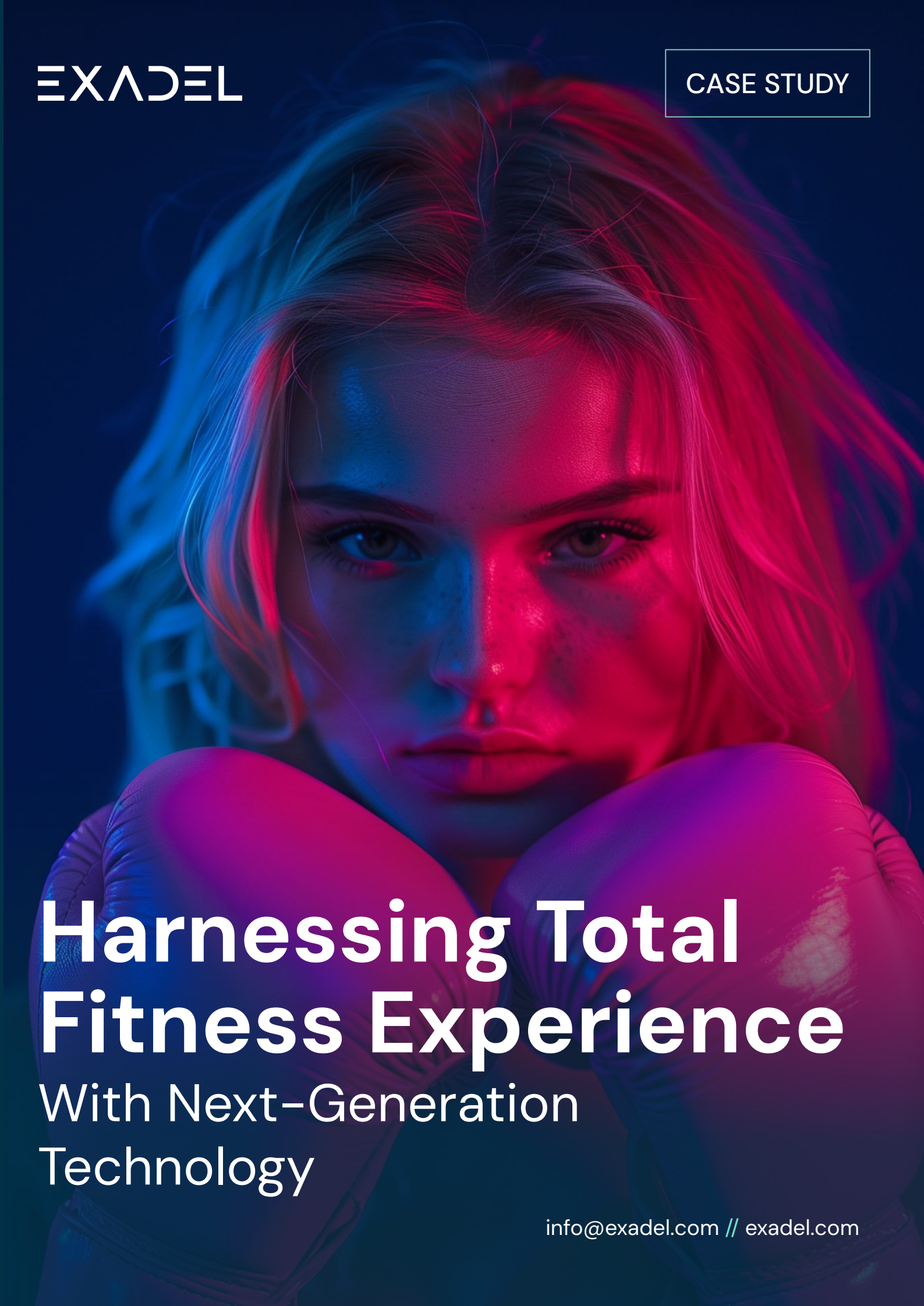
EXADEL

CASE STUDY



# Harnessing Total Fitness Experience

## With Next-Generation Technology

info@exadel.com // exadel.com

**31K**

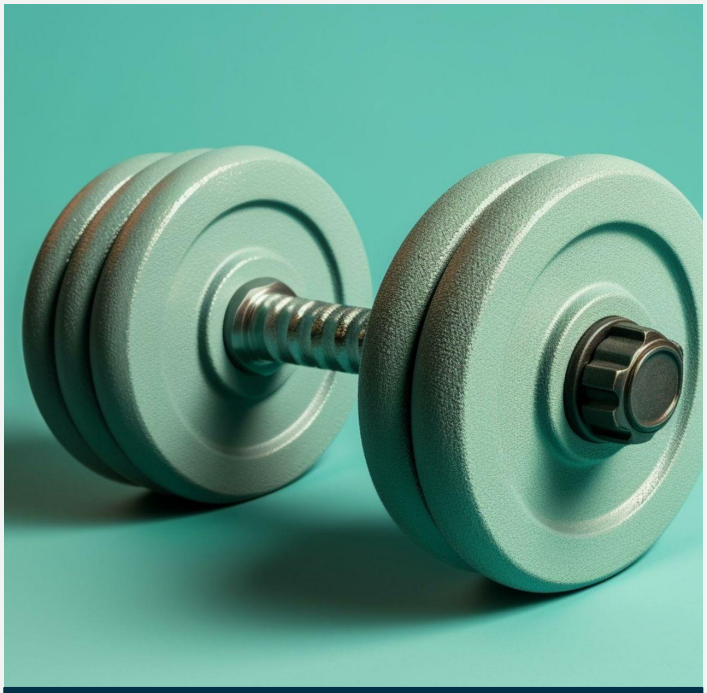
**clubs & studios around the globe choose our client as their partner**

**570K**

**trainers and coaches use our client's solutions**

**40%**

**of US fitness businesses trust this software provider to help them**



EXADEL CASE STUDY

Our client is the only fintech company on the market that provides best-in-class platforms for fitness businesses of any size, anywhere in the world. Backed by 40+ years of experience, the company offers the most comprehensive club management solution in the fitness industry, including fitness facility management software, payment processing, member engagement solutions, and data analytics platforms.

**40M**

**active members served across our client's portfolio**

**104**

**countries served and their international reach continues to expand**

# The Challenge

Users look for their exercise routines to be accessible both in fitness centers and at home, through their smartphones and tablets, and available on demand — anytime, anywhere. Recognizing the evolving needs of the new digital world of fitness, back in 2018, the client started partnering with Exadel to perform a complete overhaul of their existing software and operations to build a holistic digital software ecosystem that would bring a seamless fitness experience for every member and operational excellence for business owners.

