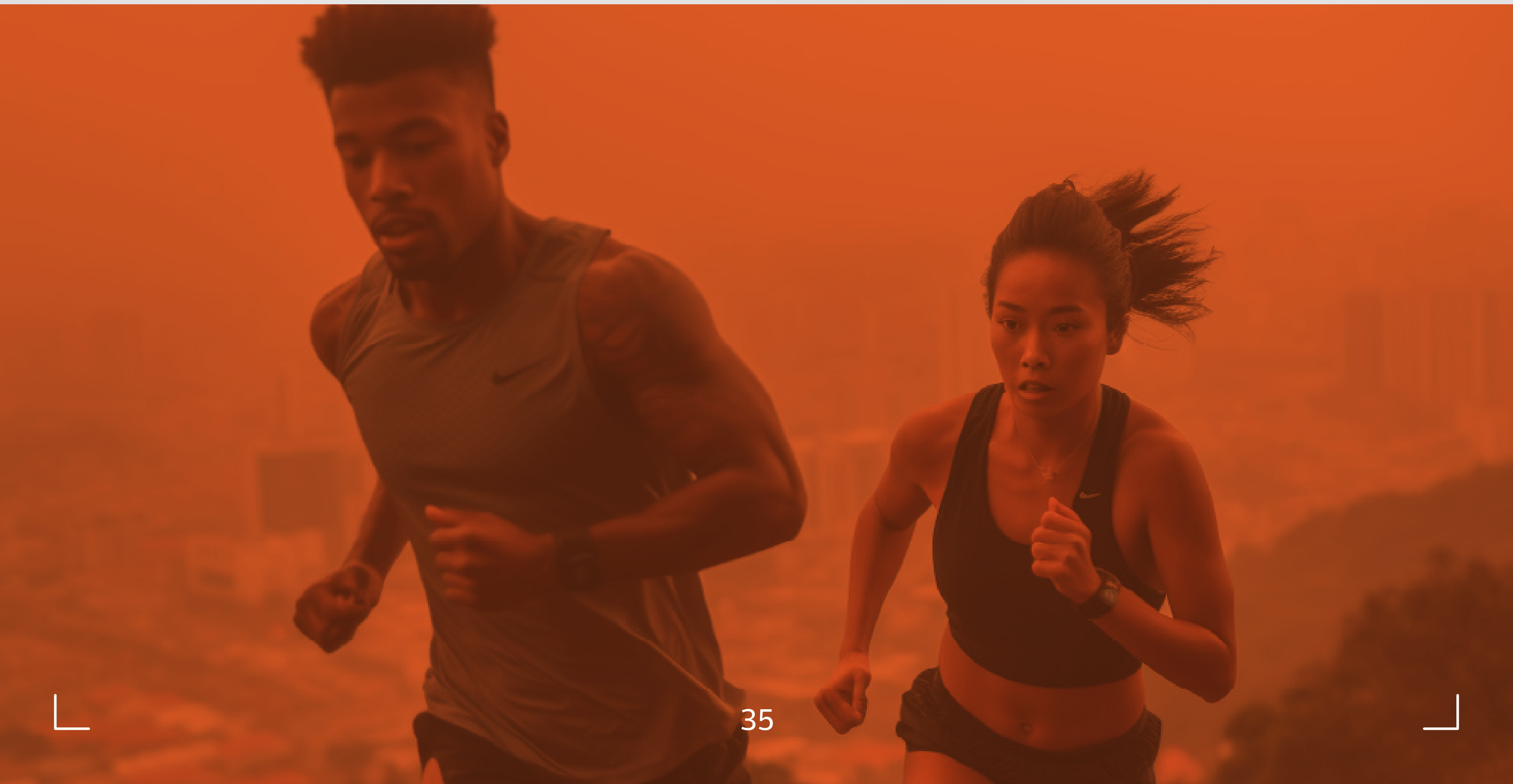
Data and insights

Digital Futures defines this category as the collection and use of data to improve the relevance and quality of consumer experiences and drive value.

Data underpins digital: what is collected and how it is used is fundamental to delivering effective digital experiences, business intelligence, automation, and capabilities for rapid growth.

Organisations are struggling to harness data

This category saw the greatest fall this year, highlighting the challenges in understanding and acting on higher volumes of data.



Findings

Overall
47%

Fitness & leisure operators
50% –5% vs 2022

Digital Futures Cohort 22+23
56% +2% vs 2022

Digital Futures Cohort 3 years
62% +2% vs 2022

Sports NGBs
40%

Active Partnerships
50%

Sports clubs
29%

Other physical activity organisations
40%

87% (and **91%** of fitness and leisure operators) say they provide some personalisation to customers (compared to 92% in 2022).

23% (and **25%** of fitness and leisure operators) say they have a regular 'test and learn' approach (compared to 30% in 2022).

33% (and **36%** of fitness and leisure operators) say they collect audience data consistently and without duplication.

> *"ukactive's Digital Futures programme is crucial for the sector to take advantage of the considerable opportunities that lie ahead through the use of data."*
>
> ***Lucian Weston, CEO, Stretch, and former Director – Digital and Innovation, PureGym***

41% (and **47%** of fitness and leisure operators) say they use data to drive deeper insight on their audiences.

41% (and **46%** of fitness and leisure operators) say they go beyond the basics for data security and privacy (compared to 62% in 2022).

61% (and **73%** of fitness and leisure operators) say they do at least some automated reporting (compared to 73% in 2022).

Findings

31% say they regularly use data to infer or inform trends (compared to 46% in 2022).

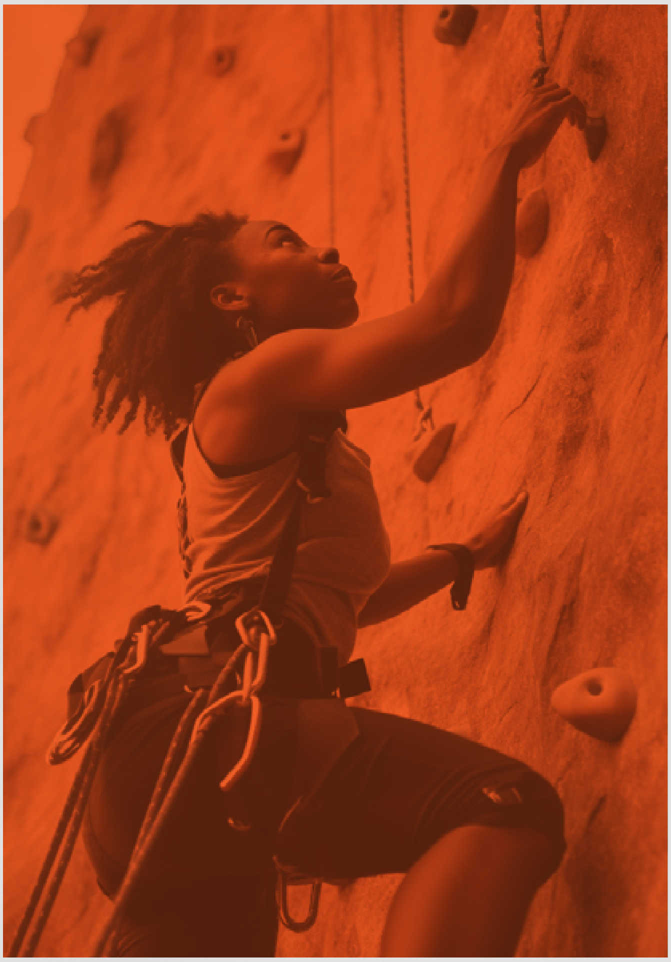
23% (and **32%** of fitness and leisure operators) say they actively maintain and use an up-to-date customer database (compared to 24% in 2022).

