



**CONNECTED
FITNESS**

Pitch Presentation

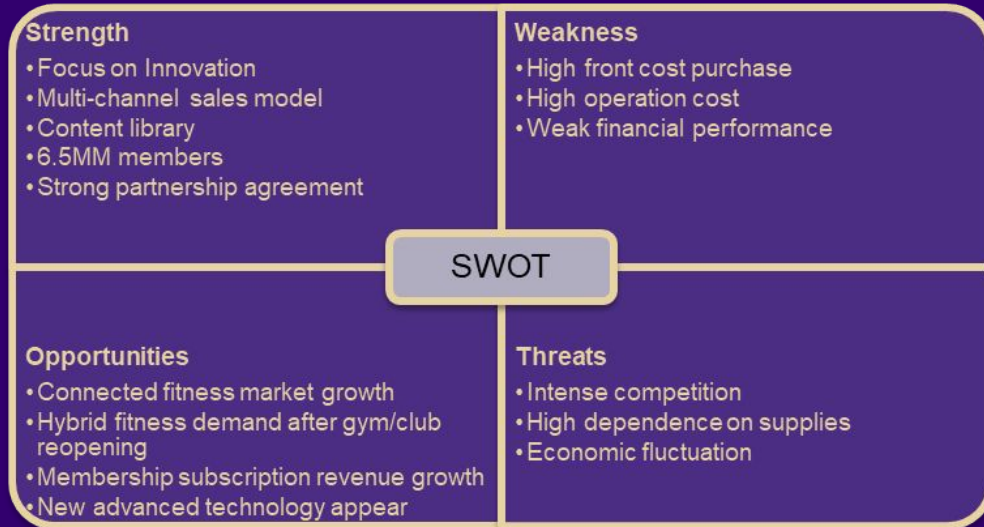
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Peloton Breakaway Fitness App

A top notchy connected fitness platform strategy

Our Assumption

As the dominant player in the connected fitness industry, Peloton seeks to sell the highest quality product in the fitness world and create an experience for their customers that is second to none.



Peloton Breakaway

is a digital solution to create a new pricing model, platform-based app strategy to help small gym owners or franchisees to connect their members with an immersive, engaging workout way.

Target Customer

B2B connected fitness market

- Small gym owners or franchisees whose customers have a wide range of personalized fitness needs and a desire for high quality and engaging workout experience.
- Examples of small gym owners who provide personal training services include freelance trainers, part time gym owners, gym instructors who interact and engage with individual clients remotely and in-person.

Problem to be Solved

“As the owner of a fitness franchise, I struggle to meet personalized clients' needs, leading to low engagement and high membership attrition. Addressing this challenge is crucial to enhance service quality and foster lasting trust with customers.”

High Level Solution to Problem



Value Proposition & Competitive Positioning

For small gym business owners and trainers with clients,
Who need an integrated system to provide personalized fitness and wellness programming to their clients, **Peloton Breakaway** is a solution that helps gym businesses and trainers provide tailored workout regimens and nutritional advice based on individual performance and fitness monitoring data. This enhances both gym and remote exercise sessions for clients, providing a seamless fitness experience.

Unlike competitors in the connected fitness sector, Peloton Breakaway is a one-stop solution for effectively engaging with clients to give them holistic, engaging and 1:1 fitness experience. By offering versatile fitness solutions, Peloton Breakaway fosters higher satisfaction and retention rates.

How have we validated if this product/solution will work? (MVP) What were the findings? (Actual Data: In Appendix)

What is the customer experience with the product? What was the outcome when we tested the UX? (Actual UX: In Appendix)

What are the major milestones on the roadmap? (Actual Roadmap: In Appendix)

What challenges might be faced when executing the roadmap? (Resourcing Concerns)

The “Ask”

We seek approval of the esteemed company panel to give us a go ahead signal/feedback to develop the concept pitched in this presentation.



Thank you!


