



2015 UK Boutique Fitness Studio Report
A Strategic Investigation into an Exciting Growth Segment



*Oxygen Consulting
– compelling strategic
business insight for
organisations connected
to the global health
and fitness industry*

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**THIS REPORT
IS A COLLABORATION
WITH MATRIX FITNESS**

MATRIX

Matrix Fitness, part of the Johnson Health Tech Group, is one of the world's fastest-growing fitness equipment manufacturers and provides high-quality products to commercial operators in over 60 countries. Driven by the desire to create the best customer experience possible, we listen to operators, fitness trainers and our service technicians. We observe how people work out and then, with attention to detail, combine the best functionality with technology and superior aesthetics to address real market issues.

Products such as the recently launched second generation Matrix 7xi series and the new Matrix Connexus functional training solutions demonstrate why Matrix is at the forefront of innovation.

Guided by a vision to become the leading global provider of products that contribute to health and wellbeing, our core values are health, value and sharing. We are therefore committed to promoting the health

of individuals worldwide, consistently providing high-value products and services, and achieving financial sustainability in order to give back to our customers, shareholders, employees and communities. With over 5,000 global employees we strive to continually improve and foster a culture that is sustainable, supportive, inspiring and fun.

Every day in clubs and centres around the world, our equipment is helping organisations to fulfil their core purpose. At its core is the mission to encourage people to embed physical activity into their everyday lives.

Further information
UK.MATRIXFITNESS.COM



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FOREWORD

BY JON JOHNSTON
MANAGING DIRECTOR
MATRIX FITNESS UK



MATRIX

Matrix supplies products to all segments of the commercial fitness industry and in recent years we have seen some dramatic shifts in the behaviour and needs of our customers.

The most significant change, which previous Oxygen Consulting reports have extensively explored, was the polarisation of the fitness market with the emergence of the low-cost gym sector. Market polarisation of this type is certainly not uncommon during an economic downturn, but a newer and perhaps unexpected phenomenon, and the subject of this report, is the rise of a new segment – the boutique fitness studio.

Matrix is active in this sector already, with our specialised indoor cycles to bespoke cycling studios, functional and free weight equipment to the personal training studios, cross training and high-intensity training studios and the sports performance studio, and shortly we will be launching specialised products for yoga and pilates studios.

We welcome this market development because there is clearly an appetite among consumers for these more specialised studios. They are also good for the wider industry, offering a new career path for highly skilled and talented people. Hopefully these new studios, which can often be accessed on a 'pay-as-you-train' basis, will open the industry to a wider audience and encourage more people to become more active in line with our industry's mission.

Matrix is proud to support the UK Boutique Fitness Studio Report and further our knowledge and understanding of this exciting new sector.

CHAPTER 01



WELCOME TO THE 2015 UK BOUTIQUE FITNESS STUDIO REPORT

Welcome to the first edition of the UK Boutique Fitness Studio Report. The purpose of this report is to explore the growing emergence of the specialist fitness studio appearing on an increasing number of UK high streets. Often built around an enthusiastic and highly competent individual or small staff team, they are activity specialists delivering health and fitness solutions on a small and personal scale. With a considerably smaller client base than a mainstream gym, they can foster a strong sense of belonging and community that can create an ideal environment for people to realise their health, fitness and well-being aspirations.

REPORT SCOPE

This report is a strategic exploration of the role boutique fitness studios are playing in the context of the wider UK health and fitness industry. It discusses why boutique studios are on the rise and aims to help readers to understand how they compete to win and retain customers.

'Boutique fitness studios' encompass:

- *Barre studios*
- *Cross training studios*
- *Cycle studios*
- *Dance studios*
- *High-intensity training studios*
- *Indoor rowing studios*
- *Personal training studios*
- *Pilate's studios*
- *Sports and integrated performance studios*
- *Multi-disciplinary group studios*
- *Yoga studios*



“This report focuses predominantly on cycle and high-intensity training studios.”



This report focuses predominantly on cycle and high-intensity training studios.

The report also looks at some of the new UK players and their operating models. It contains interviews with three studio leaders whose brands are building a growing community of customers who are fanatical about what they do. I have also produced a detailed case study on American operator SoulCycle, which has enjoyed phenomenal success since its 2006 launch and is a source of inspiration for UK operators.

FUTURE EDITIONS

Future editions of this report will capture and discuss customer sentiment towards the studio experience.

MATRIX FITNESS

I wish to thank Matrix Fitness, part of Johnson Health Tech, for supporting this report.

I do hope you find this report informative and encourage you to contact me with your own opinions on this emerging trend.

RAY ALGAR MBA
Managing Director, Oxygen Consulting