48% (and **50%** of fitness and leisure operators) say they know about the needs and expectations of their customers (compared to 52% in 2022).

15% (and **16%** of fitness and leisure operators) say they know about the needs and expectations of target non-customers (compared to 15% in 2022).

33% (and **32%** of fitness and leisure operators) say they consume or publish open data (compared to 40% in 2022).

32% (and **27%** of fitness and leisure operators) were not aware of open data (compared to 23% in 2022).



"Prior to implementing the Legend cloud-based solution in 2022, Loughborough Sport was reliant on an on-premises software solution installed locally on site and were increasingly held back by limited updates and enhancements. By moving to the cloud, Loughborough Sport can now offer students a superior digital experience, benefit from continuous updates and have the ability to innovate continuously into the future for its students."

Joanna Walker – Head of Marketing at Xplor

Open data is data anyone can access, use and share, and there are growing rates of adoption of several open data standards that everyone in the sector can benefit from, these are; OpenActive for session data, Open Referral UK for community services, Active Places for facility data, and 360 Giving for grant making.

"Recent advances in membership engagement technology and AI are making it easier than ever for operators to access and understand their data. Organisations of all sizes can now use these technologies to fully utilise their data – whether analysing sales performance or identifying the most popular classes – to make better-informed decisions in less time. To find out more on how AI and data can support your business view our blog"

Ian Mullane, CEO, Keepme

Digital Futures Cohort

Organisations participating in the programme over multiple years outperform the rest of the sector and have scored higher on average than their previous score.

The 3-year cohort scores **62%** for Data & insights, **+12%** compared to the sector overall.

50% say they have a regular 'test and learn' approach (compared to 23% of the sector overall).

68% say they go beyond the basics for data security and privacy (compared to 41% of the sector overall).

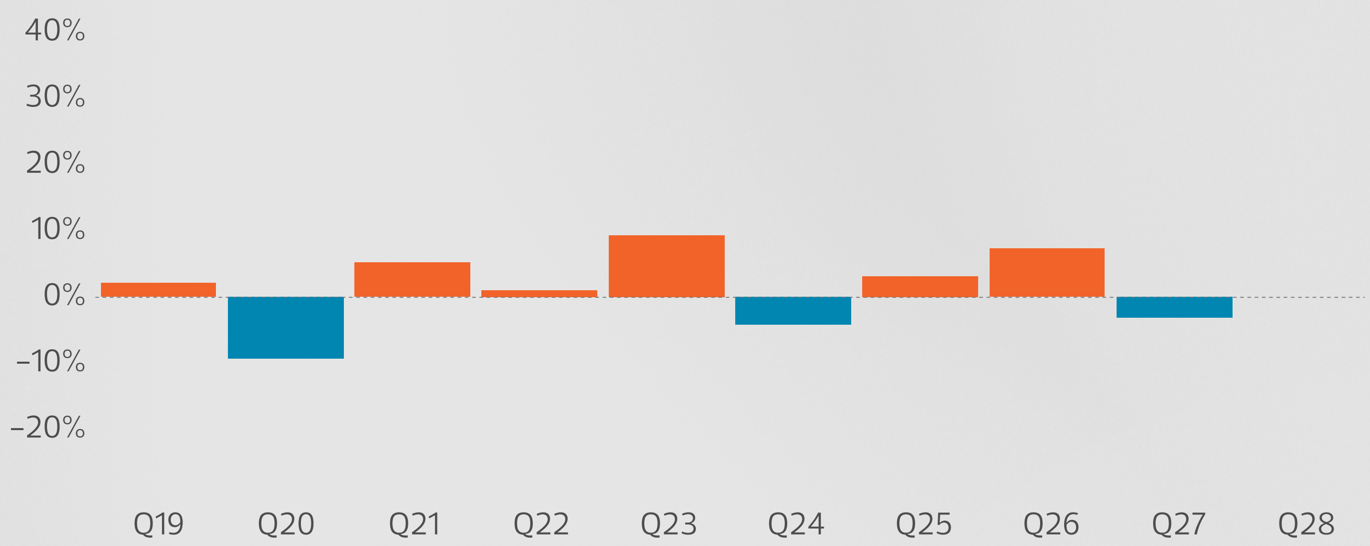
50% say they regularly use data to infer or inform trends (compared to 31% of the sector overall).

68% say they know about the needs and expectations of their customers (compared to 48% of the sector overall).

61% say they consume or publish open data (compared to 33% of the sector overall).

Participants in both 2022 and 2023 have scored the same on average for Data and insights in both years.

Variance by question shows a mix of increases and decreases, notably a growth in personalisation (Q23 **+9%**) and a fall in overall data use (Q20 **–9%**).



Digital Futures Cohort 2022 and 2023 (n=58)

Digital experiences

Digital Futures defines digital experiences as a measure of how rich and thriving the organisation's digital experiences are – the owned and third-party interfaces that consumers engage with. Continuously evolving these experiences to meet the changing needs of target consumers helps these organisations remain relevant.

Experiences are rated low but slowly improving

This was the lowest scoring category overall and equal lowest for fitness and leisure operators (although slightly up on last year). There are still significant gaps in the effectiveness of organisations' websites, apps, social media, email, and other digital experiences.

Overall
42%

Fitness & leisure operators
47% +1% vs 2022

Digital Futures Cohort 22+23
54% +2% vs 2022

Digital Futures Cohort 3 years
56% +2% vs 2022

Sports NGBs
34%

Active Partnerships
35%

Sports clubs
25%

Other physical activity organisations
33%

31% (and **35%** of fitness and leisure operators) say the majority of their digital experiences are joined up (compared to 33% in 2022).

69% (and **65%** of fitness and leisure operators) say the usability of their digital experiences could be improved (compared to 68% in 2022).

In ukactive's Consumer Engagement Polling and Insights, September 2023, **33%** of those who use a digital platform would like it to be easier to log in and book classes.

43% say they do not have much presence on third-party websites or apps or do not know what presence they have (compared to 46% in 2022).

21% (and **32%** of fitness and leisure operators) say connected experiences are an established part of their offering (compared to 32% in 2022).

In ukactive's Consumer Engagement Polling and Insights survey, September 2023, **39%** of those who use a digital platform said they would like to see ways to track progress towards their goals.

66% (and **89%** of fitness and leisure operators) have an app (compared to 80% in 2022).

In ukactive's Consumer Engagement Polling and Insights, September 2023, **52%** use a mobile app with **18%** using a website on their phone and **7%** using a website on their desktop.

20% (and **23%** of fitness and leisure operators) say virtual experiences are an established part of their offering (compared to 23% in 2022).

13% (and **17%** of fitness and leisure operators) say they continually and consistently invest in improving digital experiences and have a clear digital product roadmap (compared to 17% in 2022).

"Reward programmes in leisure and sport are the bridge between maintaining customer loyalty and inspiring healthier behaviours. They draw inspiration from the retail sector's successes as they have refined their approaches through millions of data points over the past 15 years since introduction. This insight has proved that turning active engagement into valuable incentives, will keep your members returning for both the experiences and the rewards creating a sustainable cycle of well-being and health."

David Birch, CEO & Founder Endurance Zone

Findings

38% (and **37%** of fitness and leisure operators) say they are not as active or effective on social media as they could be (compared to 40% in 2022).

"We're always looking at trends on social media, to create media and posts that perform the best."

Emma Davey, Sport Experience Manager, Northumbria University

19% (and **25%** of fitness and leisure operators) say they continuously monitor and invest in how their digital channels are found.

83% (and **81%** of fitness and leisure operators) say their web presence could be improved (compared to 82% in 2022).

71% (and **73%** of fitness and leisure operators) send regular marketing emails or messages (compared to 70% in 2022).

