

FUTURE OF FITNESS

Understanding the growth of mobile video



Introduction

Over the past six months or more, we've watched our lives transform. COVID-19 has forced us to find digital alternatives to almost everything, from grocery shopping to happy hours. While this has been devastating for industries that rely on brick-and-mortar operations, this has set unprecedented growth for those that do not.

Gyms, for instance, were forced to close at the start of quarantine. As a result, fitness apps, which were once considered a supplement to the gym, became a *replacement* for it. Money that normally would've been applied to gym memberships was being redirected to mobile apps.

Mobile video technology company Penthera teamed up with mobile intelligence provider Apptopia to capture this transition to the mobile gym. They found that the Health & Fitness category as a whole saw significant growth in H1 2020, but **video**-fitness apps, in particular, were the uncontested powerhouses of the group. Especially during lockdowns, fitness video has proven an apt substitute for the comprehensive training and education typically offered by gyms and wellness centers.

This report should serve as a helpful guide to fitness industry players, investors and onlookers hoping to enhance their competitive strategy for H2 2020 and beyond.



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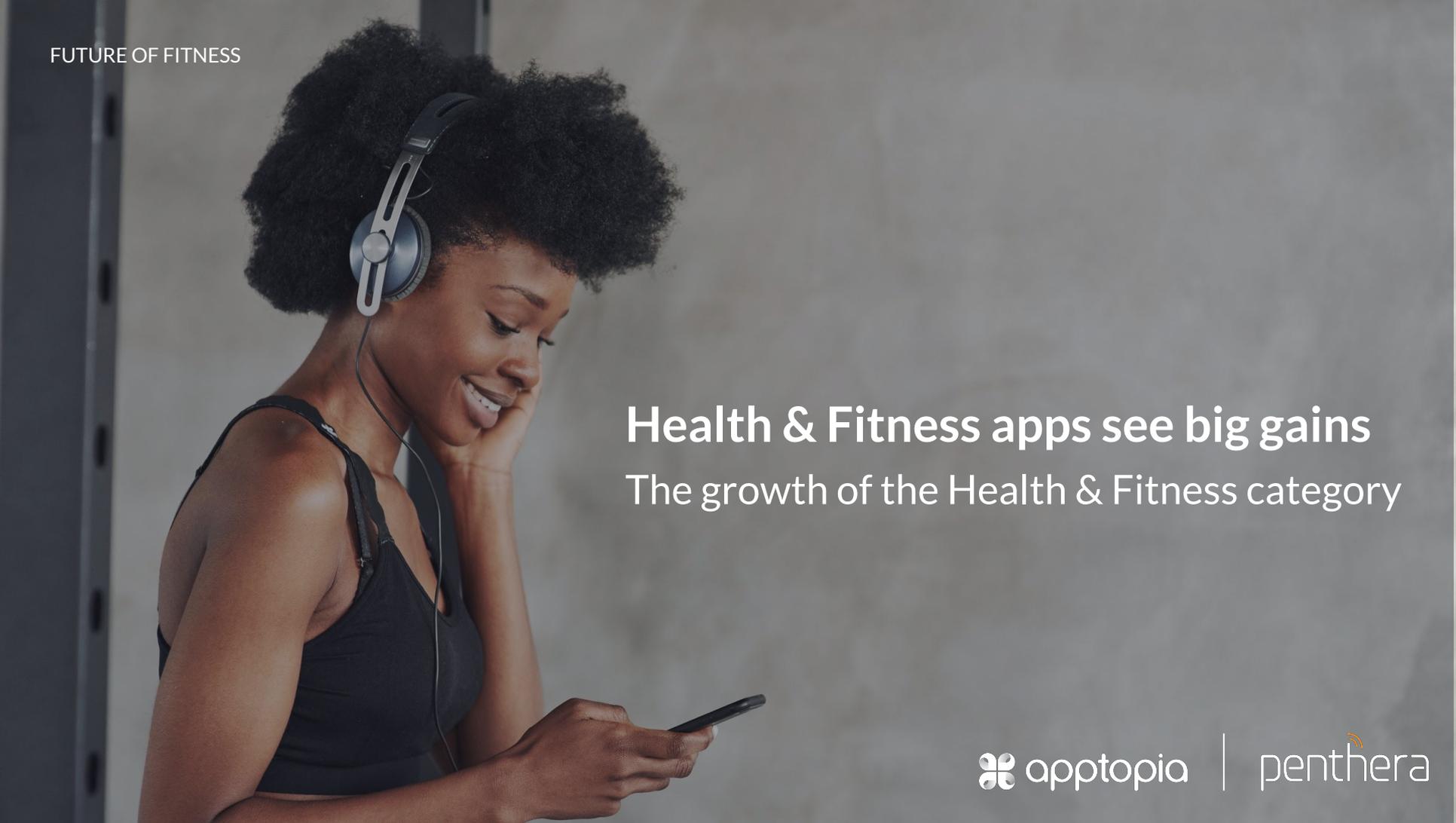
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A woman with a large afro hairstyle is shown in profile, wearing large over-ear headphones and looking down at her smartphone. She is smiling slightly. The background is a plain, light-colored wall.

