

The Membership Equation

Balancing Sales and Retention

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PRESENTER



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Agenda

- The membership equation concept
- Effective sales strategies
- Retention efforts
- Key performance metrics
- Optimization opportunities

Membership equation concept

Balancing sales and retention

New member sales + member retention = Total membership growth



- Allocate resources
 - Acquisition
 - Retention
- Invest in strategies that benefit both

Membership growth strategies

Invest in efforts to benefit both acquisition and retention:

- Community events
- Referral incentives
- Engagement tools
- Cross-promotion of engagement programs
- Focus on long-term relationships



Sales strategies

Start with training



- Improved conversion rates
- Enhanced member retention
- Consistency in messaging
- Upsell opportunities
- Stronger team morale and confidence

Membership Dues Cornerstone of growth

- Primary revenue stream
- Operational sustainability
- Growth and expansion
- Member retention
- Competitive edge



Growth strategies

- Referral programs
- CRM system for lead management
- Free trials and guest passes
- Digital marketing
- Community events and open houses



Retention efforts

Cost-effective focus



- Long-term revenue stability
- Lower acquisition costs
- Higher lifetime value of members
- Improved member experience through community building
- Stronger sales opportunities



Challenges — why members leave

- Lack of engagement, motivation, results
- Perceived lack of value
- Financial reasons
- Inconvenient or poor location
- Crowded facility or limited access to equipment
- Life changes, injury, health issues
- Competition from other gyms or programs
- Poor customer service

Building retention

- Onboarding
- Member engagement
- Personalization
- Customer service
- Feedback loops
- Continuous improvement



Key performance metrics

Tracking sales performance

- Total membership sales
- New member acquisition rate
- Membership retention rate
- Sales conversion rate
- Lead-to-tour ratio
- Tour-to-sale conversion rate
- Sales per salesperson
- Churn rate
- Net membership growth

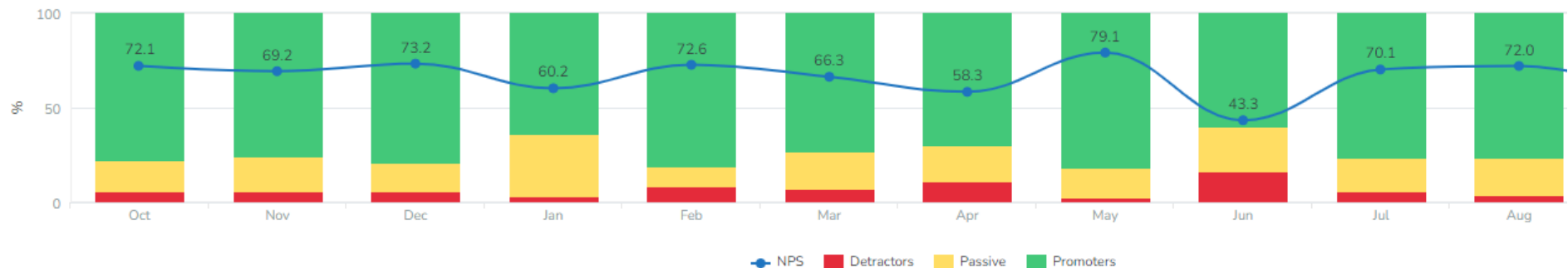
Club	Units	Revenue	Unit Goal	Unit Percentage	Revenue Goal	Revenue Percentage
Club A	44	\$2,880	17	259%	\$1,062	2.711487759
Club B	25	\$2,640	30	83%	\$2,160	1.222222222
Club C	50	\$5,502	23	217%	\$2,353	2.337973586
Club D	65	\$7,090	29	224%	\$2,944	2.408288043
Club E	37	\$3,839	15	247%	\$1,304	2.944018405
Club F	36	\$4,528	10	360%	\$980	4.620408163
Club G	5	\$247	22	23%	\$739	0.334235453
Club H	33	\$2,745	45	73%	\$3,222	0.851955307
TOTALS	295	\$29,471	191	154%	\$14,764	1.996068901

Measuring success: Conversion rates



Importance of Net Promoter Score

NPS Over Time - Trailing 13 Months ^



*Time Range filter will not impact this module.

