ST. CLOUD AREA FAMILY YMCA

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Sports and Entertainment Marketing Operations Research Event

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I. Executive Summary

Description of the Business:

The St. Cloud Area Family YMCA is a **nonprofit organization** focused on fostering a healthier, more connected community by ensuring access to wellness programs for all. With offerings ranging from swimming lessons and youth sports to mental health support, the YMCA serves the local community through the generosity of approximately **700 donors** and **18,000 members**. The organization's commitment to community outreach is reflected in its scholarship programs and initiatives aimed at expanding its impact beyond the facility. After opening a state-of-the-art facility in 2017, the YMCA plans to further enhance its offerings with an outdoor waterpark, positioning itself as a regional destination for all ages.

"Healthy living, youth development, and social responsibility" are the core principles guiding the YMCA, as highlighted by Executive Director Greg Gack. These values drive the organization's commitment to fostering a vibrant community where everyone can thrive.

Objective of the Project:

The objective of this project is to **assess** the St. Cloud YMCA's use of **Artificial Intelligence (AI)**, **identify** industry trends and competitor strategies, and **develop** activities to enhance its market position. Welsh Consulting structured its research around these three goals to provide valuable insights for creating a facility that meets the community's evolving needs.

Research Methods:

1 SEP-OCT 2024
PRELIMINARY

- AI Online Article Reviews
- Fitness Industry AI Analysis
- Corporate Website & Annual Report Exploration
- Customer Feedback & Social Media Engagement Examination

2 OCT-DEC 2024
PRIMARY

- SCYMCA Leadership Interviews
- Fitness Center Competitor Interview
- University Faculty Consultation
- Focus Group Facilitation

3 NOV-DEC 2024
SUPPLEMENTARY

- Member Survey Review
- Performance Benchmark Online Exploration
- YMCA Branding Analysis

Findings and Conclusions:

KEY FINDINGS	CONCLUSIONS
AI is transforming industries, especially in fitness, but SCYMCA senior leadership lacks understanding of its potential applications.	AI integration presents significant opportunities, and SCYMCA must explore its potential to stay competitive.
SCYMCA's primary market is children and families, with a goal to increase its community outreach from 10% to 30%.	SCYMCA must expand its technology infrastructure to support growth, particularly to better meet the needs of younger generations.
Departmental leaders are interested in AI, but budget constraints limit the ability to invest in large-scale AI projects.	Integrating AI-driven revenue-generating programs and expanding partner collaborations would optimize SCYMCA's limited resources.
Eight out of ten members expressed excitement about AI's potential but require transparency regarding the use of their data.	SCYMCA must prioritize securing data privacy and maintaining transparency to build trust and ensure the successful adoption of AI.

Plan Sub-Objectives:

Welsh Consulting's strategic plan aims to **introduce innovative** and **exciting technology solutions** that position the St. Cloud YMCA for success in an evolving landscape. It outlines **four key sub-objectives** to ensure seamless technology integration, advancing the organization while mindful of budgetary constraints.

Promote Education

Develop Digital Strategy

Advance Program Growth

Address Data Privacy

Proposed Strategic Plan:

Welsh Consulting's strategic plan, **"Leading the Way: Your YMCA, Your Future,"** uses the **LEAD** framework—**Leverage**, **Enhance**, **Advance**, and **Drive**—to transform the St. Cloud YMCA by implementing AI technology to improve member experiences and operational efficiency.

Leverage Educational Opportunities

- Fitness Technology Annual Summit
- AI-focused Internship Program

Enhance Technology Adoption

- Exergame: AI-Enhanced Fitness Gaming Challenges
- Lynxight: AI-Driven Pool Safety Monitoring System

Advance Collaborative Impact

- Modernization Committee
- Community School Partnership Expansion

Drive Engagement and Awareness

- SocialBee: AI Social Media Manager
- Social Media Campaign

Proposed Activity Timeline:

The timeline of the strategic plan spans four fiscal quarters, beginning in 2026. Each initiative within LEAD has been independently evaluated to determine its projected implementation timeline. This **initiative-centric approach** ensures a comprehensive strategy focused on efficiency.

	Q1			Q2			Q3			Q4		
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
L			Tech Summit									
			AI College Intern									
E				Exergame Program Development					Exergame Implementation			
							Lynxight Pool Installment & Staff Training					
A	*			*			*			*		
									School Collaboration			
D				SocialBee Implementation								
							Social Media Campaign					

* Modernization Committee Quarterly Meetings

Proposed LEAD Metrics Over 3 Years:

Key Performance Indicators (KPIs) were designed to assess progress in all activities of the LEAD plan. A summary is provided below.

L — ABOVE 90%

KNOWLEDGE ACQUISITION RATE
Tracks summit attendance and actionable insights applied to operations.
Score scale of 70% to 90%.

E — ABOVE 95%

POOL SAFETY COMPLIANCE RATE
Measures real-time incident detection and lifeguard responses.
Score scale of 75% to 95%.

A — ABOVE 75%

SCHOOL PARTICIPATION RATE
Measures expanded school adoption program with Exergame integration.
Score scale of 50% to 75%.

D — ABOVE 90%

SOCIAL MEDIA PRODUCTIVITY RATE
Tracks content scheduling efficiency with SocialBee automation.
Score scale of 70% to 90%.

In addition, general KPIs, such as Year-Over-Year Membership Growth Rate, Program Development Rate, and ROI from New Technology Enhancements, measure overall performance. These KPIs, based on industry standards, will be assessed monthly, quarterly, and annually to ensure alignment with strategic goals.

Proposed Budget:

The budget for LEAD's strategic plan is divided across its four components, with the total cost for **first-year implementation totaling $196,508**. After three years, the program's **cumulative revenue is $950,824**.

LEVERAGE	ENHANCE	ADVANCE	DRIVE
$31,060	$103,000	$27,000	$35,448

YEAR 1 IMPLEMENTATION

3 YR. COST
$658,508
3 YR. REVENUE
$950,824
3 YR. ROI
66.4%

3 YEAR BUDGET SUMMARY

Year	Annual Expenses	Cumulative Expenses	Annual Revenue	Cumulative Revenue	Net Profit	ROI (%)
Year 1 (2026)	$196,508	$196,508	$212,038	$212,038	$15,530	7.9%
Year 2 (2027)	$206,000	$402,508	$312,554	$524,592	$106,554	51.7%
Year 3 (2028)	$256,000	$658,508	$426,232	$950,824	$170,232	66.4%