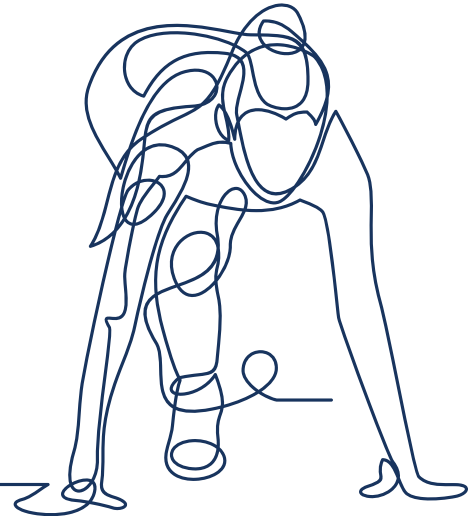




# Getting Moving Again

## Fitness Center Re-Opening Survey



January is usually a busy time for fitness centers. Needless to say, due to the COVID-19 pandemic, 2021 is different.

Medical fitness centers, along with other recreation facilities, were mandated closed for a portion of 2020. Most were able to reopen by 2Q20, albeit with continuing capacity and operating restrictions. In spite of published data confirming the safety of medical fitness centers, historically active members remain cautious about utilization until vaccine distribution is widespread.

As we begin 2021, Power Wellness wanted to understand how center reopening and member re-engagement strategies were progressing.

### Our recent national survey of medical fitness center directors and health system directors focused on:

- Reopening status and timing
- Facility capacity responses
- Workforce and member re-engagement tactics
- Center and digital fitness utilization
- Revenue forecasts

## MILE MARKER 1.0

### Moving Quickly to Reopen

By December 2020, all but one of the surveyed centers were open with indoor access. Center re-openings started in May 2020, with May, June and September being the most active months. Once centers received reopening approval from governmental units, some moved quickly, while others took a bit more time:



Half of centers opened within **5 DAYS**



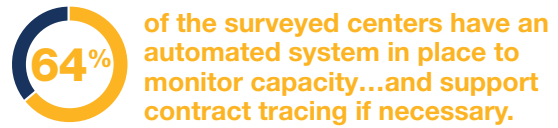
Half of centers opened within **6+ DAYS**

Rehiring and training staff on new safety protocols could be two reasons for the delays.

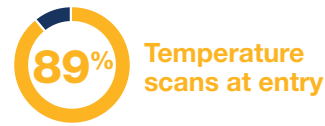
# MILE MARKER 3.1

## Capacity Response

Centers followed governmental guidelines regarding capacity restrictions. Surprisingly, capacity restrictions tightened up in January 2021 over earlier guidelines in most states:



Temperature scans upon entry, face mask requirements and frequent social media postings were the primary strategies deployed by surveyed centers:



**Note:** Feb. 2021 capacity is at least 50%.

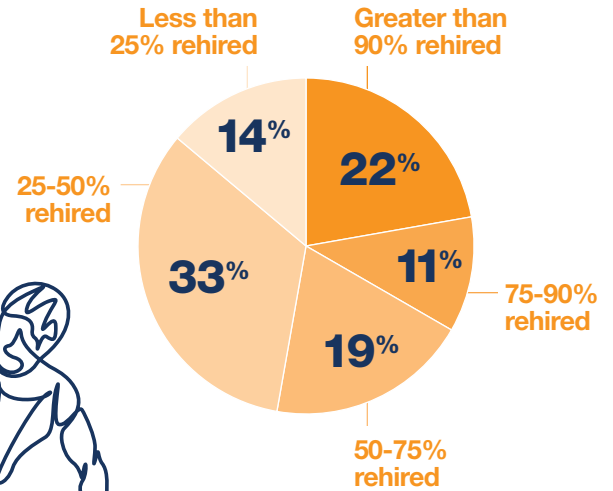
# MILE MARKER 6.2

## Bringing Back the Staff

Center re-openings were, of course, welcome news for unemployed staff. Surveyed centers rehired at least half of pre-closure staff, and 22% brought back over 90% of pre-closure staff.

