

Fernwood Fitness

JAN - MAR 2023

QUARTERLY REPORT

QUARTERLY RESULTS OVERVIEW

	JAN 23	FEB 23	MAR 23	QoQ
Total Sales	4,412	4,304	3,589	+828
Total leavers	2,764 3.8%	3,463 4.7%	4,449 6.0%	4.8% average Neg .2%
Total Members	69,794	71,969	72,859	
Total Leads	20,605	16,939	16,250	+6,316
Lead to sale	21.4%	25.4%	22.1%	-1.15%
Average Sale	\$1,348	\$1,307	\$1,276	+\$54 average
Average Onboarding	\$113	\$104	\$95	-\$4 average

National Campaign Results

FIRST 21 DAYS FREE (JAN + FEB)

In January & February, 'First 21 Days Free' was the national campaign in market. The 21 Days were added as bonus time to all 12- and 18-month membership purchases.

It was fantastic working with our Fernwood ambassador, Jelena Dokic, as the face of our campaign in line with her Australian Open appearance.

JAN + FEB	LEADS	SALES
2022	29,472	6,959
2023	37,544	8,716

In addition to our always-on channels, the campaign was supported by **radio, podcast and in-game advertising** via the ARN network.

Our campaign also featured on the back cover of the Australian Women's Weekly magazine January edition.

When we look year on year, our numbers reflect a significant uplift. For comparison, we ran the same First 21 Days Free offer last year, and in 2023 across the board we have achieved a 24% increase in leads and a 19% increase in sales.



3,562,136 women reached via national radio campaign with the ARN network. On average, our ads were listened to a **frequency of 3.57 times**.

412,753 women reached via podcast advertising campaign on ARN network.

1,202,000 reach via Australian Women's Weekly Back Cover

2,371,056 women reached on Fernwood's **national social channels** through paid ads and organic content.

INTERNATIONAL WOMEN'S DAY – FREE ACCESS (MAR)

From **Monday 6th of March to Sunday 12th of March**, all women were offered FREE access to Fernwood on a 1-day trial pass in line with International Women's Day.

The offer was promoted nationally via the following channels:

- Fernwood website
- National social media ads
- National EDM send
- Australian Women's Weekly sponsored Instagram ad

There were a total of 638 leads generated and 48 in-club sales from this 1-week campaign.

The Australian Women's Weekly Instagram ad post promoting the offer saw a total of 33,738 interactions and a 24.53% engagement rate.



Channel Performance

NATIONAL SOCIAL – OVERVIEW

As per our national marketing calendar, in January we launched our First 21 Days Free campaign featuring national ambassador, Jelena Dokic. We invested significantly in **brand awareness ads** on national socials, with a focus on maximising video views, reach and engagement across our Facebook, Instagram and TikTok channels.

This quarter we also ran **national lead ads** for the Unstoppable Challenge and the International Women's Day Free Trial Pass.

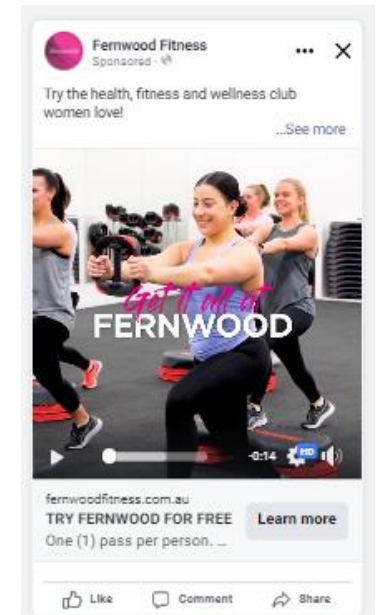
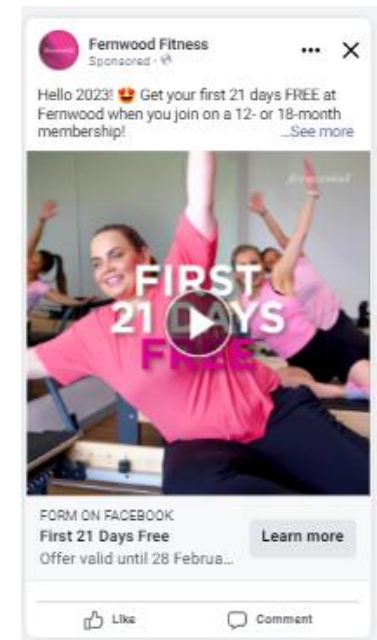
We saw growth across our awareness metrics mainly due to the additional exposure from Jelena's public profile and the co-collaborated posts which leveraged off her large social following.

