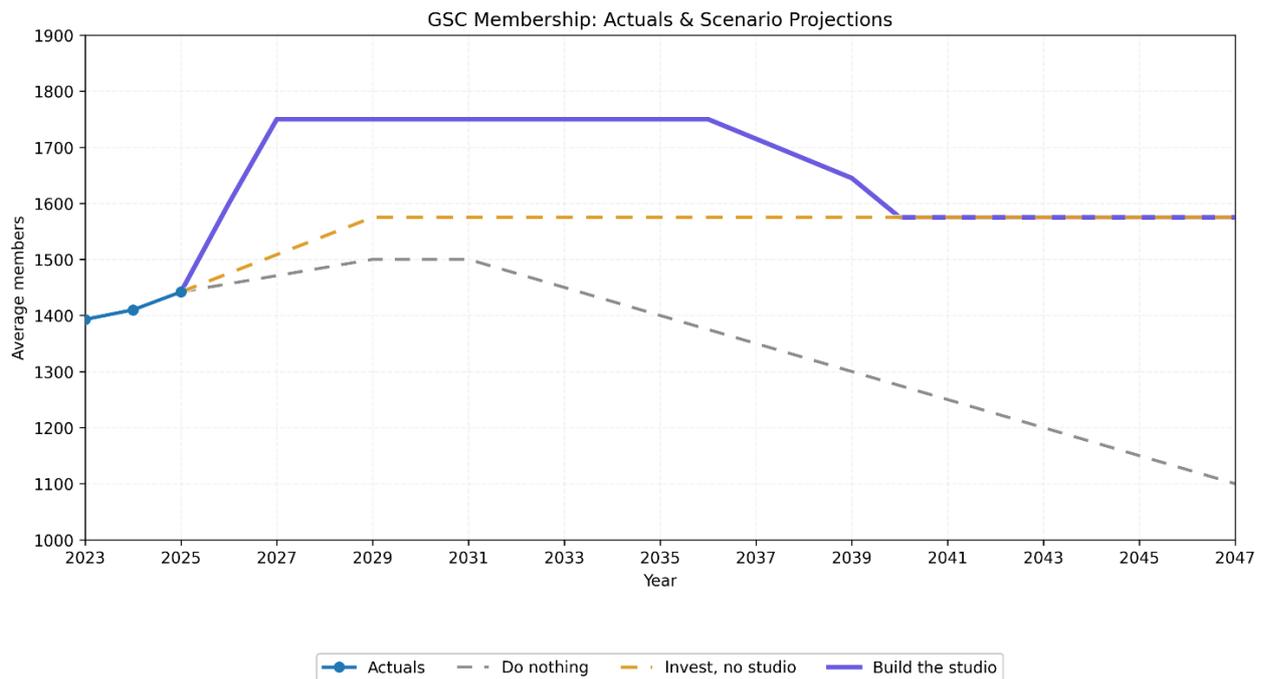
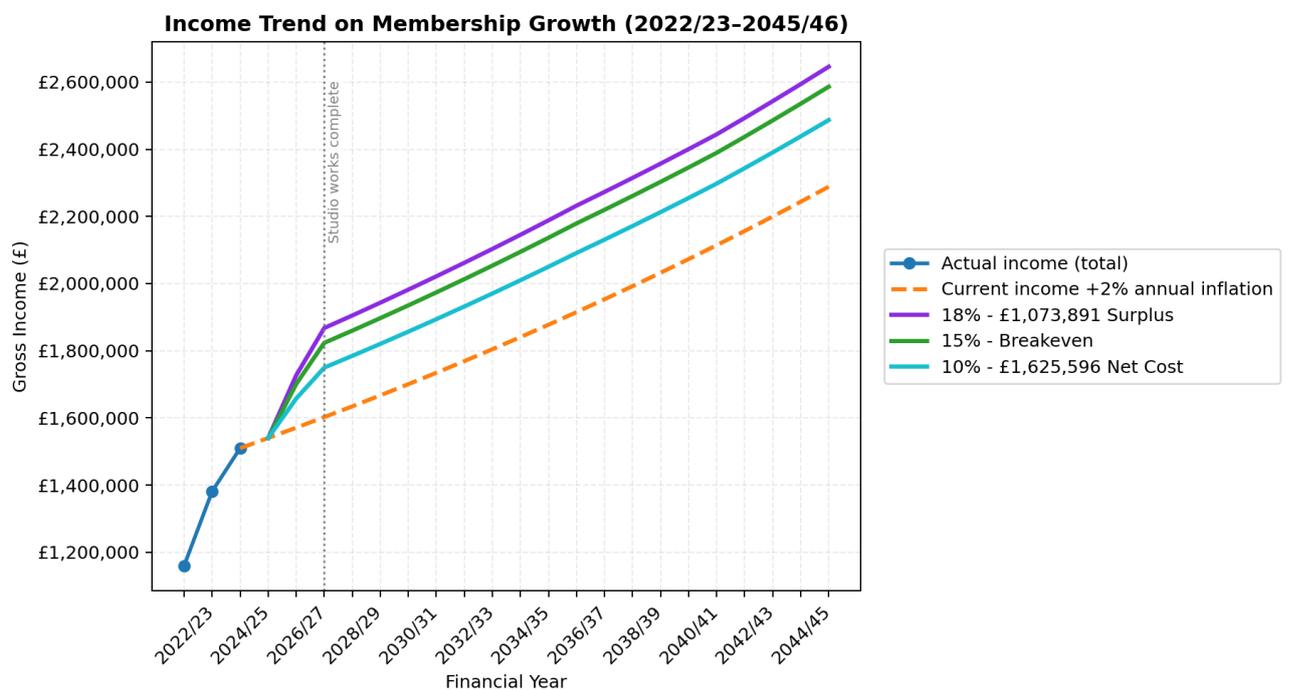


