

Workout junkies flock to CrossFit, shun fitness centers

By Allison Prang, Bloomberg

Elizabeth Johnson is giving the fitness-center industry cause for concern.

The 24-year-old reporter in Sarasota, Fla., ditched her membership at the local Youfit health club and in May joined the Seaward CrossFit studio. Since signing up at the club, which she says has about 40 members and runs classes of 10 or fewer people performing exercises in unison, she's lost 40 pounds and gained the support of a crowd of like-minded fitness fanatics.

"I felt like they wanted me to be there," Johnson said in a phone interview. "I like the small, community feel."

CrossFit, SoulCycle and other programs luring consumers like Johnson are hurting fitness-center operators such as Town Sports International Holdings Inc., which has posted losses and falling sales recently. While the large companies use warehouses of gleaming exercise equipment to draw members, the upstarts are creating tribal followings in small spaces at fractions of the cost. That's prompted the big operators to fight back by cutting prices or starting their own studio-like concepts.

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