

Fernwood Fitness JULY - SEPT 2022 QUARTERLY REPORT

QUARTERLY RESULTS OVERVIEW

| | July 22 | Aug 22 | Sept 22 | QoQ |
|--------------------|---------------|---------------|----------------|---------------------------|
| Total Sales | 3,697 | 4,531 | 4,068 | |
| Total leavers | 3,154 4.6% | 4,117 6% | 3,189 4.59% | 5.1% Average - .13% |
| Total Members | 67,786 EOM | 68,513 EOM | 69,514 EOM | +2,506 From June EOM |
| Total Leads | 18,497 | 17,279 | 15,960 | +5,736 leads |
| Lead to sale | 19.98% | 26.22% | 25.48% | AV 23.9% - .75% |
| Average Sale | \$1,222 | \$1,232 | \$1,290 | + \$30.00 average |
| Average Onboarding | \$113.64 | \$113.73 | \$114.00 | + \$4.79 average |

National Campaign Results

ULTRA WOMAN CHALLENGE (JUL + AUG)

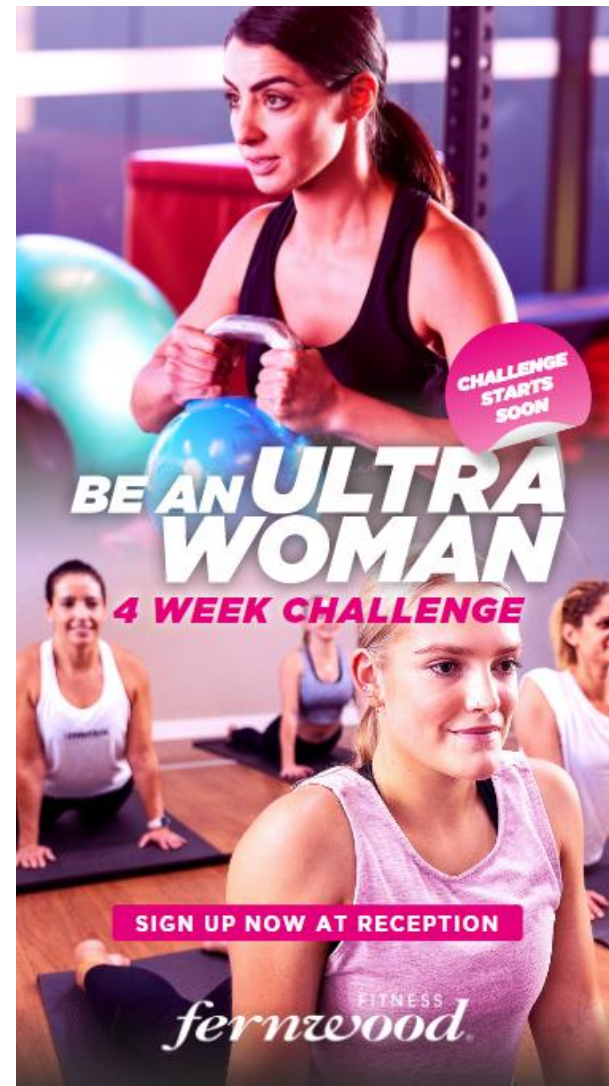
Throughout July and August, clubs were encouraged to run the 4-week Ultra Woman Challenge.

This 4 - week winter challenge was designed for both your 'Fitness Fanatics' and 'Wellness Warriors' in mind, with two clear and simple packages to facilitate your members towards their ultra-woman results.

The following clubs sold the most packages:

- **Tuggeranong:** 80 packs sold
- **Woonona:** 68 packs sold
- **Shepparton:** 47 packs sold

Special mention also to **Underwood & Chirnside Park** for their success in revenue earned through package pricing and sales.



JOIN + GET YOUR FIRST 21 DAYS FREE (SEPT)

In September, we ran a First 21 Days Free national campaign in market. This was advertised through our main digital channels, as well as a dedicated radio campaign on FOX.

