

Profile of the Fitness Industry in Australia

Fitness Industry Consumers



Fitness Australia[®]
THE HEALTH & FITNESS INDUSTRY ASSOCIATION

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Definitions and data sources

Australian Bureau of Statistics (ABS) participation rates for fitness activities are used here to estimate the size and characteristics of the customer base for fitness services.

ABS Multipurpose Household Survey (MPHS) is conducted each financial year throughout Australia from July to June as a supplement to the ABS' monthly Labour Force Survey (LFS). Participation in sport and recreation was one of six topics in the 2013-2014 MPHS.

The specific activities isolated by the ABS in their data collection that are considered 'fitness activities' here are:

- Fitness/Gym
- Aerobics
- Pilates
- Yoga
- Weightlifting/Powerlifting/Bodybuilding.

It is important to note that there may be other activities falling under fitness industry services that are not captured by the ABS in the MPHS.

When calculating rates of participation at the intersecting levels of sex, age, and state or territory, estimates have been made using ABS figures for Fitness/ Gym activities only, as data for the set of Fitness, Aerobics, Pilates, Yoga, and Weightlifting are not available.

Population projections from the ABS have been used to make estimates of use of Fitness/Gym activities in coming years.

Fitness Industry Customers – Key observations and implications for the future

Observations:

- Fitness/gym activities are the second most participated type of sport and recreation by Australians.
- Overall rates of participation in fitness/gym activities among Australians have increased over the last decade, but for the last few years have held steady rather than grown.
- Participation in fitness/gym activities nationwide and state by state is higher among women than men, with the greatest gaps in participation between sexes in the ACT and South Australia, and the smallest gaps in New South Wales and Queensland.
- 18-34 year old Australians have the highest rates of participation in fitness/gym activities nationwide, disproportionately above their representation in the population overall. Those aged 55 and above have the lowest rates of participation, and in particular for those aged 65 and above, their share of participation in fitness activities is disproportionately below their presence in the Australian population.
- Estimates of population change over the coming decade predict an increasing share of the population will be in the over 65 age group, while the proportion of 18-34 year olds is predicted to fall slightly.

Implications:

Current estimates of population growth predict that over the next decade, the proportion of the population in the age group that are currently the highest users of fitness services will decrease, while the proportion of the population in the lowest-using age group will increase. This changing demographic pattern represents the following opportunities for the fitness industry.

15-17 year olds

15-17 are one of the lowest using age groups. Much of this low is likely to be due to the life characteristics of those in this age category – still at school, living at home, and likely to have lower disposable incomes as most will not yet be in full time employment. Ensuring that high rates of these young people convert to using fitness/ gym services as they enter adulthood will be essential to maintaining demand for the industry.

18-34 year olds

The current high-participating age group of 18-34 year olds will maintain their fitness habits as they age, increasing participation rates among older age groups from their current levels. Provided the current cohort of Australians under 18 do not exhibit declining fitness participation rates, this trend offers the prospect of increasing numbers of Australians overall participating in fitness activities, and requiring the services of the fitness industry.

Older Australians

The current under-participation in fitness activities by older Australians combined with predictions for their growth as a cohort, presents the fitness industry with an opportunity to expand their customer base. Older Australians not currently participating in fitness activities represent a market that can be targeted over the coming years, by taking steps to ensure the industry is meeting the needs of older Australians. This may involve developing tactics such as specific training for fitness professionals based on the health needs and constraints of older people, recruiting more older fitness professionals into the industry to help older people feel understood and at home in a fitness environment, and developing closer relationships with health providers to integrate fitness services into health care.

Australian participation in fitness activities

Overall, in 2013-14, fitness/gym activities were the second most commonly participated in type of sport or recreation for Australians (Table 3.1), second only to walking for exercise. Of the five individually recorded 'fitness activities', it is the only one in the top ten most participated in sports or recreational physical activities. (Table 3.1)

Overall rates of participation in fitness/gym activities have increased over the past decade, from 12.6% of Australians in 2005-06 to 17.1% in 2011-12 and 17.4% in 2013-14 (Table 3.2).

Table 3.1: Most participated in physical activities (% of sex) over 2013-14

	Male (%)	Female (%)	Total Persons (%)
1 Walking for exercise	13.6	24.7	19.2
2 Fitness/Gym	15.9	18.9	17.4
3 Jogging / Running	8.1	6.7	7.4
4 Swimming / Diving	5	7.6	6.4
5 Cycling / BMXing	8.5	4	6.2
6 Golf	6.6	1.4	4
7 Tennis (indoor and outdoor)	3.4	2.7	3
8 Outdoor soccer	3.5	1.3	2.4
9 Basketball (indoor and outdoor)	3.1	1.3	2.2
10 Netball (Indoor and outdoor)	0.3	4.1	2.2
11 Yoga	0.4	3	1.7
12 Football sports (excluding, rugby, soccer, Australian Rules football)	1.8	1.3	1.6
13 Bush walking	1.4	1.7	1.5
14 Dancing / Ballet	0.3	2.2	1.3
15 Australian Rules football	2.3	0.1	1.2
16 Indoor soccer	2	0.4	1.2
17 Martial arts	1.2	1.2	1.2
18 Outdoor cricket	2.3	0.1	1.2
19 Pilates	0.1	2	1.1
20 Surf sports	1.7	0.4	1.1
21 Fishing	1.9	0.1	1
22 Lawn bowls	1.4	0.6	1
23 Horse riding / Equestrian activities / Polo	0.2	1.2	0.8
24 Canoeing / Kayaking / Dragon boat racing	0.8	0.5	0.7
25 Hockey (indoor and outdoor)	0.7	0.6	0.7
26 Athletics, track and field	0.7	0.5	0.6
27 Squash / Racquetball	0.9	0.2	0.6
28 Aerobics	0.1	0.9	0.5
...
45 Weight lifting / Powerlifting / Body building	0.4	0.2	0.3

Source: Australian Bureau of Statistics (ABS), 2015, 4177.0 - Participation in sport and physical recreation, 2013-2014, Commonwealth of Australia, Canberra

Table 3.2: Participation in fitness activities (% of Australian population) over time, by activity type

	2005-06 (%)	2009-10 (%)	2011-12 (%)	2013-14 (%)
Fitness/Gym	12.6	14	17.1	17.4
Aerobics	-	-	0.5	0.5
Pilates	0.8	1	1.1	1.1
Weight lifting/ Powerlifting / Body building	-	-	0.4	0.3
Yoga	1.7	1.7	1.9	1.7

Source: Australian Bureau of Statistics (ABS), 2012, 4177.0 - Participation in sport and physical recreation, 2011-2012, Commonwealth of Australia, Canberra

Source: Australian Bureau of Statistics (ABS), 2015, 4177.0 - Participation in sport and physical recreation, 2013-2014, Commonwealth of Australia, Canberra

Nature of Australian participation in fitness activities

It is most common for Australian fitness/gym participants to be participating 105 or more times per year (40% say they participate this frequently, equivalent to at least twice weekly); a further 24% participating 53-104 times per year (equivalent to at least once a week but not quite twice a week). (Table 3.3a)