Health & Fitness apps see big gains

The growth of the Health & Fitness category

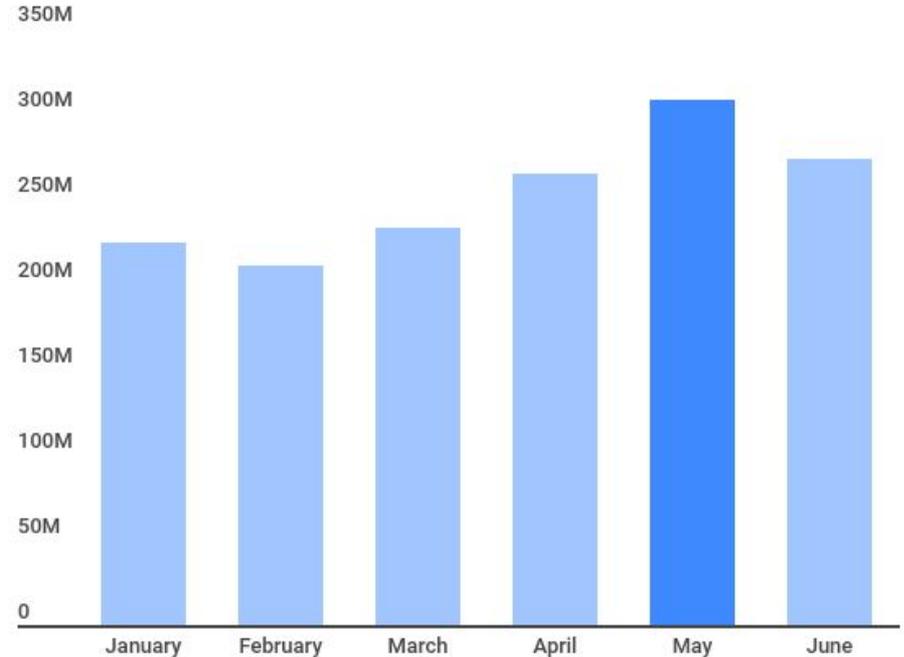
Health & Fitness apps see big gains

Hoping to return to a workout routine or stave off illness, people installed Health & Fitness apps over 1.5 billion times in H1 2020 worldwide (iOS & Google Play). This is approximately 5.58% higher than the year before (H1 2019).

Health & Fitness app installs peaked in May, as more people settled into our “new normal.” May saw 12.5% more installs year-over-year, and 37.3% more installs than January (worldwide). January is a notoriously strong month for the category due to New Year’s resolution craze.

Health & Fitness app installs peaked in May amid lockdowns

Net new installs of the Health & Fitness app category, worldwide



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Fuel behind the fire

U.S. drives growth

Fuel behind the fire

The United States was responsible for most of the Health & Fitness category's new installs. To dive deeper, Penthera surveyed a group of American mobile video consumers to learn more about their growing mobile app usage and interest in Health & Fitness.