The campaign resulted in **1,087 leads** and **573 membership sales**. (141 in-club and 432 online).

Earlier in 2022, we ran this same offer in Jan / Feb over two months (instead of just one month).

This Jan / Feb campaign resulted in 3,728 new leads and 872 membership sales (306 in-club + 566 online).



Channel Performance

NATIONAL SOCIAL – BRAND LIFT STUDY

This quarter, a **larger percentage of our national marketing budget was invested in a Facebook Brand Lift Study** which was run from **Jul 1, 2022 - Aug 14, 2022**.

Brand Lift allows brands to utilise polling and questionnaires to help understand the true value of Facebook advertising compared to direct competitors and how well it performs independent of other marketing efforts. It is based on metrics such as ad recall, brand awareness and message association.

Using our generic 'Get it all at Fernwood' brand messaging, Facebook delivered polls to a test group (those exposed to our video campaign) and a control group (those who do not receive any Fernwood advertising). Facebook then calculated the difference in performance between these groups, which represents the lift of our Facebook advertising

Our audience was polled on 3 questions:

1. **Do you recall seeing an ad for Fernwood Fitness online or on a mobile device in the last 2 days?**

Answer 1: Yes (*desired response*)

Answer 2: No

Answer 3: Not Sure

2. **How likely are you to consider Fernwood the next time you are looking to join a gym?**

Answer 1: It is the only brand I will consider (*desired response*)

Answer 2: It is one of the 2-3 brands I will consider (*desired response*)

Answer 3: It is one of the many brands I will consider

Answer 4: It is a brand I might consider

Answer 5: It is a brand I will not consider

3. **Among the following brands which do you prefer most?**

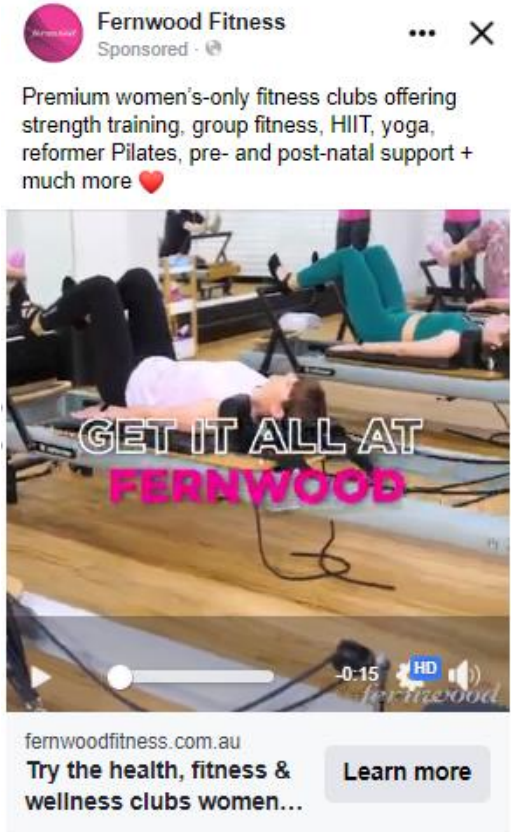
Answer 1: Fernwood Fitness (*desired response*)

Answer 2: Anytime Fitness

Answer 3: Fitness First

Answer 4: Goodlife Health Clubs

Answer 5: Other/None



NATIONAL SOCIAL – BRAND LIFT STUDY

| METRIC | RESULTS |
|-------------------|---------|
| IMPRESSIONS | 1.64M |
| REACH | 344K |
| AVERAGE FREQUENCY | 4.77 |

With a total of **1.64M** campaign impressions, the results show that out of the people we could reach with our campaign, our ads would cause **48.8K** more people to give the desired response to poll question 1.

Of **343,967** women who had the opportunity to see our ad, an estimated **79,243** people submitted the desired response(s) to question 2. Within a comparably sized control group, an estimated **69,841** people would have submitted the desired response(s).

Out of the people we could reach with our campaign, our ads would cause **8,203** more people to give the desired response to poll question 3.