Digital marketing is a fast-moving area of communicating with new or existing members and attracting the right talent to help grow and manage your channels can be a challenge. CIMSPA's Digital Marketing Hub is a free collective resource to help share techniques and grow digital marketing skills in-house.

Digital Futures Cohort

Organisations participating in the programme over multiple years outperform the rest of the sector and have scored higher on average than their previous score.

The 3-year cohort scores **62%** for Digital experiences, **+12%** compared to the sector overall.

46% say the majority of their digital experiences are joined up (compared to 31% of the sector overall).

50% say the usability of their digital experiences could be improved (compared to 69% of the sector overall).

32% say they are not as active or effective on social media as they could be (compared to 38% of the sector overall).

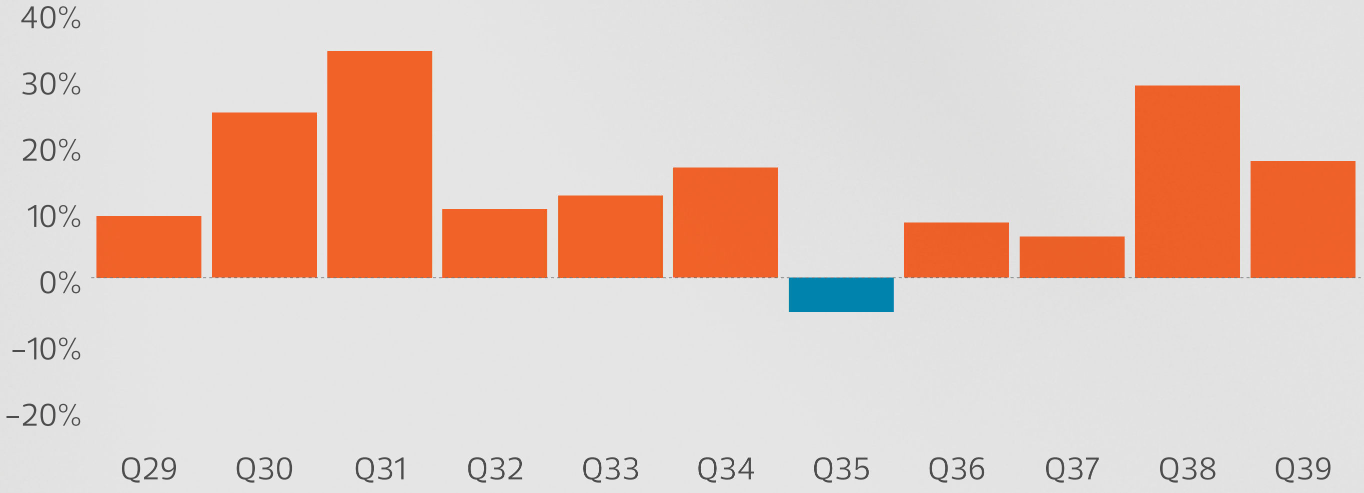
36% say they continuously monitor and invest in how their digital channels are found (compared to 19% of the sector overall).

96% have an app (compared to 66% of the sector overall).

39% say they continually and consistently invest in improving digital experiences and have a clear digital product roadmap (compared to 13% of the sector overall).

Participants in both 2022 and 2023 have scored **+7%** for Digital experiences compared to their previous score.

Variance by question shows the highest increases in joined up experiences (Q31 **+33%**) and third-party presence (Q38 **+28%**) with the only decline seen in connected experiences (Q35 **-5%**).



Digital Futures Cohort 2022 and 2023 (n=58)

"Our customer approach to digital transformation is about co-designing and seeking the most efficient ways for all parts of the business to leverage media and data to enrich consumer experiences and provide enhanced insight."

Ferne Langford, Partnership Group Director, Zoom Media

Accessibility, inclusion, and satisfaction

Digital Futures defines accessibility, inclusion, and satisfaction as digital experiences that welcome, support, engage and satisfy all consumers. Digital is for everyone, so making it work effectively for all audiences is paramount.

Digital drives better experiences for all

This was the top-scoring category for fitness and leisure operators, highlighting the importance placed on this area by them.

Overall
50%

Fitness & leisure operators
56% Equals vs 2022

Digital Futures Cohort 22+23
64% +2% vs 2022

Digital Futures Cohort 3 years
68% +2% vs 2022

Sports NGBs
39%

Active Partnerships
38%

Sports clubs
33%

Other physical activity organisations
44%

Findings

Digital accessibility and inclusion look to target the issues causing the digital divide. This divide is an unintended consequence of progress and development of digital transformation and modern life online. It is crucial to be mindful that when a product, services, or customer engagement touchpoint becomes digital-only, we run the risk of excluding a large proportion of consumers that lack basic digital skills, do not have access to devices or an internet connection, or who have disabilities or conditions that may require accessibility features and tools to support them so they can experience your digital offer seamlessly.

"We sometimes drive forward with our digital platforms, asking people to book online for example, and then we get an influx of people saying: 'We don't have the internet, we don't have a smartphone' etc. We have to make sure that we're not putting up barriers. It's important to have a balance. We have kiosks in one of our centres and staff are on hand to be able to show people how to book that way."

Darren Bowen, Marketing, Training and Digital Improvement Manager, Pembrokeshire Leisure

21% (and **25%** of fitness & leisure operators) say they are talked about a lot online and it is largely positive (compared to 18% in 2022).

30% (and **38%** of fitness and leisure operators) say there are a lot of largely positive reviews and ratings online (compared to 39% in 2022).

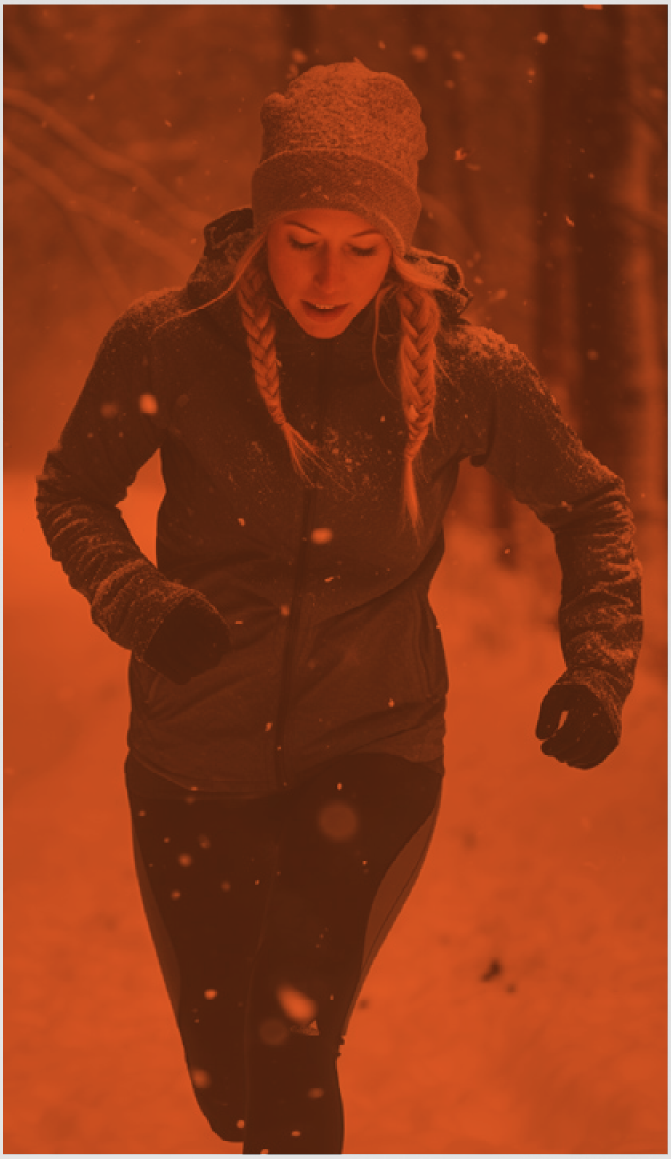
In ukactive's Consumer Engagement Polling and Insights survey, September 2023, **70%** of those who use a digital platform provided by their operator rate it as good or very good.