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Customer Interviews

Arushi, 34, Small gym business owner

"We have to make sure that members feel like they are receiving enough individualized care, so that they feel their needs are being addressed properly"


"Current CRM is terrible all around, it needs a lot of improvements and has been a major point of frustration for both us and our members mainly due to its terrible UI"

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- Ease of communication is a key need
 - Reliability and ease of use are the most important factors
 - Engagement with members is what keeps them coming back
 - Being able to integrate multiple functions into a single app

Malikka, 32, Small gym business owner and personal trainer


"I have to adjust the training plan for the members who are on business trips and have hard time monitoring their progress"

"It is challenging to keep her members motivated and encouraged to keep in the first 6 months due to lack of accurate measurement of their progress"

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- Integrated platform to communicate, monitor fitness, suggest workouts for clients who are in a different location or if she is traveling but still has to train clients to keep continuity
 - Needs integrated nutrition planning

Casey, 38, Small gym business owner


"I want [students] to have the same sense of accomplishment, I want them to feel valued, I want them to have an authentic experience, I want them to have fun but also to feel connected"

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- Good Remote training and monitoring experience for clients
 - Workout time needs to fit in between work, kids, and other commitments.

Capt Andy, 36, Physiotherapist, Military

"Work with nutrition department separately to co-ordinate their results and plans for the patients"

"I monitor and survey injury type for all patients manually"

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- Needs integrated nutrition management system
 - Some way to measure and record fitness progress, recovery