It is also confirmed that there's a greater than **99.9%** chance that our Facebook ads caused brand lift.

Based on these results, we know that the audience are aware of the Fernwood Fitness brand, can adequately recall ads served by us and are likely to select us (even when compared to market leaders in the health and fitness industry).

NATIONAL SOCIAL

This quarter also saw our remaining budget invested into **brand awareness social ads** (Facebook + Instagram), optimising for reach, engagement and video views.

Our brand activity had a focus on **FIIT30** and **strength training** in July and August respectively, as well as our yearly partnership with Jean Hailes **Women's Health Week** in September.

| | JULY | AUGUST | SEPTEMBER | TOTAL |
|--|---------|---------|-----------|------------------------------|
| REACH | 192,084 | 330,631 | 670,422 | 1,193,137 (+11.5%) |
| ENGAGEMENTS LIKES, COMMENTS, CLICKS + SHARES | 142,665 | 668,492 | 996,797 | 1,807,954 (+11.8%) |
| VIDEO VIEWS 3 SECONDS | 138,270 | 665,357 | 992,367 | 1,795,994 (+12.1%) |

Of the women we reached with our national social activity, **35%** were aged 25-34, **42%** were aged 35-44 and **23%** were aged 55-64.

Our strength training brand ad (**147,085** views), FIIT30 brand ad (**81,779** views) & First 21 Days ad (**11,535** views) were our best performing videos.

Our national social ads also generated **1220 new leads** and **326 in-club membership sales**.



Fernwood Fitness
Sponsored · 🌐

Take your workouts to the next level! 🏋️‍♀️

Get the most out of your fitness routine & improve muscle strength + tone with strength training. From better mood, sleep & cardiovascular health to stronger joints – the benefits are endless.

fernwoodfitness.com.au
We've made 1.2 million Aussie women stronger

[Learn more](#)

👍 Like 💬 Comment ➦ Share

NATIONAL SOCIAL

This quarter, we produced exciting organic social content which boosted follower growth, page engagement and brand awareness on our social channels.

We gained **+409** new followers on Instagram between the months of July and September (finishing with a total of **37,085** followers). This can be attributed to regular and consistent posting of engaging and relevant content.

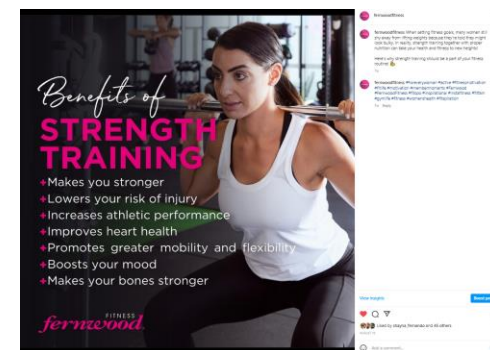
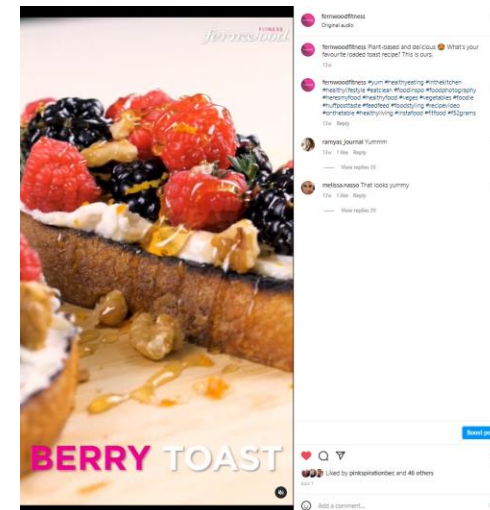
Our best performing posts were:

- Fernwood x Kardashians parody reel: **19,897 views + 466 likes**
- Fernwood x Harry Potter parody reel : **8,003 views + 295 likes**
- Pasta salad recipe video: **4,134 views + 105 likes**

Our posts with the highest number of saves were:

- RUOK Day quote post: **58 saves**
- Little Miss parody post: **33 saves**
- Tips for safe weight training: **23 saves**
- Loaded berry toast recipe video: **12 saves**

Overall, humour reels, quote posts and recipe videos continue to perform well on Instagram, as well as more educational pieces of content that drive consistent community engagement.



