

# CLUB BUSINESS INTERNATIONAL

## Getting Back to Business

**WILL WANG, THE  
CHAIRMAN OF THE  
WILL'S GROUP, CHINA'S  
LARGEST CLUB CHAIN,  
HAS WEATHERED THE  
COVID-19 STORM AND  
IS NOW SEARCHING FOR  
GREATER OPPORTUNITIES**



# News & Know How

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**Social Distancing Success:** Franco's Athletic Club, in Mandeville, Louisiana, viewed its state-mandated closure both as a challenge and as "an opportunity to start over and get things right." The impressive results of their efforts show! (See "The New Normal Doesn't Look So Bad Anymore," pg. 38.) —



# The 'New Normal' Doesn't Look So Bad Anymore

By Jon Feld

**O**n June 4, Louisiana Governor John Bel Edwards kicked off phase two of the state's reopening plan, which encompassed gyms.

Franco's Athletic Club, in Mandeville, Louisiana—at nearly 115,000 square feet, one of the largest facilities in the state—was absolutely primed and ready.

"With the club empty and closed for the first time since we'd opened in 1988, we had the time to stop and ask ourselves, 'What's working?', 'What's not?', 'How can we be better?'" says Sandy Franco, the co-owner with her husband, Ron, of Franco's. "We regarded the closure as an opportunity to start over and get things right.

"So we analyzed everything—from the physical environment and our operational functions to the member experience."

The resulting changes turned out to be something of a sketch, a premonition, of what other clubs might look like, long-term, in a post-COVID-19 world.

## In the members' steps

A discussion of the member journey typically examines the experience that clients have with a brand, but, in this case, the Francos' review began with a thorough study of a member's literal movement through the club.

Because providing a safe environment was the principal, primary, goal, they had to identify *everything* that members came into physical contact with. Insofar as possible, each of those things needed to be made touchless and/or easy to sanitize.

"We quickly realized how many touchpoints we needed to eliminate," Sandy Franco reports. "We tracked them from the members' entrance, to activities throughout the club, and, finally, to the exit."

Traversing the club in the shoes, and with the critical eyes, of its members produced a plethora of changes to increase touchlessness. Those included, but weren't limited to, converting entry/exit doors and entry gates to an automatic function; introducing touch-free scan cards at check-in; and going touchless with respect to lockers, class sign-in, towel distribution, soap dispensers, water fountains, sinks—even toilets.

## The space refreshed

While the club was shut down, the Francos also had a unique opportunity to refresh its physical plant.

"We replaced and refinished 80% of the flooring, and repainted the walls, employing a new, brighter, cleaner color scheme," she explains. "It was a major undertaking and expense, but worth every penny. The facility not only looks sparkling clean and fresh; it feels brand-new. It's made a huge impact, and given members a greater sense of pride in the club, and a greater appreciation of the return on their investment." The total cost of the modifications and changes, thus far: \$198,498. →



A photograph of a man and a woman, Sandy and Ron Franco, sitting in a modern lounge. They are both smiling at the camera. The woman, on the left, has blonde hair and is wearing a black top and blue jeans. The man, on the right, has grey hair and is wearing a light-colored blazer over a black shirt and blue jeans. They are seated in wicker armchairs with white cushions. In front of them is a round, low table with a glass top and a wicker base. On the table is an open photo album showing various photos, and a pair of sunglasses. The background shows a well-lit, contemporary interior space with more seating and a long hallway leading away.

**Franco's Athletic employed the shutdown to primp and prep for 'what's next'**



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Franco's also undertook a major decluttering initiative, something that most clubs would love to have a chance to conduct.

"We left no stone unturned," she says. "Social distancing has created a greater need for the perception of more open space. Cleaning and uncluttering the offices, studios, front desk area, and every other area of the club has opened things up. Every member who's walked through the door has commented on how clean and spacious the club looks.

"We'll never allow things to accumulate that way again."

### Acting on activities

As with many facilities, COVID-19 forced Franco's to radically cut back on group-ex classes. Prior to the shutdown, it had offered more than 100 well-attended sessions per week.

"We managed to stay connected and engaged by offering free online workouts and live-streaming classes both to members and the community," notes Franco. "The online classes were greeted enthusiastically, and we'll continue to offer them."

The online effort also has surfaced a potential revenue stream.

"One possible growth opportunity we're considering is selling 'at-home' online memberships," she says. "Many members liked working out on their own schedules, and there's a demand for us to continue providing online classes that showcase our top instructors and trainers."

For most members, though, nothing replaces in-person training.

"Closing down allowed us to wipe the slate clean, and bring back the most popular classes, while consolidating the rest," recounts Franco. "We bit the bullet, started by scheduling four classes a day, and gradually increased the number. We've had to coordinate that effort with stricter childcare regulations, but members don't seem fazed by it. They're simply glad to be back in class."

Social distancing, reduced capacity requirements, and the need to rationalize class numbers forced Franco's to move registration for classes, childcare, and lap swimming online. While the move represented an adjustment for members, especially seniors, it turned out to have benefits across the board.

"Group-ex class registration helps us see which classes, times, and instructors are most popular, allowing us to make adjustments quickly," she says. "Knowing in advance how many babies, toddlers, and kids will be coming each day helps us to optimize staffing and reduce payroll. And the pools have never run so smoothly; members are no longer fighting over lanes."