64% of respondents say they are spending more time in mobile fitness apps than last year, *especially those between 18-44 (71%).*



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Heavyweight champs

Top performing Health & Fitness apps

Top 10 Health & Fitness apps in the U.S. in H1 2020

What stands out? 6/10 of the top Health & Fitness apps are apps that offer video workouts or video-guided exercises: Fitbit, Muscle Booster, BetterMe, Fitness Coach, Samsung Health and Home Workout.

If non-workout apps like Calm, Headspace and Flo were not included here, the ratio of video to non-video fitness apps would be even greater.

Of this group, video-fitness apps also grew the fastest. The top three fastest growing* Health & Fitness apps in the U.S. are: Fitness Coach, Muscle Booster Workout, and FitOn WorkOuts & Fitness Plans.

*By measure of installs

1.  Calm (8.6M)
2.  Fitbit: Health & Fitness (4.8M)
3.  MyFitnessPal (3.9M)
4.  Headspace: Meditation & Sleep (3.8M)
5.  Flo my Health & Period Tracker (3.6M)
6.  Muscle Booster Workout (3.4M)
7.  BetterMe: Home Workout & Diet (3.2M)
8.  Fitness Coach (2.9M)
9.  Samsung Health (2.8M)
10.  Home Workout - No Equipments (2.7M)

Heavyweight Champs

Given the broad nature of the Health & Fitness category, we decided to hone in on exercise-specific apps, breaking those into two categories: video or non-video.

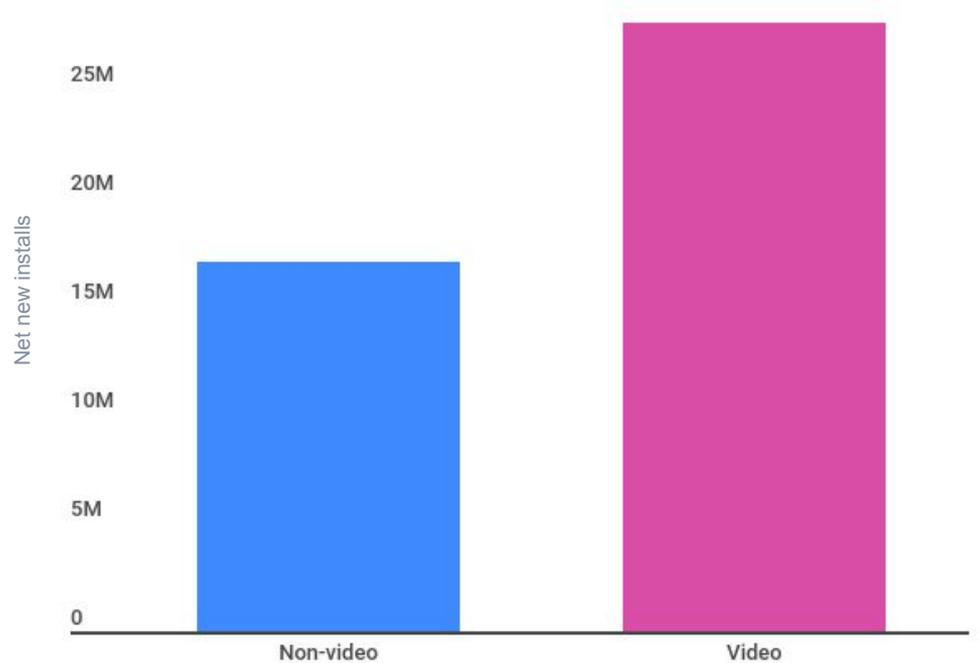
In our analysis comparing the the top 10* video to the top 10 non-video workout apps, we found that video dominated by all metrics. In H1 2020, video-workout apps were:

- Installed 65% more
- Recorded 38.5% more daily active users (DAU)
- Generated 15% more revenue

*By measure of installs

The top video-workout apps were installed 65% more than the top non-video

Net new installs of the top 10 video and top 10 non-video workout apps, United States