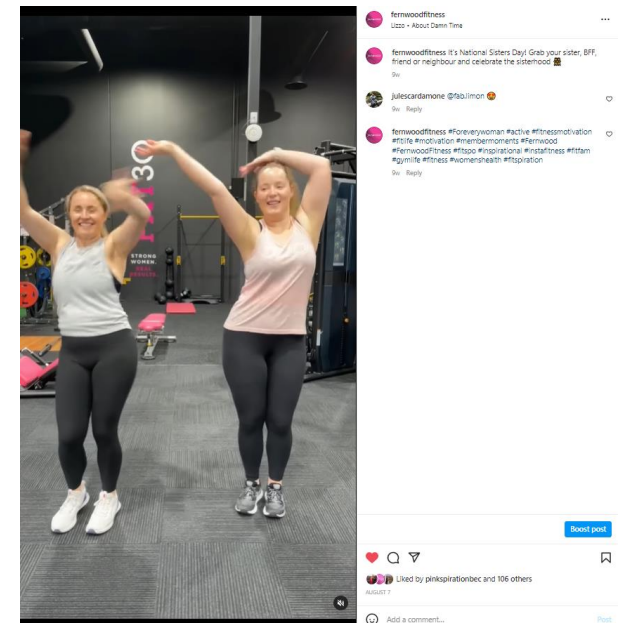
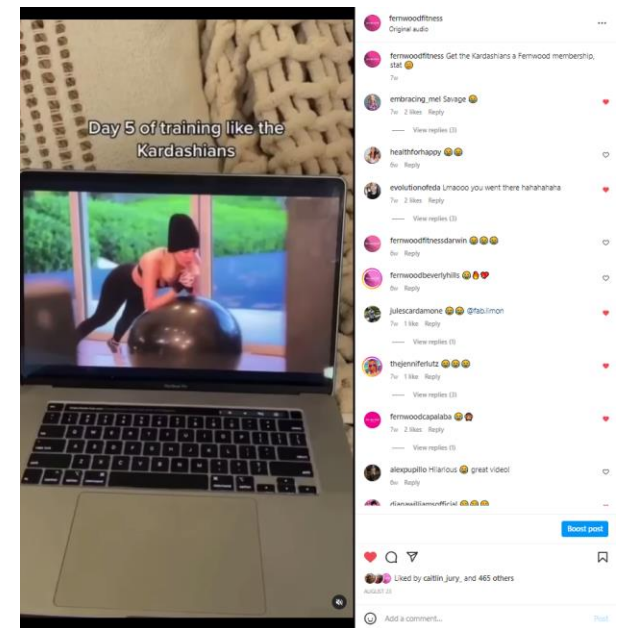
NATIONAL SOCIAL

This quarter our TikTok content has garnered over **55,000** views across both Instagram and TikTok pages as well as over **2,100** active engagements (likes, comments, shares and reposts).

Our best performing reel this quarter was a skit video titled 'Day 5 of training like the Kardashians'. This video garnered **19,897** video views and **616** organic engagements.

We've also recently begun running paid advertising on TikTok – in September we generated **199,391** advertisements impressions and **532** clicks through to the Fernwood website with a click through rate (CTR) of **0.27%** and a cost-per-click (CPC) of **\$1.63**.

We look forward to continuing to build our presence on these platforms and refine our strategy to increase organic engagement with our content on this channel.



PODCAST

This quarter saw the launch of Season 3 of the Fernwood Shine Podcast with a fresh, new look. On the first Tuesday of each month, we release our Power Talk podcasts, which are in conversation, interview-style episodes with a star guest.

On the second Tuesday of each month, we release our Pod Coach podcasts, where women can tune in and complete an audio-guided workout with Fernwood Trainer, Lisa. These are targeted workouts to support women through proper technique, while also boosting motivation.