It is more common for Australians to participate in fitness activities in a non-organised fashion (that is, their fitness activities are not organised by a club or recreational association); however, around three in ten Australians only participate in fitness activities organised by a club of some kind. (Table 3.3b)

Table 3.3a: Frequency of participation in Fitness/Gym (% of state or territory) (2012)

Fitness/Gym	NSW (%)	VIC (%)	QLD (%)	SA (%)	WA (%)	TAS (%)	NT (%)	ACT (%)	Australia (%)
1–12 times	7.7	9.2	10.6	7.9	7.6	7.4	16.3	6.1	8.7
13–26 times	10.9	8.0	7.1	6.8	6.6	7.7	8.9	12.6	8.6
27-52 times	18.4	18.2	18.6	20.8	19.0	16.2	17.6	19.6	18.6
53-104 times	22.8	26.0	23.0	28.8	21.4	28.7	26.7	22.9	24.1
105 times or more	40.2	38.5	40.5	35.4	45.1	40.0	30.4	38.8	39.9

Source: Australian Bureau of Statistics (ABS), 2012, 4177.0 - Participation in sport and physical recreation, 2011-2012, Commonwealth of Australia, Canberra

Table 3.3b: Manner of participation in Fitness/Gym (% of state or territory) (2012)

Fitness/Gym	NSW (%)	VIC (%)	QLD (%)	SA (%)	WA (%)	TAS (%)	NT (%)	ACT (%)	Australia (%)
Organised only	28.9	27.7	23.0	30.1	30.5	29.8	-	-	27.7
Non-organised only	64.0	63.1	70.1	62.4	60.7	61.3	68.5	60.4	64.5
Both organised and non organised	7.1	8.1	5.0	7.4	8.4	9.0	-	-	7.3
Organised only	28.9	27.7	23.0	30.1	30.5	29.8	-	-	27.7

Source: Australian Bureau of Statistics (ABS), 2012, 4177.0 - Participation in sport and physical recreation, 2011-2012, Commonwealth of Australia, Canberra

Demographics of participation in fitness activities

Based on the most recent ABS figures, Australian women are participating in all fitness activities at higher rates than men, with the exception of weightlifting/powerlifting/bodybuilding activities (Table 3.4).

Australians aged 18-34 have the highest rates of utilisation of specifically Fitness/Gym activities, with those aged 15-17 and 65 and older the lowest (Table 3.5).

Across the country, the ACT has the highest rate of utilisation of Fitness/Gym activities for men and women, and the Northern Territory the lowest. In all states and territories, women participate at higher rates than men, with the gap particularly pronounced in the ACT and South Australia, and smallest in NSW and Queensland (Table 3.6).

Table 3.4: Participation in fitness activities (% of sex), by activity type 2013-14

	Male (%)	Female (%)	Total Persons (%)
Fitness/Gym	15.9	18.9	17.4
Aerobics	0.1	0.9	0.5
Pilates	0.1	2.0	1.1
Weight lifting / Powerlifting / Body building	0.4	0.2	0.3
Yoga	0.4	3.0	1.7

Source: Australian Bureau of Statistics (ABS), 2015, 4177.0 - Participation in sport and physical recreation, 2013-2014, Commonwealth of Australia, Canberra

Table 3.5: Participation in fitness activities (% of age group), by activity type 2011-12

	15-17 (%)	18-24 (%)	25-34 (%)	35-44 (%)	45-54 (%)	55-64 (%)	65 and over (%)	Total persons (%)
Fitness/Gym	9.6	28.9	23.2	18.2	16.2	12.1	8.6	17.1
Aerobics	Data not available							
Pilates	0.0	1.9	1.4	0.9	1.1	1.4	0.3	1.1
Weight lifting/Powerlifting/Body building	Data not available							
Yoga	0.2	1.1	2.8	3	1.9	2	0.9	1.9

Source: Australian Bureau of Statistics (ABS), 2012, 4177.0 - Participation in sport and physical recreation, 2011-2012, Commonwealth of Australia, Canberra

Table 3.6: Participation in Fitness/ Gym activities (% of state or territory), by sex and age group 2011-12

Fitness/Gym	NSW (%)	VIC (%)	QLD (%)	SA (%)	WA (%)	TAS (%)	NT (%)	ACT (%)	Australia (%)
15-17	10.4	5.7	11.1	13.7	11.1	4.7	-	-	9.6
18-24	27.5	29	31	31.5	24.5	40	17.5	39	28.9
25-34	22.9	24.7	21.5	21.1	23.2	25.8	12.1	33.2	23.2
35-44	20.6	16.8	17.1	21.6	15.1	12.3	17.6	20.2	18.2
45-54	16.6	16.6	13.9	18.7	16.7	15.7	11.7	22.1	16.2
55-64	9.4	14.2	12.9	11.1	13.4	9.1	4.2	26.7	12.1
65 and over	6.1	10	8.5	9.7	12.2	5.9	-	-	8.6
Fitness / Gym	NSW (%)	VIC (%)	QLD (%)	SA (%)	WA (%)	TAS (%)	NT (%)	ACT (%)	Australia (%)
Males	16.1	14.7	15.3	12.2	14.9	11.6	10.2	19.6	15.1
Females	17	20.5	18	23.5	19.3	18.9	14.3	32.1	19.1
Total persons	16.6	17.6	16.7	18	17.1	15.3	12.3	26	17.1

Source: Australian Bureau of Statistics (ABS), 2012, 4177.0 - Participation in sport and physical recreation, 2011-2012, Commonwealth of Australia, Canberra

Calculated participation rates by sex, age group, and state or territory

Table 3.7a and Table 3.7b display estimates of participation rates of males and females by age group within each state or territory.

From these tables, we see that women aged 18-24 in Tasmania, the ACT, and South Australia, have particularly high rates of participation in Fitness/Gym activities, while older and younger Tasmanian men have some of the lowest participation rates.

Table 3.7a: Male participation in Fitness/Gym (% of state or territory), by age group 2011-12

Fitness/Gym	NSW (%)	VIC (%)	QLD (%)	SA (%)	WA (%)	TAS (%)	NT (%)	ACT (%)	Australia (%)
15-17	10.1	4.8	10.2	9.3	9.7	3.6	-	-	8.5
18-24	26.7	24.2	28.4	21.4	21.3	30.3	14.5	29.4	25.5
25-34	22.2	20.6	19.7	14.3	20.2	19.6	10	25	20.5
35-44	20	14	15.7	14.6	13.2	9.3	14.6	15.2	16.1
45-54	16.1	13.9	12.7	12.7	14.6	11.9	9.7	16.7	14.3
55-64	9.1	11.9	11.8	7.5	11.7	6.9	3.5	20.1	10.7
65 and over	5.9	8.4	7.8	6.6	10.6	4.5	-	-	7.6
Total persons	16.1	14.7	15.3	12.2	14.9	11.6	10.2	19.6	15.1

Source: Calculations based on ABS (2012)

Rate of participation of age group in state or territory multiplied by ratio of male participation in same state or territory

e.g. 10.1% of males 15-17 years old in NSW participating in Fitness/Gym calculated as follows:

