

**NEW YORK INSTITUTE
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School of Management

Riyaz Akhtar Experiential
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High School Students Business Competition 2022

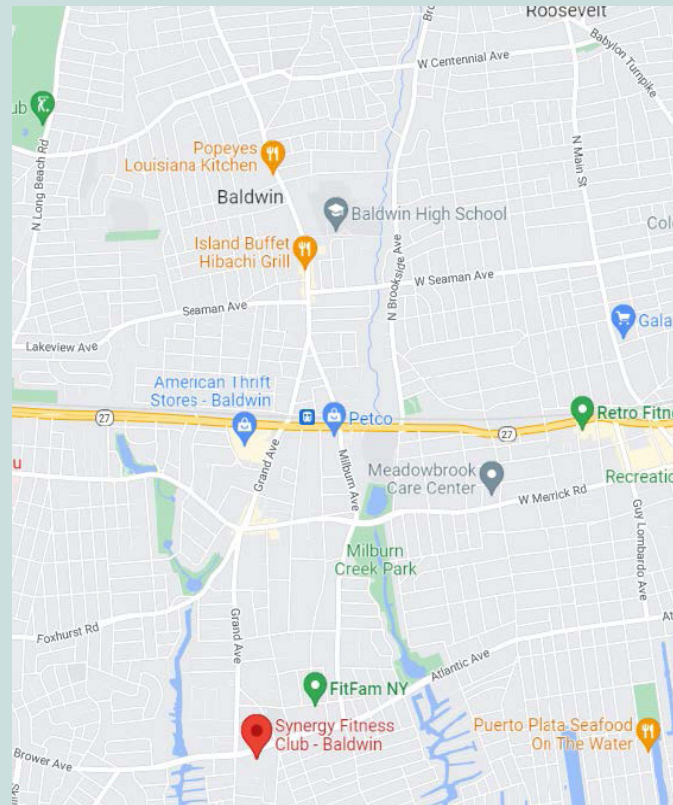
Where Careers Begin

Case on
Synergy Fitness

Baldwin High School
Baldwin, NY

SYNERGY
FITNESS

[NYIT.EDU/MANAGEMENT/EXPERIENTIAL_EDUCATION](https://nyit.edu/management/experiential_education)



Location of Synergy Fitness,
Baldwin, NY



Equipment used in the facility

Introduction

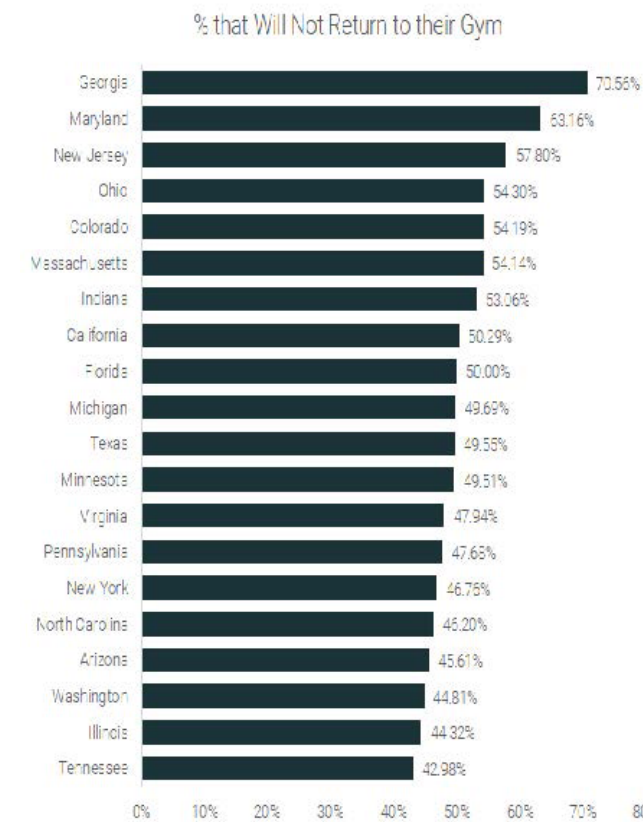
Synergy Fitness, a gym located in Baldwin, NY, is a private-entity functioning since 2001. It has a total of 40 employees, including personal trainers, to serve about 4000 members. Fitness centers provide a platform for their members to fulfill their needs on health, social, and recreation. Synergy Fitness, in specific, organizes a wide range of activities from individual and group exercises to group cardio dance fusion classes. It has state-of-the-art workout equipment, experienced personal trainers, private locker facilities, and more. Through which, it provides a safe and hygienic environment for their customers to meet health objectives. It is also locally known for offering a customized fitness solution to individual clients. Specifically, the following services are offered to their clients: personal training, strength training, shred training, sculpt, cardio dance fusion, pilates & yoga, spin and ride and even more. Recently, Synergy Fitness has disconnected its Merrick branch from its network. Please see the below Figures to see its location in Baldwin, NY and some of the state-of-art equipment used in the facility.

