Managing a successful health club requires a mosaic of skills. A key part of becoming an exceptional manager is being receptive to new ideas; filtering out those ideas that are not quite right for your business, while enthusiastically embracing those that will enhance the club experience for members and staff.

Often, valuable insights do not filter into the public domain and so are lost to managers seeking ways of making their club flourish. So, for the first time, thirteen leading sector specialists share their experience in a unique book. Open any chapter to gain invaluable insights into:

- Market positioning
- Member profiling
- Team building
- Innovating
- Club finance
- Leading teams
- Managing a crisis
and much more.

Implement any of the book’s 65 key actions and begin the journey today of turning your club into an environment where staff love turning up for work and where members become your biggest fans.
A new book is born

The UK health and fitness industry has a present value of £2 billion with 2,890 private clubs serving 4·2 million members. Factor in a further 2,596 public fitness centres with 2·8m users and the market size reaches seven million, which equates to 12% of the UK population. Some managers are now running £10 million health clubs with 120 staff. However, you would be mistaken if you felt that bookshops were wall-to-wall with specialist books to support them in running a great club. Instead they rely on general management books supplemented with in-house training.

I believed it was time that managers could refer to a book that was written by industry specialists with an intimate understanding of this sector. So, for the first time, 13 recognised sector specialists have agreed to share their experience and insights. Whether you are just embarking on your leisure management career or are a seasoned club operator, there will be valuable insights for you to implement. If, after reading this book, you believe there are no immediate improvements that you can make to your health and fitness facility, then send it back to me for a full refund.

I sincerely hope that this book serves to stimulate some new insights that you will translate into compelling management actions.

Ray Algar, MBA, MA
Managing Director
Oxygen Consulting
Precor is delighted to support this new management book, the very first of its kind for club owners and managers operating in the UK fitness industry today.

Precor has always believed that looking after members so that they feel valued is fundamental to the fitness industry. Clubs that focus on nurturing members throughout their membership lay the foundations for lifelong participation in exercise. Being attentive to members’ needs, showing a genuine interest in their goals and helping them to achieve these through target setting, monitoring and feedback are a few of the essentials to achieve satisfied members.

This exciting new book addresses the many challenges faced by club management at every stage of business development. Written entirely for the UK fitness market, it offers insights and advice from experienced individuals with considerable knowledge of the fitness industry. By also drawing on the successes of other business sectors you are armed with best practices and new management information to assist your own strategic decision-making.

Precor has always been at the forefront of innovation and creativity. Its long and successful association with the fitness industry globally is the result of its passion and determination to exceed member expectation. Our ability to deliver innovative and intuitive fitness equipment is only part of the challenge for us. Equally important is an integrated vision, which includes the best business strategies, operational decisions and teamwork. When we combine revolutionary equipment with unrivalled service and new advances in entertainment and operational technologies we deliver greater member satisfaction and maximum business success.

The future of fitness is about the experience and to provide the best experience for members it is important that the entire fitness offering is superior in quality and consistent in delivery. I am sure you will welcome this publication as much as I do and will find the information you need to succeed in your business. I wish you well.

Nick Gilchrist
Managing Director
Precor Products Ltd
Acknowledgements

My sincere thanks to all the authors who worked so diligently and under demanding deadlines to produce such great content. I also wish to thank Precor, our sponsor, whose contribution has allowed us to maintain the book at an affordable price.

‘Over the past 20 years, I have watched our industry flourish. However, the timeless challenge for all operators remains: how do we attract members to our clubs and keep them coming back? I am sure many of us will find Mastering Health Club Management, with its numerous contributors, a highly useful reference as we embrace and respond to the dynamic change facing our industry.’

Dave Courteen
Managing Director, Fitness Express

Contributing authors

Mr Ray Algar,
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Ray Algar has worked in the ‘active leisure’ industry since 1982. He founded Oxygen Consulting in 2004 which provides strategic insight to a range of organisations connected to the global leisure industry. Ray is an international speaker on health and fitness trends and contributes thought-provoking articles to a range of business and consumer publications including the Economist publication, Intelligent Life and Leisure Report. He is also the Deputy Chairman of Wave Leisure Trust which operates five health and leisure centres in East Sussex. Ray holds an MBA from Kingston Business School and a Masters degree in Marketing from the University of Greenwich.