- 10.4% of 15-17 year olds in NSW participate in Fitness/Gym
- 16.1% of males in NSW participate in Fitness/Gym compared to 16.6% of people in NSW: $16.1\%/16.6\% = 0.97$
- $10.4\% \times 0.97 = 10.1\%$

Table 3.7b: Female participation in Fitness/Gym (% of state or territory), by age group 2011-12

Fitness/Gym	NSW (%)	VIC (%)	QLD (%)	SA (%)	WA (%)	TAS (%)	NT (%)	ACT (%)	Australia (%)
15-17	10.7	6.6	12	17.9	12.5	5.8	-	-	10.7
18-24	28.2	33.8	33.4	41.1	27.7	49.4	20.3	48.2	32.3
25-34	23.5	28.8	23.2	27.5	26.2	31.9	14.1	41	25.9
35-44	21.1	19.6	18.4	28.2	17	15.2	20.5	24.9	20.3
45-54	17	19.3	15	24.4	18.8	19.4	13.6	27.3	18.1
55-64	9.6	16.5	13.9	14.5	15.1	11.2	4.9	33	13.5
65 and over	6.2	11.6	9.2	12.7	13.8	7.3	-	-	9.6
Total persons	17	20.5	18	23.5	19.3	18.9	14.3	32.1	19.1

Source: Calculations based on ABS (2012)

Rate of participation of age group in state or territory multiplied by ratio of female participation in same state or territory

e.g. 10.7% of females 15-17 years old in NSW participating in Fitness/Gym calculated as follows:

- 10.4% of females 15-17 years old in NSW participate in Fitness/Gym
- 17.0% of females in NSW participate in Fitness/Gym compared to 16.6% of people in NSW: $17.0\%/16.6\% = 1.02$
- $10.4\% \times 1.02 = 10.7\%$

Fitness professionals perceptions of the demographics of their own clientele

Research conducted by Fitness Australia with personal trainers in early 2015, asked them to estimate the makeup of their clientele or membership with respect to sex and age. The trend of higher rates of participation by females than males is consistent with the ABS figures. Both personal trainers and gym owners, however, estimate their highest participating age ranges to be slightly older than ABS figures, estimating that the bulk of their clients and members are 26-45. This suggests that while overall participation in fitness activities is highest among 18-34 year olds, many may be engaging in their fitness or gym activities independent of formal supervision or outside of a gym.

Figure 3.1a: Personal trainer estimation of age and sex characteristics of clientele 2015

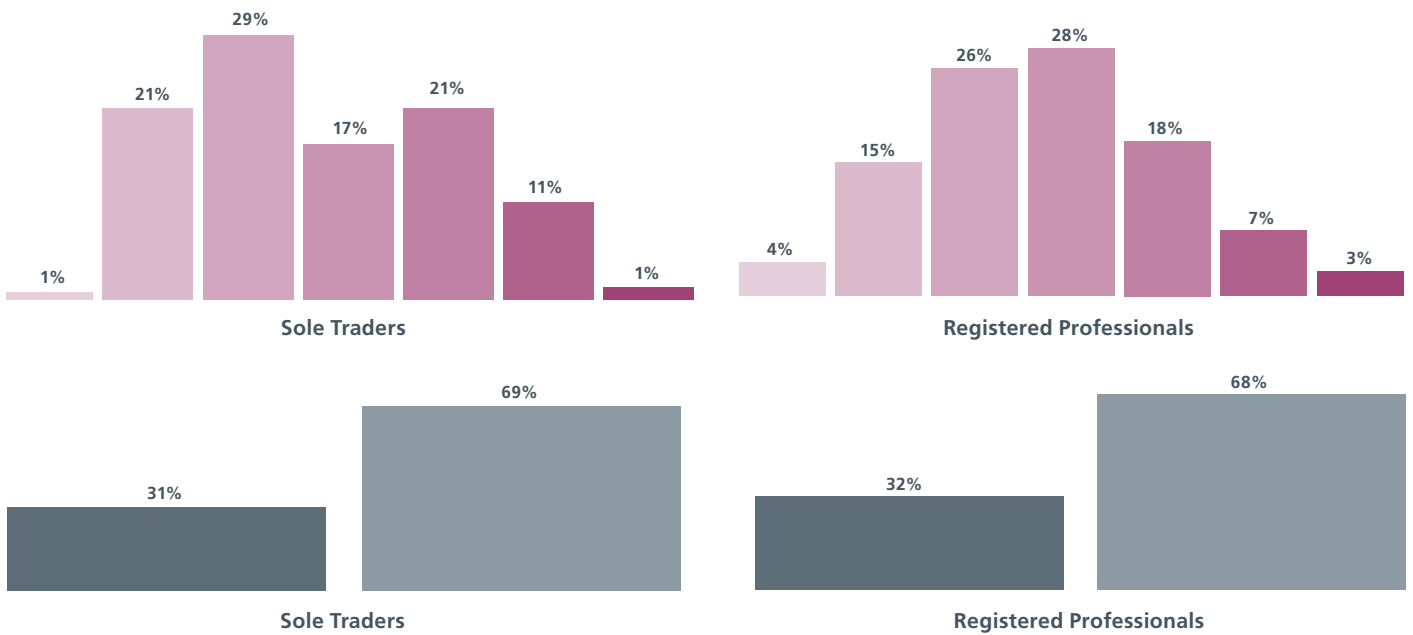
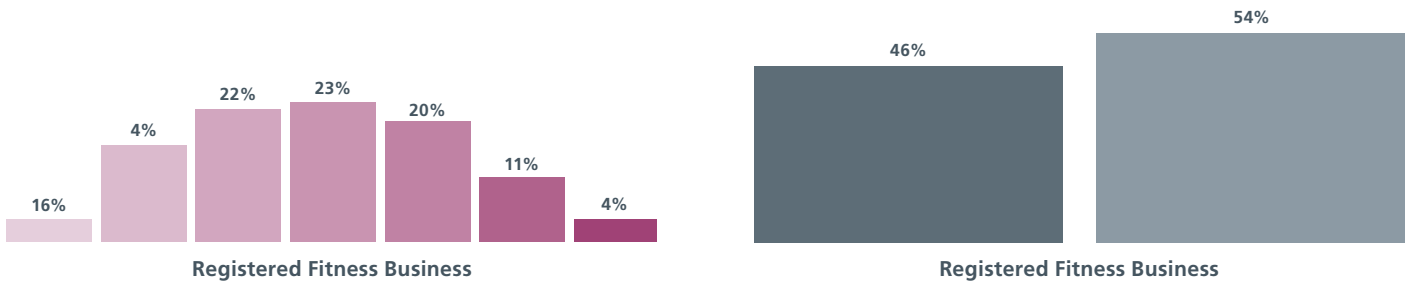


Figure 3.1b: Gym owner estimation of age and sex characteristics of membership 2015



Source: Fitness Australia Registrant Survey 2015



Estimated Australian population at June 2015

Population projections published by the ABS use Australian population data from the Census and extrapolate these figures based on assumptions for the future regarding fertility rates and mortality rates, and internal and overseas migration patterns.

The current estimated population of Australia by sex, age group, and state or territory, is displayed below in Tables 3.8a and 3.8b.