69% (and **67%** of fitness & leisure operators) say they could do more to welcome and support people who are new to the sector (compared to 70% in 2022).

69% (and **73%** of fitness and leisure operators) run regular customer satisfaction surveys (compared to 69% in 2022).

88% (and **90%** of fitness and leisure operators) say they use digital channels for customer service (compared to 94% in 2022).

81% (and **78%** of fitness and leisure operators) say they could do more to make their digital experiences more accessible (compared to 83% in 2022).



Case Study: Good Boost gives more access to fitness and leisure through tech

The opportunity

People living with long-term health conditions, particularly those with musculoskeletal conditions such as arthritis and back pain, need to stay active but aren't always supported through regular leisure services.

What we did

We pioneered the use of AI personalisation technology to deliver community rehabilitation, health, and wellbeing services via rugged waterproof tablets in leisure centres, gyms, and swimming pools across the UK.

What we get by being part of Digital Futures

It helps us to identify fitness and leisure organisations that will benefit from adopting our solutions for their community.

Findings

64% (and **73%** of fitness and leisure operators) say they offer at least some support or alternate means to digital engagement (compared to 59% in 2022).

> *"People first experiences, supported and enhanced by digital, not digital only."*
>
> ***Director of Marketing, large franchise operator***

The digital divide is a growing area of concern, especially as more people could experience digital poverty due to the cost-of-living crisis. Designing and testing services with a diverse group of users is important to highlight any digital steps that might have been overlooked, or might need changing, additional support, or alternative, offline processes.

Digital Futures Cohort

Organisations participating in the programme over multiple years outperform the rest of the sector and have scored higher on average than their previous score.

The 3-year cohort scores **68%** for Accessibility, inclusion & satisfaction, **+12%** compared to the sector overall.

39% say they are talked about a lot online and it is largely positive (compared to 21% of the sector overall).

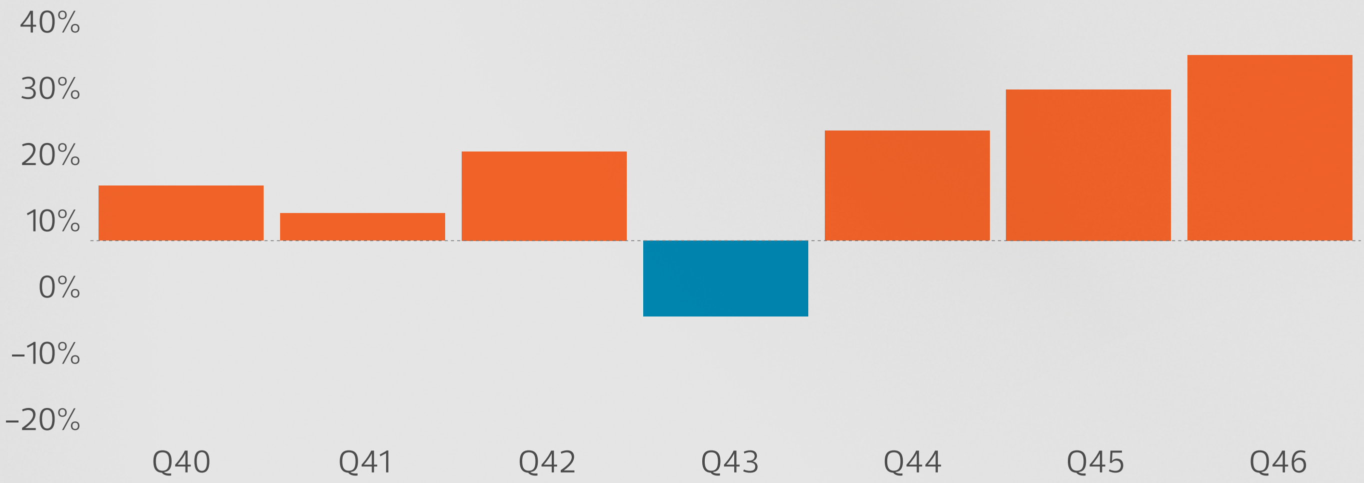
43% say there are a lot of largely positive reviews and ratings online (compared to 30% of the sector overall).

54% say they could do more to welcome and support people who are new to the sector (compared to 69% of the sector overall).

89% say they offer at least some support or alternate means to digital engagement (compared to 64% of the sector overall).

Participants in both 2022 and 2023 have scored **+7%** for Accessibility, inclusion & satisfaction compared to their previous score.

Variance by question shows an increase for most measures, with the highest for end-to-end customer journey (Q46 +**27%**) and a fall for the use of customer service (Q10 **–11%**).



Digital Futures Cohort 2022 and 2023 (n=58)

The next 12 months

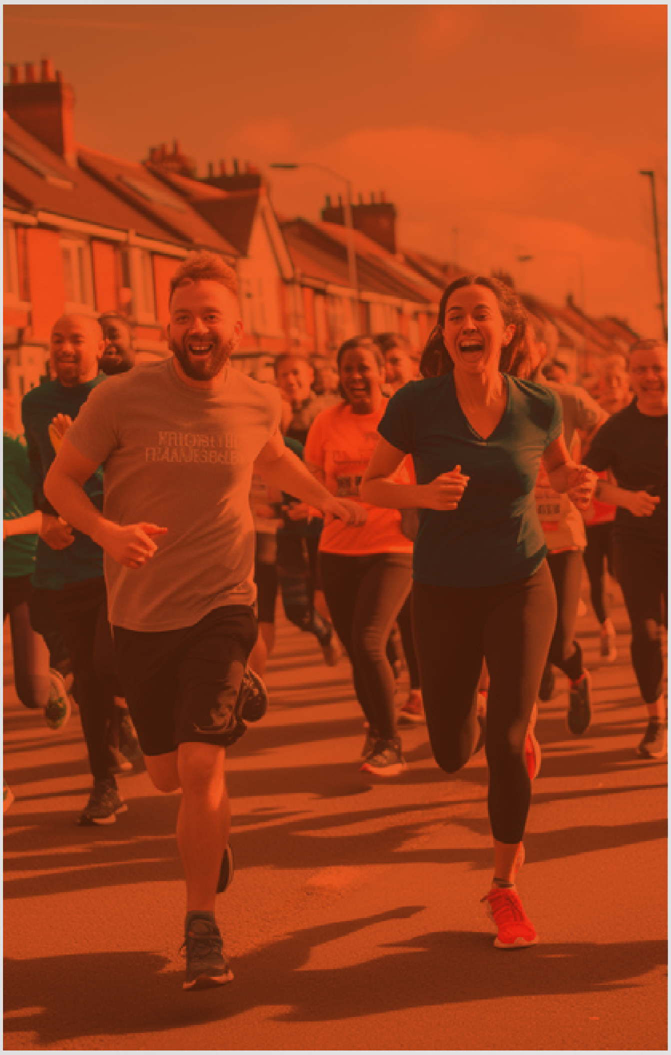
Organisations stated the following as their top 3 priorities over the next 12 months:

- Improve our website, online presence, or social media (73%)
- Invest in our digital or data infrastructure or systems (62%)
- Use data insights effectively to improve services or operations (61%)

AI was also raised as a common theme in organisation's priorities too.

