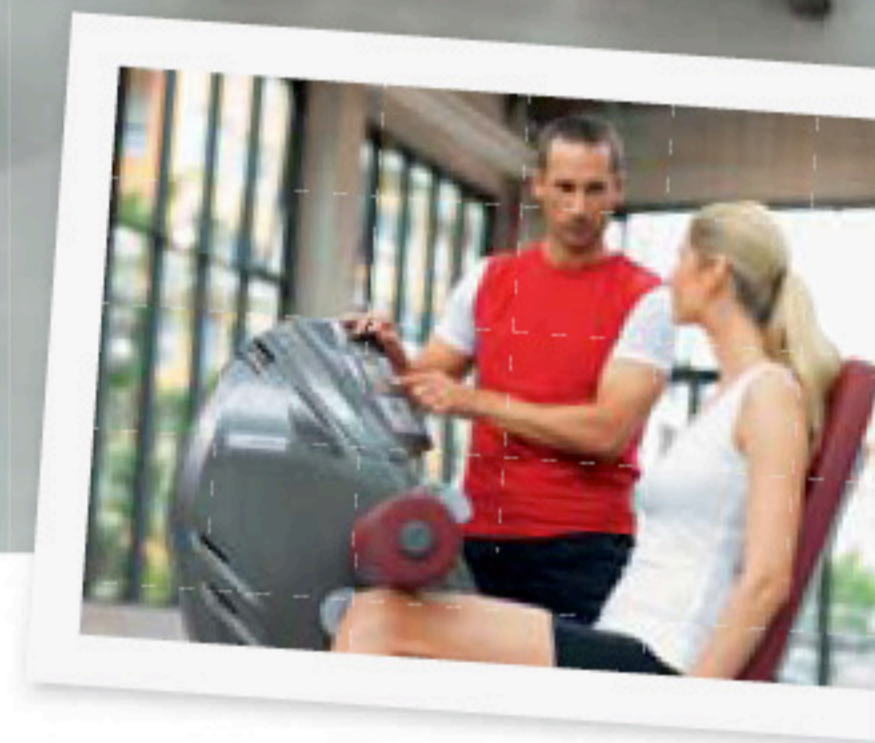


MONEY MAKERS



Luke Tuchscherer looks at ways in which group exercise can be used to drive secondary spend

Maximising revenue per member is key to a club's profitability, and operators are always looking for ways to develop secondary revenue streams – personal training, food and beverage, retail, spa treatments, sometimes even classes that incur an additional fee. But are there other ways, besides charging extra for premium classes, that group exercise can be used to drive secondary revenue? We ask the experts



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Increasing your secondary spend involves one crucial activity: selling. Only businesses that offer a high level of customer service will be able to sell to their clients and subsequently increase the yield from their members.

In addition to training their staff in customer service and sales, clubs that want to increase their secondary revenue stream should invest in the right training and exercise systems. Our circuit training system can be used to create 'a club within a club'. The circuit, which functions as a continuous class, accommodates 40 people an hour, each getting a 35-minute workout. However, it takes up less than 42sq m (450sq ft) of floorspace.

Thanks to the excellent training experience and subsequent results, members are happy to pay a premium on top of their standard membership fee. In many cases, they also have to commit to a 12- to 24-month contract extension in order to join milon. This is the primary revenue stream. For example, The Marlow Club in Buckinghamshire has now upgraded 500 of its 2,400 members to milon, and this is providing the club with more than £3,000 a month in additional revenue.

We also provide an array of secondary revenue streams and cross-selling opportunities. It's much easier to sell add-on products if they provide a direct benefit to someone's training, especially if these items are understood by the customer to be essential. For example, all milon equipment is heart rate monitor-compatible, which makes

Short circuit The 35-minute milon circuit accommodates 40 people an hour and takes up less than 42sq m of floorspace

it possible to do heart rate-optimised precision training, and some milon clubs are selling heart rate monitors to up to 50 per cent of their members.

In addition, since milon training consists of a combination of CV and strength endurance, working out until muscle fatigue is reached, members are advised to have a recovery drink such as a protein shake within 40 minutes of finishing their workout. It's not unusual for some 1,400-member milon clubs to sell 2,500 protein shakes a month.

Additional secondary spend opportunities include flat-rate sports drink sales, drink bottles, sweat towels and nutritional and weight loss classes. ▶