On the last Tuesday of the month, we release Quick Tips on popular fitness, wellness and nutrition topics. These podcasts are around 5-10 minutes and discuss popular topics from how to use a resistance band, and how to ease back into workouts after a break, just to name a few.

Notably, this quarter saw the release of an episode with Janetta Webb, a Pelvic Floor Physiotherapist at Jean Hailes ahead of Women's Health Week who spoke to the importance of pelvic health; discussing common issues that women face relating to pelvic floor, bladder and bowel function, what people should know about their pelvic floor, and a guided pelvic floor exercise.

During this quarter, we've had **2,198** episode downloads with **20,900** all-time downloads (+10% from last quarter). Our most popular episode over the past three months was our episode with Janetta Webb on **Pelvic Floor Health** with **204** downloads.



FERNWOOD PULSE MAGAZINE

We were so proud to relaunch our magazine under the new *Pulse* name in July! The refreshed mag is set for a quarterly run, and each quarter when the new e-mag is released the old issue will be replaced with the current – the link never changes, making it super easy to share.

Clubs also have assets available to them in this Canva [folder](#) including posters, email and social assets which are all great outreach tools for franchisees and their teams.

KEY STATISTICS

Devices

- 80% of readers are accessing via mobile – most consumers now access content via their mobile, so the mag is optimised to ensure their digital experience of the mag is seamless, easy to read and flick through.
- 16% via desktop computer
- 4% via tablet

Total quarterly views

- 8245
- This is a massive number of people to be sharing the Fernwood brand with! Not only is this another perk of membership, but we're spreading brand awareness with those yet to join.

Link clicks

- 339 people clicked through to the free class pass lead form.
- 128 people clicked through to the free FIIT30 pass lead form.
- 79 people clicked through to the own a Fernwood lead form.
- 32 people clicked through to download our free franchising resource.



GOOGLE ADS

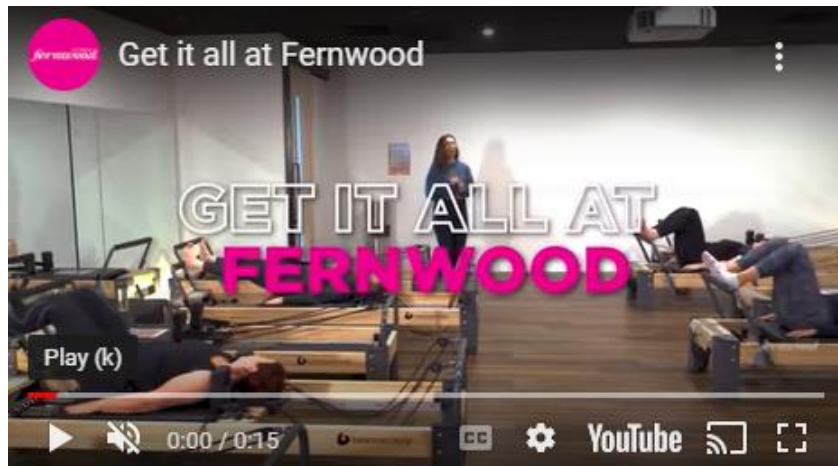
Google Ads across all clubs (including national ads) generated 123,739 clicks (*up from 119,677 clicks last quarter*) and a total of **8,953 leads** (*up from the 8,560 leads generated last quarter*)

Average cost per Google lead was **\$15.53**, down from \$16.03 last quarter.

In line with our revised strategy for 2022, more national ad spend was allocated to running brand awareness ads (no offer) via YouTube and display. These ads are optimised for brand awareness, as opposed to conversion. As a result, we achieved over 1.9 million impressions.

Of the 8,953 leads generated from Google this quarter, **1,273 converted to membership**, resulting in **\$1,654,967** in revenue.

Our branded key words performed the best, users most often finding us and submitting a lead after a google search that included 'Fernwood'.