Table 3.8a: Estimated resident male population of Australia aged 15 or older at June 2015

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
15–17	140,776	106,692	95,098	31,378	49,796	10,212	5,131	6,805	445,888
18–24	356,866	285,688	239,870	80,250	132,911	23,097	13,981	22,918	1,155,581
25–34	548,911	454,632	352,242	117,641	230,083	30,051	23,947	34,955	1,792,462
35–44	510,483	407,409	328,322	109,350	192,940	30,740	19,245	28,885	1,627,374
45–54	487,940	382,927	315,845	114,226	178,501	34,913	16,790	25,041	1,556,183
55–64	436,380	327,352	271,677	103,414	146,300	35,193	12,976	19,969	1,353,261
65 and over	553,344	410,067	325,665	135,442	161,291	44,842	9,136	21,647	1,661,434
Total males 15 and older	3,034,700	2,374,767	1,928,719	691,701	1,091,822	209,048	101,206	160,220	9,592,183

Source: ABS population projections for June 2015

Table 3.8b: Estimated resident female population of Australia aged 15 or older at June 2015

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
15–17	133,487	101,711	90,485	30,112	47,722	9,624	4,611	6,626	424,378
18–24	341,665	276,235	232,109	76,246	124,545	21,329	12,237	21,639	1,106,005
25–34	547,817	453,928	347,909	114,169	211,913	30,202	21,914	34,102	1,761,954
35–44	519,438	415,564	334,162	109,139	185,070	31,901	18,083	28,805	1,642,162
45–54	500,336	395,187	322,904	115,478	173,999	36,109	15,649	25,902	1,585,564
55–64	449,685	342,576	276,477	107,816	146,521	35,871	11,629	21,283	1,391,858
65 and over	638,036	481,705	360,670	160,801	181,811	49,618	7,720	25,487	1,905,848
Total females 15 and older	3,130,464	2,466,906	1,964,716	713,761	1,071,581	214,654	91,843	163,844	9,817,769

Source: ABS population projections for June 2015

Current demand for fitness services based on population and participation rates

Taking the participation rates from Tables 3.7a and 3.7b and applying them to ABS population projections for June 2015 in Tables 3.8a and 3.8b, the approximate numbers of Australians who are currently participating in Fitness/Gym services are shown below in Tables 3.9a and 3.9b.

Overall, it is estimated that approximately 1.448 million men and 1.875 million women are participating in Fitness/Gym activities, not including yoga, Pilates, aerobics, and weightlifting (3.324 million Australians in total).

Table 3.9a: Estimated number of males participating in Fitness/Gym activities 2015

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
15–17	14,200	5,079	9,671	2,914	4,816	364	-	-	37,799
18–24	95,182	69,198	68,126	17,133	28,374	7,005	2,029	6,738	294,903
25–34	121,914	93,791	69,383	16,824	46,512	5,878	2,403	8,748	367,214
35–44	101,992	57,167	51,436	16,009	25,386	2,867	2,809	4,399	261,541
45–54	78,558	53,092	40,222	14,478	25,975	4,156	1,629	4,172	222,616
55–64	39,784	38,825	32,108	7,780	17,082	2,428	452	4,019	144,593
65 and over	32,737	34,250	25,361	8,905	17,146	2,006	-	-	126,172
Total male participants 15 and older	488,587	349,091	295,094	84,388	162,681	24,250	10,323	31,403	1,448,420

Source: Calculations based on participation rates for males of each age group in each state or territory and ABS population projections for June 2015

Table 3.9b: Estimated number of females participating in Fitness/Gym activities 2015

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Australia
15–17	14,217	6,753	10,826	5,386	5,979	559	-	-	45,505
18–24	96,222	93,308	77,555	31,356	34,439	10,539	2,490	10,419	357,020
25–34	128,473	130,595	80,623	31,450	55,489	9,626	3,083	13,978	456,583
35–44	109,583	81,318	61,590	30,777	31,541	4,847	3,700	7,184	333,829
45–54	85,057	76,410	48,378	28,193	32,796	7,003	2,129	7,067	286,904
55–64	43,289	56,661	38,442	15,624	22,160	4,032	568	7,016	188,112
65 and over	39,858	56,108	33,043	20,364	25,035	3,616	-	-	183,073
Total female participants 15 and older	532,179	505,716	353,649	167,734	206,815	40,570	13,134	52,594	1,875,194

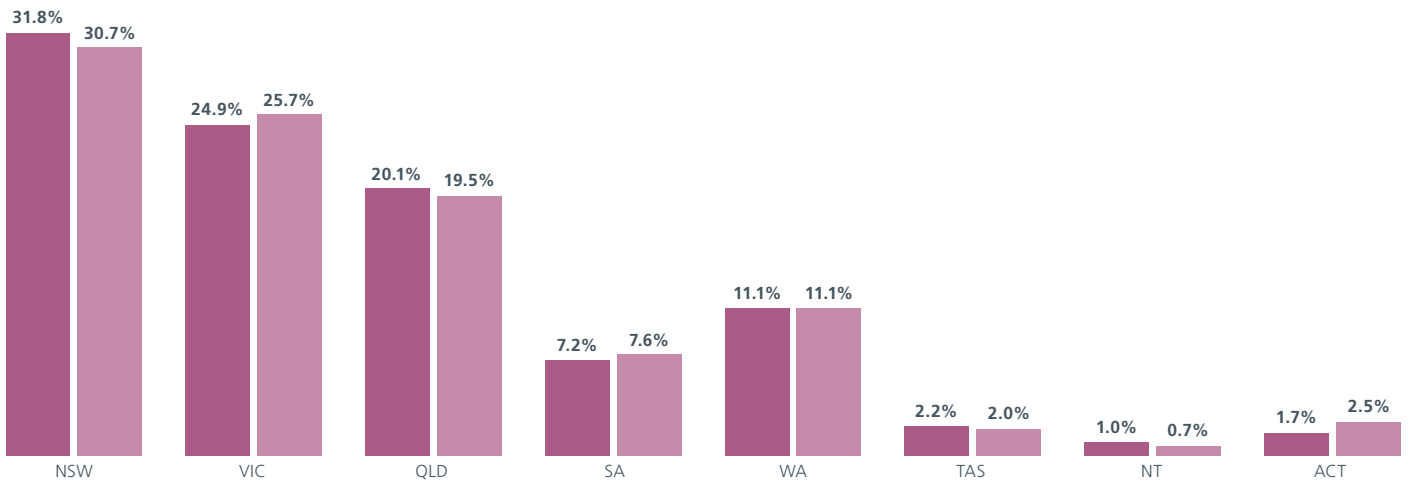
Source: Calculations based on participation rates for females of each age group in each state or territory and ABS population projections for June 2015

Current demand for fitness services in relation to population

Figure 3.2 shows that the share of participation in Fitness/Gym activities by each state and territory is largely consistent with the overall share of population in each location.

