

THE UK'S NO 1 DIGITAL MAGAZINE FOR GYM OWNERS & FITNESS PROFESSIONALS

GOM MAGAZINE

ISSUE 80 // NOVEMBER 2022

THE EXCLUSIVE

WE CHAT WITH
CRAIG RUSSELL

FOUNDER AND
DIRECTOR OF THE

THE SANCTUARY GYM, GLASGOW

MATT HODGES

SPEAKS
EXCLUSIVELY
ABOUT **THE HIGHS
AND LOWS OF
OWNING A
STUDIO** AND THE
FUTURE OF AN
OVER SATURATED
FITNESS INDUSTRY

EZ FACILITY

GROW YOUR
GYM WITH
A BRANDED
MOBILE APP

HOW TO MAKE SURE YOU
AREN'T ONE OF THE BAD
TRAINERS RUINING OUR
PROFESSION

BY REBECCA PEREA RODRIGUEZ



MATT HODGES SPEAKS EXCLUSIVELY ABOUT THE HIGHS AND LOWS OF OWNING A STUDIO AND THE FUTURE OF AN OVER SATURATED FITNESS INDUSTRY



It's November 2022. I'm sitting in my studio at what would typically be peak client time.

The gym is empty. I don't have a booking. In fact, I don't have many bookings this week at all.

Or next week... or the week after.

Come to think of it, I haven't received a new client enquiry since, what feels like, the dawn of time.

I'm worried.

So, as I sit here with no clients in front of me, how do I ride out the storm? Is it just a corona hangover of the non-beverage kind, or has the industry changed and I'm not catching up?

Let me take you back to two years ago.

It was exactly two months before the Coronapocalypse hit the world, that I had launched my latest studio. The studio that I'm currently staring at the white walls of. A studio in the heart of Fitzrovia, London where commercial rates are high, landlords are like Gringotts goblins with their hands out and you feel like you've lost your month's wages just by looking walking down the road.

Nevertheless, even with all its financial woes, this studio was the final gym I wanted to open, it was the one which I was planning on ending my career in. It had been a culmination of 15 years experience of blood, sweat and bench-pressed tears in achieving. An inordinate amount of time and money was spent, but above all, the amount of patience that was needed to get here was enough to make a death row inmate bored.

For me, it was the pinnacle of my career. I'd done it, I had achieved it, and I had built a business model that I hoped would separate me from the saturated London PT market.

But, and there is a BIG but...

Before the paint even had time to dry, the world stood still with Covid, and I was essentially closed for two years. I was closed with the same overheads, the same equipment leases, but now no capital



coming in. There was a creek up ahead, it looked pretty shitty, and apparently some bat had taken the oars.

But before you all get the proverbial violins out and cry me a river, I know there are many of you out there reading this article who were/are in a similar boat. We all got hit. And hit hard. But, interestingly, these two years would be the measure for us all. We either sank or swam, and there was a lot that dictated whether we were the next Michael Phelps or we'd sink harder than a pint of vodka at an alcoholics anonymous meeting.

So even though I'm sitting here like Billy No Mates contemplating how white walls can look so menacing, I did actually survive. And this wasn't the first time

I survived either. I had been a PT in London's affluent circles for three years before I ventured off the main chain gym floors and opened up my first studio in the leafy suburb of Hampstead in 2008/9. For those out there that aren't familiar with London - Hampstead is known for mansions, a weirdly ridiculous number of Mini Coopers, annoying traffic jams of 4x4 school run mummies, and an average net worth of something that'd make the National Lottery jealous. Surely there were enough wealthy clients there to make a business, right?

WRONG.

My first studio went under within 18 months. It's worth noting that this was also around the time of the economic crash but still...I had failed.

12 years on from that moment, with more PT hours at more gyms than I'd like to remember, client sessions amounting to well over 10,000 hours, partnering with numerous other PTs and helping to grow a number of small PT businesses, I now find myself in a similar economic situation.

However, this time I'm still here. I haven't had to close my studio. So, what's different? Has the fitness industry changed? Have business models changed? Have client's attitudes towards fitness changed? Where are we going as an industry?

GOM CEO Paul Wood had tasked me to write a piece about the state of the fitness industry post-Covid. This article is not going to be an article on how I necessarily survived it, but more to the way in which we, as business owners, can understand the core reasons as to how we can survive pretty much anything. Whether you're a main chain franchisee, a boutique gym owner, a PT, or a freelancer, I think it all boils down to a few key things.