	JANUARY	FEBRUARY	MARCH	TOTAL
REACH	1,371,140	1,209,982	1,143,548	3,724,670 (+157% QoQ)
ENGAGEMENTS LIKES, COMMENTS, CLICKS + SHARES	515,619	403,846	359,592	1,279,057 (+56% QoQ)
VIDEO VIEWS 3 SECONDS	505,991	396,549	355,392	1,257,932 (+57% QoQ)

Of the women we reached with our national social activity, **36%** were aged 25-34, **42%** were aged 35-44 and **22%** were aged 55-64.

The testimonial brand ad with Jelena Dokic (**92,336** views) and brand ad targeted to mums with older children (**316,278** views), were our best performing video ads.

Our national social ads also generated 1670 new leads and 392 in-club membership sales.



NATIONAL SOCIAL - OVERVIEW

Our social media content and brand activity in Jan and Feb was focused on celebrating the partnership with Jelena and leveraging off her presence in line with the Australian Open. As part of our social media marketing, we produced several videos highlighting Jelena's time at Fernwood, her successes, milestones and her inspiring response to the horrific criticism about her body. These videos achieved:

- **575,569** views (organic + paid)
- **620,063** total reach (organic + paid)
- **151,849** post engagements (organic + paid)

Our co-collaborated content with Jelena also achieved incredible organic results with over **7,085** likes and **389,855** video views.



NATIONAL SOCIAL - OVERVIEW

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

We gained **+1,520** new followers on Instagram and Facebook between the months of January and March (finishing with a total of **43,879** followers and **72,248** followers respectively). This can be attributed to our successful national social competition and brand partnership with Jelena as well as regular and consistent posting of engaging and relevant content.

A highlight this quarter was our social media competition in January to win a double pass to the Australian Open. This was timely and relevant with our campaign launch with Jelena. This competition generated **682** entries as well as **1,442** unique and active engagements. **598** new followers were generated during the 2-week competition period.

We also took to social media to announce Fernwood's feature in the January edition of The Australian Women's Weekly magazine. This exciting news was positively received by our Fernwood community online.

February also saw the launch of the national Unstoppable challenge which generated a buzz online amongst the Fernwood community.



NATIONAL SOCIAL – BEST PERFORMING

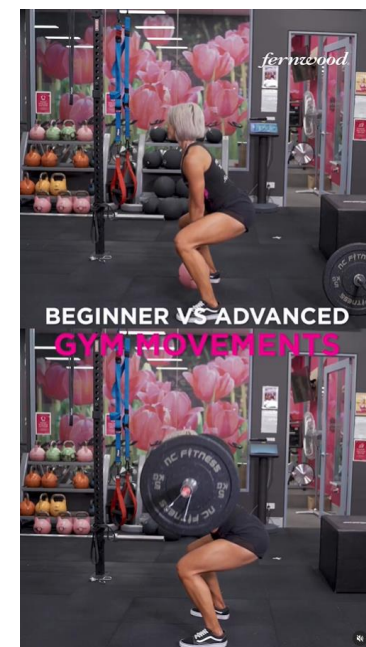
This quarter, our best performing national **video feed posts** were:

- Jelena Testimonial Video: **152,099 views + 2,950 likes**
- Kettlebell-only Workout: **92,376 views + 184 likes**
- Beginner vs. Advanced Exercises: **148,002 views + 132 likes**

The national posts with the highest **number of saves** were:

- International Women's Day video: **82 saves**
- Early Morning vs. Evening snacks video: **56 saves**
- Top Exercises to Improve your Game: **22 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.