Top Video-Fitness Apps in the U.S. in H1 2020

By measure of new installs

-  Fitbit: Health & Fitness - 4.8M
-  Muscle Booster Workout - 3.4M
-  BetterMe: Home Workout & Diet - 3.2M
-  Fitness Coach by Luni (iOS only) - 2.9M
-  Samsung Health - 2.8M
-  Home Workout - No Equipments - 2.7M
-  Planet Fitness - 2.6M
-  FitOn Workouts & Fitness Plans - 1.9M
-  30 Day Fitness (iOS only) - 1.9M
-  BetterMen: Home Workouts - 1.6M

By measure of average daily active users (DAU)

-  Fitbit: Health & Fitness - 1.5M
-  Samsung Health - 650K
-  Planet Fitness - 640K
-  BetterMe: Home Workout & Diet - 520K
-  Muscle Booster Workout Tracker - 500K
-  Home Workout - No Equipments - 410K
-  30 Day Fitness (iOS only) - 360K
-  Nike Training Club - 320K
-  Fitness Coach by Luni (iOS only) - 290K
-  Peloton - at home fitness - 280K

By in-app purchase revenue (IAP revenue)

-  Muscle Booster Workout - \$5.8M
-  SWEAT: Kayla Itsines Fitness - \$5.5M
-  BetterMe: Home Workout & Diet - \$4.5M
-  Fitbit: Health & Fitness - \$4.4M
-  30 Day Fitness by Bending Spoons - \$3.9M
-  Peloton at home fitness - \$2.4M
-  BetterMen: Home Workouts - \$2.3M
-  Fitbod Workout & Fitness Plans - \$2.0M
-  Beachbody On Demand \$2.0M
-  Organic Fit: Home Weight Loss - \$1.7M

Why Video

Why video-fitness apps are outperforming their peers

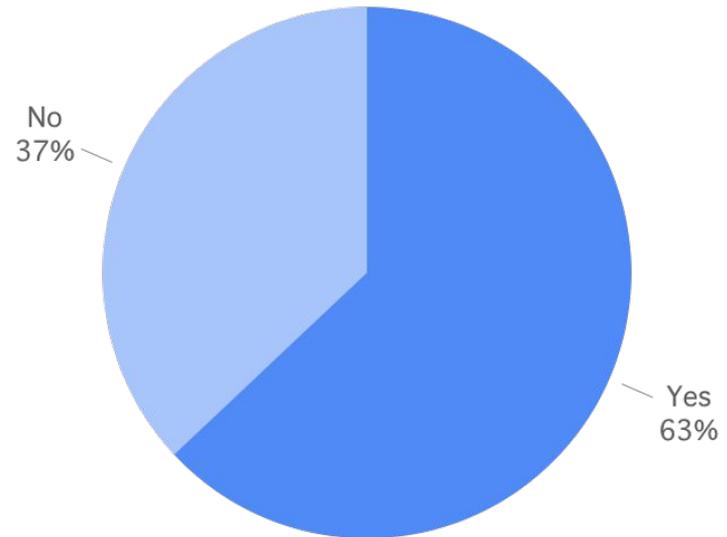
Why Video?

According to the survey conducted by Penthera, the top three reasons American consumers use mobile fitness apps are:

- They can go at their own pace (65%)
- Flexibility with their schedule (62%)
- Ability to take their routine anywhere they want (61%)

Video workouts increase the flexibility and convenience of fitness apps, especially when there is an option to download the video workout. This allows the user the ability to do their workout anywhere, with or without a connection, without having to worry about buffering or other issues interrupting their workout session. 63% of survey respondents said they have utilized download functionality with their fitness apps