Let's start with the obvious. The people problem. Most businesses, successful or not struggle with their personnel. Hell, it might even be you, that's the problem but either way, it's no secret that the fitness industry has a diabolically low barrier to entry for PTs. Most two-bit Friday night lifters get bigger biceps, get the gym bug, and suddenly think they're going to be the next Joe Wicks with 1000's of clients. Give it a year, they've got nothing to show from it other than an empty bank account and low self-esteem. They might have the body of a Greek god, but they've got the brain of a Greek salad.

Furthermore, we now have to battle with the two-bit social media sphincter squirrels who think it acceptable to write cookie-cutter programs and sell an online membership off the back of it. It seems that a set of abs now makes you a trainer, or a stint on a reality show means you can advise on people's health and well-being. I'm getting a full-body rage on just at the thought of it. I mean, I brush my teeth every day, but it doesn't make me a dentist does it? As you can tell... this lot annoys me.

But, on a serious business level, this new breed is neither personal nor are they trainers. If you are looking for a quality personnel base, then I would advise against employing these people. I just can't see longevity there. I have been at numerous gyms where they haven't managed their people right, and clients/members have left in droves. Professionalism in this industry seems to be a missing prerequisite, but alas, that'll have to wait for another article *Ahem* Paul.

Now let's talk about price points. The economy drives most things, and we are currently in a pretty ball-breaking recession. One of my biggest mistakes in the recession of 2008 was being what I now call 'the grey man'. In other words, these are 'the averages', the 'middle men', the 'sit in between demographics so we can capture all audiences' type of businesses. The grey man doesn't want to target the budget audience and doesn't feel capable of obtaining the other end of the spectrum - the elites. The grey man sits him/herself in the middle market, catering for the masses, only the masses are the first to cut out things like gyms that sit at certain price points (aka the middle).

This is why now we are seeing more of the budget main chain gyms (or gyms with low ticket price points - Group Ex being one of them), OR high-end membership



style gyms/high ticket PT. Both ends of the market - both thriving.

What gets left behind (and are closing faster than the legs of a hooker after she's been paid), are the grey men.

But price point and personnel issues aren't the only factors in whether you can ride out a recession or not. They are, however, both factors in what I think is the key to success in the fitness industry.

And that, ladies and gentlemen, is branding.

I am amazed that so many businesses get this so wrong. People think branding

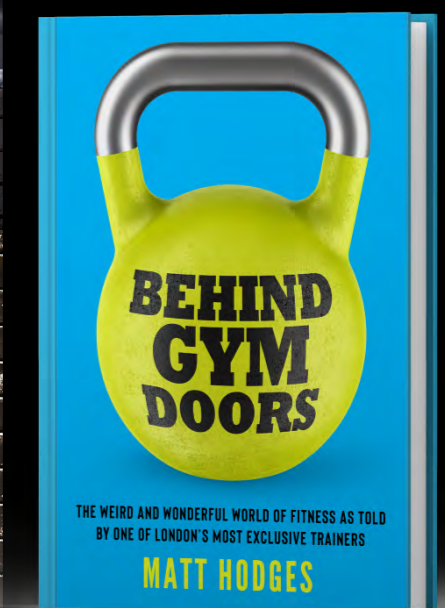
is a logo and a colour palette, or in most boutique gym cases they try and cheat a brand with brick walls and fancy lighting. What they don't realise is that branding is about having a core message and a set of standards that sings to the customer that they are trying to attract. Branding encompasses their language, their offering, their services, their venues, their message and their look and feel. Good brands build a following. And with a following, you can generally build success and have consistent cash flow (I cannot stress how important it is to have manageable cash flow because there are always lulls in business - like me, looking at my white walls!).

I failed in 2008 because I had no brand. I failed in 2008 because I was the grey man. I failed in 2008 because I took on the wrong people. I then spent the next 12 years honing my craft and understanding what it took to ride out another storm. I failed again, and then again in those years, but for every failure, there were always successes, and the brand was at the epicentre.

We are now out of the shitstorm, and whilst client numbers are temporarily low (remember cash flow) I've managed to ride it out with a strong brand that I developed over all those years (www.themphmethod.com). I'm no longer the grey man. My services give my clients the added value, my venue shouts to my price point (high end), and my message and language hark to my overall brand. I also don't take on any permanent personnel because I know that people are a pain in the arse, so at least I've only got to worry about two of the three points I've just talked about.

So, what does the future of fitness look like? Does it really matter?

Running a fitness business is a lot like dating - you can't cheat on it and expect it to work. I genuinely think if you can cover the three basic foundations above, no matter if you're a freelancer, a gym owner, or fuck it... even a social media 'influencer', then you'll ride out any changes this industry has to throw at you.



Behind Gym Doors is available to buy from December 1st via Amazon and www.matthodgesauthor.com

Follow Matt on instagram for his latest fitness tips and videos. @themphmethod