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The \$500-a-Month Workout Habit

New numbers show just how many will pay extra for fewer choices; barre, boxing and Bikram yoga over big gyms



Alison Dougherty wraps her knuckles at Title Boxing Club NYC in New York. Ms. Dougherty was previously a member at a traditional health club. *PHOTO: BRYAN DERBALLA FOR THE WALL STREET JOURNAL*

By **RACHEL BACHMAN**

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Alison Dougherty used to pay \$30 a month for a health club membership. She's much happier now that her fitness expenses average \$500 a month.

The 27-year-old New York marketing professional exercises at Title Boxing Club NYC. She spends \$139 monthly for unlimited classes and \$100 for weekly personal-training sessions. She says even though the boxing studio presents fewer options, the workouts are more fun and effective than her treadmill-and-weights sessions were at the gym.

"It's definitely a bigger investment," says Ms. Dougherty, who has curbed shopping trips and brought her lunch to work to afford her boxing-boutique investment. "But it's been worth it." She believes her intense pugilistic workouts helped her break two hours in the

half-marathon.

Specialized fitness studios used to be pricey enclaves for a few fanatics. But the ranks of their fans have surged, and now stand-alone cycling studios, boot camps and ballet barre rooms are transforming the fitness industry.



Ms. Dougherty, left, trains with Title Boxing Club NYC owner Mike Tosto, right. *PHOTO: BRYAN DERBALLA FOR THE WALL STREET JOURNAL*

About 42% of the 54 million members of health and fitness facilities in the U.S. say they use fitness boutiques, according to data in an upcoming report by the International Health, Racquet & Sportsclub Association written by consulting firm ClubIntel.

Most boutique users were found to use more than one facility—a health club and a stand-alone yoga studio, for instance. But the research shows boutiques are much more prominent than was previously known. Research a year earlier, with a narrower set of questions, found that 21% of health and fitness facility members used boutiques.

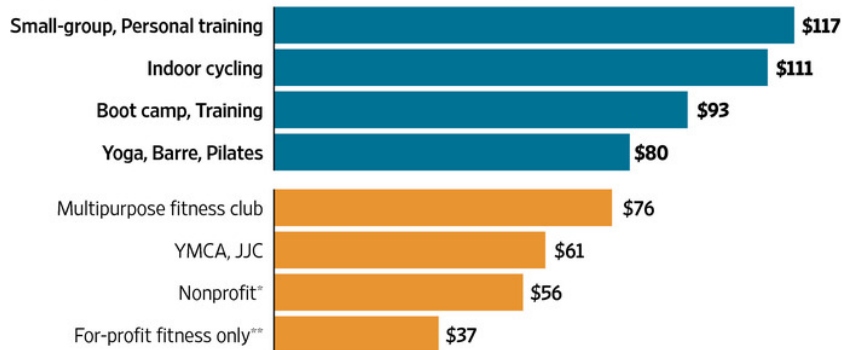
Clients of fitness boutiques spent between \$80 and \$117 monthly in 2014, while traditional health club members spent \$37 to \$76, according to IHRSA's data. Boutique clients often pay for each class or buy multi-class bundles rather than pay for monthly memberships.

CorePower Yoga has 126 locations nationwide, and the company plans to expand. Barry's Bootcamp, with 17 locations, including four in Europe, plans to open as many as 10 locations by the end of 2016, Barry's CEO Joey Gonzalez says.

The success of SoulCycle, a chain that inspired devotion to its \$30-to-\$40 classes, helped drive a craze in studio cycling. Cincinnati-based CycleBar, which costs about \$20 a class

You Paid How Much to Exercise?

The average monthly prices paid for various types of U.S. fitness clubs in 2014 shows the difference in cost between **boutiques** and **traditional** gyms:



*University and military fitness centers **No pool or sport courts
Source: International Health, Racquet & Sportsclub Association

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and also has locations in Massachusetts and Michigan, has sold more than 100 franchises in 25 states that are projected to begin opening this fall.

As exercise routines serve more roles in people's lives—stress relief, psychotherapy, social outlet, even personal identity—the expense of

boutiques becomes easier to justify, their devotees say.

Boutique-fitness fans also say they like the fact that most workouts are led by instructors or coaches. Some say they feel a sense of belonging that overrides the fact that they're spending more for fewer disciplines than what's available at a health club.

"I feel like when you're at a boutique, everyone around you is equally excited about being there," says Kirstin Burdett, a 26-year-old hospital fundraiser and regular at an athletic training center in New York called Tone House. "When you're at a traditional gym, it's more something you kind of fit into your day because you have to."