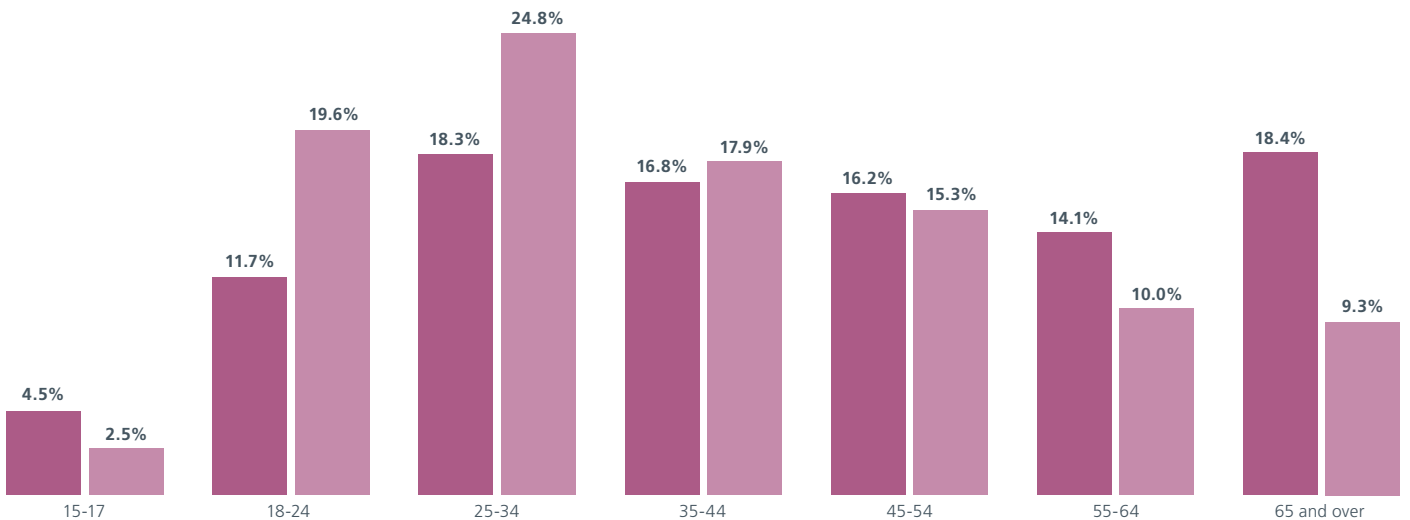
Figure 3.3 illustrates the disproportionate participation in Fitness/Gym activities with respect to age: a much higher share of 18-24 and 25-34 year olds are using Fitness/Gym services than are currently represented in the population, while those aged 15-17 and 55 and older are making a lesser demand on these services.

Figure 3.2: Distribution of 2015 population and 2015 participation in Fitness/Gym by state or territory



Source: Calculations based on participation rates for males of each age group in each state or territory and ABS population projections for June 2015

Figure 3.3: Distribution of 2015 population and 2015 participation in Fitness/Gym by age group



Source: Calculations based on participation rates for males of each age group in each state or territory and ABS population projections for June 2015

■ Share of population 2015 ■ Share of participation in Fitness/Gym activities in 2015

Fitness participants compared to fitness instructors

Based on estimates of participation in fitness services, and ABS figures of numbers of fitness instructors employed in Australia, it appears that Victoria, New South Wales, and Queensland have the greatest share of instructors and participants. (Figure 3.4) While of course the relationship between fitness instructors and fitness participants is not necessarily one-to-one, it is still of interest to note the ratios of instructors to participants. Victoria's is the lowest (88.5 fitness participants per instructor), while Tasmania and the Northern Territory have the highest ratios (335.5 and 283.3 participants per instructor, respectively). (Figure 3.5)

Figure 3.4: Share of fitness instructors and fitness participants by state or territory, 2015

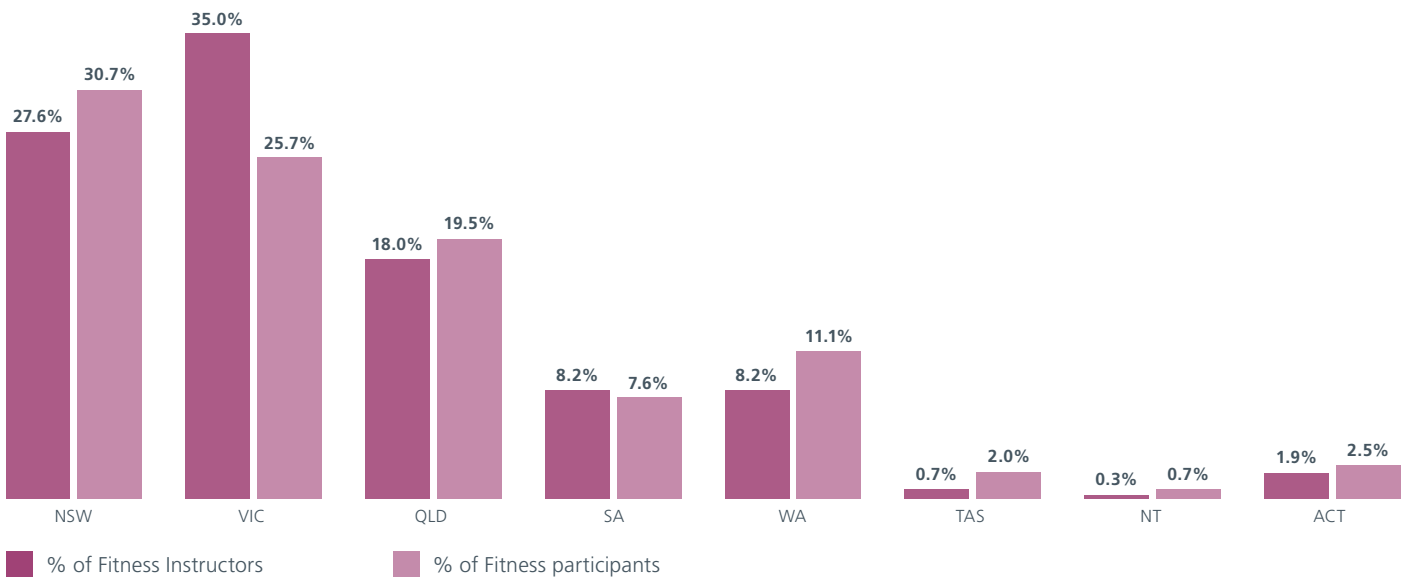
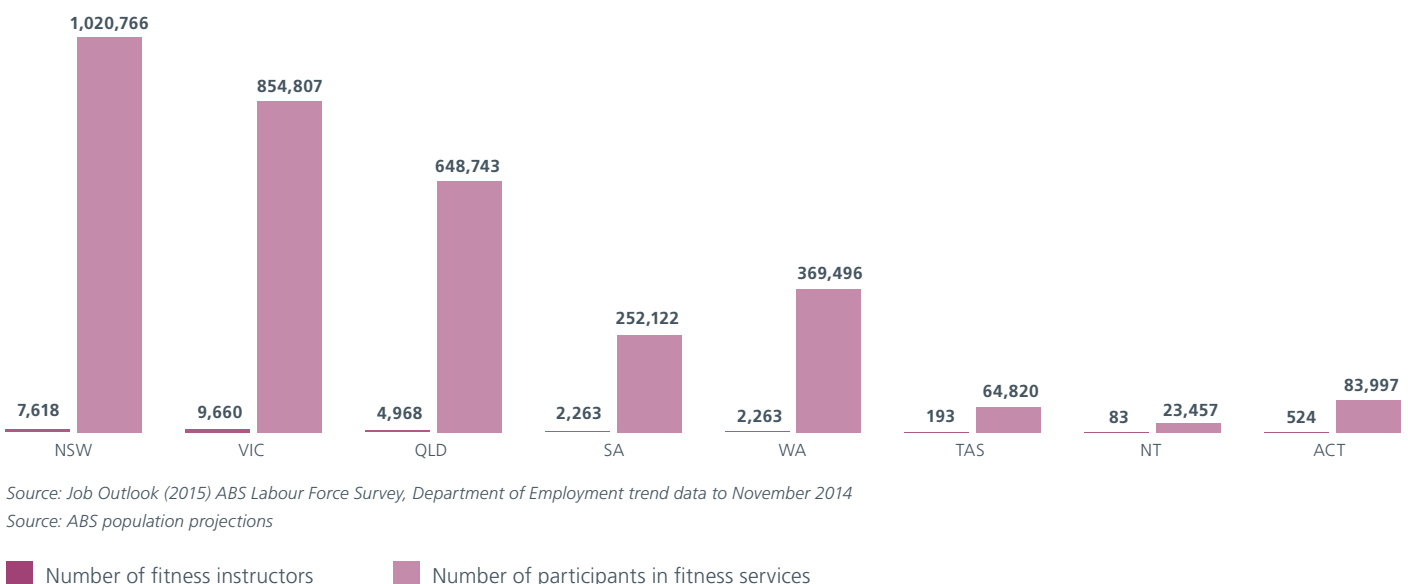