Customer engagement

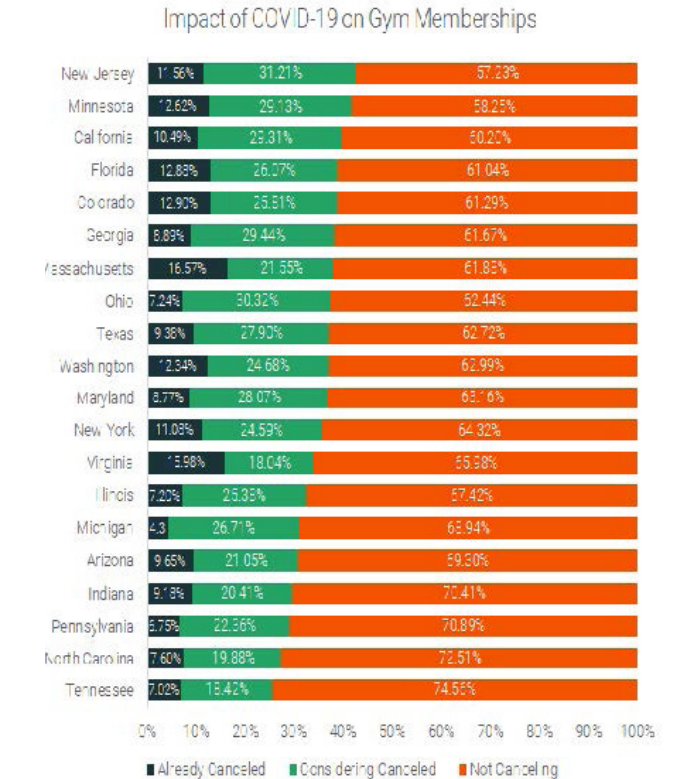
Synergy Fitness provides high priority for customer engagement. It executes customer engagement through a series of processes that make interactions with their members. These interactions are held through various online and offline marketing techniques. Fitness centers, like Synergy Fitness, in general maintain thousands of members. They should communicate their customers various new products and services to be offered, COVID-19 related governmental instructions, and dos and don'ts in the facility. They should also capture what their customers think of the current products and services offered to customers. Synergy Fitness currently uses email and text blasts to reach out their members for the above. It also sends personalized messages to their clients to promote its services. Such customer engagement processes are required in this pandemic environment. They can improve customer loyalty and provide customer insights leading to marketing-related decisions (outreach method, sales retarget)¹. We don't know whether the same outcomes of customer engagement techniques could be observed in this pandemic environment. Last year August, RunRepeat conducted a global survey among 5055 gym members. This survey showed that only 30.98% members returned to their gym, about 20% have cancelled their membership, and about 40% are thinking of cancelling their memberships². Another survey conducted among 10,824 global gym members (6636 are from USA) by RunRepeat shows that worldwide, the highest percentage of gym members (50.16%) who will not return to gym are Americans (women in specific)³. The below Figures show some more results.

¹ [gartner.com/en/digital-markets/insights/why-customer-engagement-is-important](https://www.gartner.com/en/digital-markets/insights/why-customer-engagement-is-important)

² [runrepeat.com/gym-members-not-returning](https://www.runrepeat.com/gym-members-not-returning)



% of Gym members will not return to Gym³



% of Gym members will cancel membership³

Customer engagement technique, in other words, receiving positive interaction, is also one of the top most reasons members continue their membership with fitness centers⁴.

³ [runrepeat.com/gyms-reopening-coronavirus](https://www.runrepeat.com/gyms-reopening-coronavirus)

⁴ [financesonline.com/gym-membership-statistics/](https://www.financesonline.com/gym-membership-statistics/)

Layout of the gym

The layout of the facility is an important aspect for service industries to facilitate smooth operations. Fitness centers like Synergy Fitness should make sure that all of its fitness equipment are visible to its members and are being utilized to achieve its full capacity. At the same time, layout should be developed in such a way to ensure the safety of employees and comply with the safety protocols laid out by governmental bodies. Further, when layout is carefully designed, fitness centers can make product decisions such as offering additional services to the members. For example, yoga classes are becoming popular workout practices everywhere in the USA. These classes can be offered to members if layout has been altered to fit. Interestingly, a global survey showed that 35% of people come to know about such practices through their family members and friends, and 18% of them came to know through their gyms⁵. Synergy Fitness currently thinks of improving its facility layout to provide new experience to its members.

Personal Training

One of the most important services that Synergy Fitness offers is personal training. It is an one-on-one training program in which a trainer supports a client to plan and implement workout routine to fulfil this client's needs (typically weight loss). Synergy fitness offers a wide range of personal training plans that suit with different types of persons. Personal trainers usually help clients to set goals, act as nutritional advisor, and teach the importance of fitness. Study showed that members who are working with personal trainers succeed 30% more on their fitness goals⁶. Though this concept works well in the fitness industry, due to the pandemic, personal trainers have had a negative impact on their income⁷. This pandemic almost completely changed/introduced trends of the fitness industry. Fitness industry sees the continued growth for interactive fitness such as Mirror, Tonal. Since personal trainers are leaning toward online mode, retaining them becomes a difficult job for Synergy Fitness.

⁵ doyou.com/yoga-survey/

⁶ redbookmag.com/body/health-fitness/g33457819/working-with-personal-trainer/

⁷ frontofficesports.com/personal-trainer-landscape-amid-pandemic/

What students should do?

1. As it is mentioned, Synergy Fitness has around 4000 memberships. It witnesses more members have not come back to its facility so far due to the fear of COVID-19. Synergy Fitness is continuously taking measures to make its membership base intact. When continuous delay occurs to reach members directly, the retention rate may go down. Therefore, Synergy Fitness looks for new and unique ways to get back their existing members back.
2. At Synergy Fitness, renovation is going on to improve layout. More state-of-the-art equipment are being installed in the facility. Better layout would help Synergy Fitness to offer more new products and services. Student teams are encouraged to visit its facility (located at 830 Atlantic Ave, Baldwin, NY 11510) and provide suggestions to improve its layout.
3. Synergy Fitness currently finds it hard to retain and attract personal trainers. It should be remembered that personal trainers should be medically trained to apply CPR procedure or use AED device. Thus, they should have certifications in CPR/AED. Students should suggest new methods to attract and retain personal trainers.

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