SEARCH ENGINE OPTIMISATION (SEO)

The NSO team carefully plan the text + descriptions used on our website, to ensure our pages are optimised for important key words that prospective members are searching for on Google. By doing this, we ensure that our Fernwood pages organically appear near the top of the results, when users are searching for those key terms.

Our non-paid SEO strategy works alongside our paid ad strategy (Google Ads). There were **590,121 active sessions** on our website this quarter.

The below table shows the non-Fernwood branded search queries that had the most improvement when looking at organic (non-paid) clicks through to our website.

These were the top performing organic searches for the month on Google (I.e. these key word searches resulted in the most organic / non-paid clicks to our website)

- Fernwood fitness
- Fernwood
- Fernwood gym
- Fernwood membership prices 2022
- Fernwood Pilates
- Fernwood membership
- Gym near me
- Fernwood Reformer Pilates
- Womens gym
- Fernwood timetable

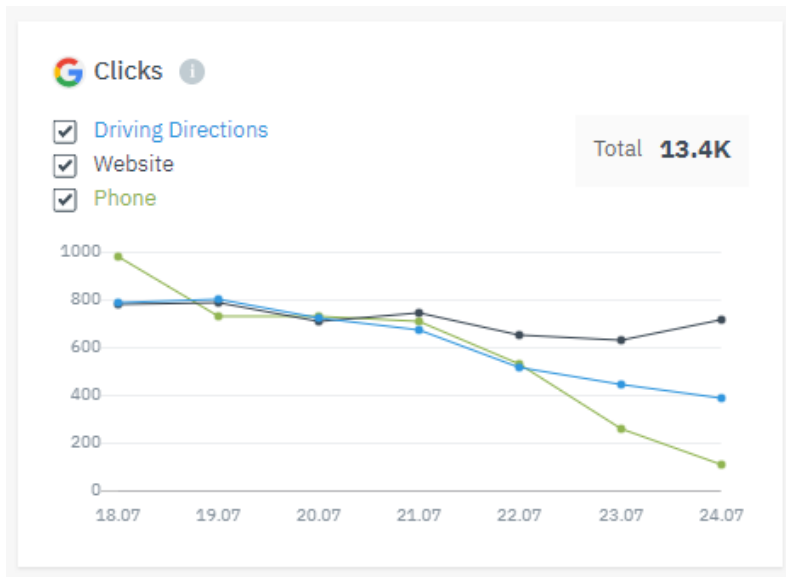
CLUB LOCATION LISTINGS

346 new reviews were left across Fernwood search engine club listings during the quarter, bringing the average star rating to **4.4**. **81%** of the new reviews were 5-star ratings.

Over the three months, our club Google Listings (business listings and map listings) had **4.3 million impressions/views** and **196.3K action clicks** (directions, website or call). Our click results are up considerably from last quarter.

The most popular day for all actions on our Google listings was a **Monday**, with all actions on Google listings gradually dropping through the week, before beginning to rise again on Sunday to peak again the following Monday.

This example below shows this trend occurring from Monday 18 July > Sunday 24 July.



WEBSITE

Across the months of July - June, there were **590,121 total sessions** recorded on the Fernwood website. **473,789** of those sessions came from **mobile devices**.

We were very excited to launch several website updates on June 22 which has had a positive impact on the below online sales numbers:

Online Sales

This quarter, **2,771 users** completed the online join form and **1,076 completed their online membership purchase** (*up from 1,523 users and 978 sales online last quarter*).

A total of **2,914 purchases** were made in the online shop this quarter (up from 1,985 the previous quarter), resulting in **\$138,407 in revenue** (up from \$101,228 last quarter). September was our best online shop sales month on record – 1,040 sales and \$48K in revenue. Childcare packs continue to be the most popular online shop products.