NPS ^

Last 90 Days: NPS



Optimization

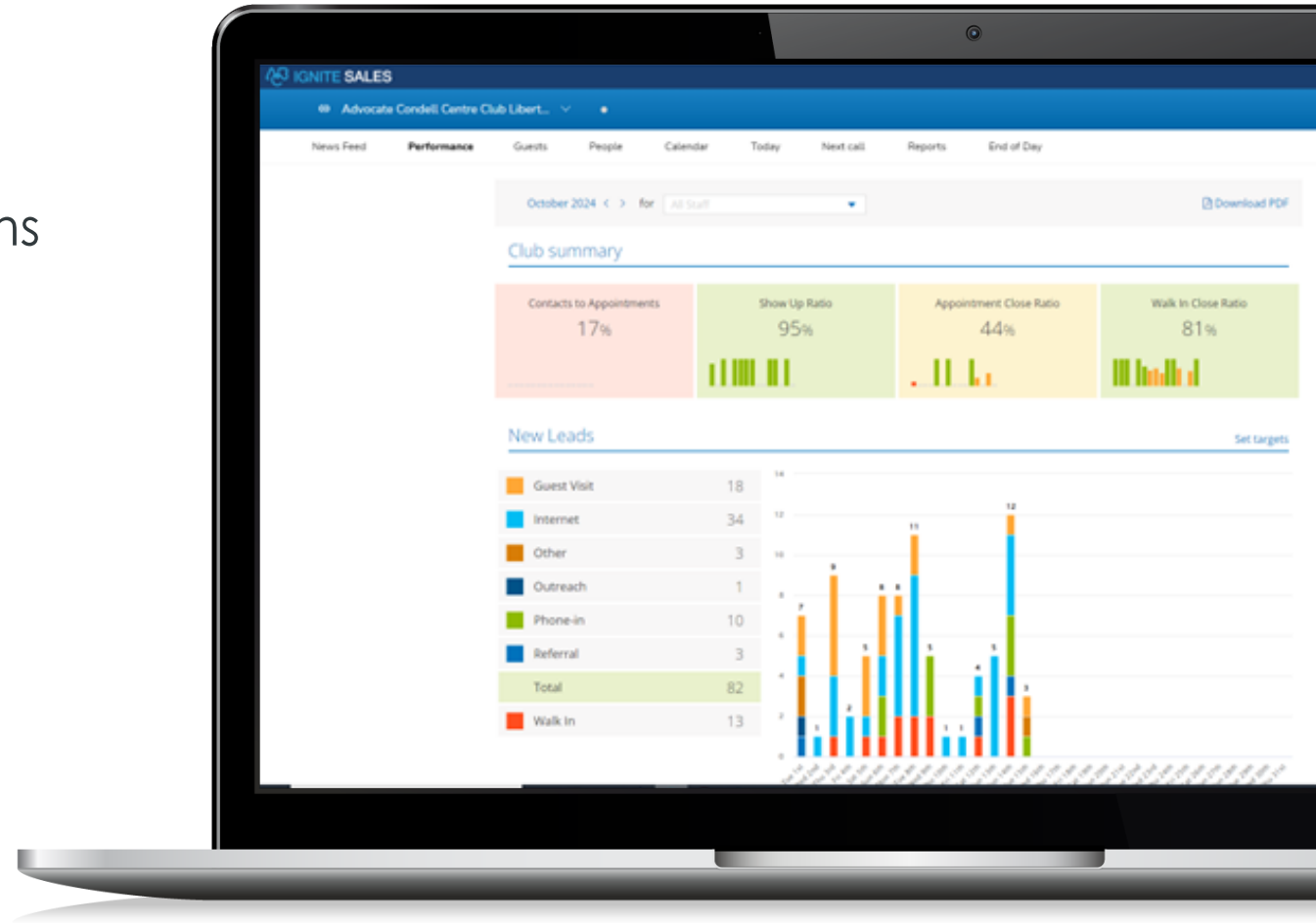
Measuring success

- Acquisition
 - New membership growth
 - Lead-to-sale conversion rate
 - Cost per acquisition
- Retention
 - Member retention rate
 - Average membership duration



Tools for improvement

- Relationship management software
- Membership analytics and reporting
- Automated communication platforms
- Feedback and survey
- Sales performance dashboards
- Retention programs and incentives





Insights

- ✓ Balance is crucial
- ✓ Effective sales strategies
- ✓ Retention is cost-effective
- ✓ Metrics matter
- ✓ Identify areas of improvement

What this looks like at Centre Club





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