Mr Chris Ayres,
Operations Director, Greens Health & Fitness (De Vere Group)
Chris joined the De Vere Group in 1993 where he has been involved in a variety of corporate acquisitions, divestments and restructuring projects including the 1995 acquisition of Boddingtons, which included Village Leisure. Chris has been a Director of De Vere Hotels and Leisure Ltd since 1996. A key responsibility has been the development and rollout of Greens Health & Fitness. As at June 2006, there were 15 Greens clubs across England. Chris holds an MBA from Manchester Business School.

Ms Tory Brettell,
Managing Director, Traffic Health & Fitness
Tory has more than 20 years’ leisure industry experience. She established Traffic Health & Fitness to offer professional support and advice on all matters relating to operating health clubs. Tory has held roles as a Physical Training Instructor in the Women’s Royal Navy and was formerly a Group Manager for Whitbread Hotels. Her European experience included responsibility for 49 clubs with Balance Fitness Services (now Elixia). Tory’s company also owns and operates its own health club in Hampshire. Tory has a Diploma in Leisure and Business Management and attended leadership courses at Ashridge Business School.

Dave Courteen
Managing Director, Fitness Express

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Mr David Minton, Managing Director, The Leisure Database Company
David is a health and fitness analyst, adviser and real industry enthusiast. With 30 years’ experience in the health and fitness industry and as Managing Director of The Leisure Database Company, he holds a unique insight on developments in the sector. Consequently, a broad collection of global leisure organisations and investors seek his expertise. Presently, David’s company works with 39 of the top 50 UK health and fitness brands and with over 400 public and private sector clients, across 22 countries. The Leisure Database Company is the official supplier of data to the Fitness Industry Association, Sport England’s Active Places initiative and to Business in Sport and Leisure.

Mr Tim Howell, Managing Director, Westgate Management Consultancy Ltd
Tim has more than 20 years’ leisure industry experience, across the public and private sectors. Tim has led the opening of eight clubs during the past two decades including a 105,000 square foot health and racquet club. He has held a senior club management role with Esporta, winning the coveted ‘club within a club’ award. Tim was also the Chief Executive of the £20 million Liberty sports stadium in Swansea. In 2005, he formed Westgate, providing sales, marketing and operations advice to a range of leisure organisations.

Mr Andy Pear, Director, Tenon Group PLC
Andy is an accountant with Tenon, a Top 10 accountancy firm that is one of the leading national advisers to owner-managed and private businesses. He has more than 20 years’ experience in banking, finance and business turnaround, Andy started his career in retail banking, before switching to the specialist area of business recovery and turnaround. Andy advises directors, banks and other financial institutions on recovery situations and has worked with several well-known health clubs, tennis centres, golf clubs, five-a-side football centres and league football clubs.

Mr Clinton Pritchard, Partner, Zynk Design Consultants
Clinton is a founding Partner of Zynk Design Consultants, branding and design specialists. He has worked in the design industry for over 20 years and brings a significant wealth of creative and practical knowledge to projects. Zynk has been recognised as a progressive and creative contributor to the health and fitness industry since launching in 1998. Zynk provides distinctive design consultancy services to a range of health/fitness, therapy, spa and general leisure brands. Clinton holds an Honours degree in Interior Design from Middlesex University and is a Member of the Chartered Society of Designers.
Mr Jan Spaticchia, Chief Executive, énergie Fitness Clubs

Jan is an entrepreneur, club operator and personal development specialist who has worked in the UK health and fitness sector since the mid-1980s. He is the co-founder and Chief Executive of the énergie Fitness Group which operates a chain of UK owned and franchised clubs. Jan and his team have, in only two years, established énergie as the UK’s largest health club franchise. He is a very popular international speaker, a regular IHRSA contributor and has trained and advised some of the UK’s leading leisure operators. Jan holds a BA (Hons) degree in Education from Oxford Brookes University.

