Billing Challenges In The Fitness Industry

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As the majority of gym closures enter into their fifth week and some customers will soon be making the choice to stay committed to your gym for the second month, you should make sure that your options are in line with any local laws and with the expectations of your community. The indoor climbing industry can learn from some of the challenges faced by health clubs and work to avoid any unnecessary regulation.

Some states, such as Maryland, have laws enacted that limit fitness center options based on the length of closure. As always there are subtleties to these laws and often laws pertaining to health clubs do not apply to climbing gyms. However, news articles, social media, and public sentiment may affect your member's thinking and your messaging should be clear, consistent, and constant.

A prominent example of the risks involved is the New York Sports Clubs. Their lack of messaging has frustrated their members to the point that a class action lawsuit has been filed against their parent company. They have received massive backlash on social media, and a petition protesting their response has over 1,500 signatures.

Another example, from a sibling company to the NYSC, the Boston Sports Clubs in Massachusetts has seen intervention by the state's Attorney General after receiving hundreds of complaints.

By staying informed of the public sentiment and any developments in your area, you can potentially avoid any similar legal challenges.

The one-month timeline has surfaced in a number of health clubs as a turning point in policy and communication style. After receiving negative criticism from the public and a lawsuit in California, 24 Hour Fitness has announced that they will automatically suspend billing if they are not able to reopen one month after closing. As many climbing gyms enter the second month of closure now, is the time to keep customers informed.

Climbing gyms tend to have more consumer-friendly policies than the fitness industry, where in-person cancellations and notice-periods are not uncommon. But as closures wear on, you need to pay attention to the needs and moods of your customers. It has been heartening to see the number of climbers who are willing to stay committed to their gyms, and hopefully some amount of reopening is not too distant, but small missteps now could potentially harm your ability to re-engage with those customers. At the moment, there is no substitute for constant and considerate communication.

It is also important at times like these to be as consistent as possible as an industry, have similar policies to gyms in your state and region, and (again) follow any applicable local regulations. It is, of course, necessary to seek out any revenue you can while having to stay closed, and it is hard to consider these additional challenges. But, by being proactive and staying in touch with your members about your decisions and their options, you can stay ahead of any potential risks.

If you do experience any regulatory or legal challenges get in touch with the CWA to let us know what we can do to help. Our volunteers are keeping an eye on regional legal developments and we will add any new laws or potential risks to our records.

About the Author

Garnet Moore is the Director of Operations at the Climbing Wall Association. Garnet brings more than a decade of experience in the climbing industry, including his time as the COO at Brewer's Ledge.

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