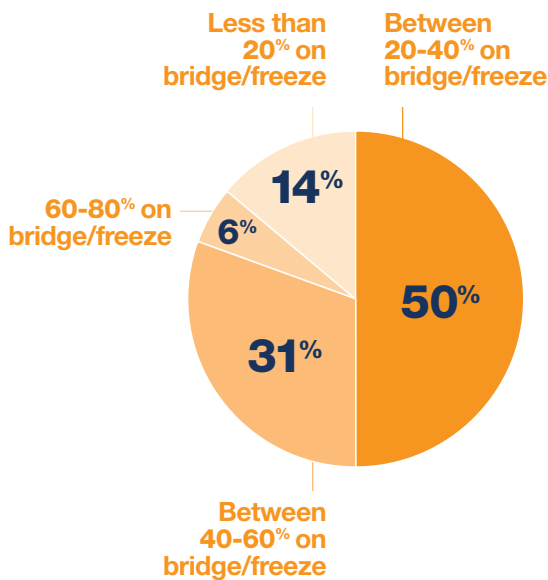


What percent of your staff prior to closing were REHIRED to reopen?



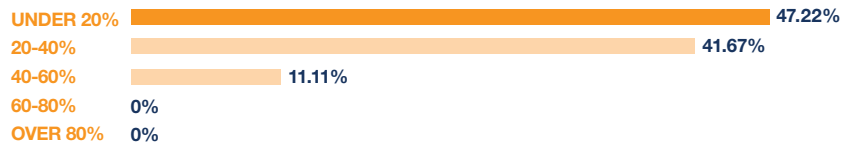
## Re-Engaging Members

50% of surveyed centers indicated that 20% to 40% of pre-closure members remained on bridge or freeze status:



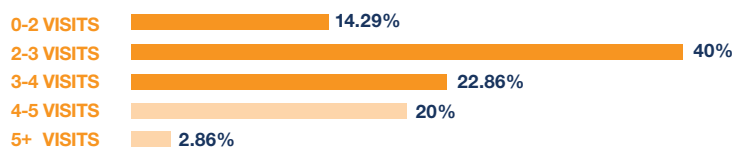
Members for the most part, have maintained their memberships, including many not actively utilizing the facility. Nearly half of the centers surveyed (47%) said fewer than 20% of members canceled after reopening:

### Percent of Membership Cancellations after Reopenings



Respondents indicated that medical fitness members are slowly returning for in-person exercise. Most (77%) of surveyed centers reported average visits per member per month are below pre-pandemic levels of 5.1 visits per member per month:

### Average Visits/Month/Member



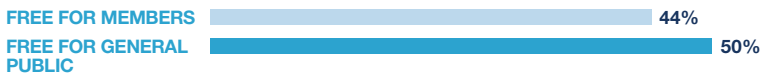
# MILE MARKER 13.1

## Virtual and/or Physical Programming? Jury's out...

Many fitness industry experts predict the future of the fitness industry integrates both in-person and virtual services. The typical consumer cannot afford or does not have the space for the variety of fitness equipment desired in their residences. In addition, in-person services promote social engagement and include staff support. While virtual services offer convenience and perceived safety, a hybrid model provides desired flexibility and social benefits for both providers and consumers.



In general, virtual classes were not reimbursed:



When centers closed in March and April 2020, many pivoted to virtual group exercise programs, and a smaller number included virtual one on one training services. However, many medical fitness centers adopting live stream or pre-recorded content as part of a new membership offering, integrated with their business systems.

**Note:** The compilation of information summarized is based on the compilation provided and has not been tested by the individual contributor for accuracy.

To learn more about Power Wellness please contact: [📞 877.888.2988](tel:877.888.2988) [✉ inquiry@powerwellness.com](mailto:inquiry@powerwellness.com)

# FINISH LINE MILE 26.2

## In Conclusion

While the nation anxiously awaits vaccination distribution beyond Phase 1 cohorts, predictions of a return to pre-closure utilization and revenues were varied, ranging from 6 months to over 19 months. Almost 25% were "unsure." 30% of surveyed centers indicated it would take 18 to 24 months to return to pre-closure revenues:

### When Will Pre-Closure Revenues Return?

