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FITNESS/GLOBAL

Let's get physical

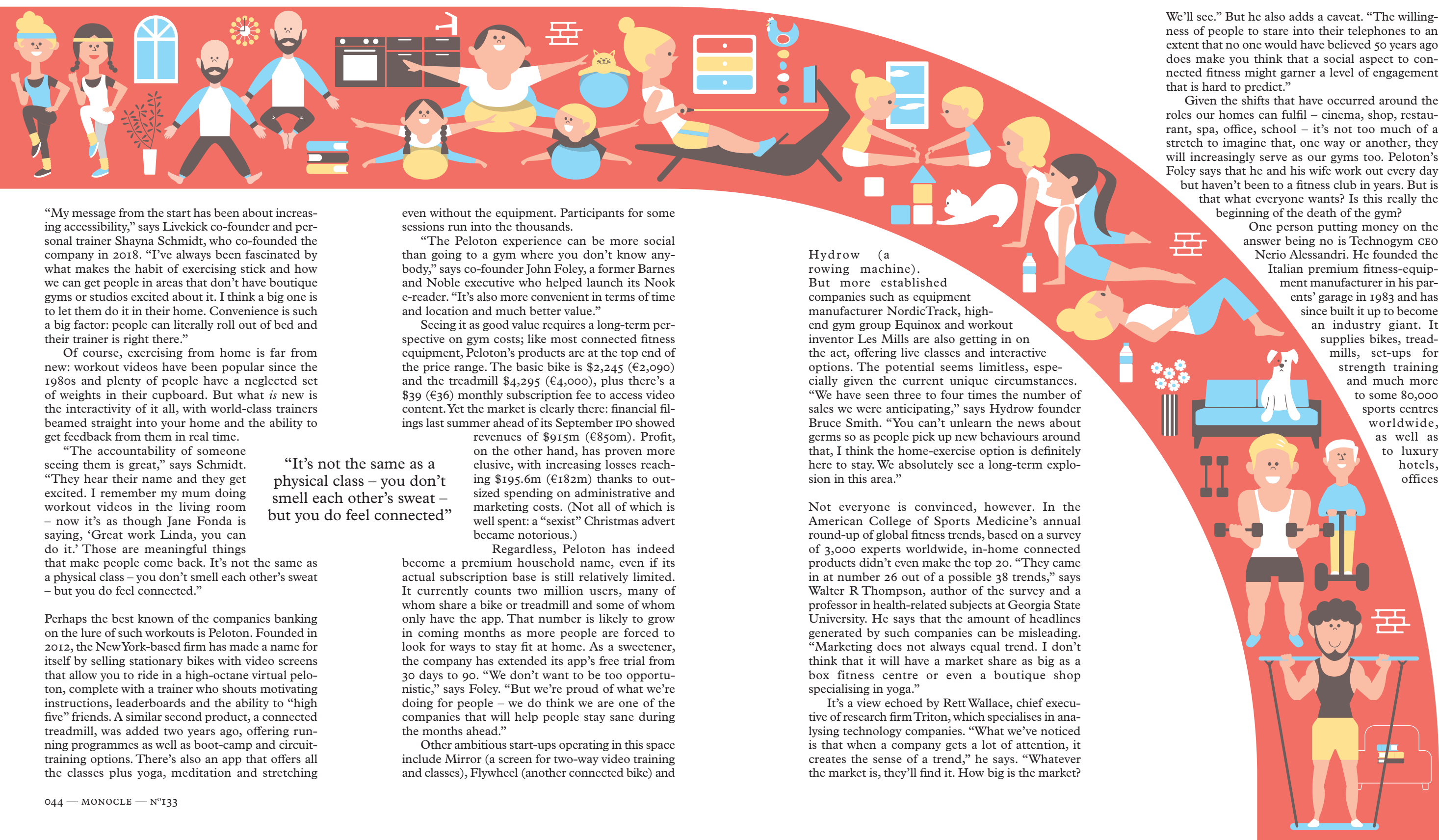
With gyms closed for now, is this the final straight for the firms aiming to keep you fit without leaving your home?

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“Welcome everyone – I hope you’re keeping safe in these uncertain times,” says Olesya in a soothing tone. From her immaculate apartment in Munich, the yoga instructor beams into her computer’s camera as five people wave back at her from various living rooms around the world. She asks everyone to move into the downward dog pose and watches via a two-way video link as the virtual class duly gets into position. Some haven’t angled their cameras properly so they disappear off screen. One keeps buffering. Unperturbed, Olesya continues with the 30-minute session, pausing every now and then to offer advice on how to do the camel or locust pose. Save for a few bored-looking pets wandering in and out of view, it almost feels like a normal yoga class. At the end, everyone posts their “thank yous” in the chat box and awkwardly smiles into the camera one last time before logging off.

Is this the future of exercise? The company behind the class, New York-based Livekick, is just one of dozens hoping to tap into a market sweet spot for interactive home workouts, emerging as technology develops, convenience becomes king and – an unforeseen factor – people stay home more amid the coronavirus outbreak. From industry giants such as Technogym to headline-grabbing Peloton and newer start-ups, there’s no shortage of companies promoting so-called connected fitness as the perfect solution for people who don’t – or perhaps can’t – go to a gym regularly.