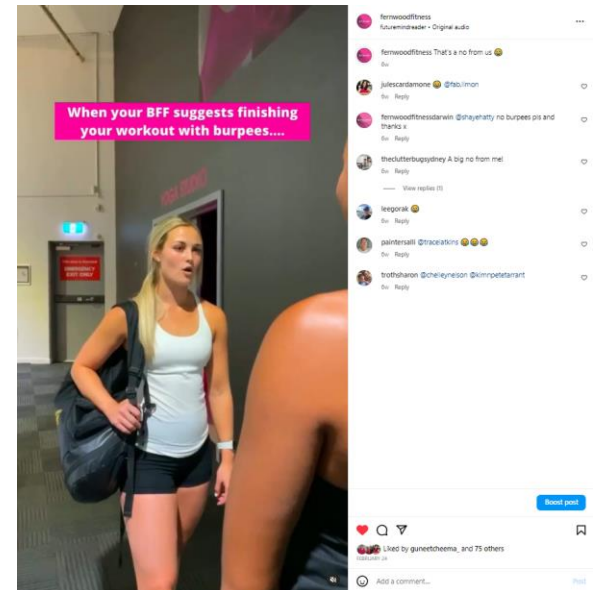
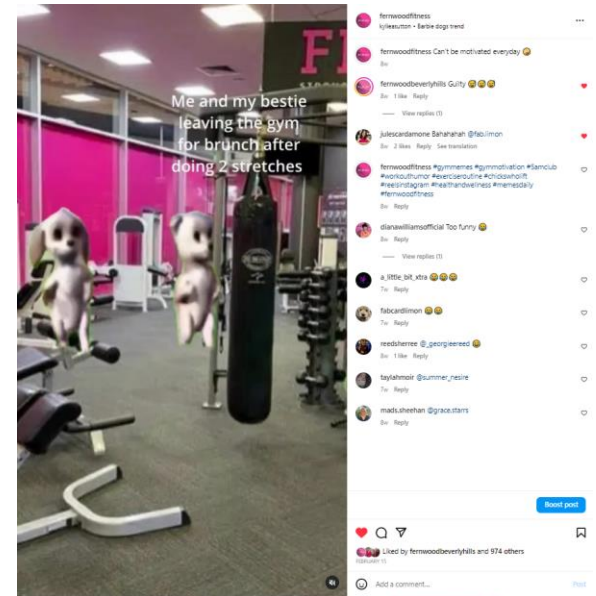
NATIONAL SOCIAL – REELS + TIKTOK

This quarter our Instagram reels and TikTok videos garnered over **2 million views** as well as over **11,000** active engagements (likes, comments, shares and re-posts).

Our best performing Instagram reel this quarter was a skit video titled 'Me and my bestie leaving the gym for brunch....'. This video garnered **137,886** video views and **986** organic engagements.

We've also continued to run paid advertising on TikTok – in February we generated **134,014** ad impressions and **348** clicks 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.