Fewer organisations stated the following as their top priorities over the next 12 months:

- Hire digital roles (12%)
- Support staff to work remotely without compromising wellbeing (17%)
- Focus on the sustainability for digital products and services (26%)
- Improve our data security, privacy or GDPR compliance (32%)
- Grow digital skills on our board and leadership team (32%)
- Support our audience with digital skills (32%)



Sector comparison

The sector is not not alone in facing today's economic and technological challenges, and we can learn from other sectors in how they are advancing their use of digital. In previous years we have looked at the experience of the retail sector, which throughout the pandemic made swift advancements in digital transformation. Within this year's report, we also look to the charity sector whose workforce skills challenges and socially driven purpose align closely with our own, as exemplified in Sport England's strategy, Uniting the Movement. In future reports, we will seek further lessons from other sectors.

"We're looking at AI integrations to start making time savings and improving the customer and staff journeys. It doesn't necessarily mean you've got to make someone redundant; it often means that you then redeploy staff to spend more time with customers and improve the customer experience even more."

Simon Bailey, YMCA St Paul's Group

“We’ve not done much with AI yet but are curious about it and we’re looking at how it could impact what we do.”

Emma Davey, Sport Experience Manager, Northumbria University

“Since 2006, our collaboration with Gladstone has thrived. In 2024, we're moving to the cloud for improved security, reliability, and capacity planning. We offer diverse services, including theatres, golf, climbing and fitness, we focus on delivering an exceptional user experience. GladstonePay streamlines member payments, and API integration brings us closer to understanding member habits, nurturing healthier communities.”

Ben Beevers, Group Development Director, Everyone Active

Across all industries, emerging and advancing technologies are a central focus of the digital discourse around the world. A report for the retail sector released by Honeywell and OnePot, ‘Navigating the AI Revolution’, found that 59% of organisations in the retail sector in EMEA and the US say they are planning to deploy AI in the next 12 months. Our report finds that 16% of respondents are currently using AI in day-to-day operations (compared to 27% of charities), while 36% do not really know or understand what is out there, and 33% are aware of the technology but are waiting to see what their peers do.

‘McKinsey Global Survey on the state of AI shows that the proportion of responding organisations adopting AI more than doubled from 20 percent in 2017 to 50 percent in 2022. The 2022 survey also indicated that adopting AI can have significant financial benefits: 25 percent of respondents attributed 5 percent or more of their companies’ EBIT to AI. However, organisational, technical, ethical, and regulatory issues should be resolved before businesses can realise the technology’s full potential.’

Findings

In the UK, the Federation of Small Businesses (FSB) chose to focus on innovation as a wider, more nuanced opportunity. In its 2023 'Tech Tonic' report, the FSB found that 69 per cent of small businesses have introduced a new form of innovation in the past three years and that on average, those who did saw their revenue increase by 14.8 per cent. Meanwhile, 55% of Digital Futures respondents say they are advancing or advanced in digital (compared to 48% of charities in the 2023 Charity Digital Skills Index).

> *"We've traditionally lagged behind other sectors. Constrained resources have meant a limited array of software providers and slow speed of development. Now, with multiple larger operators in both public and private sectors, and a realisation that technology is a prerequisite of success, there is increased supplier competition, and more momentum."*
>
> ***John Oxley, CEO, Life Leisure***

More organisations in our sector than charities consider the following as key priorities over the next 12 months:

- Improve our ability to respond to emerging digital trends and opportunities (+20% compared to the charity sector)
- Invest in our digital or data infrastructure or systems (+17%)
- Further improve, develop, or scale digital services (+14%)
- Create a digital strategy / integrate digital into our organisational strategy (+10%)

However, organisations in our sector put less of a priority on improving their data security, privacy or GDPR compliance (-14% compared to the charity sector).

Findings

"Perfect Gym's open platform strategy has been built to enable clients to take control of their digital ecosystem as they successfully navigate their migration on to a cloud-based solution. Ensuring a seamless and secure transition, eliminating disruption, and maximising the benefits of a modern platform to their business operations has become business as usual for Perfect Gym and our forward-thinking clients."

Peter Croft, Chief Strategy Officer, Perfect Gym

Summary

We are delighted that participation has more than doubled in this year's digital consultation compared to 2022.

While the average score overall was four percentage points lower than last year, for fitness and leisure operators the score equals that of 2022, and the Digital Futures Cohort has improved its scores considerably.

Within the **Organisational model area**, there are still gaps in skills and mindsets, the level of digital strategy development, the capabilities of systems, and the adoption of new technologies.

In **Performance and impact**, we have seen the greatest rise in scores from 2022. More than half, though, have made no consideration to the environmental impact of digital technology.

In **Data and insights**, we have seen the greatest fall this year, highlighting the challenges in understanding and acting on higher volumes of data and the skills to manage and utilise to meet consumer needs.

Digital experiences was the lowest scoring category. There has been some growth but there are still significant gaps in the effectiveness of organisations' websites, apps, social media, email, and other digital experiences.

Accessibility, inclusion, and satisfaction was the highest scoring category, recognising that digital drives better experiences for all.

While organisations in our sector perceive themselves as more advanced in digital than charities do, their adoption of AI, for example, is far behind.

We are delighted with the significant increase in engagement and progress in digital that we have seen this year, despite clear gaps and areas of improvement. We will continue to support organisations across fitness, leisure and sport in their digital growth and look forward to continuing momentum into 2024.

Recommendations

Overview

This year's consultation has highlighted the need to provide practical support for organisations to grow their digital maturity and effectiveness and better meet the growing needs and expectations of the consumer. ukactive's Vision 2030 strategy sets out to increase participation and achieve more than five million new paying members by 2030, and Sport England's 'Uniting the Movement' seeks to ensure that we are collectively investing time and energy to reduce the inequalities that exist in sport and leisure. If we are to achieve these aims, we must begin to show sector-wide year-on-year improvements in how organisations harness digital.

The Digital Futures Cohort has demonstrated that being part of this programme is having a positive impact on each participant's digital maturity and effectiveness, and its ability to keep pace with the consumer.

We encourage all organisations to follow in the footsteps of the Digital Futures Cohort by completing the score tool to receive a digital score, working through the recommendations in this report, and participating in future consultations. Together, we move towards our digital future.

"We'd love to join a network of digital professionals in the sector to ask and give advice and work together on common challenges."

2023 participant

Recommendations

In 2021, we identified two key themes: **collaboration** and **simplification**.

Collaboration was about organisations working more closely together with each other, with platform providers and other third-party providers, with local authorities, NGBs and Active Partnerships.

Simplification was about reducing complexities in the sector, such as the volume of different membership types and products, disparities across different local authorities, and maintaining multiple versions of platforms.

In 2022, we provided organisations with clear actions they could take to improve their digital maturity and effectiveness, through the introduction of 12 recommendations to deliver **organisational excellence** and exceptional **customer experience**.

This year, while we acknowledge some organisations have made leaps forward, there is still a large part of the sector that needs more support – even those at higher levels of maturity.

The support that is needed varies depending on the type of organisation and digital maturity stage. But what is clear is that to best support all consumers, as a sector we need to advance our **data use** as its availability offers significant opportunity and to improve **inclusivity** to benefit both the individual and commercial viability.

We also recognise that there are a number of barriers outside of individual organisations' control that need addressing. We continue to work with suppliers, local authorities, and other parties to ensure the most fertile environment for organisations to grow their digital maturity and effectiveness.