Ms Christine Tebbutt, Managing Director, Catalyst (HR) Ltd

With over 20 years’ experience in Personnel and Human Resources, Christine has a broad range of practical experience to draw on. For five years she was the Human Resources Manager for Pinnacle Health Clubs (part of Wates Leisure Ltd), where she played a key role in the company achieving Investors in People accreditation. In 1999, Christine formed her own company, which offers advice and practical support on all aspects of people management. Combining extensive experience in the practical application of employment law, together with experience in management, training and development, Christine is an unconventional HR practitioner, with a passionate belief in unlocking the potential in people. Christine is a Fellow of the Chartered Institute of Personnel Development.

Mr Neil Wright, Senior Manager, Holmes Place

Neil has successfully managed public and private sector leisure facilities for over 20 years, witnessing significant change to the industry during this time. Prior to joining Holmes Place, Neil was the General Manager at the Esporta Health & Racquets Club in Brighton, East Sussex which consistently features as one of the company’s best performing sites. Neil believes passionately that members should be at the centre of a successful club business and that health clubs can make a major contribution to the health of the nation. Neil’s present role is leading the Holmes Place Broadgate Club in London, one of the City’s premier sites. Neil is also the Principal Consultant for NW Management Consultants and a member of the Institute of Sport and Recreation Management.

Mr Paul Woodland, Principal Consultant, Strategic Leisure

Paul joined Strategic Leisure following more than 20 years of sport and leisure management in the public and private sector in the UK and Middle East. A key responsibility at Strategic Leisure has been interim management for public sector leisure services, driving the business forward commercially and developing health and fitness facilities. Paul is presently completing a Masters degree in Sports Management at Leicester University and is a member of the newly formed Institute for Sport, Parks and Leisure.
What does your club stand for?

A few years ago I decided to conduct research for a Masters degree on an independent health club in Milton Keynes. It was well established with 1,800 members. However, the owner was very concerned as a national operator was pre-selling a large-scale club less than five minutes from his door. He believed his club was going to be seriously affected by the new arrival, even though he had thrived in a city with an abundance of clubs. I thought otherwise and we spent the next few weeks getting close to members and understanding why they loved the club. It soon became apparent to me that the vast majority had no intention of leaving. Members knew the club was not the biggest nor with the latest array of exercise equipment, nor did it have a swimming pool. However, what members loved about the club was its informality. It was a club where they could be themselves and meet familiar people. It was unpretentious and there were none of the unwritten rules found in many other clubs such as dressing up for the gym! They also loved its friendly ambience and its strong sense of community. These intangible aspects of any business are extremely powerful and, significantly, very difficult to imitate. Ask non-exercising members of the general public to describe a typical health club and they will use terms such as:

- Competitive
- Full of young, fit people
- Intimidating and judgmental

The distinctive appeal of this small local club was that its members perceived the club as the enemy of all those terms. In the minds of its members this friendly and neighbourly club had become a core part of their lives. How does the story end? The club continued to thrive and the defection rate among existing members was less than 5%. 

CHAPTER 1

Key insights

1. Understand the significance of developing a powerful market position for a club
2. Use Curves to illustrate how a distinctive market position can achieve extraordinary things
3. Indicate ways that a manager can begin to develop a distinctive market position

Introduction

What does your club stand for? It sounds like such an innocent question, but scratch deeper and it reveals some fundamental truths about the long-term strategy and prospects for a club. How would managers across the UK answer this question? Do they stand for:

- Providing an antidote to the stressful lives of our members live?
- Creating a special community of people who share the wish to be fit and healthy?
- Becoming a special place in members’ lives?

This chapter will help managers understand the significance of market positioning and the pitfalls for those clubs that have failed to define and own a unique place in the minds and lives of their members.

Author: Mr Ray Algar, Managing Director, Oxygen Consulting
What is market positioning?
Think of some well known brands and see how you have framed them in your memory. With the Body Shop, I think of their fairtrade policy and strong stance on products free from animal testing. Also, an astounding array of natural products such as seaweed foaming facial scrub with olive leaf extract, using Bladderwrack seaweed harvested from the Celtic sea!