H.E.R. HOTLINE – NEW PODCAST

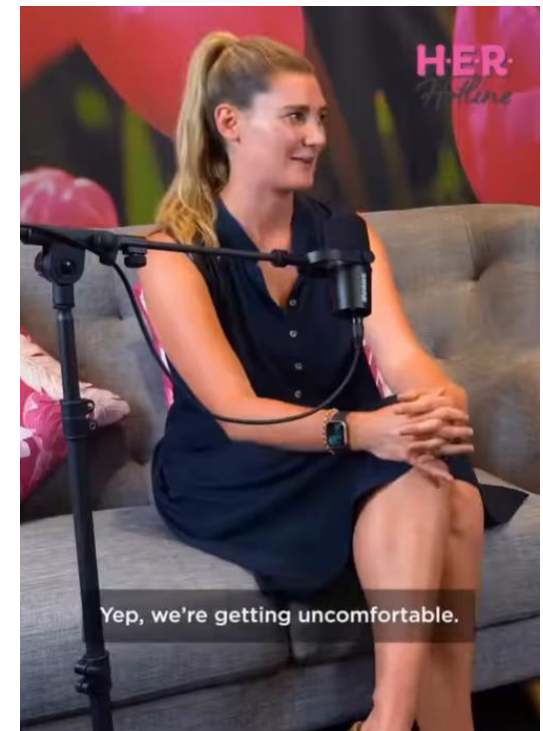
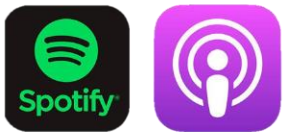
This quarter we have been working on a fresh, new concept for a podcast re-launch. Based on the audience insights from our former podcast, Shine, we noticed much stronger engagement from our shorter length episodes that touched on topics delving into women's health and taboo subjects.

The team are proud to launch **H.E.R. Hotline. Honest. Empowering. Real talk.** H.E.R. Hotline is Fernwood's newest weekly women's podcast where we candidly explore the usually awkward, occasionally funny and often exciting slices of life. Hosted by Fernwood Health & Fitness Expert, Heather Jenkinson, this is the go-to for all questions and advice on women's health, fitness, relationships, sex, life ... and everything in between.

In snackable 15-minute episodes, H.E.R. Hotline positions Fernwood as the experts in women's health and fitness, diving headfirst into womanhood while empowering women to speak their truth with confidence.

In addition to audio, H.E.R. Hotline episodes will be captured on video and uploaded to Spotify as video podcasts, a new feature we are yet to explore. The podcast will also have its own Instagram page to establish its own brand and build a unique audience, inclusive and outside of Fernwood Fitness members.

H.E.R. Hotline officially launched on Friday April 14 (with episodes every Friday thereafter) on Spotify, Apple or wherever you get your podcasts!



FERNWOOD X BARK SOCIAL - INFLUENCER MARKETING

This quarter saw the launch of our partnership with Influencer marketing agency, **Bark Social**. As the social media landscape continues to grow, influencer outreach has become an undeniably pivotal part of digital marketing.

Together with Bark Social, we have acquired a small group of online female influencers, each targeting one of our four [key demographic segments](#). Sharing relatable, authentic and brand-specific content in the forms of Instagram reels, stories and TikTok videos, our goals for this program are to:

- Leverage the following of the influencer group to place our brand in front of the right audience
- Drive brand awareness at a more local level
- Maximise local and national brand noise, reach and engagement.

As per our latest monthly report, in March (our first month of activity) we achieved:

