

A REVIEW OF INDIAN FITNESS INDUSTRY : INSIGHTS & GROWTH DRIVERS

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ABSTRACT

The fitness and wellness segment in India has come a long way from the days of the local 'akhadas' to modern wrestling. Now days it is a part of the international Olympics, with India actively taking part in it and winning medals for the country. Various championships related to fitness are examples for fitness concern. In older days, mankind's tryst with fitness was driven by the will to survive and this he did, through hunting. In Ancient times Festivals and social occasions made people travel huge distances and perform for hours together, which in turn required exceptionally higher levels of stamina and strength. People today go to gym and dieticians on a regular basis these days. This does provide a big business opportunity. In India being fit is no more an urban tradition but now it has stretch to the Tier 2 and Tier 3 cities as well. This study is an attempt to provide some insights into the field of the Indian fitness industry through the analysis of recent publications & websites. The first part of this study provides snapshot of Indian fitness industry. This snapshot indicates current market potential, major player form fitness industry. The second part of this study provides the key growth drivers and major barriers to entry into this field.

1. Introduction :

In India, health and wellness industry sector has been growing significantly. The fitness industry in India is basically an unorganized, fragmented and unstructured sector, waiting to be consolidated into an organized entity.

Mahatma Gandhi said **“It is health that is real wealth and not pieces of gold and silver”**². From many years we Indians are have been ignorant to taking care of themselves. Today's busy lifestyle hardly leaves people with time to exercise or follow a fitness regime. Driven by this guilt, they are doing everything possible to lead a 'healthy life' and the food they consume. Probiotic, sugar-free, low-cholesterol, baked not fried is some of the taglines we see in product packaging these days³. As compared to men women are sensitive to fitness. But now day's today men are evenly aware of their health and fitness. Now days people are regularly give visits to gym

and dieticians. This does provide a big business opportunity.

In India being fit is no more an urban tradition but now it has stretch to the Tier 2 and Tier 3 cities as well. The industry is looking up in India. Credit to today's fast paced, hectic modern lifestyles which seldom allow a person to workout actively or follow a well-crafted fitness regime. Now gyms and fitness studios are on people's smartphones in the form of applications. Because of this many people to do whatever they can to keep themselves fit and active and a healthy diet often tops the set of try-outs. Looking at well-toned bodies of celebrities and sports icons combined with a young lifestyle and growing fashion, Indian consumer is getting drawn to fitness as never seen before. The fitness trend is encouraging the consumer to look and feel fitness t and going energetically through a day routine drives t h e category growth. Whatever be the mean to achieve fitness—the consumer does not mind it

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coming for a price.

Indian Fitness Market Size

Because of incidences like obesity and diabetes Indian fitness industry is undergoing a revolution. Today, if we look around, we will find that weight loss advertisements are everywhere. Extensive advertisement is one of the key reasons as to why health clubs and gym memberships are growing. The whole Health and Fitness Industry joint together forms a giant market.

Rs. 4,670 Cr, is the total market for fitness is valued in India and is growing at 17% -19% and is estimated to cross Rs. 7,000 crore by the year 2019. In retail it is estimated at around 28 per cent of the total market and is expected to grow by 24-30 per cent. Fitness centers are growing per capita.

Fitness industry is not just a set of organizations, but there are multiple players are involved. These players can be categorized as-

1. **Consumers** : Generally people are more concerned about their fitness and form target group for companies.
2. **Providers** : They provide the products and services to meet the needs of customers / consumer.
3. **Allied Industries** : It is not rare to see other industry players offering fitness products and services. Some of these industries are healthcare, media, retail and gaming.
4. **Facilitators** : Now days IT companies plays key role in encouraging fitness awareness.
5. **The Government** : As is the case in any business government is the regulator and forms the guideline to conduct business.

Aerobics, Zumba, Martial arts, kickboxing, cross-functional and bodyweight training have been there for some time now and the awareness among the respondents reflects that.