Figure 3.5: Number of fitness instructors and fitness participants by state or territory, 2015



Source: Job Outlook (2015) ABS Labour Force Survey, Department of Employment trend data to November 2014

Source: ABS population projections

■ Number of fitness instructors ■ Number of participants in fitness services

Estimated Australian population change over next decade

An ageing population is a key trend in terms of expected changes to Australia's demography, with the 65+ age group in particular expected to grow rapidly over the coming decade and represent more than a fifth of the population over 15 by 2025 (Table 3.10). The 18-24 year old age group (the highest current participants in fitness/gym activities), in contrast is estimated to occupy a slightly smaller share of the population over 15 by 2025.

High population growth is also predicted for Queensland and WA (Table 3.11); however, recent changes to the economy with respect to mining, the traditional source of growth in Western Australia, may see these estimates of growth revised in upcoming population projections.

If the current rate of total Australian participation in fitness/gym activities is maintained, this will equate to approximately 3.6 million Australians participating in 2020, and approximately 3.9 million in 2025.

Table 3.10: Estimated Australian population growth by age group

	2015		2020		2025		2020 change from 2015		2025 change from 2020	
	n	%	n	%	n	%	n	%	n	%
15–17	870,266	4.5	910,084	4.3	1,017,041	4.5	39,818	4.6	106,957	11.8
18–24	2,261,586	11.7	2,315,695	11	2,423,123	10.6	54,109	2.4	107,428	4.6
25–34	3,554,416	18.3	3,798,264	18	3,901,610	17.1	243,848	6.9	103,346	2.7
35–44	3,269,536	16.8	3,563,848	16.9	4,017,623	17.6	294,312	9	453,775	12.7
45–54	3,141,747	16.2	3,308,317	15.7	3,448,945	15.1	166,570	5.3	140,628	4.3
55–64	2,745,119	14.1	3,001,365	14.2	3,134,560	13.7	256,246	9.3	133,195	4.4
65 and over	3,567,282	18.4	4,183,355	19.8	4,880,560	21.4	616,073	17.3	697,205	16.7
Total persons 15 and older	19,409,952	100.0	21,080,928	100	22,823,462	100	1,670,976	8.6	1,742,534	8.3

Source: ABS population projections

Table 3.11: Estimated Australian population growth by state or territory

	2015		2020		2025		2020 change from 2015		2025 change from 2020	
	n	%	n	%	n	%	n	%	n	%
NSW	6,165,164	31.8	6,577,411	31.2	7,003,016	30.7	412,247	6.7	425,605	6.5
VIC	4,841,673	24.9	5,261,122	25	5,700,602	25	419,449	8.7	439,480	8.4
QLD	3,893,435	20.1	4,289,616	20.3	4,703,233	20.6	396,181	10.2	413,617	9.6
SA	1,405,462	7.2	1,474,716	7	1,547,360	6.8	69,254	4.9	72,644	4.9
WA	2,163,403	11.1	2,476,590	11.7	2,804,513	12.3	313,187	14.5	327,923	13.2
TAS	423,702	2.2	437,414	2.1	451,117	2	13,712	3.2	13,703	3.1
NT	193,049	1	210,044	1	227,254	1	16,995	8.8	17,210	8.2
ACT	324,064	1.7	354,015	1.7	386,367	1.7	29,951	9.2	32,352	9.1
Total persons 15 and older	19,409,952	100	21,080,928	100	22,823,462	100	1,670,976	8.6	1,742,534	8.3

Source: ABS population projections

Push and pull factors for Australians to participate in the services provided by the fitness industry

The following section draws on Ezy pay's report, The Ultimate Guide to the Australian Fitness Industry 2015, a survey of current and former members of Australian gyms.

Current gym members

The majority of current gym members are members of franchise clubs or privately owned clubs.

Convenience of location is the strongest factor in deciding on a gym, followed by cost incentives. Specific gym offerings are still considerations, but are less universal in their importance. Location is also rated as the most important factor in terms of impacts on long-term commitment to their gym, followed by value for money, and the atmosphere and interactions (professional, approachable, engaging, motivating staff and environment). Having the latest equipment and technology, and being open for 24 hours, were rated as much less important.

Former gym members

Affordability of gym services, in terms of both time and money, is a major issue for Australians in committing to a gym. Many of the most common reasons for members discontinuing a gym membership are largely outside of the control of the gym itself, with conflicting time commitments and changing circumstances causing members to drop off more than poor experiences at the gym itself, and only 4% of respondents reported discontinuing because of increasing fees.

Encouragingly, responses to the same survey suggested that poor experiences at a gym damaged perceptions of the gym itself, but not of the broader fitness industry.

Using personal trainers

Forty-five per cent of respondents to the Ezy pay Fitness Industry survey reported that they had or currently used the services of a personal trainer. Short-term interactions (up to 6 months) with personal trainers were the most common type, although there is a reasonable cohort of committed long-term users (27% had used a personal trainer for more than a year, 14% for more than two).

In general, the choice to use a personal trainer is a 'personal' one. While almost a quarter were persuaded through inclusion in an existing gym membership (a freebie of sorts), the strongest motivations involve individuals striving towards a goal, generally related to being 'better' at the form of exercise or fitness already being undertaken.

Referral was the most common method of choice of personal trainer (33%), followed by availability (25%). Experience and qualifications were considerations for 20% and 12% respectively. A small proportion admitted selecting based on the appearance of the trainer (4%).