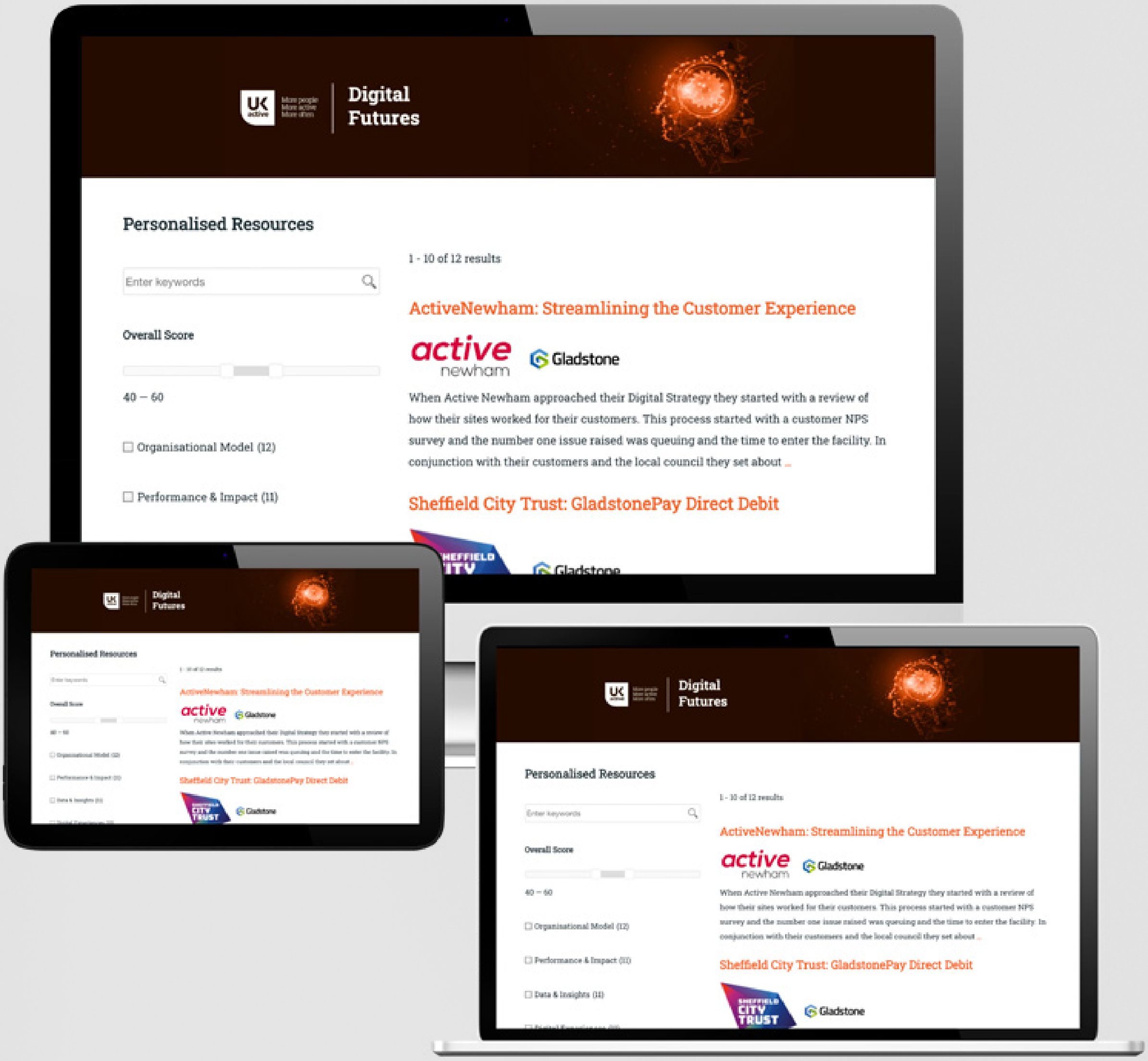
"Where do we go for independent advice?"

CEO, fitness and leisure operator

Personalised Resource Library

Coinciding with the launch of the 2023 Digital Futures report, we are pleased to announce a new, free, online resource for all participating organisations.

The Digital Futures personalised resource library includes white papers, case studies, reports, videos, useful links, and online tools that are tailored to your score and type of organisation.



To access the library, simply log in at digitalfutures.ukactive.com with the email address and password you created when you accessed the score tool.

If you have not yet participated, you can complete the survey, get your digital score, and access the library at the link above.

If you have already participated but not yet received your score please click this link and we will resend it: digitalfutures.ukactive.com/resend.

Recommendations

If you are a supplier with relevant resources to help organisations in the physical activity sector to grow their digital maturity and effectiveness, and would like these to be considered for inclusion in the library, please complete the form at digitalfutures.ukactive.com/supplier.

If you are having any issues accessing or using the library, or have feedback or suggestions, please contact Dave Gerrish, ukactive Strategic Lead – Digital: davegerrish@ukactive.org.uk

"It's encouraging to see over 60% of organisations reporting a dedication to improving their ability to respond and engage with emerging digital trends and opportunities, as they can have a profound effect on performance and business results."

Ollie Bell, Co-Founder and CEO, Roster

Start with a digital strategy

61% of organisations said that digital will play a central or critical role in their future but only 16% have a digital strategy that is up to date, complete, ambitious and supported with a roadmap.

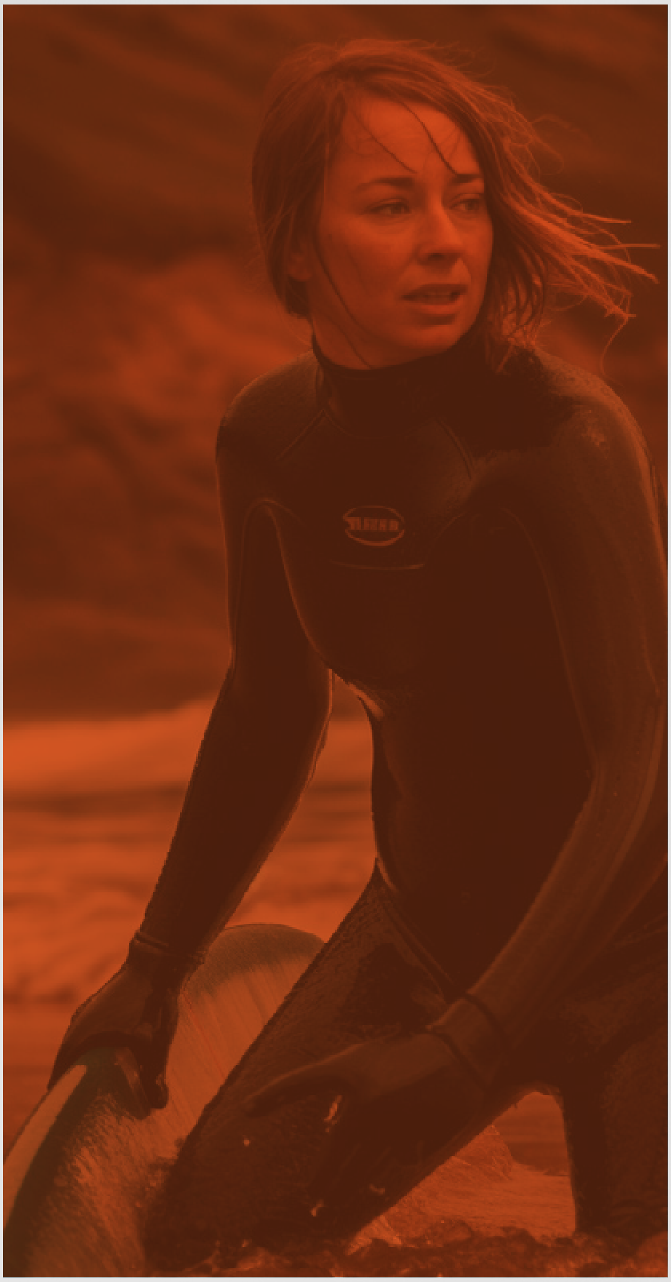
Putting a strategy together is the first step towards growing your digital maturity and effectiveness. There is no one-size-fits-all, but one common factor is that a digital strategy should connect and be embedded within your overall business or leisure strategy, because digital is a critical enabler of the change and impact you seek to make.