1,253,522

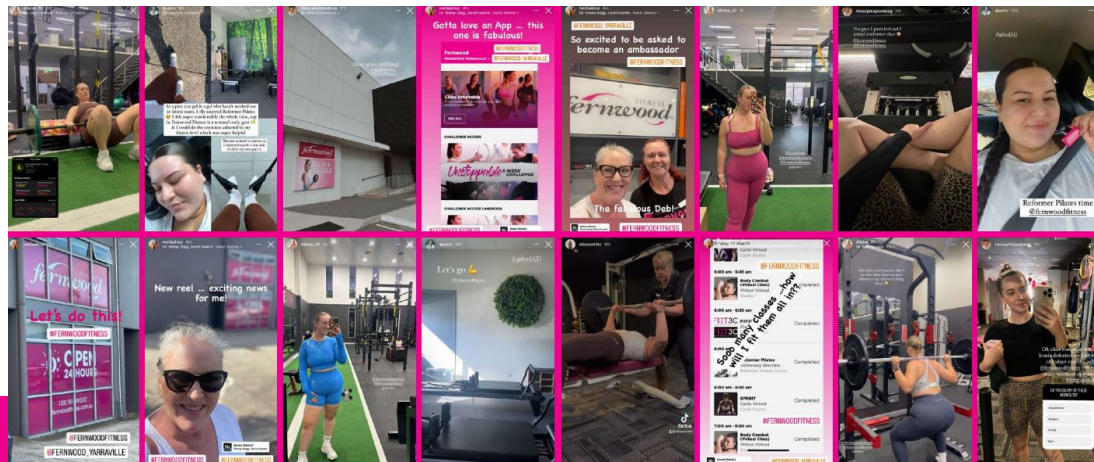
TOTAL AUDIENCE REACH*

171,769

TOTAL ESTIMATED VIEWS

2,672

TOTAL ENGAGEMENT



FERNWOOD PULSE MAGAZINE

Fernwood's amazing ambassador, Jelena Dokic was the star of this quarter's issue! Perfect timing with Jelena as the face of our Jan/Feb *First 21 Days Free* campaign running in tandem with the AO, meaning we could capitalise even further on Jelena's reach and media presence.

NSO funded a print run of 500 outreach postcards for each club for delivery in February. Featuring a QR code to access the mag, as well as a QR code to claim a free class pass, these are a fantastic outreach tool and great way to bring traffic to your club and enhance brand recognition. Postcards are available for order from SFM when your stocks start running low.

Reminder that when each new quarterly e-mag is released, the old issue will be replaced with the current – the link never changes, making it super easy to share.

KEY STATISTICS

Devices

- 93% of readers are now accessing our e-mag via mobile – up 10.8% from last quarter. This shows how important it is to ensure content is optimised for mobile, which is reflected in the magazine's digital design.
- 3.8% via desktop computer.
- 3.2% via tablet.

Total quarterly views

- 4,831
- Viewed by 18 countries across the globe.

Link clicks

- Our First 21 Days Free ad placement generated 50 website sessions.
- The free class pass cover link generated 173 website sessions, up from 120 website sessions in the previous quarter.
- The franchising ad link generated 70 website sessions, up from 38 website sessions in the previous quarter.



GOOGLE ADS

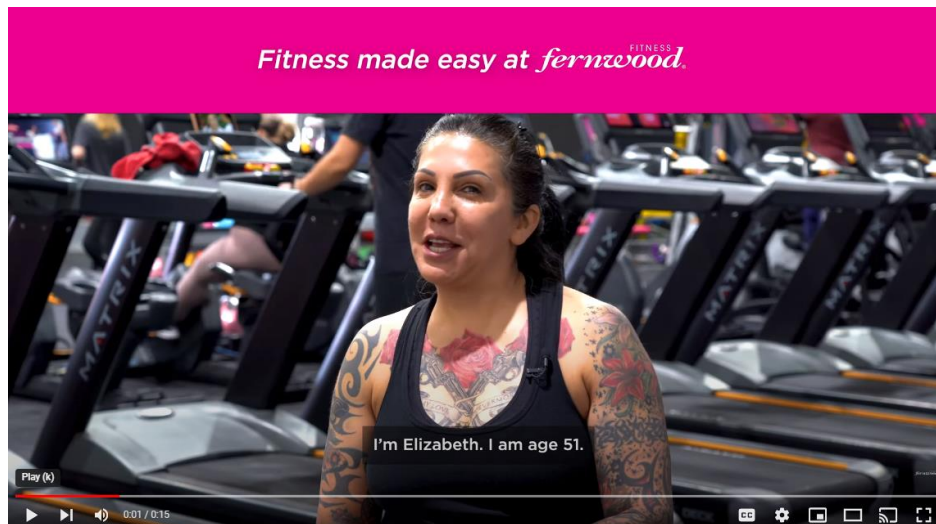
Google Ads across all clubs (including national ads) generated **119,328 clicks** (*up from 112,584 last quarter*) and a total of **8,856 leads** (*up from 7,828 last quarter*).