The most common reason for people stopping using a personal trainer (and one that likely contributes to the high proportion of short-term users) is the cost (40% reported discontinuing for this reason). Apart from this, achieving the initial goal was a common stopping point (learned the correct technique, no longer needed extra motivation, achieved fitness goal). Very few stopped due to personality issues or failure to achieve results.

Current gym members – where they are and how they chose

Types of gyms

The majority of gym members are members of franchise clubs or privately owned clubs.

A quarter of members (24.8%) reported belonging to a 24-hour facility; however only 5% of members said that this feature was a factor in their choice of gym. (Figure 3.6)

Pull factors

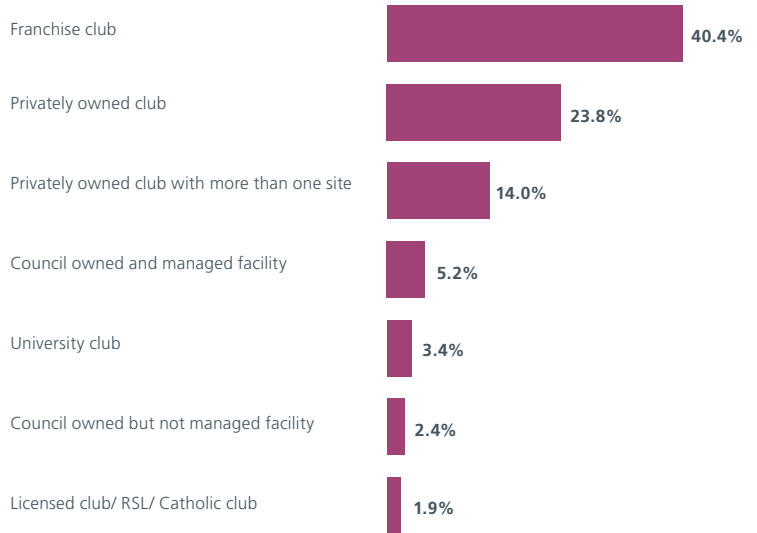
Convenience of location is the strongest factor in deciding on a gym, followed by cost incentives. Specific gym offerings are still considerations, but are less universal in their importance. (Figure 3.7)

Priorities for members

Asked for their opinions on the factors that most impacted their long-term commitment to their gym, location was the most important factor, followed by value for money, and the atmosphere and interactions (professional, approachable, engaging, motivating staff and environment).

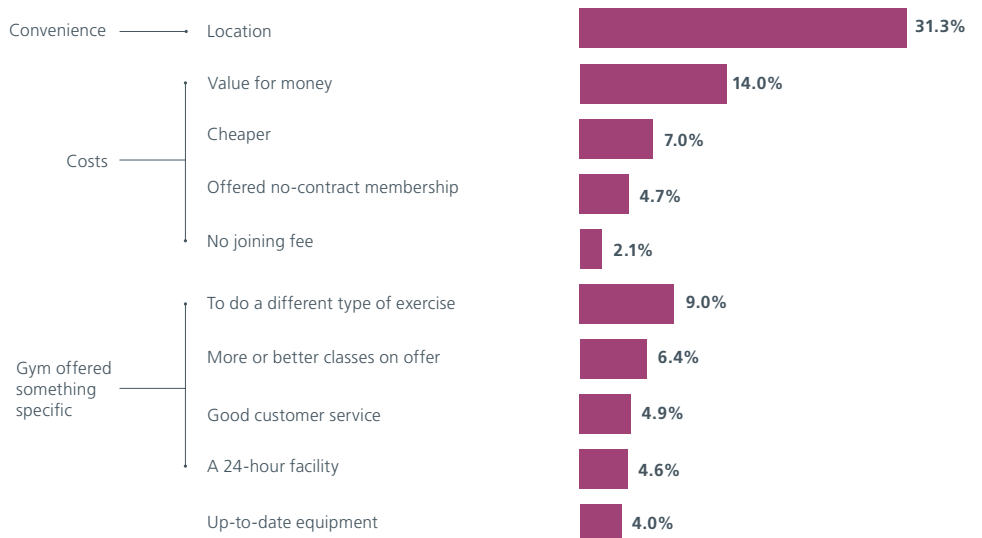
Having the latest equipment and technology, and being open for 24 hours, were rated as much less important than.

Figure 3.6: Types of gyms belonged to



Source: Fitness Industry Survey 2014 (Ezypay & iconnect)

Figure 3.7: Reasons for choosing their gym



Source: Fitness Industry Survey 2014 (Ezypay & iconnect)

It is important to distinguish between the concepts of 'value for money' and 'cheaper' – cheap will quickly lose its appeal if the quality of experience declines too far.

Defecting gym members

Push factors

The most common reasons for members discontinuing a gym membership are largely outside of the control of the gym itself, with conflicting time commitments and changing circumstances causing members to drop off more than poor experiences at the gym itself. (Figure 3.8)

Pull back factors

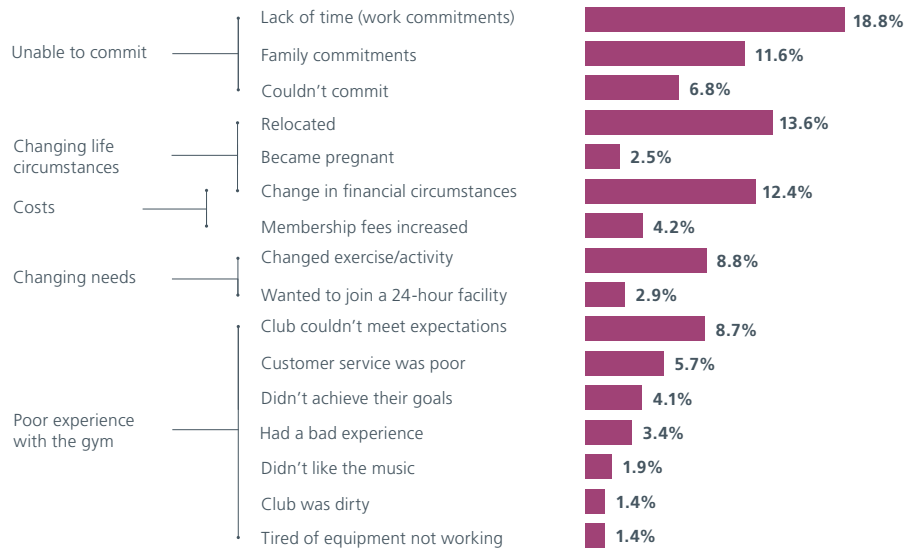
Defected gym members were asked about factors that might persuade them to re-join the gym they had left – their responses indicated that cost-based incentives (no contract memberships, no joining fees, returning at an unchanged cost) to return would be of more interest than changes to the gym itself (with respect to hours, services offered, facilities, or management).

Encouragingly, responses to the same survey suggested that poor experiences at a gym damaged perceptions of the gym itself, but not of the broader fitness industry. Half of respondents who had left a gym said that they would join a (different) fitness club in the future.

The impact of costs

Only 4% of respondents to the survey reported that they discontinued a gym membership because of increasing membership fees, while for 12% a change in their own financial circumstances was the driver. This again supports the theory that factors influencing the loss of gym members are outside the control of the gyms themselves, and are rather highly dependent on the circumstances of their members with respect to their other commitments and their finances.