How to develop your digital strategy

1. Get input from across the organisation. Digital is not just the responsibility of the digital or marketing team.

2. Create a living, shared online document that is easy to digest, understand and maintain. Ideally showing connections to your organisation strategy, not separate plan.

3. Establish a digital vision that everyone can get excited about and want to work towards.



Recommendations

4. Make sure that what you do with digital and how you prioritise it is tied back to organisational goals. Do not chase after the latest shiny technology.

5. Conduct research with existing customers, as well as target customers and those with additional or alternative accessibility needs, to ensure that your strategy is aligned with their needs, expectations, and priorities.

6. Establish a digital roadmap that is achievable, not just a wish list with clear links to resources and skills needed.

7. Revisit your digital strategy at least quarterly, to ensure you are considering market, consumer, and organisational changes.

Read our white paper on digital strategy for more tips and examples.

Update your score anytime

To measure year-on-year growth of digital maturity and effectiveness through the Digital Futures initiative, ukactive members will be able to complete an annual survey, receive their score and be supported with recommendations.

In addition, organisations can get an initial or updated score instantly, anytime, to benchmark with their past performance and access relevant resources, personalised to their new score.

Rewrite Digital also offers all organisations a free 30-minute consultation to discuss their digital score and has been helping organisations to develop and implement their digital strategies. Contact Jon Reay at Rewrite Digital for more: jon@rewritedigital.com

Fitness and leisure operators

Whatever type of operator you are, our overall goal is the same – providing opportunities for more people to be more active, more often.

Smaller operators have fewer resources and it can be hard to compete with larger operators, particularly private ones. There are ways though, with smart use of digital, to stand out and punch above your weight. Social media, for example, has been deployed effectively by some small operators to grow their acquisition and retention.

Most operators are dependent on their Leisure Management System and other third-party platforms but that does not mean it should limit your capabilities and ambition. Maintain an open dialogue with your suppliers and push them to understand your needs and to enable the features you need.

It may seem more cost-effective to keep maintaining legacy systems rather than undertake a major upgrade or platform switch, but it would not be in the long-term. Suppliers will find it hard to support old versions of their products and will devote most of their investment in their new versions. Ensure that you have a plan at least to move to the latest cloud-based platforms within the next three years if you have not already done so.

Invest in your people too, taking into consideration your workforce's digital skills, mindsets, and education. Digital is ever evolving and even the most user-friendly platforms can require training to get the most out of their performance. Regularly consulting staff on their training needs and investing in their education can support overall profitability.

It may be that your needs are similar to peers in non-competing areas. Can you collaborate, save on costs, or pool your demands on suppliers?

Local authority-run operators have further challenges, often competing with 'higher priority' services and ever-diminishing funding. Maintain constant dialogue with council powers to ensure that your needs are understood and considered. It may be that more independence, rather than money or resources, will be of greater benefit.

University operators also have competing requirements with central services of the university. Your needs will be different, particularly if you are open to the public, so it is about ensuring the right balance of shared and independent services.

Sports organisations

The needs for sports NGBs, Active Partnerships, sports clubs, and other physical activity organisations are diverse. For example, if you engage primarily with other organisations (such as sports clubs) rather than directly with consumers, your use of digital will be different, but not necessarily any less important. There is often an educational role you can play in ensuring that the organisations you represent (e.g. sports clubs, community groups or fitness and leisure providers) are aware of how they can use digital to best meet their goals.

You may also provide a central platform that enables your representees to work together, reduce their costs, provide better experiences to end users (e.g. sports club members and people looking for activity providers in their area) and increase your access to data.

Sports organisations have been included in the Digital Futures programme for the first time this year and are an essential part of the physical activity ecosystem. Working together to grow the sector's digital maturity and effectiveness will benefit organisations, consumers, and society.

Suppliers to the physical activity sector

Suppliers are enablers of digital maturity and effectiveness for the sector and are intrinsically linked to the success of digital transformation in the sector.

However, 89% of participating organisations say that at least some of the systems they have hold them back.

What can suppliers do to provide the best platform for digital growth?

Recommendations

- Understand the needs and priorities of all your customers.
- Identify needs that are shared among multiple customers to share cost and return.
- Collaborate with each other to combine efforts and deliver products that do not only work in silo.
- Use your greater knowledge of digital and the sector to provide strategic direction.
- Educate and train your customers on making the most of your products and the return on investment.
- Provide resources for the personalised resources library (digitalfutures.ukactive.com/supplier).
- Help to break down the barriers of complexity faced by organisations.
- Use digital scores to better support your customers to grow their use of digital.
- Become a Digital Futures partner to enhance your connection with the sector and the long-term effectiveness of the programme.

Digital maturity and effectiveness stage

Based on your overall score, you can see here what may help you get to the next stage of digital maturity and effectiveness. Note that your exact situation may be different to the typical scenario represented here but it should be helpful as a guide on where to focus.

DIGITALLY AWARE (SCORE OF 0-19)

Typical scenario:

- No digital strategy.
- Unable to determine the performance and impact of digital.
- Minimal customer insights.
- Unavailable or outdated digital experiences.
- Little consideration for digital accessibility and inclusion.

To get to the next stage:

- Develop a digital strategy and roadmap.
- Assess the current skills within your organisation.
- Measure the impact that digital is making on your organisational goals.
- Use a variety of data collection methods to capture the needs and expectations of your current customers and target non-customers.
- Ensure that your website supports acquisition and engagement with your audiences.
- Learn how to make your digital experiences accessible and inclusive.

DIGITAL FOUNDATIONS (20-39)

Typical scenario:

- Low digital knowledge.
- Recognition of digital's importance for the future.
- Inconsistent or duplicate data.
- Basic digital experiences in place.
- No regular customer satisfaction surveys.

Recommendations

To get to the next stage:

- Invest in training and/or recruitment to boost digital skills.
- Identify how digital can positively impact organisational goals.
- Consolidate or connect multiple data sources.
- Cleanse or update old or incomplete data.
- Develop new or enhanced digital experiences.
- Establish a regular programme of user research, such as customer satisfaction surveys.

DIGITAL EXPERIMENTER (40–59)

Typical scenario:

- Some digital knowledge but more needed at senior levels.
- Digital is already making a positive impact.
- Not currently getting collective meaning or value from data.
- Some digital experiences need improvement.
- Inconsistent online/offline experience.

To get to the next stage:

- Establish understanding and buy-in of digital within the leadership.
- Build measurable and meaningful business reporting from data.
- Analyse and interpret insights to make service improvements.
- Support your digital teams by prioritising the improvement of internal processes and infrastructure to drive efficiencies.
- Develop improvements to your core digital experiences.
- Ensure that your digital experiences are accessible and inclusive.

Recommendations

DIGITALLY ESTABLISHED (60–79)

Typical scenario:

- Digital is embraced and supported at all levels of the organisation.
- Clear measurement and optimisation of digital performance.
- Manual reporting and acting on data.
- Maintains a programme of continual digital experience improvement.
- Accessible and inclusive digital experiences.

To get to the next stage:

- Make digital one of the key pillars of your organisation's overall strategy.
- Prioritise impact on your organisational goals through digital.
- Develop automated, real-time reports.
- Automate and personalise communications and processes based on data insights.
- Develop digital experiences that people get nowhere else.
- Ensure that your experiences at every touchpoint are joined up and meeting the needs of your customers.

DIGITAL LEADER (80+)

Typical scenario:

- Digital is at the heart of the organisation's overall strategy.
- Digital is a significant driver of performance and growth for the organisation.
- Automated reporting and use of data.
- Sector-leading digital experiences.
- Joined-up, consistent experience online or offline.