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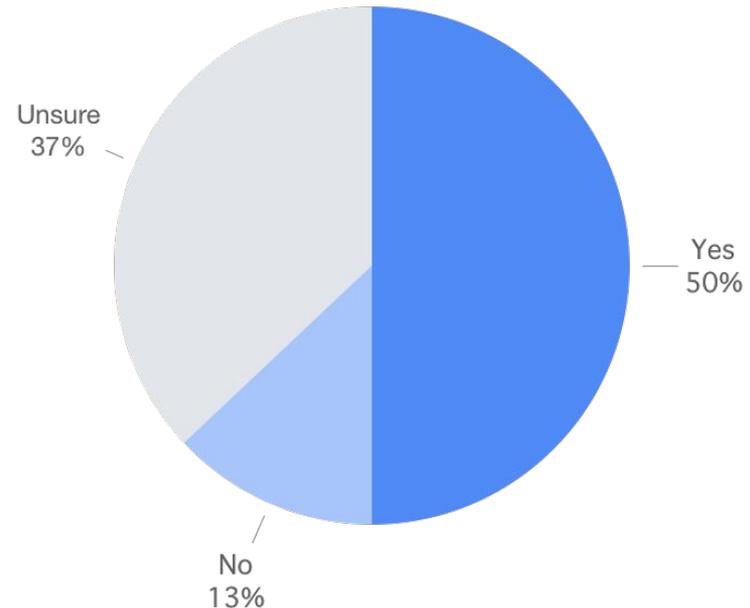


Why Video?

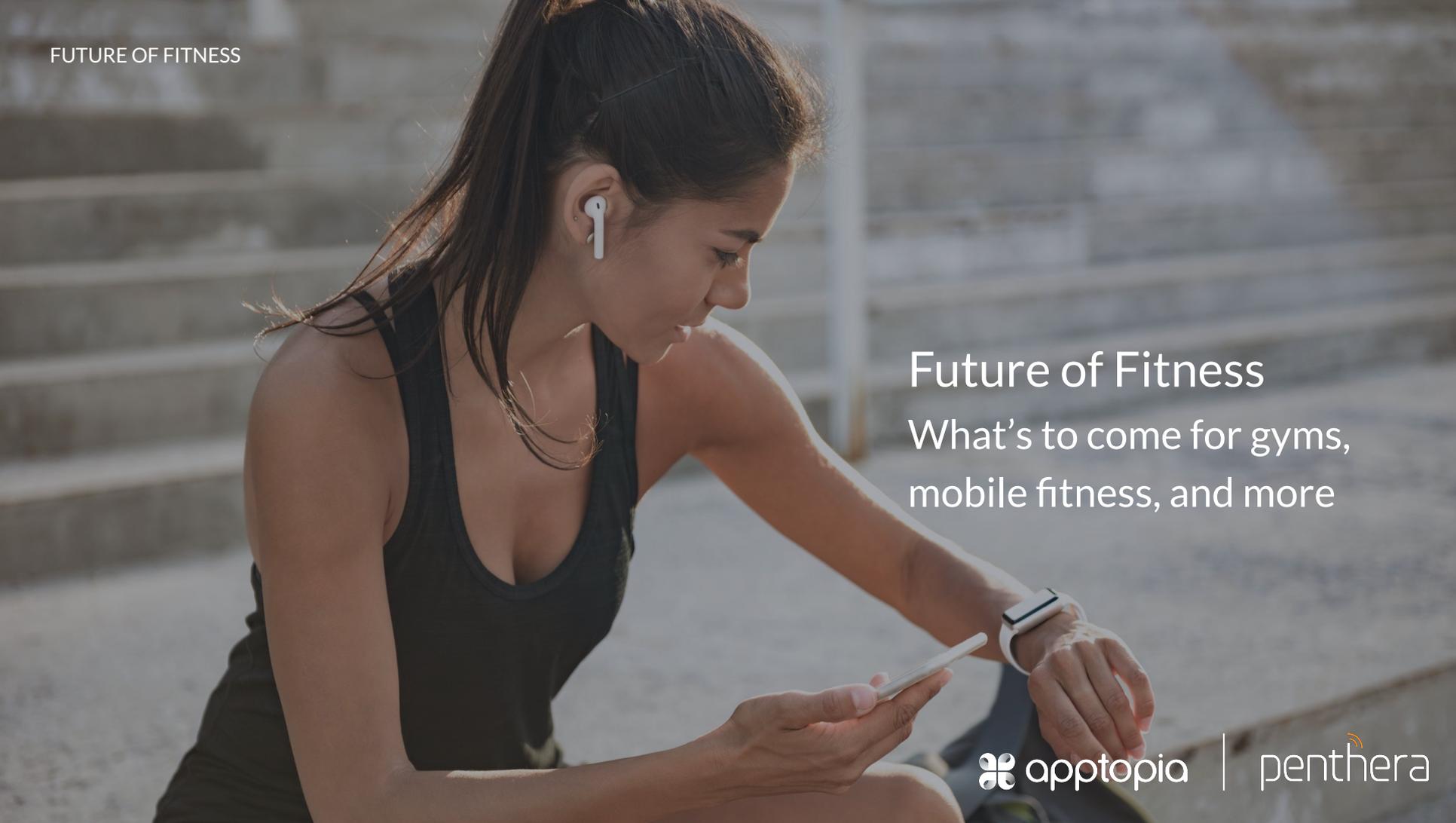
Gyms typically offer people a way to disconnect and focus on their health. Downloading offers a similar way for viewers to disconnect from their Wi-Fi and watch fitness content—without constant notifications or distractions on their devices. Demand for this is high.

