



UP SHOW

 CHANGE IT UP!

5 Ways to **Increase Revenue** at Your Fitness Center

If you run a fitness center, you can't afford to rely on membership fees alone for your revenue. You need more than one way to make money: in other words, your fitness center needs a side hustle.

Why does revenue diversification matter? And how do you make it happen? In this white paper, we'll run through some quick background information and give you a few tips to identify the right approach for your gym and your members. Then we'll kick-start your thought process with five easy ways to create additional revenue streams.

First up: what is revenue diversification, and why is it so important?

The fitness industry — even with the setbacks caused by pandemic restrictions in 2020 — is booming. As of 2019, the [U.S. fitness industry was the world leader in every measure](#) according to the International Health, Racquet & Sportsclub Association (IHRSA), with:

- **64.2 million** memberships
- **41,370** separate facilities
- **\$35 billion** in revenue

Monthly dues make up the majority of income for most fitness centers. But if what you make on membership fees is your only revenue stream, you're selling yourself — and your members — short. There's so much more that you can do to earn money and, at the same time, provide services that your members will love.

Additional or ancillary services could include:

- offering personal training sessions
- having a cooler stocked with branded bottled water for sale
- hosting special workshops and programs
- selling space for in-house advertising to local partners like healthy restaurants

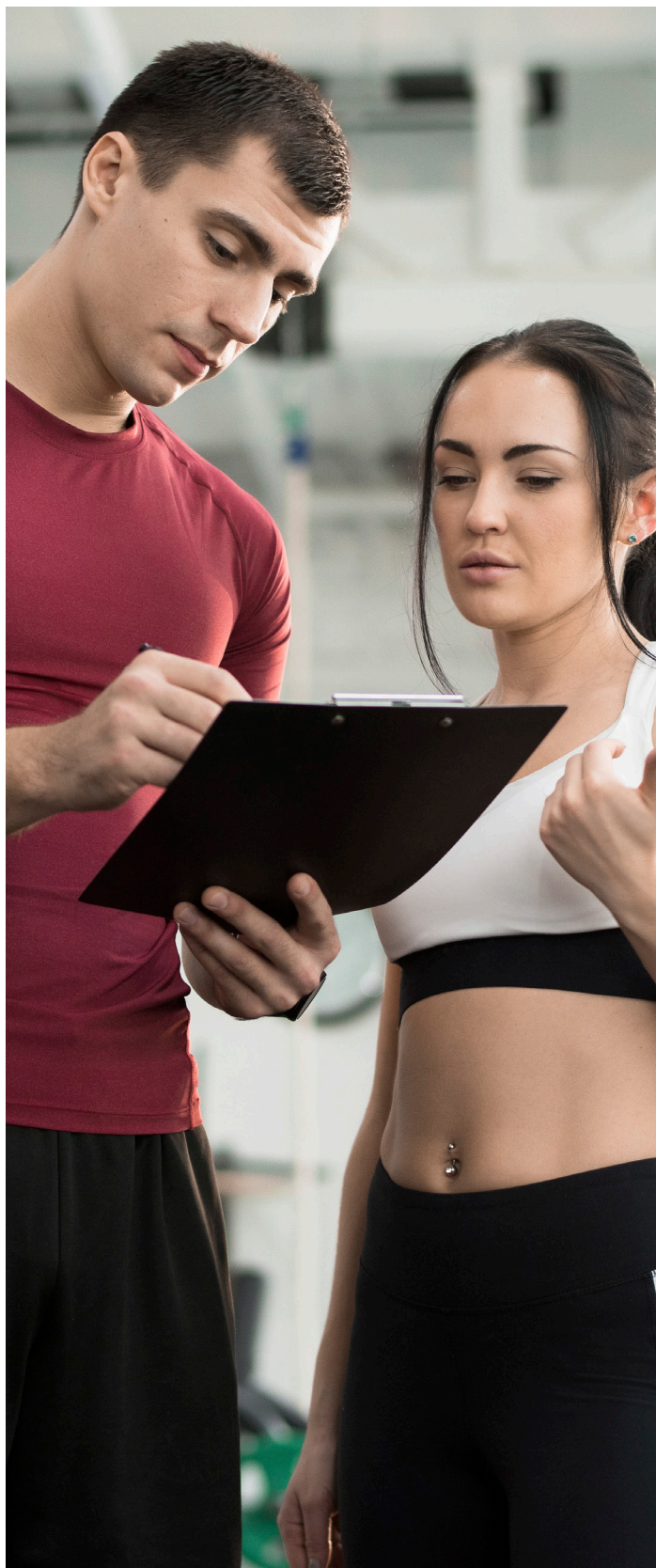
Best of all, when you anticipate your members' needs and meet them, you end up with happier members. Happy members not only renew their memberships but also refer their friends and family to their favorite gym.

