Special Message From SFIA Research

For the past 107 years, the Sporting Goods Manufacturers Association (SGMA) has been the leading source of research-based knowledge for the sports and fitness industry. As you will note by the new logo above, the Sporting Goods Manufacturers Association has recently transitioned to a new name for our organization: *Sports & Fitness Industry Association*, with the acronym **SFIA**. The foundation of our trade association and the core constituents who benefit from an affiliation with our organization remains the same. However, we believe the new name represents a much clearer reflection of our current and future membership. This is not a shift in philosophy for our organization. It is simply a more accurate and transparent indication of the broader industry segments that we serve.

This cover page serves to make you aware of our new name and simultaneously explains why you will see references to SGMA throughout research reports that pre-date our transition from SGMA to SFIA.

For more information related to the rebranding process, please visit the SFIA website at [www.sfia.org/about/sfiafaqs](http://www.sfia.org/about/sfiafaqs) to review our FAQ’s. You may also contact SFIA Headquarters at 301.495.6321.
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CONDUCTED BY SGMA RESEARCH

Unless the source is otherwise identified, all participation statistics are from studies conducted in early 2012 under the guidance of The Sporting Goods Manufacturers Association, (SGMA), and five other sports industry associations by Sports Marketing Surveys of Jupiter, FL. In addition to the SGMA, the National Golf Foundation, the Outdoor Foundation, the Tennis Industry Association, International Health, Racquet & Sportsclub Association and SnowSports Industries America also participated. All other data, if not otherwise identified, is attributable to the SGMA/Sports Marketing Surveys research partnership.

New Survey, New Methodology

The survey was conducted online. This methodology allows improved accuracy, broadens the scope of the study, increases the ability of users to analyze the data and permits additional follow-up research with key groups, such as core participants or those who had recently taken up or abandoned a given sport.

Special Thanks

Special thanks to the following for their contributions: Patricia Amend and Liz Levitan for writing and editing of this year’s version of the report. Also thank you to Danielle Shiller for the data analysis. We would also like to thank this year’s industry experts for their time and honesty: Chis Clawson, Chris Froio, Philip Mills, Lynne Brick, and Rick Caro. We would also like to thank IHRSA for their cooperation in this report.

Core Participants

There is a strong focus in this report on “core” participants, who represent the key market for purchases of equipment, services and user fees. Core participants are identified statistically by the number of times they participate in a given activity. The frequency of participants varies from sport to sport. In fitness activities, a core participant is someone who participates at least 50 times a year.

Understanding Participant Rates

To provide users with a better understanding of their markets, all participants in each sport are divided into three groups: casual, regular and frequent. From these, a combined group, called core participants, is defined. Core participants = regular + frequent participants.

Those wishing to discover more about the habits and attitudes of these groups should contact SGMA Research/Sports Marketing Surveys by contacting Neil Schwartz at (561) 427-0647 or neil.schwartz@sportsmarketingsurveysusa.com.

Sample Specification

During January and February of 2012, a total of 38,172 online interviews were carried out with a nationwide sample of individuals and households from the US Online Panel of over one million people operated by Synovate. A total of 15,113 individual and 23,059 household surveys were completed. The total panel is maintained to be representative of the US population for people ages 6 and older. Over sampling of ethnic groups took place to boost response from typically under responding groups.
The participation survey sample size of 38,172 completed interviews provides a high degree of statistical accuracy. All surveys are subject to some level of standard error — that is, the degree to which the results might differ from those obtained by a complete census of every person in the US. A sport with a participation rate of 5% has a confidence interval of plus or minus 0.21 percentage points at the 95% confidence level. This translates to plus or minus 4% of participants.

A weighting technique was used to balance the data to reflect the total US population ages six and above. The following variables were used: gender, age, income, household size, region and population density. The total population figure used was 285,753,000 people ages six and older.

