

**SPONSORED FEATURE:
HARLANDS GROUP**

Get online to build

The health and fitness industry needs to wake up to the potential of internet-based membership sales, argues Kevin Scott



THE INTERNET is increasingly seen as the most efficient way to pay for goods and services. Not only has it proved to be a secure way of carrying out transactions, but unlike lengthy paper processes, it allows people to act spontaneously. And, of course, online transactions incur significantly lower administration charges than their paper-based equivalent, offering the potential for significant savings.

More than 61 per cent of UK households (15.2 million homes) are now connected to the internet, up from 54 per cent in 2006, according to research by the Office of National Statistics.

From holidays to insurance to groceries – you name it, you can buy it online. Yet, until very recently, it appeared that the UK health and fitness industry had failed to tap into this ever-increasing market. Unfortunately, many in our industry seem to believe health and fitness is unique and that, unlike other industries, our prospective members won't buy memberships online.

However, the idea that our customers need on all occasions to touch and feel before buying is – frankly – ludicrous in a society where we make numerous purchases unseen every day. Many of our facilities, however much we would like to believe are set apart from competitors, can often be 'just another gym' to many users. So if offered the flexibility of joining online and avoiding that painful tour of facilities or the queue at reception

to complete a form, many of your prospects will happily do so. There are also many 'informed customers' such as expired members, pay-and-play users, referrals and those who have had trial membership for whom the decision to buy online is even easier.

Of course the rationale to offer online sales has not been missed by the most entrepreneurial and commercially orientated leading operators in the health and fitness industry, with Fitness First, JJB Health Clubs, LA Fitness and Total Fitness all selling memberships online. It is highly likely that the remaining leading commercial operators will also be online very soon.

Despite the eagerness of the larger chains it is local authority facilities that have the greatest potential in increasing membership numbers from online sales. There is greater passing trade, higher non-member footfall, and high levels of trust and awareness in the community, all of which will

JOINING UP ONLINE – KEY TRENDS

Harlands Group has, for some clients, attached a survey to the end of the online joining process for new members to (voluntarily) give feedback. The results make interesting reading:

- 42 per cent stated that they joined online because it was convenient;
- 11 per cent were past members and didn't need to see a member of staff;
- 32 per cent joined having never been to the facility;
- 30 per cent joined having first gone home to think about it;
- 92 per cent found the experience much more convenient than a paper application form;
- 41 per cent joined having found the website surfing online; and
- More than 60 per cent of new members joining online also state that the ability to join online was crucial in them joining at all!

contribute. Research carried out by Harlands Group, providers of the SNAP online membership and direct debit payment gateway, has shown great success for a number of sites.

Breaking new ground

Valley Leisure – whose facilities include Andover Leisure Centre and Romsey Rapids – launched its 'join online' portal in June, allowing consumers to fill out an application form and direct debit, thereby completing the whole membership process online. CEO Derek Jeffrey says: 'When I was introduced to the concept of "join online", I was sceptical about how successful it would be. Seven months down the line, I have to say I was wrong. To put it simply, we have two sites that are running with 'join online'. In one of these, online membership sales account for eight per cent of all membership sales. In the other it is 26 per cent.'

Valley Leisure's 'join online' portal uses a new online payment product called SNAP, provided by Harlands Group. It is clear from the growth of e-commerce in numerous other industries, and a huge year-on-year increase in online consumer spending as a whole, that online sales of health-club memberships wasn't going to be immune to the same consumer demand.

Recognising this trend, Harlands Group set out to provide the health and fitness industry with an affordable solution to enable operators to take



your membership!



Giving customers the option to join online could bring significant benefits to local authority leisure centres.

advantage of online opportunities. The initial feeling was that most sales of memberships online would come from referral, former members returning or guests converting. Results from client

surveys show that 30 per cent of new members at one site had never visited the facility before joining.

Trilogy hitting a new sales high

More recently, Trilogy Health & Fitness – offered at three of Northampton Borough Council leisure centres – launched a Harlands Group SNAP portal in the new year.

Business development officer John Fletcher commented: ‘After being introduced to the option of online joining, we were very keen to find out more as it would allow us to be open for business 24/7 and we would be less reliant on customers walking through our doors. We have had SNAP since January 2008 and have been astonished by the results we’ve gained almost instantly.’

He continued: ‘Well over 100 customers have signed up online – which represents around 25 per cent of our total joiners – but, more importantly

for income, we have managed to increase sales from this time last year by more than 10 per cent. As we have had no major changes to our facilities or the way we market them, we have attributed this increase to SNAP.

‘As well as the increase in sales, we’ve also seen a significant reduction in administration as 25 per cent of our new members have completed the paperwork before they come in to pick up their membership card and complete their induction.

‘We are looking into reducing administration further by having terminals inside the centres. As we were purchasing terminals for online bookings in the centres anyway, we can have in-house online joining too, with no added cost.’

MORE INFORMATION: Kevin Scott is sales director for Harlands Group. Call 0845 230 1636 or visit www.harlandsgroup.co.uk

lifeguard tri