Average cost per Google lead was **\$16.07**

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

Of the 8,856 leads generated from Google this quarter, **1,259 (up from 1,105 last quarter)**, resulting in \$1,692,094 in revenue (*up from \$1,425,078 last quarter*).

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 **657,684 active sessions** on our website this quarter (*up from 582,213 last 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
- Pilates near me
- Fernwood membership
- Fernwood Pilates
- Reformer Pilates near me
- Fernwood login
- Fernwood Reformer Pilates
- Fernwood Fitness prices

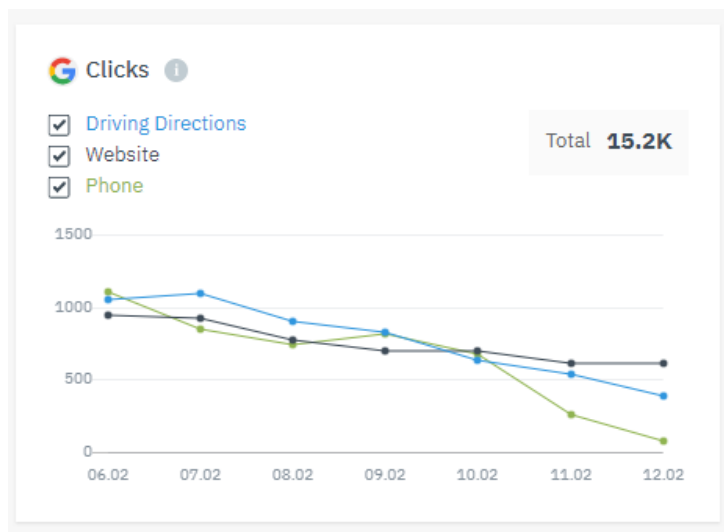
CLUB LOCATION LISTINGS

359 new reviews were left across Fernwood search engine club listings during the quarter, bringing the average star rating to **4.4**. **37%** of the new reviews were 5-star ratings.

Over the quarter, our club Google Listings (business listings and map listings) had **3.6 million impressions/views** and **175.4K action clicks** (directions, website or call).

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 over a 1-week period from Monday 6 February > Sunday 12 February.



WEBSITE

Across the months of July - June, there were **657,684 total sessions** recorded on the Fernwood website. **480,789** of those sessions came from **mobile devices**.

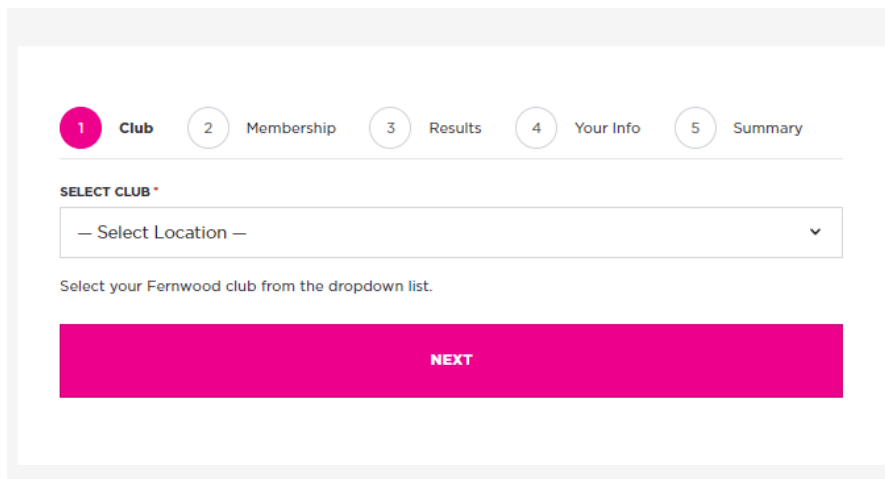
Online Sales

This quarter, **2,409** were generated via the online join form.

925 users successfully completed the online join process and purchased a membership online.

A total of **2,819 purchases** were made in the online shop this quarter resulting in **\$170,525 revenue**.

Childcare packs continue to be the most popular online shop products.