In this year’s report we have adopted a slightly revised projection methodology that provides an even higher degree of accuracy. The technique of using a “two-year rolling average” measurement is commonly used in research as a way to effectively double the sample size to provide a stable base for all projections that derive from the data. This is particularly beneficial for the sports with participation rates of less than 1%. Consequently, with this change, we have gone back and re-projected all participation totals beginning with the 2008 participation collection to reflect this change.

All manufactures shipment data is taken directly from the SGMA’s annual Manufacturers Sales by Category report. This report may be obtained by going to www.sgma.com. The Manufacturers Sales by Category report is free to members and costs $40 for non-members of the SGMA.

If you have specific questions regarding this change in methodology, please get in touch with Sports Marketing Surveys USA at usa@sportsmarketingsurveysusa.com or (561) 427-0647.
Welcome to the 2012 edition of the Tracking of the Fitness Movement report from the Sporting Goods Manufacturers Association (SGMA). It is our goal with this report to provide the most comprehensive overview of the fitness industry possible, for both the consumer and the commercial sides of the industry.

This year, many of the same trends that we identified in 2011 are continuing. One that we have discussed in detail is the growth of class-based fitness programs and activities. According to our data, 7.7 million people tried some sort of Boot Camp-style training program, with nearly 2.9 million people making it an integral part of their fitness regimen.

In this year’s report, we have also included interviews with Chris Froio, Head of Fitness and Training for Reebok, and Phillip Mills, founder and CEO of Les Mills International. Both of the companies are at the forefront of the class-based fitness movement, and they offer some valuable insights and discuss ways they are working to grow the category and get people more healthy. As you can see from the chart below, class-based fitness, which includes activities like Yoga, make up five of the top 10 fastest growing fitness activities. While some are growing from a smaller bases than, say, Running, there is no questioning that the impact that class-based fitness is having on our industry is tremendous.
When it comes to strength training in this country, we continue to see very solid participation numbers, with little or no erosion in the category. This year’s report features an interview with Chris Clawson, President and CEO of Life Fitness, who gives us a first-hand peak into their plans for the future, as well as what they see in terms of major trends that will affect both the consumer and the commercial aspects of the business.

We will also explore trends in health and fitness clubs in our conversation with Lynne Brick, owner of Brick Bodies Fitness Services and Rick Caro, President of Management Visions, Inc., a founder and former board member of IHRSA.

From a consumer spending perspective, we are seeing a continuation of the wait-and-see position that many people are still maintaining. It appears that consumers are essentially “on hold” with purchases which should translate to “pent up demand,” once they feel more positive about their personal financial situations.

From a business standpoint, exercise equipment manufacturers remain optimistic and, in many cases, have increased their production capabilities, while at the same time, keeping inventories at a modest level. Much of this data is supported by the upcoming edition of the Pulse from the SGMA, which will be published at the end of July.

The good news is that our data shows that more than 74% of Americans reported they participated in some type of fitness activity in 2011. Since then, we’ve observed that the fitness industry has responded aggressively to consumer needs.

For our industry to continue to grow, it will need to remain attentive and tuned in to emerging trends and changing consumer preferences.

This report will explore these activities further by drilling down into fitness segments, industry sales, and demographic indicators. In addition, we have identified something that we are calling “Aspirational” sports and fitness participation.

These are the activities that people say they want to get involved with. They just don’t know how to take that all important first step. We see these “Aspirationals” as a key target for all aspects of our industry.

It is also important to note that the SGMA continues to be concerned with the growing number of individuals in this country who are totally inactive. That number continues to rise, and was 68.2 million people in 2011.

This increase in inactivity remains an issue, given the fact that it outpaced the growth in the general population over the same period. In this case, the term “inactive” means that the respondent self-reported that he or she did not participate in any fitness activity or sport during the past 12 months. There are specific data points that we’ve uncovered that warrant attention as we, and so many others in our society, re-commit to reducing the alarming rates of obesity in this country.