According to Melissa Rodriguez, the senior research manager at the IHRSA, ancillary services typically "[account for a quarter of a club's total revenues](#)." She suggests that:

“ Operators need to be creative when coming up with new non-dues revenue services, and getting members — and nonmembers — to make use of them. ”

By offering a variety of services, you're bound to have something that appeals to everyone. When you add many streams of income from different sources, they create a river of additional cash pouring into your gym. Earning just \$5 more from a member who buys a post-workout smoothie each week may not sound like much. You may wonder whether it's even worth the investment. But if you multiply that extra income across 100 members, that's \$500 more that you're earning per week or over \$25,000 extra per year.

Sounds great, right? So, how do you do it?



As you start to think about what additional services you could provide — and charge for — at your fitness center, it's important to remember your mission. However you define your exact goals, they probably involve helping your members live the healthiest life they can. The question is, how can you help them do that?

Spend some time brainstorming about what your members need to be fitter, stronger and healthier and how those needs fit within your mission. What do your members want from your fitness center? What support can you give them to help them achieve their goals? For example, if your focus is on strength training, personal coaching may be high on your clients' must-have list. On the other hand, if your clients are more interested in nutrition and weight loss, they might appreciate boot camp challenges, accountability services or nutrition clinics.

Don't just sit around thinking. Get out there and talk with your staff and your members. What questions do your staff field all the time? What do your class instructors see people struggling with? What do your members wish you had?

One additional note: while we've encouraged you to add several different streams of revenue, don't feel like you should add them all at once. Start small, testing out one or two things at first. See what works, and add other services as you go.

Here are some ideas to get you started.

5 Ways You Can Diversify Your Fitness Center's Revenue

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1. Sell merchandise

We've all been there: you get to the gym and realize you never replaced your socks in your gym bag after your last workout. Or you left your earbuds... somewhere, so now you can't listen to music during your workout. Or you forgot to grab a snack or a bottle of water on your way out.

What do your members wish they had while they're at the gym? What do people tend to forget or misplace? Those are the first items you should stock in your fitness center's store.

You might just put a cooler for bottled water and a few baskets of essentials next to the front desk. Over time, you can grow your selection depending on your space and what members ask for. Consider offering items such as these:

- **Essentials:** Earbuds, hand sanitizer, socks, bottled water and protein bars or other post-workout snacks
- **Supplements:** Protein shakes, fish oil, multivitamins and probiotics
- **Equipment:** Yoga mats, lifting gloves, racquetball or tennis balls and swim goggles and caps
- **Branded attire:** T-shirts, shorts, pullovers or other apparel with your gym's logo
- **Themed packs:** Lightweight, portable workout equipment around a theme, such as the "fast and furious" pack with a jump rope, an agility ladder and a set of cones for footwork drills

If you choose your inventory well, you'll find that retail items all but sell themselves. If demand is high enough, you might even expand to a staffed booth for made-to-order options like smoothies.

2. Offer extra training and other services

Your members need more than just stuff to help them get in better shape and take great care of their bodies. They need information, motivation and accountability — all of which you can provide as extra services with add-on fees.

One-on-one or small-group personal training is a great example of an ancillary service that you can offer. But don't stop with that traditional offering. Get creative! What in-house services would you want to see in a gym? What do your members ask for? This is one area where your staff members are likely to have lots of ideas. What do members consistently ask about? Where do your staff have specialized knowledge that you could tap into?