Release Themes

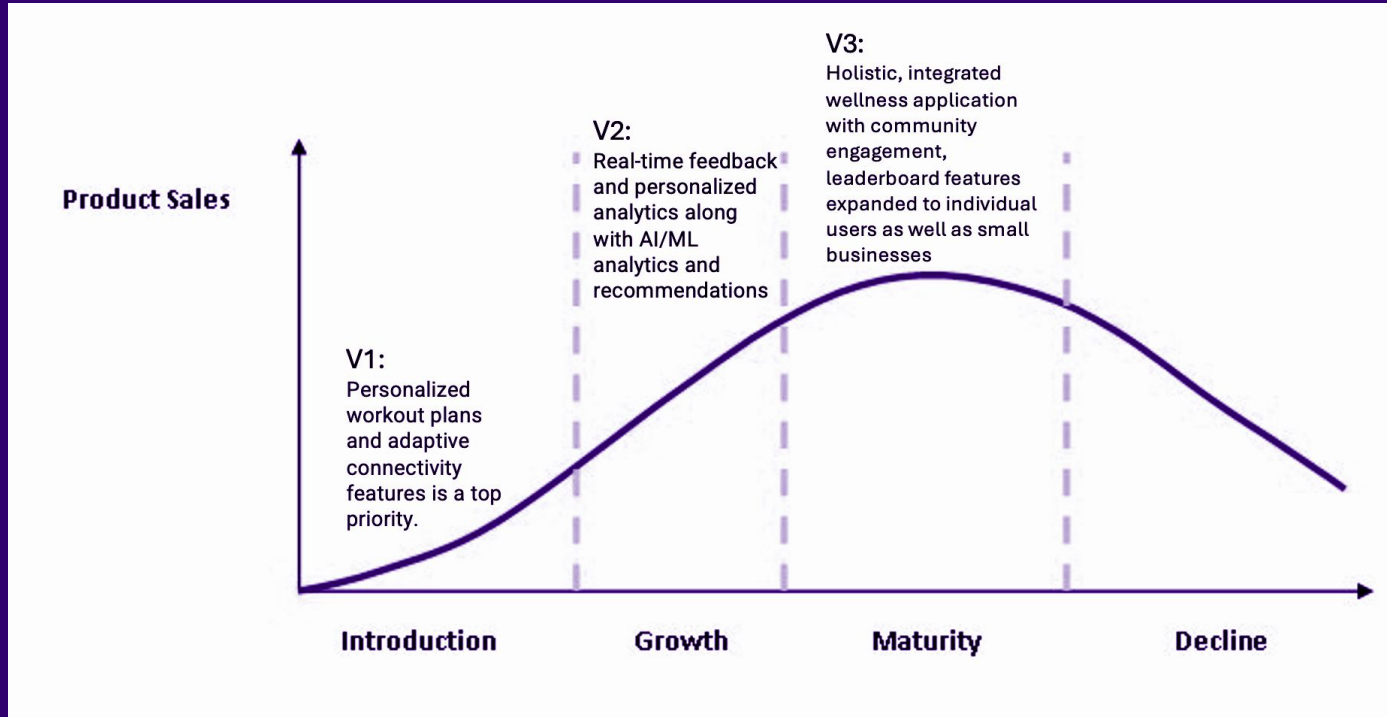


Figure 4: Product Lifecycle

Source: <https://images.app.goo.gl/uWsWCukasHgoujGo9>

Release Theme Drivers: Vision Molecule



Strategy Element	Objective (SMART)	Features (What will we do?)
Host platform for personalized workouts	Increase volume of monthly trainer session booking by 20% in first 6 months of V1	<ul style="list-style-type: none">Trainers can select and provide workouts from there to their clients.Integrate video sharing for live training sessions.
Provide clients with on-demand nutrition guidance	Increase app adoption among new members of partnered businesses by 25% by end of year	<ul style="list-style-type: none">Trainer can build personalized nutrition plan and share.Calendar integration for daily meal planning.
Monitor performance remotely	Increase adoption of fitness tracking among users by 50% within first six months of launch	<ul style="list-style-type: none">Users can automatically upload their fitness data from smartphones and wearables.
Simple and easy to navigate UI	Increase adoption-rate of app among all age groups by 20%, and by 50% for elderly (65+) age group, within first year of launch	<ul style="list-style-type: none">Make UI intuitive + easy to understand so that even the least tech-savvy user segments can interact with it easily.

Business Value

Version	Time Horizon	Features	Revenue Target
V1	Q1 2025 (6 months)	Breakaway Training	\$6.4 million
V2 Beta	Q3 2025 (6 months)	Breakaway CRM	\$13.7 million
V2	Q1 2026 (6 months)	Breakaway CRM	\$14.4 million
V3 Beta	Q3 2026 (6 months)	Peloton Breakaway	\$316 million
V3	Q1 2027 (12 months)	Peloton Breakaway	\$680 million

Revenue Forecast Model

	Launch Q1Y0-Q3Y0	V2 Beta Q3Y0-Q1Y1	V2 Q1Y1-Q3Y1	V3 Beta Q3Y1-Q1Y2	V3 Q1Y2-Q1Y3
Breakaway Training	\$ 6,439,176.00	\$ 6,761,134.80	\$ 7,099,191.54	\$ 7,454,151.12	\$ 8,199,566.23
Breakaway CRM	\$ -	\$ 6,975,000.00	\$ 7,323,750.00	\$ 7,689,937.50	\$ 8,458,931.25
Peloton Breakaway New Users	\$ -	\$ -	\$ -	\$ 249,600,000.00	\$ 549,120,000.00
Peloton Breakaway Upgrades	\$ -	\$ -	\$ -	\$ 52,074,750.00	\$ 114,564,450.00
Period Total	\$ 6,439,176.00	\$ 13,736,134.80	\$ 14,422,941.54	\$ 316,818,838.62	\$ 680,342,947.48
Total Expected Revenue					\$ 1,031,760,038.44
Monthly Subscription Pricing					
Breakaway Training	\$ 120.00				
Breakaway CRM	\$ 250.00				
Peloton Breakaway	\$ 32.50				
	Trainers	Gyms	New Users	Current Users	
Total Market Segment (US)	340,000	31,000	64,000,000	2,960,000	
Targeted Segment	89,433	9,300	25,600,000	763,000	
Targeted Segment Capture at Launch	8,943	4,650	1,280,000	381,500	
				267,050	

Revenue Forecast Assumptions

	Targeted Market Segments				
V1 Launch	340,000 certified personal trainers in the US, we are targeting those with a NASM certification, the most popular and highly-regarded certification				
	89,433 NASM Certified trainers as of November 2023, we will aim to capture between 10-15% of this market by the end of our launch period				
	Targeting an annual growth rate of 10% between launch and the end of Y2				
V2 Beta + V2 Launch	Approximately 31,000 gyms in the US, with 30% being small gyms with less than 500 members				
	Aiming to capture the upper 50% of the small gym market segment during V2 Beta period				
	Targeting growth rate of 10% over the course of Y2				
V3 Beta + V3 Launch	Plan to release V3 Beta (Peloton Breakaway App) by Q3Y1, with full V3 launch coming Q1Y2				
	25 million high-end Gym users in the US, looking to capture 5% of this market segment during V3 beta period				
	Aiming for a sustainable subscriber growth rate of 10% among this segment for Y2 and beyond				
	There are currently 2.96 million Peloton Users, only 763,000 of them pay for the digital only premium services				
	50% of premium users are subscribed to All-Access (highest paid tier) paying \$44.50 monthly				
	Based on data from previous price/service increases we expect 60-70% of All-Access users will upgrade to Peloton Breakaway to during V3 Beta				
	Aiming for 10% of the remaining paid subscribers (496,000) to upgrade to Breakaway between the official launch of V3 and the end of Y2				

References and Appendix Section

- <https://investor.onepeloton.com/financial-information/annual-reports>
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