One of the most troubling facts is that inactivity rates among young people have increased over the past three years. The SGMA believes that the childhood obesity crisis could be demonstrably, and sustainably, addressed by a nationwide focus on increasing the physical activity rates overall.
The SGMA and its partner organizations are committed to the cause of getting people of all ages to become more active. Doing so will pay a host of societal benefits including, but not limited to, healthcare savings, increased productivity, higher academic performance and overall improvements in the quality of life.

We remain a leader in advocating for universal Physical Education in our nation’s schools, and will continue to fight for funding for the PEP program. We are working tirelessly to gather support for the Personal Health Investment Today (PHIT) legislation, which would allow pre-tax savings programs to pay for health, fitness and sport expenses. We look forward to working with you to further these vital causes.

Tom Cove
President & CEO
Sporting Goods Manufacturers Association
Annually SGMA publishes a series of reports on various aspects of the sporting goods & fitness industries ranging from participation trends to the industry's marketplace to provide information and insight to drive decision making. THESE REPORTS ARE ALL FREE TO SGMA MEMBERS. These reports and more can be ordered at www.sgma.com/reports. For more information about our SGMA Research contact Neil Schwartz at 561.350.5502 or neil.schwartz@sportsmarketingsurveysusa.com.

### Sports & Fitness Confidence Index Report
This new report called “The Sports and Fitness Confidence Index” (SFCI) is a way to monitor the ongoing health of our industry throughout the entire year. The SFCI is a report in which America’s sporting goods & fitness consumers speak out each quarter to provide key industry indicators for participation and purchase intentions. Released Quarterly

### Sports & Fitness Participation Topline Report
This SGMA Participation report covers 119 different sports and activities each year with a mega sample size of over 40,000 Americans, ages 6 and older. This is the industry’s essential reference document for sports & fitness participation. Released: 4.6.12

### Manufacturer’s Sales by Category Report
If there is a specific market you are trying to analyze, to see where your windows of opportunity are, this report is your solution. This report reveals an industry overview using topline wholesale market size by category data. Released: 5.18.12

### State of the Industry Report
Our State of the Industry report is a comprehensive analysis of the sports & fitness industry. This report provides an in-depth analysis of the trends and issues affecting the sports & fitness industry including participation, economy and industry environment. Released: 5.31.12

### Tracking the Fitness Movement Report
The Tracking the Fitness Movement Report is America’s premier report dedicated to fitness trends & insights. This report takes a closer look at specific fitness trends in terms of participation habits in America’s fast moving fitness industry. To Be Released: Late July

### U.S. Trends in Team Sports Report
Our U.S. Trends in Team Sports is the ultimate report on the state of team sports, a part of the American landscape. This report looks at participation and market trends within this sector of the industry. To Be Released: Mid Aug.

### Manufacturer’s Sales by Category Report

$495

Released Quarterly

$40

Released: 5.18.12

$495

Released Quarterly

Released: 5.31.12

$495

To Be Released: Late July

$40

Released: 4.6.12

$495

To Be Released: Mid Aug.
about us

About SGMA Research
SGMA Research, powered by Sports Marketing Surveys USA (SMS) is the sole provider of marketing research and analysis for the Sporting Goods Manufacturers Association, (SGMA). This partnership places SMS at the forefront when it comes to marketing research for all things sport, sports participation and current trends in sports.

Sports Marketing Surveys USA has been in business since 1985, providing quantitative and qualitative marketing research and information for many of the leading manufacturers and organizations throughout the industry.

- Quantitative and Qualitative Consumer Research
- Dealer Studies
- Market Trend Analysis
- Sponsorship Evaluation
- Market Size Evaluations
- New Product Feasibility Studies

Disclaimer
While proper due care and diligence has been taken in the preparation of this document, The Physical Activity Council cannot guarantee the accuracy of the information contained and does not accept any liability for any loss or damage caused as a result of using information or recommendations contained within this document.
2012 Tracking the Fitness Movement Report
is brought to you by

2012 PREVIEW

SGMA Membership Benefit
Non-Member Price: $495

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