EMAIL PERFORMANCE

| Q3 | Recipients | Open | % | Click | % | Unsub | % |
|-------------------------------------|------------------|----------------|------------|---------------|-----------|--------------|--------------|
| July | 297,069 | 112,773 | 43% | 9,498 | 5% | 1,856 | 0.53% |
| August | 160,933 | 59,516 | 43% | 2,306 | 2% | 1,046 | 1.07% |
| September | 1,062,990 | 374,843 | 37% | 18,100 | 2% | 6,088 | 0.53% |
| Total | 1,520,992 | 547,132 | 41% | 29,904 | 3% | 8,990 | 0.71% |
| Fitness & wellness industry average | | | 19.2% | | 1.2% | | 0.4% |

Quarterly comparison

Email performance in Q3 vs Q2 displayed slight changes. You will notice that August's recipients, opens, and clicks are lower compared to July and September due to the TalkBox technical issue which was communicated to the network and quickly resolved. While open rates for the overall quarter remain consistent and are up by 4%, the total average click through and unsubscribes were affected by August's send issues. In saying this, our open and click results overall are still well above industry average.

Our national newsletters continue to be the best performing emails as per Q2, especially with our active and frozen member audiences – which is a testament to the loyalty and dedication of our members. High click through rates (double the industry standard) show that our content is engaging and resonating with audiences, maintaining our brand presence both in and out of the club.

Best performing emails

July

Email: July newsletter

Audience: Active & frozen members

Open: 61%

Click: 10%

August

Email: August newsletter

Audience: Active & frozen members

Open: 37%

Click: 2%

September

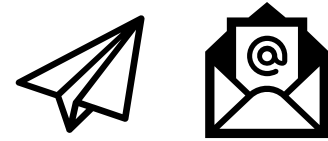
Email: September newsletter

Audience: Active & frozen members

Open: 55%

Click: 11%

EMAIL PERFORMANCE – TOP TIPS



- Create a communications plan.
- Always send yourself a test! Check any links to ensure they're not broken and linking to the correct page and keep an eye out for typos.
- Avoid long emails with lengthy copy – most consumers access their emails on mobile, and the longer an email, the less likely they are to scroll to the end.
- Use personalisation – people love hearing and seeing their own names!
- Write a strong subject line – keep it short (no longer than 10 words), keep it relevant to the email's content, and avoid all-caps and repeating words, special characters or punctuation (e.g. **SALE, SALE, SALE!!!! x** – this looks spammy and can lead to people unsubscribing or emails being delivered to junk/spam folders).

TalkBox Filters

Thank you again to all who joined the TalkBox 101 Lunch 'n' Learn in August!

You can access the recording and PowerPoint slides [here](#) for those that would like to watch it again or weren't able to make it.

The updated TalkBox manual has been refreshed and includes an extensive list of filters to suit common target audiences. You can access the TalkBox manual via the Intranet under **Toolkits & Manuals > Manuals > TalkBox Manual** or [here](#).

Always remember that targeted and personalised email marketing receives the best engagement from audiences, so don't forget to use tags as shown in the Lunch 'n' Learn!

FERNWOOD APP

The total number of engaged users on the Fernwood App across the network.

- July: **33,928**
- August: **35,889**
- September: **35,905**

An engaged user on the app is considered a member that uses the app on average at least once per week during that month.

Our engaged users is **up by 10,042** users based off last quarter APRIL > JUNE 2022.

Online purchases via the app

- Personal Training, FIIT30, Reformer Pilates, Childcare & Outdoor Bootcamp packs have been available for purchase through the app.
- There were **4,394** individual purchases made through the app between April - June 2022
- **\$344,846.20 revenue** for clubs was made through in-app purchases.
- This is **up \$80,994.20** on in-app purchases made last quarter. An **increase of 30.69%** from last quarter.