“My message from the start has been about increasing accessibility,” says Livekick co-founder and personal trainer Shayna Schmidt, who co-founded the company in 2018. “I’ve always been fascinated by what makes the habit of exercising stick and how we can get people in areas that don’t have boutique gyms or studios excited about it. I think a big one is to let them do it in their home. Convenience is such a big factor: people can literally roll out of bed and their trainer is right there.”

Of course, exercising from home is far from new: workout videos have been popular since the 1980s and plenty of people have a neglected set of weights in their cupboard. But what *is* new is the interactivity of it all, with world-class trainers beamed straight into your home and the ability to get feedback from them in real time.

“The accountability of someone seeing them is great,” says Schmidt. “They hear their name and they get excited. I remember my mum doing workout videos in the living room – now it’s as though Jane Fonda is saying, ‘Great work Linda, you can do it.’ Those are meaningful things that make people come back. It’s not the same as a physical class – you don’t smell each other’s sweat – but you do feel connected.”

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Perhaps the best known of the companies banking on the lure of such workouts is Peloton. Founded in 2012, the New York-based firm has made a name for itself by selling stationary bikes with video screens that allow you to ride in a high-octane virtual peloton, complete with a trainer who shouts motivating instructions, leaderboards and the ability to “high five” friends. A similar second product, a connected treadmill, was added two years ago, offering running programmes as well as boot-camp and circuit-training options. There’s also an app that offers all the classes plus yoga, meditation and stretching

even without the equipment. Participants for some sessions run into the thousands.

“The Peloton experience can be more social than going to a gym where you don’t know anybody,” says co-founder John Foley, a former Barnes and Noble executive who helped launch its Nook e-reader. “It’s also more convenient in terms of time and location and much better value.”

Seeing it as good value requires a long-term perspective on gym costs; like most connected fitness equipment, Peloton’s products are at the top end of the price range. The basic bike is \$2,245 (€2,090) and the treadmill \$4,295 (€4,000), plus there’s a \$39 (€36) monthly subscription fee to access video content. Yet the market is clearly there: financial filings last summer ahead of its September IPO showed revenues of \$915m (€850m). Profit, on the other hand, has proven more elusive, with increasing losses reaching \$195.6m (€182m) thanks to outsized spending on administrative and marketing costs. (Not all of which is well spent: a “sexist” Christmas advert became notorious.)

Regardless, Peloton has indeed become a premium household name, even if its actual subscription base is still relatively limited. It currently counts two million users, many of whom share a bike or treadmill and some of whom only have the app. That number is likely to grow in coming months as more people are forced to look for ways to stay fit at home. As a sweetener, the company has extended its app’s free trial from 30 days to 90. “We don’t want to be too opportunistic,” says Foley. “But we’re proud of what we’re doing for people – we do think we are one of the companies that will help people stay sane during the months ahead.”

Other ambitious start-ups operating in this space include Mirror (a screen for two-way video training and classes), Flywheel (another connected bike) and

Hydrow (a rowing machine). But more established companies such as equipment manufacturer NordicTrack, high-end gym group Equinox and workout inventor Les Mills are also getting in on the act, offering live classes and interactive options. The potential seems limitless, especially given the current unique circumstances. “We have seen three to four times the number of sales we were anticipating,” says Hydrow founder Bruce Smith. “You can’t unlearn the news about germs so as people pick up new behaviours around that, I think the home-exercise option is definitely here to stay. We absolutely see a long-term explosion in this area.”

Not everyone is convinced, however. In the American College of Sports Medicine’s annual round-up of global fitness trends, based on a survey of 3,000 experts worldwide, in-home connected products didn’t even make the top 20. “They came in at number 26 out of a possible 38 trends,” says Walter R Thompson, author of the survey and a professor in health-related subjects at Georgia State University. He says that the amount of headlines generated by such companies can be misleading. “Marketing does not always equal trend. I don’t think that it will have a market share as big as a box fitness centre or even a boutique shop specialising in yoga.”

It’s a view echoed by Rett Wallace, chief executive of research firm Triton, which specialises in analysing technology companies. “What we’ve noticed is that when a company gets a lot of attention, it creates the sense of a trend,” he says. “Whatever the market is, they’ll find it. How big is the market?

We’ll see.” But he also adds a caveat. “The willingness of people to stare into their telephones to an extent that no one would have believed 50 years ago does make you think that a social aspect to connected fitness might garner a level of engagement that is hard to predict.”

Given the shifts that have occurred around the roles our homes can fulfil – cinema, shop, restaurant, spa, office, school – it’s not too much of a stretch to imagine that, one way or another, they will increasingly serve as our gyms too. Peloton’s Foley says that he and his wife work out every day but haven’t been to a fitness club in years. But is that what everyone wants? Is this really the beginning of the death of the gym?

One person putting money on the answer being no is Technogym CEO Nerio Alessandri. He founded the Italian premium fitness-equipment manufacturer in his parents’ garage in 1983 and has since built it up to become an industry giant. It supplies bikes, treadmills, set-ups for strength training and much more to some 80,000 sports centres worldwide, as well as to luxury hotels, offices