With Marks & Spencer I think of premium quality food and clothes (even though I am only a very occasional customer) which is reinforced by their recent ‘this is no ordinary…’ advertising campaign. They are also well known for their generous product returns policy which is 90 days from the date of purchase. What about Apple Computers, who are seen as ‘anti establishment’, immensely innovative, responsive and a company that produces beautifully designed products? As I write, Apple and Nike have just announced the world’s first pedometer embedded in a sports shoe with exercise data wireless-ly transmitted to the Apple iPod. Every week Apple is announcing a new product. Hopefully, you will begin to see the leverage that these companies have when customers know what the company stands for.

Positioning defined
Creating a clear, distinctive and attractive market position in the minds of prospective members

Why is positioning necessary?
Most of us now suffer from information overload as our everyday lives become increasingly complex. The proliferation of multi-channel television, radio, the internet and newspapers means that thousands of new messages are trying to engage with us, seven days a week. Slowly, we are being overwhelmed with information and suffering from ‘Choice Trauma’. Even simple purchases such as buying a coffee, have now been transformed into a complicated science. Starbucks offers 59 coffee options (and rising by the week) and I now have to rehearse my order while waiting to be served! Consequently, consumers have to filter extraordinary amounts of information. One way we do this is to limit the number of brands in a particular product category, e.g. toothpaste, that register on our personal radar. In a world of growing brand and product clutter, how many products do you allow on your radar?

Returning to the coffee example, how many of us stick with the same few cafés for our morning coffee? How many people buy the same car brand? Once consumers have registered a brand in their mind, it tends to endure. That is why repositioning a brand is so challenging. Imagine new owners repositioning a male-dominated body building gym to a premium-priced health club and spa.

In a world of growing brand and product clutter, how many products do you allow on your radar?
How to begin to position your health club

I will use Curves as an example. Curves is the women-only fitness franchise that has grown to 9,500 international clubs in just 14 years and has entered the Guinness Book of Records as the world’s largest fitness chain. Spare a moment to consider that statistic; that is an average of 678 clubs every year for 14 years! In terms of market segmentation, Gary Heavin, the founder, identified women who wished to lose weight. Many of these women were habitual dieters, struggling to keep weight off once lost. Heavin believed that weight management advice and a short 30-minute exercise programme needed to be combined.

In creating a desirable market position, Curves needed to answer the following:

- Why were women being put off health clubs?
- What do women above their ideal weight need from a health club?
- How is this segment presently being served?
- What are the main barriers to women achieving their weight management goals?
- How do we wish women to perceive our brand?
- What adjectives would members use to describe our brand?
- What resources do we need to mobilise to deliver what is required?
- Is there a new and attractive market position that we can claim?

This challenge may potentially take years to achieve. Now imagine your health club has a clear and distinctive position in the mind of members. What if your club was known for being the friendliest in town, or even in your region? What a powerful position that is. You may manage a small club and parts of it could look tired, but what if everything you did underpinned your friendly market position. In a world where more people feel socially isolated with friends and family widely dispersed what an important place your small health club could become.

What if your club was known for being the friendliest in town, or even in your region? **What a powerful position that is**
Developing a positioning statement

You can begin to develop a positioning statement, once the above have been answered. This is a short statement that clearly articulates how the club wishes prospective and existing members to perceive it.

Curves’ positioning statement is:
Discover a gym where women change their lives 30 minutes at a time.

What I like about this position is that they have incorporated one of the brand’s key components, the express 30-minute circuit to counter what most women lack – and that is time. Furthermore, 30 minutes really does mean 30 minutes as women arrive ready to exercise and there are no showers, sunbeds or saunas to indulge in afterwards. They have also made the club easy to access. These micro clubs of around 1,500 square feet (slightly larger than two squash courts) can be put almost anywhere. Significantly, this means that clubs can return to the high street allowing women to integrate a Curves workout into other daily activities. Curves also sell short courses rather than a long contract with a notice period, making the buying decision uncomplicated. With all circuit sessions run by instructors, this ‘no frills’ health club has struck a real chord with women in over 41 countries.