You might offer extra opportunities for training and related services such as these:

- skills training for a particular fitness area like swim lessons, boxing lessons or one-on-one yoga or stretching sessions
- competition prep for triathlons, bodybuilding or recreational sports leagues
- nutrition counseling or weight loss programs with body composition tracking

- meditation, yoga or mindfulness practices
- travel planning for how to maintain fitness on the road or, while the pandemic continues, isolation and quarantine planning for workouts that members can do when at home

One service that doesn't require much setup investment but could pay huge dividends is coaching around goal setting or workout and diet optimization. Many gym members don't know exactly what their goals are, which means they're never sure whether they're on track for success or just treading water.

By helping members define concrete goals and track their progress toward those goals, you can motivate them to hit the gym more often and recognize their success. You could even provide your members with statistics about their use of your facilities — your keycards or apps probably already capture how often they come and how long they stay. You could point out “lull” periods when they tend to slack off and help them come up with a plan for those busy periods.

Consider offering accountability services too, such as text reminders or check-ins from your coaches. These are fast and easy to implement and can boost loyalty tremendously. Often, just knowing that someone is expecting to see them at the gym can convince a member who was thinking of skipping a workout to show up.

Do most of your members have young children who need to be looked after? If family obligations are standing in the way of their gym visits, childcare might be a service that could pay huge dividends. Just be careful to check on legal requirements and insurance policies before opening a daycare room at your fitness center.



3. Coordinate special events (virtually or in person)

While most of the training, education and coaching services we just discussed are likely to be ongoing, there's plenty of room for one-time special events too. These can run the gamut from workshops and challenges to classes and parties. Here are a few ideas.

Workshops. What questions do you hear over and over? Do your members need help with correctly lifting weights, doing bodyweight exercises or making healthy meal choices? Instead of limiting your educational offerings to the ongoing one-on-one or small-group settings that we discussed in the last section, you might combine the most common concerns into a workshop that you offer to a larger group.

This may be an in-person event or — especially as the pandemic continues — a virtual event. Even when virtual, workshops can be hands-on: for example, you might host a cooking class where members can buy the ingredients ahead of time and cook along with your instructor.

Camps. Whether you cater to adults or kids, there are lots of options for short-season camps. You might offer youth skills camps to help kids prepare for their upcoming soccer, lacrosse or basketball seasons. Alternatively, you could organize adult “countdown” camps before major area events like marathons, bike races or adult sports leagues. Camps are an opportunity to provide camaraderie, organized information, accountability, coaching and the connections that turn into lasting friendships — all in one place.



Challenges. If you don't want to provide as much structure as a camp, but you still want to give your members a way to meet new people and get that extra push toward achieving their performance goals, consider offering a challenge that involves a sign-up fee. You might structure this as a 30- or 90-day event where members do 30 burpees a day for 30 days or as a "race to the finish line" distance run where members try to see who can rack up 100 miles of running within a time limit. Your imagination is the only limit here! To boost participation and visibility, consider partnering with a local charity and using a challenge to raise funds for their cause.

While these offerings may take some effort to set up, they have the potential to pay off in several ways. First, if you choose your events well, they'll make your current members more excited about coming to the gym as they make new friends and find new motivations. Additionally, they're a great way to bring in new members, expand your audience and give you greater visibility in your local community. The end result is that you'll boost your monthly membership revenue while adding one-time earnings!

4. Provide opportunities for partners and sponsors

This is a chance for your fitness center to capitalize on one of its primary — but under recognized — assets: its membership base. You have an audience with a shared goal and a shared lifestyle. You can help them while helping yourself and your community partners by curating relationships around that shared lifestyle.

What kind of partners? The list is long, but start by coordinating events, classes and membership perks with:

- natural food grocery stores
- spas and massage therapists
- sports shops
- restaurants and eateries with a focus on health
- outdoor venues or specialty sports locations like climbing gyms or skate parks

You can also rent your space out to area partners who can expand your offerings in the previous two areas. For example, you might have an outside nutritionist come in weekly for individual education sessions or on a one-time or recurring basis to provide a class or workshop. In addition to nutritional coaching, you could look for outside experts to offer specialized services such as:

- professional sports coaching in specialized areas like golf or racquet sports
- nutritional education and coaching
- physical therapy and/or massage
- a café, smoothie bar or pickup location for a prepared meal service
- a wardrobe makeover for members who have lost weight or significantly changed their body shape

You might simply rent the space for a flat fee or work out an arrangement where you share in the earnings. Either way, this not only provides income for you, but it also allows up-and-coming professionals to gain visibility and start building their own client lists.

