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Connected fitness hits a post-pandemic slump

Article

The forecast: Connected fitness users are falling off the wagon, per our updated forecast. We estimate there were **41.2 million connected fitness users** in 2022 and that number will drop 2.3% to **40.3 million this year**. The numbers will keep falling through 2027, when **there will be just 38.9 million users.**

- Connected fitness users are **adults 18+ who use an interactive fitness platform** such as **Peloton, Beachbody**, and **iFit** for exercise at least once a month. It includes connected exercise equipment and live or on-demand online classes but excludes fitness band users.

What's behind the numbers? The pandemic created a boom in many industries, and some are seeing reversals of fortune now that the public health emergency ended in May 2023.

- Consumers who were shut out of gyms and fitness centers in 2020 turned to connected fitness programs and devices in droves. Growth in the number of **users shot up 41.5%, to 33.98 million in 2020**.
- The boom continued into 2021, with another **18.9% growth in users, to 40.4 million**.
- But the trend lost steam in 2022, with just 2.1% growth in users.

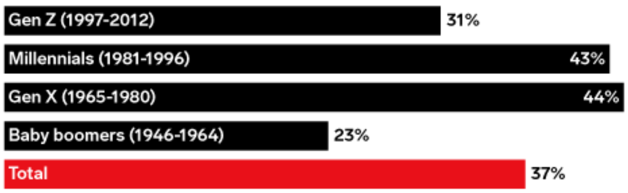
Connected fitness services are feeling the pinch: They've been unable to keep consumers within their folds, as people return to the fitness activities they pursued in the years before COVID-19 hit.

- **Lululemon** is looking for a buyer for **Mirror**, the connected fitness maker it acquired in 2020 for $500 million.
- Peloton, the largest such service in the US, is hemorrhaging users, **with 800,000 leaving its rolls this year**. Membership has dropped from the apex of 6.1 million in 2022 to 5.0 million in 2026, we estimate.
- Smaller players are also losing members. Beachbody will see **user count fall 38%** this year to just over 2 million, back to its pre-pandemic level.
- iFit will see an **8% drop in users**, to fewer than 5 million.
- And **Nautilus**, which has a much smaller connected fitness user base, will see a slight 2% increase in US users.

Our take: The bottom isn't falling out of the connected user market completely. US adults are increasingly adopting devices like the **Apple Watch** and connecting them to fitness equipment at gyms or in their homes. These consumers are relying on more fluid connections for their fitness routines, further enmeshing them with ecosystems by **Apple, Google, Samsung**, and other large tech companies that dominate the wearable and phone-based fitness market.

US Adults Who Used Wearable Fitness or Wellness Technology More Often During the Coronavirus Pandemic Than They Did Before the Pandemic, by Generation, Jan 2023

% of respondents in each group



Note: "much more often" and "somewhat more often" responses
Source: Morning Consult, "National Tracking Poll #2301120," Feb 9, 2023

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