## The client

**sought to reimagine billing, payments, financial reporting, and operations management for fitness clubs**

# Business Objectives

- **Seamless customer experience**

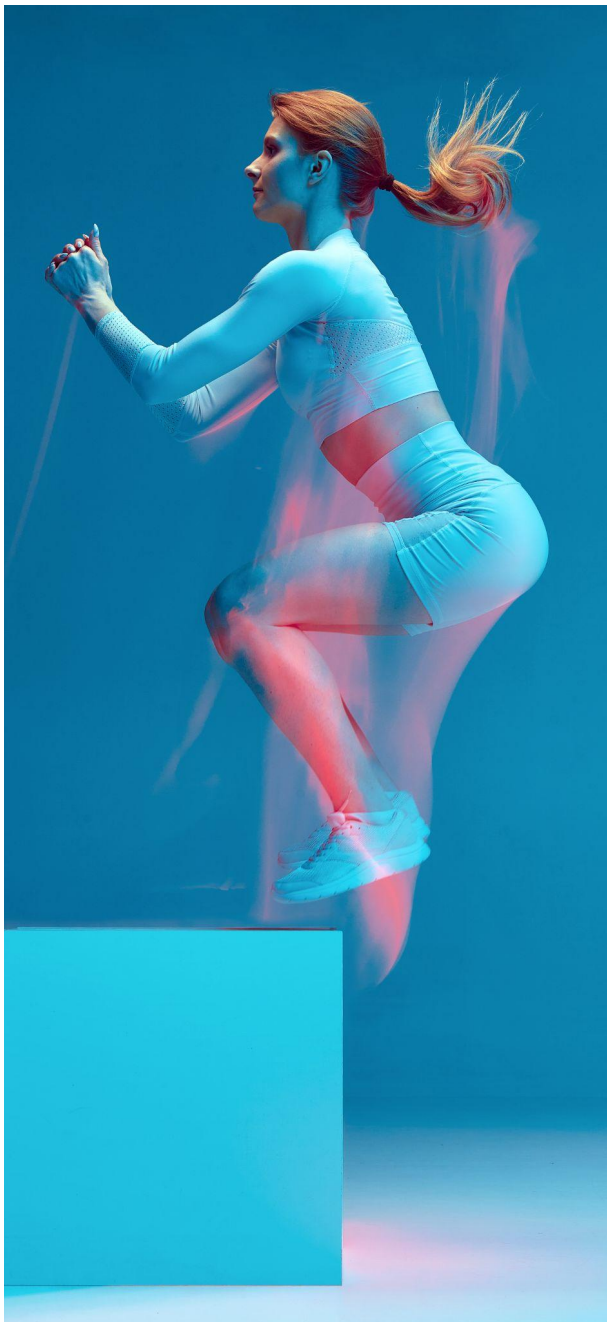
  Enhance gym members' lifetime value by providing a comprehensive and seamless fitness journey that will help foster enduring relationships and nurture brand loyalty among club members.

- **Platform modernization and migration**

  Transition clients to a new, more cost-effective and flexible platform that will allow for faster operations, better maintainability, and can be easily scalable without compromising on service quality or feature richness.

- **Operational excellence**

  Streamline operations, simplify tasks and reduce administrative burden, accelerate revenue collection, speed up decision making, and improve the efficiency of gym management for customer's clients.



# A Business Transformed Through Modular Cloud-based Solutions

In partnership with Exadel, the client embarked on a transformative journey to overhaul its technological landscape and build a new digital software ecosystem from the ground-up.

The team started from developing a comprehensive strategy to design, build and operate an elastic, cost-effective platform on cloud that would serve as a foundation of the whole digital software ecosystem. The goal was to migrate their legacy systems to the new cloud platform and integrate their data without any disruption to their ongoing operations or compromising on service quality or feature richness.

In order to meet the desired goal, the team decided to use a **microservices architecture approach.**

The existing legacy infrastructure with a monolith architecture was gradually transformed into a set of microservices.

This microservices architecture seamlessly deployed in a cloud within the AWS environment, divides club membership management, operations, billing, debt collection, taxation and reporting into modular and manageable services, allowing for better scalability, maintainability, and independent development.

The new modular system enables our client to sell licenses and subscriptions to the different set of applications and services as additional modules or add-ons, depending on the client's needs. For their clients it means that they can come up with a set of modules and functionalities they actually use without overpaying for extra capabilities they don't need in their day-to-day operations.

The modules are available under the umbrella of the fully customizable solution for any club management needs.