5. Sell advertising space (and access to your audience)

You don't have to physically bring partners into your gym or co-host events to benefit from your membership base: you can also bring those partners in virtually by offering them advertising space. Remember that you have a somewhat captive audience that you've assembled around a shared cause, whether that's young professionals interested in a particular sport or parents who just want to stay in good-enough shape to keep up with their kids. That kind of audience is worth something to other health- and fitness-conscious businesses in your area. Plus, by selecting advertising partners carefully, you can also turn your members on to opportunities and stores that they would be interested in but might not have heard of yet.

These advertisements can take several forms. You might hang a local store's banner or put physical signs in your lobby advertising a sale or special event. You could share coupons, offer codes or mention your partners in the email newsletters you periodically send to members. Consider posting your partners' logos on your website and including links to their websites or online stores. Or you might sell digital signage space on your facility's TV monitors.

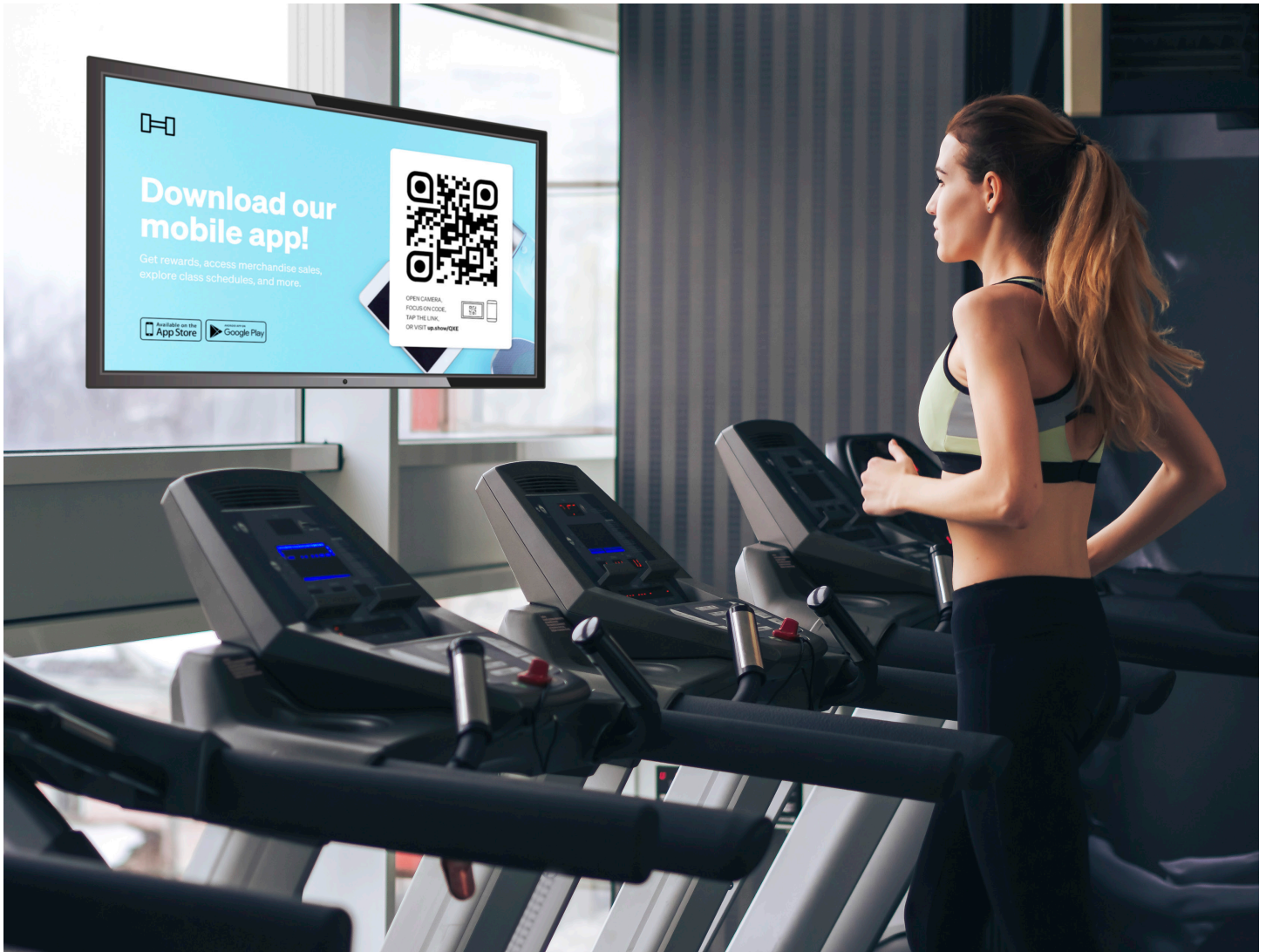
While the first three advertising options are pretty common and self-explanatory, the last is a newer concept that many gyms haven't considered yet.