Mary Sullivan, center, with black tank top, exercises at a Pure Barre location in Flower Mound, Texas. She pays more than twice what she used to in gym expenses. PHOTO: PURE BARRE

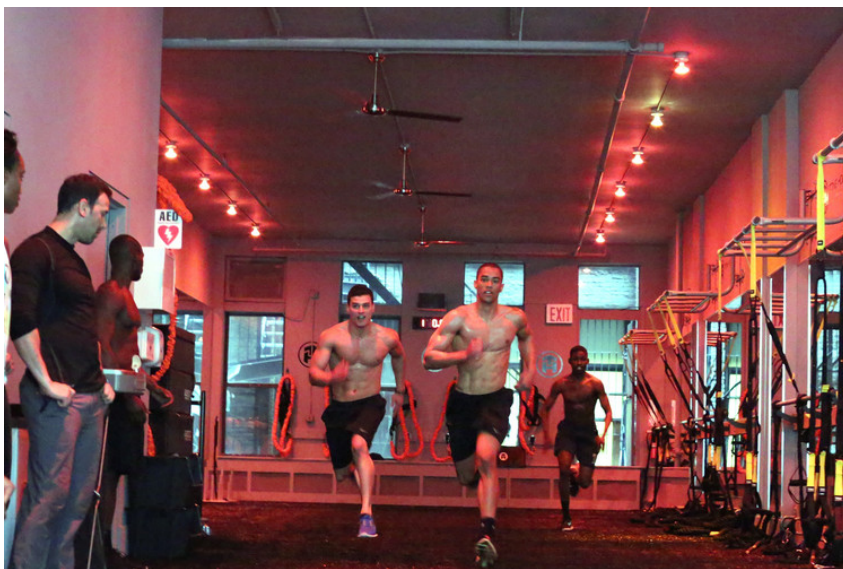
Late last year Ms. Burdett dropped her \$178-a-month luxury-gym membership to pay about \$500 monthly at Tone House. There, classes of 12 people run short sprints and use

suspension-training slings that dangle from the walls of the 2,000-square-foot space carpeted in black artificial turf. The classes are guided by two coaches who learn clients' names and cheer them on.

Mary Sullivan, a 50-year-old stay-at-home mom in Lantana, Texas, sampled a ballet-style workout at Pure Barre, a studio in a nearby strip mall. She quit her gym the next day. She now pays \$149 a month to do barre classes—more than twice what her gym membership cost.

The scale of her gym, a location of the premium chain Life Time Fitness, actually became a drag, Ms. Sullivan says. It was a pain to park in the health club's lot and roam long hallways to the front desk, locker room and far-flung yoga class she frequented, she says. She can park right outside the door at Pure Barre, which has 315 studios in 42 states and Washington, D.C.

Ms. Sullivan says Pure Barre's workouts are more effective than the group-fitness classes she had been taking at the gym. The location northwest of Dallas where she attends classes marks a client's 100th visit by snapping photos of her in a red tutu, sash, feather boa and tiara and giving her a tank top and socks. "The love I have for it and the friendships I've made have been worth every penny," Ms. Sullivan says.



Clients at New York's Tone House sprint across the 2,000-square-foot studio, run with resistance harnesses and use suspension-training equipment. *PHOTO: TONE HOUSE*

Fitness boutiques are responsible for much of the industry's recent growth, IHRSA officials say. Traditional health clubs still dominate in terms of numbers of members, but their growth is slowing and, in some cases, reversing.

Multipurpose, for-profit health clubs like Life Time seem to be weathering competition from boutiques better than lower-cost or nonprofit clubs. The multipurpose clubs offer more than the standard weights and cardio equipment: perhaps a swimming pool or tennis court. Members at multipurpose clubs spend more on memberships and make more frequent visits than do members of more bare-bones clubs, according to IHRSA's data.

A Life Time spokeswoman points to the company's "boutique-like formats," along with amenities like child-care centers, spas and cafes. "The vast majority of one-dimensional boutiques simply cannot" offer as much, she says, adding that the company's member-retention rate is the highest in its history.

Town Sports International, which operates a Northeast chain including New York Sports Clubs, in 2014 launched stand-alone, class-centered BFX Studios. Cycling and high-intensity interval training classes at BFX run \$32 each. It costs \$20 to \$40 a month to belong to most of the chain's traditional clubs. The chain recently lowered prices in response to low-cost clubs like Planet Fitness.



CycleBar studios include a live D.J. booth and each location features 50 bicycles with concert-style lighting. PHOTO: CYCLEBAR

Steven Schwartz, president and CEO of Midtown Athletic Clubs, a 30-location, Chicago-based chain, says health clubs are more economical, particularly for families, and more enduring. He compared the best health clubs with a "well-run department store."

"I think the boutique business is more of a fad business, where the health club is always going to stick around," he says. "What's hot today may not be hot tomorrow."

Paul Hernandez of Sugar Land, Texas, has kept his longtime membership at 24 Hour Fitness—but mainly because of his \$154-a-year rate. The 55-year-old tax consultant has rarely visited in the past year since he started doing hot yoga classes at a Bikram studio and joined a location of the strength-and-conditioning program CrossFit. He pays about \$280 a month total for his two memberships. 24 Hour Fitness declined to comment.

Though 24 Hour Fitness recently added a special training program with some similarities to CrossFit, Mr. Hernandez says he'll stick with the original because it improved his strength and physique.

“To get compliments when you're 55, it's pretty cool,” he says.

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