- 50% of survey respondents said they would be more likely to subscribe to a mobile fitness app if it offers downloadable content.
- Penthera's fitness customers saw a 74% increase in total video downloads YoY (YoY comparing March/April/May of 2019 to March/April/May of 2020).

50% of respondents would be more likely to purchase a fitness-app subscription if the app offers a video-download feature



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Future of Fitness
What's to come for gyms,
mobile fitness, and more

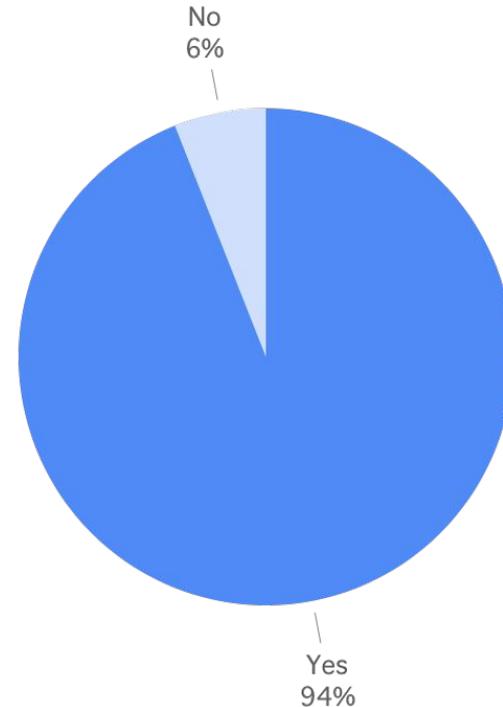
Future of Fitness

After its peak in May & June, new installs and engagement of the Health & Fitness category began to wane. Installs fell 2.4% in July month-over-month, and continued to fall in August, down 2.5% from July and 7% down from June.

This decline makes sense. Summer was in full swing by July & August, which means people were more likely to exercise outside or be away from their homes. We expect to see another surge in installs and engagement as fall progresses into winter, and as we likely enter another season of social distancing.

Even if social distancing comes to an end, there's a strong possibility that many people will choose not to return to their gyms. Overwhelmingly, respondents to Penthera's survey said they would continue to use fitness and wellness mobile apps, once back to a normal routine (94%)

94.7% of respondents said they will continue to use Health & Fitness apps, even after returning to a normal routine