## Appendix 2 – 2RM Membership and turnover analysis

**Figure 1 – forecast membership growth**



**Figure 2 – income projections**



### Income

- Business case based on an additional 213 members on tier 1 pricing and 273 members on tier 2 pricing.
- Membership income will be a mix of new members and increased retention of current membership through increased satisfaction.

## Appendix 2 – 2RM Membership and turnover analysis

- Increasing the diversity of the class base will enable engagement within the wider community and the ability to target a new audience in addition to existing audiences.
- Pay as you go fitness income is based on approximately 2,500 additional individual class bookings through a 12 month period across 2 studios.
- Membership forecasts have been calculated on the assumption of investment seeing a spike in membership as seen with the gym investments at BCP Leisure.
- The assumptions for the business case are that this spike will then maintain and level when the investment is no longer new still within the required growth.
- The marketing campaign around the studios would support this spike in sales with a large sales and promotion push.
- Additional studios will create a larger footprint to enable a larger growth past the current maximum in numbers for the site.
- The 6.1% figure previously given is a figure based on national trends on a maintain position of assets not on an investment position. This figure is based on the leisure industry as a whole including pop-up gyms as a guide to show there is growth within leisure nationally without investment.
- 2RM are currently turning away additional bookings for the sports hall on a regular basis due to the use of the hall for classes. Freeing up the sports hall will enable these additional bookings to take place
- A programme of classes will be timetabled and additional bookings made around this for hiring out of the facilities to cultural markets alongside other facility hire such as parties.

### **Sport England's Moving Communities Customer Survey feedback – based on 170 responses on 2RM**

#### Summary

**Demand is concentrated in group exercise:** Fitness classes are a popular activity at Two Riversmeet (approx. 47.1% of last visits), ahead of gym (15.9%).

**Strong base, clear gaps:** Overall satisfaction is 84.1% however there are unmet needs in class timing (importance 89.9%, satisfaction 72.9%,) and perceived value (importance 94.7%, satisfaction 76.9%).

Adding capacity/choice and improving the setting will increase utilisation and be a driver of perceived value.

#### Themes

##### 1) Capacity and timetable pressure at peak times

Class timing shows a 17% difference between importance and satisfaction (importance 89.9%, satisfaction 72.9%).

##### 2) Range and environment for classes

Customers value a wide range of activities (88.7% importance) and rate it lower for satisfaction (83.0%), suggesting scope to broaden formats and class variety.

Members describe current spaces (e.g. yoga in squash courts) as cold/uninspiring

## Appendix 2 – 2RM Membership and turnover analysis

Poor acoustics within the sports hall have been fed back from members impacting on the audio and therefore enjoyment of classes and the risk of losing members.

3) Perceived value for money improves with better facilities/choice

Value for money shows a 17.8% gap between importance and satisfaction (importance 94.7%, satisfaction 76.9%).

### Social Value

2RM already generates £1.6m per annum in social value but the studios would further contribute to this.

This has been calculated through the Sport England Moving Communities national dataset which takes information directly from our membership reporting system to calculate this.



### Group Exercise trends

The Les Mills Global Fitness Report advised the following:

"When it comes to choosing where they work out, experience and ambience are key decision drivers. An unimaginative environment is now more likely to cost operators members or at least compromise attendance: 64% of people say they're more likely to work out if there's a good vibe."

"With prospects battling anxiety around equipment and crowds, members already taking part in group training have discovered the studio is a great source of connection and autonomy. Current participants list energy, guidance and music as their top drivers for showing up to group training"

"Dance, yoga, Pilates and run-based workouts are all seeing strong growth"

"59% of gym members would like to see yoga, breathwork, or meditation on their timetables"

The UK Health & Fitness market report 2025 looks at engaging the next generation of fitness consumers. Health, fitness and wellbeing is seen as a non-negotiable for younger generations. Motivations for fitness are evolving beyond physical health to encompass social connection and mental well-being, particularly among Gen Z.