On the contrary, high-intensity interval training, pilates, aqua fitness and body combat are still on the rise on the awareness index. Crawling workout and TRX suspension are fairly new and still haven't reached the masses as such

{web reference economics times}

Market Potential :

As estimated Rs. 60 bn is the market of fitness & slimming industry. This industry is divided into fitness and slimming products and services sectors as follows :

1. **Slimming Products-** Weight loss supplements and meal replacement slimming products.
2. **Slimming Services** - It is a fastest growing sector that has few players with big reach like VLCC and Vibes. Helps consumers plan their weight loss program and monitor it continuously.
3. **Fitness Equipment-** This sector comprises of retail and wholesale sellers of gym equipment like dumbbells, treadmill etc.
4. **Fitness Services-** This sector is most commonly associated with health and fitness and forms a major portion of the market. Gym is most popular among the consumers.

Young people in the age group of 15-34 are main consumers of the industry. As compared to rest of the world in India the segment of young people is rising. Approximately 34% of the population in India is in the age group of 15-34. The number is expected to be around 427mn by 2020.

Major Players in Indian Fitness Industry :

India's Top Fitness Centers

Top 5 Indian fitness players acquired the 15 % of market share as compared to 40% in Japan and Singapore and about 20% in China, Australia and New Zealand. Therefore, the organized players in India have huge span of consolidation going ahead. There are great opportunities for new players to bring brand segregation, qualified trainers and reasonable pricing. A few of the top players of these fitness clubs are provided below :

Sr. No	Name of Fitness Players / Gym	CEO /MD	Total Centre	Total Membership
1	Talwalkar's Gym	Prashant Talwalkar	176	150,000
2	Fitness First	Andy Cosslett	16	45000
3	Gold's Gym	Robert Rowling	130	100000
4	Fitness One	Vivekanand Palaniappan	110	65000
5	Ozone Fitness and Spa	Naveen Kandhari	25	55000

Table: Top 5 Indian Fitness Players⁵

Research Methodology

The study focuses on extensive study of Secondary data collected from various books, National & international Journals, government reports, publications from various websites which focused on various aspects of Fitness industry. The easily reached secondary data is used only for study.

Key Growth Drivers

1. Rising Awareness about Health

The Indian fitness industry is undergoing a revolution of sorts spiked by the increasing incidences of obesity and diabetes. If we look around, we will find that weight loss advertisements are rampant everywhere. In the current world of technology, where virtually everyone is connected to each other, it is a no surprise that people won't be aware about health. Everybody wants to safeguard their health and be fit and look good in the society.

2. Higher Disposable Income

This is one of the key reasons as to why health clubs and gym memberships are growing. Spending on fitness was earlier seen as a luxury, but now it is a way of life. Not just in the urban areas and cities, but also in tier 2, tier 3 cities, towns and even in the villages, where people are increasingly opting for wellness and fitness choices. A preventive approach to healthcare has led to an increase in demand for not just services but also products. Today's health conscious and fitness aware generation wants to look and feel good at any cost; and this is further fuelling the overall growth of the fitness resources and services.

3. Corporate Intervention

Global corporations, the ICT industry, BPOs and KPOs specifically, have already provided the impetus to the industry by installing in-house fitness centres and health clubs within their office premises. The hospitality industry is also following the trend. Domestic and international hotel chains have several existing projects in India and many others are in the pipeline. Hotels in smaller cities are providing gyms, if not spas – in order to cater to the demands of the new age health conscious customers. Couples today are receiving gym subscriptions or even fitness equipment on their weddings as gifts. Community centres in residential societies and even apartment complexes nowadays, invariably hosts a gym. Not just in metropolitan cities,

fitness is spreading like wildfire and each tier 2 and tier 3 city is now home to a dozen of gyms and fitness centres. Multinational fitness chains and gyms are taking the franchisee route to enter the Indian subcontinent. Considering India's high and middle class population, there is ample space in the market for more and more such players. As the competition increases, the possibility of growth is more in the industry.