Future of Fitness

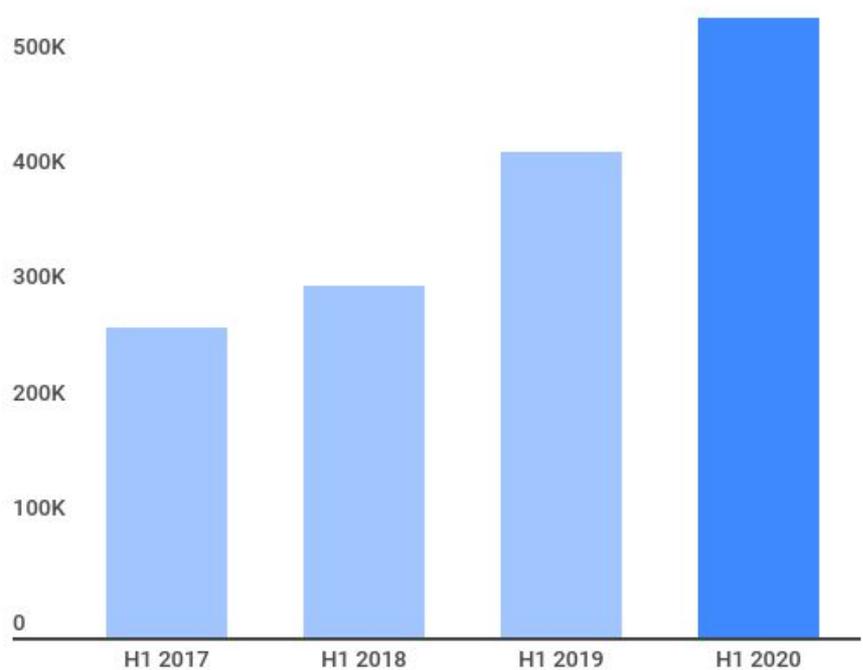
The Health & Fitness category is positioned for strong growth as a whole in the coming year. However, video-fitness apps that offer downloadable content have the greatest opportunity, as people search for the most comprehensive replacement for a real gym membership.

This subcategory has consistently grown its average number of daily active users (DAU) over the past four years. Since H1 2017, their average DAU has increased over 100%. Further, video-fitness apps have high-appeal among young people, a target audience for the fitness industry. 86% of respondents aged 18-24 said they utilize the download functionality with their fitness apps.

With such high demand for downloading, there's great opportunity here for more industry players to adopt this functionality. Those that already have will likely see big gains in H2 2020 and beyond.

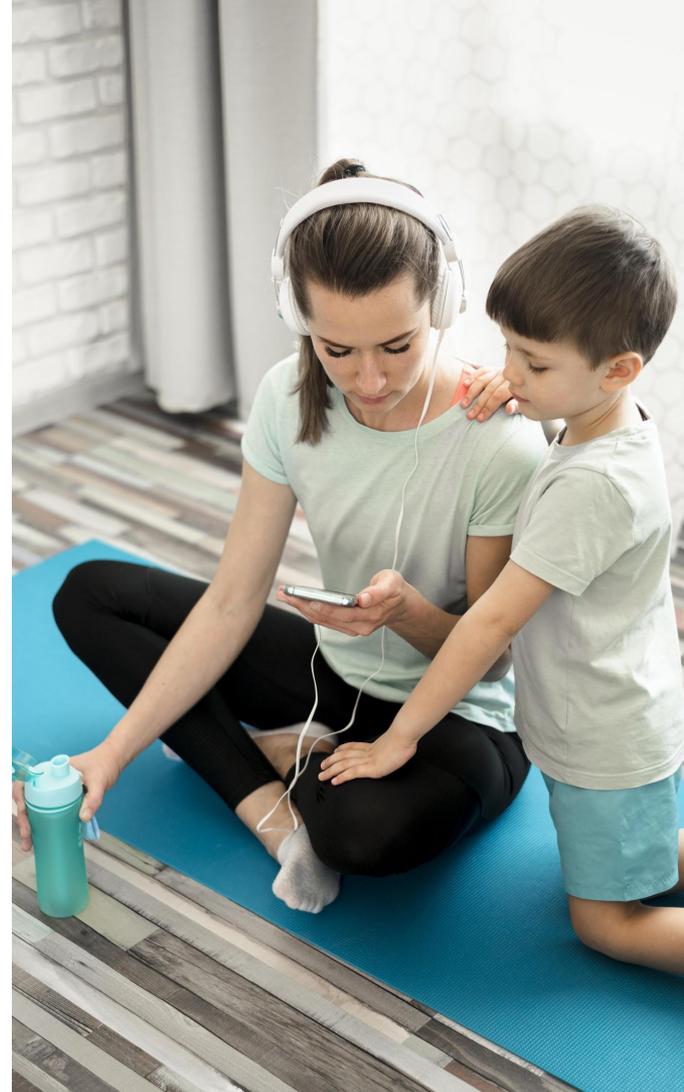
Top 10 video-workout apps grew average DAU 100% since H1 2017