1 Club 2 Membership 3 Results 4 Your Info 5 Summary

SELECT CLUB *

— Select Location —

Select your Fernwood club from the dropdown list.

NEXT

EMAIL PERFORMANCE

Q1 2023	Recipients	Open	%	Click	%	Unsub	%
January	855,246	300,658	38%	15,759	3%	6,391	0.99%
February	565,830	202,851	42%	13,222	4%	2,942	0.41%
March	513,410	201,678	45%	14,609	5%	3,234	0.55%
Total	1,934,486	705,187	42%	43,590	4%	12,567	0.6%
Fitness & wellness industry average			19.2%		1.2%		0.4%

Quarterly comparison

January and February were massive months for us in market. While NSO-led email comms are usually kept to a minimum to give clubs space to create their own email comms shaped around NSO's planned email activity, these two big months saw more NSO-driven activity in order to support our Jan/Feb campaign.

Compared to Q4 2022, both open rates and click through rates have shown an increase of 6% and 1% respectively which is a great result. National newsletters, specifically our active and frozen members audience, continue to be our best performing emails, reflecting the strong member loyalty the network is known for. As usual, our open rates and click through rates are well above the industry average, highlighting our position as the experts in women's health and fitness and the strength of the network's offerings and services.

Best performing emails

January

Email: January newsletter

Audience: Active & frozen members

Open: 63%

Click: 14%

February

Email: Work for Fernwood recruitment email

Audience: Active & frozen members

Open: 60%

Click: 6%

March

Email: March newsletter

Audience: Active & frozen members

Open: 67%

Click: 14%

FERNWOOD APP

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

- January: **39,170**
- February: **36,822**
- March: **33,294**

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 464** users based off last quarter OCTOBER > DECEMBER 2022.

Online purchases via the app

- Personal Training, FIIT30, Reformer Pilates, Childcare & Challenge packs have been available for purchase through the app.
- There were **5,561** individual purchases made through the app between January – March 2023
- **\$373,304.55 revenue** for clubs was made through in-app purchases.
- This is **down \$22,548.45** on in-app purchases made last quarter. A **decrease of 5.70%** from last quarter.

Most popular workouts via Pulse

- HIIT Dance with Fleur
- Abs & Core with Amanda from Tullamarine
- HIIT Pilates with Fleur

Most popular recipes via Pulse

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

FERNWOOD APP

Analysis:

- We have seen a much smaller jump in the number of engaged users via the app this quarter in comparison with the last few quarters, which shows the app is being utilised daily by Fernwood members to manage their bookings, workout activity and managing pack purchases online. Members can now pay their membership arrears and request a membership transfer via the app/Pulse. We will continue to build more touchpoints via the app so our members can be self-sufficient.
- Our revenue from online purchases has had a slight dip in comparison to the end of last year, however this is due to the pre-sale period of Power of 5 Challenge falling into the end of 2022 and the positive uptake we had for that challenge through online payments (\$20K online). Number of purchases on RP has increased but \$ decreased – smaller pack purchases
- We can see from our reformer Pilates online purchases that the number of transactions had increased from last quarter, however the revenue had a slight dip. Members seem to be making more one-off purchases for session to Reformer Pilates, rather than larger pack sales of the service.

Outcome:

- Reformer Pilates is still our highest revenue driver for online and in-app purchases this quarter with **1674** individual purchases bringing in **\$136,553** in revenue. This has dropped \$9K since last quarter. This is followed by Personal Training bringing in **\$76,431 (down \$30K)** made up from **487** individual transactions.
- FIIT30 has kept a consistent amount with online revenue, up \$15K from last 6 months sitting just under **\$50K** from in-app online purchases last quarter. This highlights the growth in the FIIT30 program across the network. It is also worth noting that 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 **2105 individual purchases** and **\$66,457.60** in revenue last quarter. There has been no increase/decrease in Childcare revenue this quarter through online and it remains a very consistent revenue stream online.