Figure 3.8: Reasons for giving up gym memberships



Source: Fitness Industry Survey 2014 (Ezypay & iconnect)

Affordability of gym services, in terms of both time and money, is a major issue for Australians in committing to a gym.

Using personal trainers

Experience with personal trainers

Forty-five per cent of respondents to the Ezypay Fitness Industry survey reported that they had or currently used the services of a personal trainer.

Short-term interactions (up to 6 months) with personal trainers were the most common type, although there is a reasonable cohort of committed long-term users (27% had used a personal trainer for more than a year, 14% for more than two). (Figure 3.9)

Motivations for using a personal trainer

In general, the choice to use a personal trainer is a 'personal' one, with the influence of others having little impact on the decision. While almost a quarter were persuaded through inclusion in an existing gym membership (a freebie of sorts), the strongest motivations involve individuals striving towards a goal, generally related to being 'better' at the form of exercise or fitness already being undertaken. (Figure 3.10)

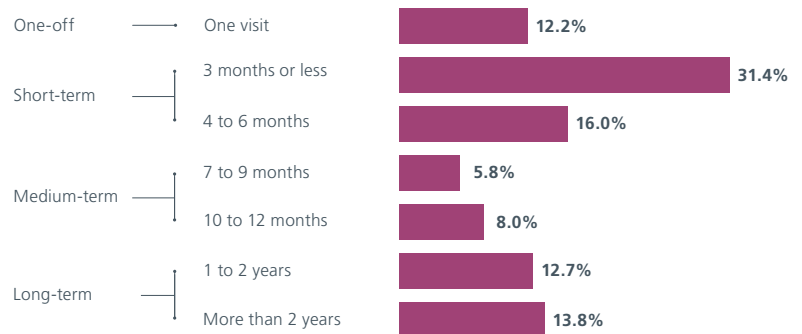
Choice of personal trainers

Referral was the most common method of choice of personal trainer (33%), followed by availability (25%). Experience and qualifications were considerations for 20% and 12% respectively. A small proportion selected based on the appearance of the trainer (4%).

Why people stop

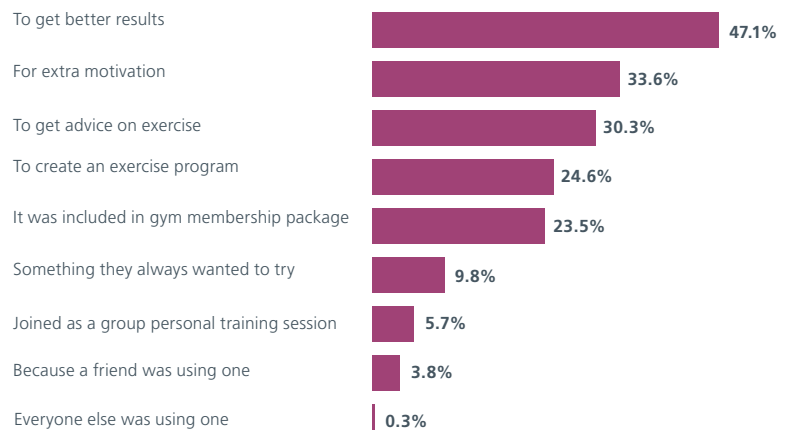
The most common reason for people stopping using a personal trainer (and one that likely contributes to the high proportion of short-term users) is the cost (40% reported discontinuing for this reason). Apart from this, achieving the initial goal was a common stopping point (learned the correct technique, no longer needed extra motivation, achieved fitness goal). Very few stopped due to personality issues or failure to achieve results.

Figure 3.9: Time spent with personal trainer



Source: Fitness Industry Survey 2014 (Ezypay & iconnect)

Figure 3.10: Motivations for using a personal trainer



Source: Fitness Industry Survey 2014 (Ezypay & iconnect)

Using a personal trainer doesn't happen 'just because' – people need a reason, and to want something specific out of it.

Push and pull factors for Australians to participate in the services provided by the fitness industry

The Suncorp Bank Cost of Being Fit report (2015) estimated that Australians spent \$8.5 billion on fitness overall in 2014. This covered direct participation in fitness activities, as well as gym memberships, and spending on fitness clothing and equipment. However, the report does not provide information as to the number of Australians estimated to be doing this spending.

The ABS estimates that in 2013-14, 17% of Australians over the age of 15 participated in fitness activities, not including yoga, Pilates, aerobics, or weightlifting. If we assume for the purposes of calculation that there is no overlap between fitness activities and these other fitness-related categories (i.e. that nobody does fitness activities and yoga, or Pilates and aerobics), then approximately 21% of Australians participated in fitness activities including yoga, Pilates, aerobics, or weightlifting in 2013-14, or approximately 4,000,518 Australians over the age of 15. If it is these 4,000,518 Australians who spent \$8.5 billion on fitness and its associated costs, then each participating Australian in 2014 spent around \$2,124 on fitness and associated costs.

Any estimations of changes to this pattern of spending on fitness in the future require assumptions to be made with respect to the number of participants in fitness activities (affected by overall population changes and rates of participation), and per participant spending on fitness and associated matters. The direction and rate of change of both these factors is impossible to predict with any accuracy; however, the following examples are used to illustrate their interaction:

- In 2005-2006, the ABS estimated that participation in fitness/gym activities, yoga, Pilates, aerobics, and weightlifting was approximately 15% of Australians over the age of 15 (using the same additive methodology as described above for 2013-14) – 6% over 7 years. We assume for these examples that over the next 10 years participation rates might gradually return to this level, or that over the next 10 years participation might grow by the same amount (i.e. +/- 0.0545% per annum).
- With respect to spending, we have modelled the scenario of per participant spending increasing or decreasing by only a small amount - \$50 per annum.

The main implications suggested by this are as follows:

- To a certain extent, if participation rates and per participant spending are maintained at current levels (Scenario 1), projected population increases mean that overall spending will increase in line with population growth.
- The best case scenario for overall spending on fitness is to see both participation rates and per participant spend on fitness increase (Scenario 7); the worst case is if both decrease (Scenario 8).
- In general, under these scenarios of modest, gradual changes, the proportion of Australians participating in fitness will have a bigger impact on overall fitness spend than the amount spent per participant. In other words, barring a total collapse in the amount Australians are prepared to pay for fitness, the total amount spent will be more negatively impacted by declining participation rates than by declining spending by participants. Conversely, consistent growth in the numbers of Australians participating in fitness is a better target for expansion of industry revenue than encouraging those already participating to spend more.

Scenario	Number of participants	Spend per participant	Change in overall spend in fitness between 2014 and 2025 under assumptions described (\$8.5 billion in 2014)
1	◇	◇	+\$1.68 billion
2	^	◇	+\$4.59 billion
3	v	◇	-\$1.22 billion
4	◇	^	+\$4.32 billion
5	◇	v	-\$0.95 billion
6	^	v	+\$1.20 billion
7	^	^	+\$7.98 billion
8	v	v	-\$0.66 billion
9	v	^	-\$3.11 billion

- ◇ Constant
- ^ Increase
- v Decrease



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