To maintain leader position:

- Seek inspiration from outside the sector to refine your roadmap.
- Continually optimise processes to improve performance.
- Use AI to understand and apply increasingly smarter use of data.
- Identify and adopt new channels and partnerships to improve experiences.
- Actively bring your customers on the digital journey with you.
- Design personalised digital experiences based on real-time customer feedback.

Our digital future

In the face of rapid technological advancement, we have a significant opportunity in the sector to steer our organisations towards a more digitally integrated future, leveraging data, analytics, AI and cloud-based technologies to enhance operations and customer experiences.

The value of data and analytics cannot be overstated. By understanding consumer behaviour, preferences, and usage patterns, we can make informed decisions that lead to more engaging and satisfying experiences. This insight-driven approach empowers us to refine offerings and adapt to evolving needs. With less than a third of respondents to this year's survey regularly using data to infer or inform trends, and only 15% understanding the needs and expectations of their target audience, there is a substantial opportunity to improve in this area.

Whilst it's clear from this year's report that the sector still feels that their systems are holding them back, the latest generation of cloud-based software platforms now available in the market will enable a step change once they are fully deployed across the sector. Cloud solutions offer scalability, flexibility, and accessibility, allowing us to operate with greater agility. This shift will continue to streamline operations, improve customer experience and open up new avenues for growth and innovation.

Interoperability between different systems is a cornerstone of this transition. Traditional, monolithic software platforms which attempt to solve every problem for every customer will always be limited in their flexibility. However, by leveraging more modular software solutions which focus on addressing specific needs and connecting them together effectively, we can create a toolkit that aligns perfectly with our unique business requirements. Membership management, booking, analytics, and customer relationship systems can work in harmony, enhancing efficiency and helping us to better understand the needs of our customers and prospective customers.

If you have not yet looked at cloud-based solutions I would recommend speaking with your current enterprise solution provider or contact Leisure Labs for impartial advice.

Alex Peacock, Co-founder, Leisure Labs

Conclusion

This is the third report into the sector's digital maturity and effectiveness, and we have seen a huge leap in participation, as well as an expanded pool of participants – including sports organisations and international organisations for the first time. It is an important step towards making this an increasingly inclusive and representative report. As you will see within your own organisations, including a more diverse data set identifies new areas of need, helping us to better serve the sector in our mission to get more people, more active, more often.

While the overall score across all participants has dropped by four points, the increase in score for fitness and leisure operators, paired with the greatest rise seen in the 'performance and impact' measure, demonstrates a growing confidence in the sector. This is evidenced when benchmarked against the charity sector, despite charities demonstrating a greater willingness to try new technologies.

There is much to be gained from considering AI and other digital technologies that are gaining relevance swiftly across all industries, not least by improving productivity throughout operations and in supporting personalisation. But it remains imperative to serve the consumer need first through inclusive and user-friendly digital experiences. Undoubtedly, challenges remain with legacy systems and integrations, but through collaboration, upskilling, and utilising data to better understand consumers, these barriers can be broken down. However, while it has been noted anecdotally in interviews that data is a key driver to enhancing services, at a sector-wide level there are challenges in understanding how best to harness this invaluable resource.

Looking to other sectors, there is evidence of the great benefits of implementing a collaborative approach through open working and open data, sharing and improving performance as a whole. By engaging with the Digital Futures programme, we hope that you will continue to become better informed and in turn, provide your front-line insights for the benefit of all.

While the results show that the sector as a whole remains at Digital Experimenter level and there is much to do to progress with digital evolution, it is very encouraging to see that ongoing participation in the Digital Futures programme is having a significant positive impact on the digital advancement of those taking part. In interviews, participants have welcomed the opportunity to benchmark their

Conclusion

digital health against others, providing an evidence base for investment and the encouragement to do better in a competitive landscape.

For those who are new to the process, be emboldened by the fact that in taking that first step you are already better informed and can use the resources provided in this report and by our partners to help you to advance your digital journey.

> *"The growth in participation and the increased digital maturity of the industry is a positive step in the right direction. Today's consumers expect a personalised solution tailored to their needs, lifestyle, and aspirations, available exactly when and where they desire it. This applies to many different industries and of course also to fitness and wellness. Digital is no longer a competitive advantage but is becoming a condition to satisfy consumer needs. This defines a totally new business scenario in which partnership becomes fundamental to be able to manage complexity and personalisation. At Technogym we continue to invest heavily in innovation to make our ecosystem a powerful tool for operators to offer consumers unique and personalised experiences and to maximise their business performance."*
>
> ***Nerio Alessandri, Founder and CEO, Technogym***

We encourage all fitness, leisure, and sports organisations to join us for the Digital Futures programme in 2024. Together, through greater use of digital, we can achieve our shared ambition to get more people, more active, more often.

References

Digital Futures exists to help steer your digital transformation in the right direction, providing knowledge, tools, and access to support and guide you towards your digital North Star. Throughout this document we have outlined a range of resources, reports, and examples which we collate here for reference.

Digital Futures resources

Personalised Resources Library

ukactive digital paper – Safeguard the future of the tness and leisure sector with digital strategy – Your Digital Health Matters

ukactive digital paper – Digitally Fit – Rising to Consumer Demand for the Connected Digital Experience

ukactive digital paper – Successful digital partnering

Cross-sector resources

2023 Digital Global Snapshot – We Are Social/Hootsuite

Retail Week Digital Spend Report

Retail Week – What can we learn in delivering e-commerce local delivery services

McKinsey – What every CEO needs to know about generative AI

McKinsey – The economic value of Generative AI

Considerations – cloud computing

ITBrief – The factors that will shape cloud computing 2023

commercetools – Migrating to the Cloud

Inclusion

Digital inclusion how to guide by Good Things Foundation

Government Checklist for Digital Inclusion

Digital Poverty Alliance Global Community Hub

ukactive EDI microsite

Accessibility

AbilityNet – What is Digital Accessibility?

Digital Accessibility Centre

References

Digital skills training

Digital Marketing Hub – CIMSPA

Lloyds Bank Academy.

Open data

OpenActive

Open Referral UK

Active Places

360 Giving

Participating in the Digital Futures study gives you access to a benchmarking tool, further guidance, and a consultation with Rewrite Digital for a deeper analysis of your digital metrics. Find out your digital score here.

With thanks

This year's digital review of the sector would not have been possible without the generous support of the following organisations:

Sport England
For funding, promoting, and consulting throughout.

Digital Strategic Partners
For their continued funding and support on this and other ukactive programmes.

Digital Contributor Partners
For their continued funding and contribution on this and other ukactive programmes.

Big Bee Content
For editing the content of this report and co-creating other Digital Futures publications.

Participating fitness and leisure operators
For contributing to interviews and surveys.

ukactive

ukactive is the UK's leading not-for-profit membership body for the physical activity sector, bringing together more than 4,000 member organisations and partners in our shared ambition to get More People, More Active, More Often.

From gyms, leisure centres, studios, sports bodies, and other activity providers, to major health bodies, consumer brands, tech firms and equipment manufacturers, our community collaborates across the private, public and third sectors.

ukactive facilitates high-impact partnerships, conceives and drives breakthrough campaigns, conducts critical research and lobbies the Government to recognise the power of the physical activity sector to address today's biggest issues. For more information visit www.ukactive.com

Rewrite Digital

Rewrite Digital is a strategic consultancy that helps organisations keep the pace of digital change. Its comprehensive framework for measuring digital maturity and effectiveness enables organisations and sectors to see where they are now, where they need to head and benchmark themselves with peers and over time.

Rewrite Digital has partnered with ukactive and the Digital Futures programme since 2021 to conduct annual digital reviews of the fitness and leisure sector, report on the findings and support the sector and individual organisations to grow their use of digital.

Rewrite Digital also works with the likes of Digital Leaders and Lloyds Banking Group to support greater digital adoption from all organisations and their people.