### Optimizing operations

Evaluated from an operational perspective, Franco reflects, the closure and its financial effects have forced the club to re-evaluate its operations, budget, payroll, benefits, and programs and services.

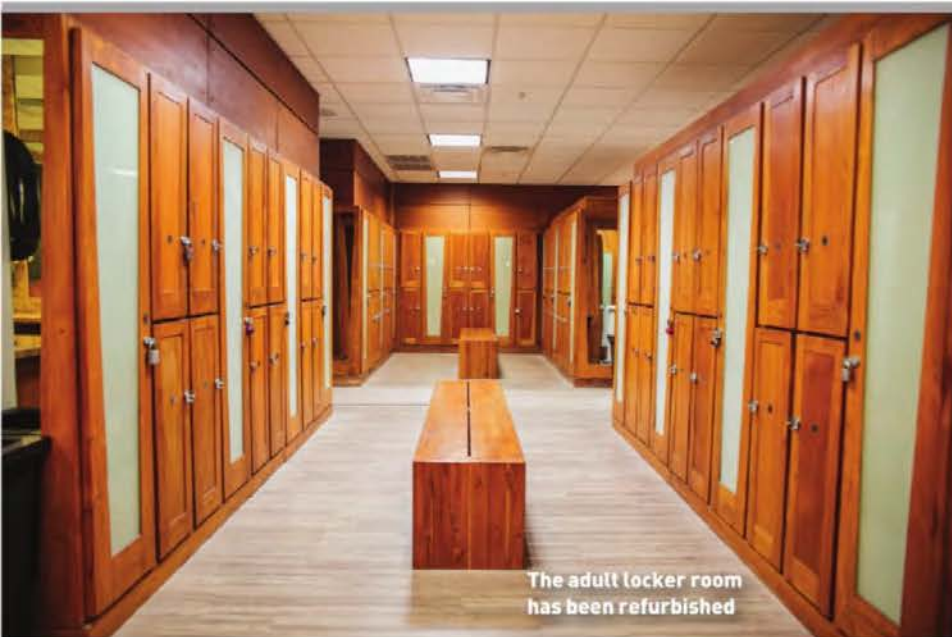
She points to Franco's Grille as an example. Members love the convenience of eating at the club, but the benefits it yields are nominal. While the Grille generates solid revenues, it produces slim profit margins and requires a good deal of time and oversight.

"We've long felt the responsibility, as a fitness facility, to offer our members healthier options, and considered launching a new concept serving healthier fast food," she says. "But we decided the time and expense could be better spent elsewhere."

So, once again asking itself, "How can we do better?," Franco's outsourced the operation to local entrepreneurs who'd successfully launched "Chomp NOLA," an online healthy-food-prep company. →







The adult locker room has been refurbished



The girls' area in the family locker room



The spa's lounge sports luxurious new floors



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Franco's studio storage area has been renovated



Touchless restroom features

Tennis social-distancing practice



"They were looking for an opportunity to grow and diversify their brand by providing a place for their online customers to experience authentic, healthy, and delicious food in a comfortable sit-down environment. We agreed that the club was a perfect place to do so," explains Franco. "We hope it will be a win-win situation for all of us."

At press time, the club, which has 12,957 members, had some 1,200 visits per day, and was operating at about half capacity, but Franco doesn't think it will take that long for utilization to rebound.

"For the first time in the history of the U.S.—even globally—personal health, fitness, and wellbeing are at the forefront of *everyone's* minds," she says. "People have seen, firsthand, the negative, detrimental impacts of an unhealthy lifestyle." As a result, she adds, the big surprise to her and other owners she's spoken with has been how quickly *new* member growth has spiked.

"As people come back," Franco says, "we feel good about having prepared the club, as best we can, to provide for their protection and safety—now and in the long term." —

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**"As people come back, we feel good about having prepared the club, as best we can, to provide for their protection and safety—now and in the long term." —SANDY FRANCO**





Franco's lobby: spacious and sparkling clean



Roomy sports training area



Franco's live-streams classes

## A 'PERCEPTION' OF SAFETY

"Perception is reality for most of us," observes Bryan Dunkelberger, a principal at S3 Design, Inc., in Braintree, Massachusetts.

And, today, what members want to *perceive* is that every element, every aspect, of their club confirms that they're completely safe.

In terms of interior design, "clinical" is an emerging trend.

"'Clinical' meaning lean and clean," explains Cuoco Black, the founder of FitnessCenterDesign.com. "Gray has been the go-to color scheme for decades, and, recently, there's been a tendency to integrate color-changing lighting in dark spaces to produce a nightclub/gym vibe. But now it's time to create whiter, lighter spaces that telegraph a cleaner aesthetic."

As far as visible cues go, color and visibility are key.

Ensuring that members see, and are constantly reminded, how attentive you are to their safety also is crucial. "More sanitation stations, and a more rigorous cleaning process, done more frequently, will not only produce a cleaner, safer club, but showcase the proactive measures you're taking," says Dunkelberger. "Adding sanitation stations is simple. Many companies provide hand sanitizer and wipe stations, and you can design them into reception desks and towel drop-off and pickup stations." →