Most popular workouts via Pulse

- Abs & Core with Amanda from Cairnlea
- Shine Challenge – Week 1 Online Workout Video (Tabata)
- HIIT with Amanda from Cairnlea

Most popular recipes via Pulse

- Savoury Breakfast Bowl
- Almond Noodle Stir Fry
- Acai Berry Bowl

FERNWOOD APP

Analysis:

- Our engaged user numbers across the network continue to grow and increase across the board, with 89% of clubs with a positive growth in engaged users via the app. This is an increase of 3% based off last quarter April-June 2022.
- This is the biggest increase we have seen in the number of engaged users via the app with an increase of over 10,000 members being engaged via the app. It shows our strong digital presence and integration with our member hub Pulse is helping this growth. Members can now pay their membership arrears via the app/Pulse and we are continuing to build more touchpoints via the app so our members can be self-sufficient.
- Our revenue from online purchases has seen it's biggest jump yet in this last quarter with a growth of over \$80K through online purchases. We have seen a big jump in our engaged users on the app and showing that member are now turning to the online shop and app to manage their purchases for services. We have re-positioned the tile for the shop on the app to sit directly underneath the class schedule in an attempt to encourage members to further upgrade online which has seen a great improvement on last quarter.

Outcome:

- Reformer Pilates is still our highest revenue driver for online and in-app purchases this quarter with **1175** individual purchases bringing in **\$140,717.00** in revenue. This is followed by Personal Training bringing in **\$76,399.70** made up from **527** individual transactions. Personal Training revenue is back up from a slight drop last quarter.
- FIIT30 has brought in **\$38,662** from in-app online purchases last quarter, which is an increase of \$8K from last quarter off the back of the National FIIT30 Training and Ultra Woman challenge. Majority of FIIT30 revenue in the network is coming in from direct debit upgrades, not pack purchases online.
- Childcare was our most frequently purchased service via the app last quarter, bringing in **1681 individual purchases** and **\$66,862.80** in revenue last quarter. This is up by \$16,625.00 in revenue from last quarter.

Partner Activity

WOMEN'S HEALTH MAGAZINE

We were excited to collaborate with Women's Health Magazine again this quarter as a part of our national strategy to drive more brand awareness in market.

This activity included a full-page ad in their August edition (which went on sale in July).

Get it all at
**FERNWOOD
FITNESS**

**7-DAY
FREE PASS**
Experience for yourself
why women love
FERNWOOD FITNESS

PREMIUM FITNESS & WELLNESS FACILITIES FOR WOMEN
+ SAFE & SECURE + GROUP FITNESS CLASSES
+ REFORMER PILATES, YOGA & MEDITATION
+ ONLINE HOME WORKOUTS + CHILDCARE SERVICES
+ FREE BREAKFAST + SO MUCH MORE

TERMS & CONDITIONS Offer valid until 30 May 2022. Offer only available for women who have not participated in a free trial or free group class previously. Not valid in conjunction with any other offer. One (1) pass per person. Pass expires 30 May 2022. Participating clubs only. Products and services vary by club. Some products and services listed may be an additional cost. Fernwood Fitness clubs are women's only fitness centres.

fernwood FITNESS
fernwoodfitness.com.au/fernwood7daypass-womens-health

INSTYLE MAGAZINE

InStyle magazine returned to print in September - partnering with Westfield to distribute this premium issue via VIP Customers, Concierge and Valet across 42 locations.

We featured the following full-page ad in this luxurious 300-page edition which will have longevity over the coming months.

**GET IT ALL AT
FERNWOOD**

The experts in women's health, fitness and wellness.

- › REFORMER PILATES
- › STRENGTH TRAINING
- › FOOD + NUTRITION COACHING
- › GROUP FITNESS CLASSES
- › SMALL GROUP HIIT TRAINING
- › PRISTINE CHANGEROOMS
- › YOGA + MEDITATION
- › STATE-OF-THE-ART EQUIPMENT
- › AND SO MUCH MORE

fernwood FITNESS

GIRLS NIGHT OUT

Thank you to all our amazing clubs who took part in the Girls Night Out activation in July!

We really appreciate the effort you made to bring your stands to life and for representing our Fernwood brand so well.

- 211 leads were generated from the QR code on banners / posters on Thursday 14th of July
- 443 leads were generated from follow-up email sent to attendees + Hoyts database on Monday 18th July