4. Fitness at home

Small home gyms are also coming up in the houses of business tycoons, industrialists, sport icons, celebrities, socialites and fitness freaks who can afford the price and the space. Now, there are even personalized gyms to meet their specific whims and fancies. There are even online on-demand home services portals and mobile apps which provide gym trainers, fitness experts, and nutritionists etc. for fee.

5. Diversification

Big and established fitness chains and gyms are already diversifying their product and services portfolios to tap into the market in each and every way possible and reach out to potential customers. Many such companies have acquired public equity to fuel their growth plans. Given the diverse and unorganized Indian market, franchising have caught on really fast. Many are using the franchising model to scale up their operations and also to tap into a larger client base. Skyrocketing costs of healthcare and specialized medical interventions have pushed people to turn to prevention as a viable option, rather than cure.

6. Young Population

Interestingly, the fitness oriented customers are mostly in the age group of 20 to 40 years. Therefore, this is right from college days to employment days. This segment of the population is mainly focusing on looking good and having a fit and toned body. Post the age of 40, are a segment of population who are working out to fight some health issue and those who have been advised to do so by their doctors.

7. Increased Women Fitness

Earlier it was usually the male population who embraced physical fitness. Today, 45% of the members are female. Easy access to the internet, TV and technology have brought about a paradigm shift in perspective of woman taking to fitness and health

seriously. Rising cases of osteoporosis and lowering of bone density have catapulted women to take up health, diet and fitness in a major way. Similarly, breast cancer continues to take lives of millions of women and is in fact the second most common type of cancer among women in India. Lifestyle, good looks, Bollywood and Hollywood celebrity lifestyle influences are some of the other considerable factors.

8. Fitness industry has embraced online

Only last century did the Internet came into being and video-calling applications like Skype have been around since early 2003. But the strange bit is that only now has the fitness industry embraced the advantages of reaching out to consumers online, through booking personal trainers. Online coaching classes have taken off in India. It is a welcome change now is that it's easier to book a personal trainer than ever before. There is a host of websites that offer this service from an hourly to monthly basis. Which means consumers now have more choices and are able to book someone who is best suited to their requirements. There are also several online consultation platforms that connect bodybuilders, fitness experts, physiotherapists, yoga teachers, weight-loss experts with people who don't mind going that extra mile for sound advice and are willing to pay for it.

Problems faced by Fitness Industry

- ❖ Myths – When it comes to health and being fit, there are a number of theories and myths. People many a times fall prey towards wrong myths and though they want to remain fit, there are able to.
- ❖ Busy Schedules – It requires high commitment and dedication for a person who is willing to stay fit. In today's times where people do not even have time to meet their friends and relatives, then finding time for self is rare. Moreover, even those who want to seriously put an effort towards being fit are unable to find time because of long office hours, insufficient time, family responsibilities, etc.
- ❖ Unawareness – Even today, many people in cities as well as villages are unaware about the importance of health. Such people live with a mind-set that no effort is required towards their body. A person may put significant effort towards

all other thing but would neglect their own health. Due to such negligence or lack of knowledge, they never visit health or nutrition centres.

- ❖ Monotonous – Fitness should be a lifestyle change however people follow a healthy lifestyle for few months and then give up of it. There are major population of people falling under this category. Such people move towards fitness for some time and then again bounce to original lifestyle. Due to such category, fitness centers see no continuous growth.

Conclusion

The Indian Fitness Industry is growing however there is a high scope of expansion in all directions. This enables Indian as well as International players to set up their business in India. Due to increased awareness amongst people towards fitness, there are a number of professionals who are foraying in this sector. There is also a high chance of increased employment. Such a setup can be done through small, medium or large scale opportunities which gives a chance for all sector of people to build business in this industry. The availability of offline as well as online options will enable more opportunities to people to fix up their health at their convenience similarly also provides growth opportunities to corporate's and proprietors.

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