Positioning is so much more than a clever slogan

Let’s look at the fictitious Third Wave Club that focuses on people who are 50+ and seeking a health and well-being experience.

Their positioning statement is:
Adding active and enjoyable years to the lives of our members.

Every single aspect of the member journey (the totality of all member interactions with the club) supports their market position.

Notice how the club emphasises adding active and enjoyable years. Medical advancements are undoubtedly helping to add years to life, but adding enjoyable life to years is the real challenge. The Third Wave Club is for those people that want a full, active and experience-rich life as they move into later life.

Consequently, all marketing communications, club design, equipment selection, exercise class programmes, staff recruitment and selection, etc, support their market position. However, it will be the attitude and actions of the Third Wave staff that will ultimately determine the long-term success of the club.
You may find the following process useful for synchronising your market position with your club’s values and ultimately the way you interact with prospective and existing members.

**Figure 1**: From brand value to service measurement

**Brand value**
- what unequivocally defines the essence of your club and affects everything you do?

**Market position**
- creating a clear, distinctive and attractive market position in the minds of prospective members

**Manifestations**
- the physical evidence that supports your business values and market position

**Staff actions**
- the actions and behaviour of staff with prospective and existing members

**What we will measure**
- the ways in which you validate that you are practising what you preach

**Figure 2**: Translating your market position into operational practice

- **Brand value**
  - Welcoming & neighbourly club environment

- **Market position**
  - Adding active and enjoyable years to the lives of our members

- **Brand value meaning**
  - The Third Wave Club is a hub for the local community. All staff recognise that members have chosen to spend their time at the club over many alternatives, so always work to create a warm, inviting & non-competitive environment

- **Manifestations**
  - The club works to position itself at the heart of its community, via special events, selective sponsorship & support of local good causes

- **Staff actions**
  - Club staff champion community health & well-being initiatives

- **What we will measure**
  - Annual member survey asks members to judge the club’s community credentials
What if my club does not have any distinctive qualities?

That’s simple. Create one! Take it upon yourself to discover two or three things that your club does really well. Then galvanise your team to make one of those service features the best that it can possibly be. Ensure that it passes the test of being:

• Distinctive
• Difficult for a rival to imitate
• Compelling to members and your staff team
• Consistent with your club vision

Once you have discovered your unique attribute, flaunt it at every opportunity. Be proud of it and make it impossibly difficult for another club to even try and imitate it.

‘If you don’t stand for something you will fall for anything’
Malcolm X
American civil rights activist

Example  Aspire

The Aspire charity has a health and sports centre in Middlesex that has some members driving several hours to access it. Members describe the facility as inspirational and life-changing. Members leave the Aspire facility if they pass away or emigrate! The facilities are what you would expect in any moderate club, so what is so special about this facility? This centre has developed a unique expertise in rehabilitating people following a spinal injury. However, visit Aspire and you will see people with and without disabilities exercising side by side. Members are passionate about it. The centre has an inspirational ambience and staff feel privileged to be associated with it. When the centre opened, it quickly developed a national reputation which has now blossomed into an international one.

‘Many years ago I told a law firm that it needed to distinguish between ‘soliciting’ for business and ‘positioning’ itself for business. The latter is much better and consists of building a reputation for doing something so well that word of mouth acts as the soliciting force.’

Philip Kotler
Professor of International Marketing at the Kellogg Graduate School of Management (USA)
Key actions

1. Conduct research among your members, staff and suppliers to build a picture of your club’s unique qualities. Discover what your club stands for.

2. Identify and understand where the needs of new and existing members are not being met.

3. Develop a market position for your club that is clear, distinctive and attractive.

4. Ensure that all your marketing activities synchronise with your market position. Be bold and change those things that conflict with and undermine it.

5. Ensure that you measure your club’s actions against your market position.

FURTHER READING


3. ASPIRE: WWW.ASPIRE.ORG.UK