UPshow provides fitness centers the ability to create an exclusive advertising program on their preexisting screens. Instead of leaving your TVs off or dealing with competitor commercials on network TV, use UPshow to control the ads and content your customers see — and increase your ancillary earnings at the same time. There are two big differences you'll see with UPshow:

More relevant content for your gym members and less time lost to advertising. On regular cable, there's an average of 12 minutes of advertising per hour. That's 12 minutes where your members see ads that are irrelevant at best or promote your competitors at worst. Take back control of your screens. With UPshow, you can curate your members' on-screen experience, from entertainment options that actually interest them to special offers, social media highlights and beyond. Keep your members informed about the offerings you add. Promote your partners, special events and merchandise and share social posts from your gym's members to keep everyone pumped.

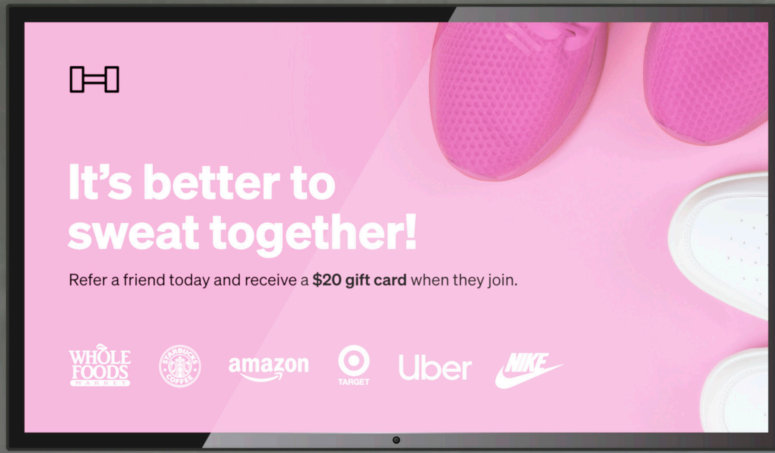
You get paid! You already have TV screens in your gym. Make them work for you! Instead of only promoting your gym's offerings, your screens can promote your partners too. Charge your partners for valuable space on your screens. That's a big difference from network TV, where the channel, not your gym, selects its advertising partners and collects their fees. Your members will love seeing more targeted content too.

Earn More Dollars, and Member Loyalty



Additional revenue can be vital to your fitness center, especially as the industry rapidly changes. Whether you choose to open a boutique, partner with local businesses or even build an in-gym ad network, UPshow can help you succeed. UPshow's powerful cloud-based platform combines digital signage with entertainment, social media and other technology to transform your in-gym TVs into

the ultimate customer engagement tool. Use your screens to run highly relevant, measurable marketing campaigns that raise awareness of your new offerings and drive members to take action. As a result, not only will you see an increase in additional revenue, but also more satisfied customers. To see how UPshow can drive revenue for your business, request a custom demo.



UP SHOW

Create breakthrough connections in your fitness center

[Learn how](#)