## The Solution

**40%**
**of clubs in the US trust the solution**

**9,300**
**club locations**

**26**
**million members**

## YoY 2023 VS 2022 results across customer's clients

**+10%**
**paying membership accounts**

**+5%**
**increase in new memberships**

**4%**
**improvement in check-ins (1B+ check-ins)**

**24K+**
**clubs digitalized**

**1M+**
**transactions processed daily**

**5%**
**increase in revenue collected in just the first 90 days**

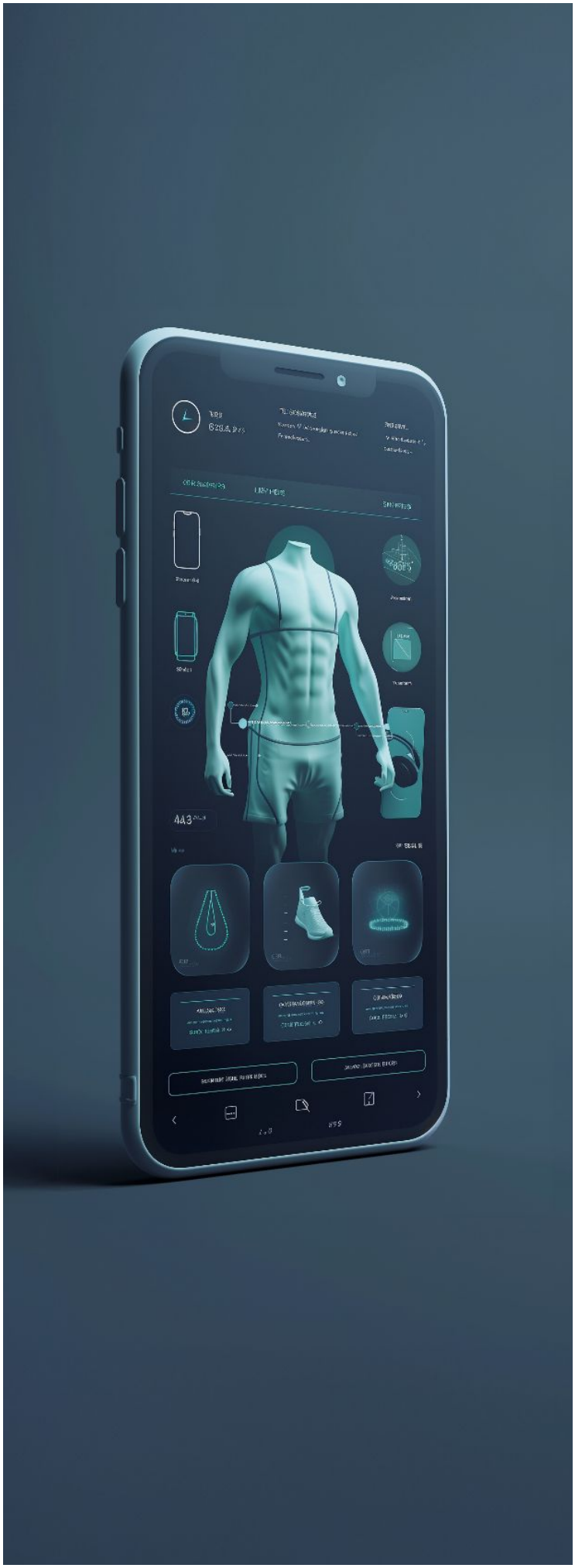
**The team worked on creating and ensuring a seamless integration of the solution's core platform and the following main modules:**

1. Club Management Operations
2. An App to Keep Everyone Connected
3. Improved Revenue Collection Opportunities
4. A Bird's Eye View of Business

## Day-to-Day Club Management Operations Simplified

All the necessary tools managers and club staff require to simplify daily tasks, speed up employee training, increase efficiency and improve member experience.

- Access to a comprehensive overview of member details on the home page helping to efficiently respond to inquiries and update information promptly, allowing multi-tasking and reducing administrative burden.
- Ability to coordinate employee and class schedules, club announcements and discounts.
- Enhanced digital capabilities for selling, freezing and canceling new memberships, upgrading existing ones, enrolling members, and scheduling classes and appointments.
- Real-time access to club capacity, memberships, calendar and more from any device.
- Intuitive, user-friendly interface that helps reduce employee training time.
- Full POS system with inventory control systems. Training staff to use these new or updated systems also costs money.