Average DAU of the top 10 video-workout apps, United States



Key Takeaways

- The global pandemic has forced many to adapt their behaviors and daily fitness routines. As a result, we have seen tremendous growth in installs of Health & Fitness apps. May saw 12.5% more installs year-over-year, and 37.3% more installs than January (worldwide).
- We have also seen a shift in how mobile video downloading has offered a new way for consumers to disconnect and use their mobile phone as a gym regardless of their connectivity. Penthera's fitness customers saw a 74% increase in total video downloads YoY (YoY comparing March/April/May of 2019 to March/April/May of 2020).
- Additionally, Apptopia analyzed fitness apps that incorporated video into their platform and apps that did not. The findings indicate that apps that offer video workouts or video-guided exercise routines were the fastest growing in the industry. 6/10 of the top Health & Fitness apps offer video workouts or video-guided exercises. Fitness apps that offered video were installed 65% more than those without video, recorded 38.5% more daily active users (DAU), and generated 15% more revenue.
- Penthera conducted a third-party survey to understand how consumer attitudes around using fitness video apps impact their behaviors. 94.7% of respondents said they will continue to use Health & Fitness apps, even after returning to a normal routine.



Methodology



Apptopia provides competitive intelligence for the mobile app economy. Apptopia was founded on the belief that the mobile app community requires transparency to level the playing field and make way for innovation and industry advancements. Mobile publishers and developers, service providers and investors use Apptopia on a daily basis to understand and monitor competitors, inform business strategies, and identify emerging consumer interests and trends. See insights on our: [Newsletter](#), [Blog](#), [Twitter](#), and [LinkedIn](#).

In this report, Apptopia analyzed the Health & Fitness app category, as a whole, across the iOS and Google Play stores. They compared the category's overall performance in H1 2020 to previous years, evaluating total net new installs. Apptopia then created custom groupings of fitness apps based on their ability to offer video workouts or video guidance. These groupings were analyzed by net new installs, daily active users, and IAP revenue estimates.



Penthera is a global software company that develops and deploys products that remove friction and improve the mobile video experience. With tools that include video download, content subscriptions, and buffer-free streaming technology, Penthera helps OTT providers compete in a crowded marketplace and improve key business metrics such as viewer engagement, increased revenue, and churn-reduction. Penthera works with leading media and entertainment brands around the world: CBS, Fox, HBO, Liberty, AMC, Globo, Showtime and many other streaming providers. Led by Michael Willner, Chairman and CEO, and Dan Taitz, President and COO, Penthera is transforming how the world accesses mobile video. See our thoughtleadership on our: [Blog](#), [Insights Page](#), [Twitter](#), and [LinkedIn](#).

For the report, Penthera worked with an outside research company to survey 500 people 18 and older in the US about their mobile fitness behaviors. Our responses include all people who watch mobile fitness video content.

Glossary

Net new installs:

/"new installs"/ "installs"/ often referred to as "downloads," this is the number of new users who are downloading the app for the first time

Daily active user:

/"DAU" / the number of users who opened the app at least once in the last 24 hours

In-app purchase revenue:

/"IAP revenue" / the amount of revenue generated by users making purchases within the app

Downloads:

Video assets that have been downloaded to a device and can be played on or offline

Downloading devices:

Number of unique devices that downloaded video content

Video-fitness apps:

/"video-workout apps"/ apps that offer video workouts or video-guided exercises

Health & Fitness:

an app category, on both the iOS and Google Play app store, which consists of health & wellness apps. For analytical purposes, we have combined the data of the iOS version and the Google Play version



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Thank you!

Have questions?

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Want to schedule time to talk?

Apptopia: <https://apptopia.com/demo>

Penthera: penthera.com/contact