# An App to Keep Everyone Connected

The club-branded web app has garnered enthusiastic adoption from both members and trainers. The app allows club owners and managers to extend the reach of their club beyond its walls. Users enjoy the same experience across all their devices and remain seamlessly connected to the gym's membership software and billing platform. It's an effective tool to nurture brand loyalty and lasting relationships among club members. The app offers:

- An all-in-one center for members to easily book classes and personal training sessions from anywhere, anytime.
- A seamless member self-service with barcode check-in, profile updates and payment management.
- Ability to build brand loyalty and unlock new revenue opportunities through curated streaming, on-demand video workout libraries, habit-building tools, nutrition guidance, virtual personal training calls.
- Motivating club members through personalized notifications and individual fitness goals based on customized behavioral pattern tracking.

# Making the Most of Revenue Collection Opportunities

Top revenue-cycle management system tailored specifically to the wellness industry offering complete automation in billing and payment transactions, ensuring quicker and more efficient revenue collection.

**This includes:**

- Agreement management, member and club account oversight, invoicing, and payment processing, including tasks like fee assessment, deposits, refunds, ACH returns, and chargebacks.
- Payment Gateway that facilitates the secure and efficient processing of financial transactions between customers, merchants, and banks. The system supports multiple payment methods, including credit cards, digital wallets, and bank transfers providing flexibility for users. The platform leverages tokenization and is equipped with encryption protocols to secure the sensitive information from confidentiality risks or data breaches.
- Compliance with tax regulations, automated sales tax rates and transparent tax calculations for various transactions within the fitness club application.
- Advanced debt collection services for gym memberships helping to proactively prevent missed payments. Past due communication, reminding customers about pending payments (notifications, emails, or automated messages). Past due collections managed either internally by the club or outsourced to third-party collection agencies (phone calls, legal notices, debt escalation, legal procedures).
- Ability to store multiple payment options and contactless payments to maximize revenue generation.
- The utilization of all available credit card updater programs at no charge.

# A Bird's Eye View of Business

Accessible in just a few seconds and with just one click, ready-made holistic reports and dashboards offer a full, 360-degree view of business operations helping to speed up critical decision making, answering key questions including:

- Who are my brand advocates, what is their feedback?
- How is my team performing? Are they meeting our sales objectives?
- Is my sales funnel working optimally? Which lead channel is the most effective?
- How does my recently opened club and financial returns measure up against other clubs in my portfolio?
- How are the trainers performing compared to a previous month or by location?

# A Sound Platform for Future Growth

An entirely new digital fitness management software ecosystem consisting of a modular and manageable services system, operating in the elastic cloud environment. The solution cements the client as a leader in the industry offering the most comprehensive solution in the market for fitness club management. A cost-effective and flexible platform allows customer's clients to pay only for the functionalities they use, while streamlining operations and providing their customers with the digital fitness experiences they crave.

Thanks to the platform's enhanced scalability, ease of maintenance, and capability to support independent development, it is perfectly poised to support the company in future market growth and expansions, while continuing to offer unparalleled fitness management solutions at scale. This is perfectly aligned with the company's goal to expand to new market segments. In addition, it fully supports another step in a growth trajectory, as the client is planning an ambitious expansion into new geographies, including Canada, Mexico, and Puerto Rico.

## Technical Stack

Microservices architecture using Kafka, PostgreSQL, Java, Spring Boot/Cloud/Batch/Integration/Data/JPA, Hibernate, Easy-Rules, Javers, MySQL, Redis, ElasticSearch, AWS Kinesis, AWS SQS, Apache Prometheus, AppDynamics, AWS SES, AWS STS, TypeScript (Koa), Node.js, JavaScript, ReactJS, Redux, HTML5, PostCSS, CSS3, AWS / S3, EKS, Docker, Kubernetes, Jenkins (Hudson), and Hashicorp Terraform, Quartz

# DIGITALIZATION
# IS KEY TO MODERNIZATION

Transform your operations today to meet the demands of tomorrow

Contact Us

EXADEL

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