Market Prioritization
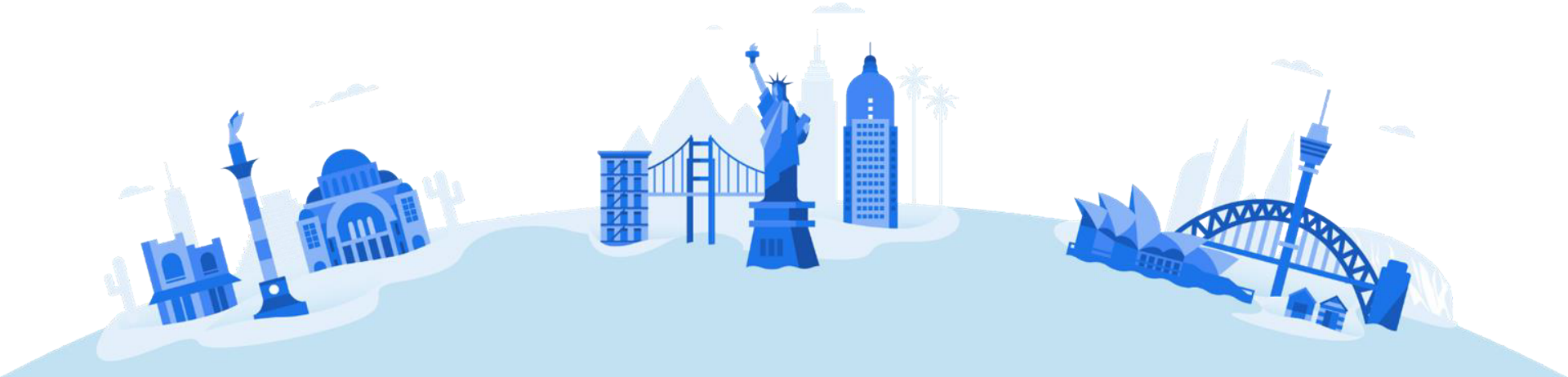
Wunder Digital is an International Growth Agency Program (IGAP) Google partner.

This partnership provides exclusive access to data, tools, and resources to identify and capture international growth opportunities.

Innovative Digital-Hub
with **Global Expertise**

WUNDER

200+ clients	**10** years in the market
150+ employees	**5** regions of presence

with **International Certification**

WUNDER

Google Premium Partner

Passed certification of compliance and received a unique status. Access to the latest research, the latest tools, premium terms and conditions.

Meta Certified Company

Completed international certification. 20 certified PPC specialists. Expert customization and campaign analytics.

with **Wide People Resources**

WUNDER

54	**10**	**16**	**20**	**3**
PPC-specialists	specialists	specialists	PPC-specialists	Certified specialists
Certified in Google Ads	Certified in Google Marketing Platform	Certified in Google Analytics	Certified in Meta	AppsFlyer

8	**3**	**17**	**13**	**2**	**4**
Certified specialists	Certified specialists	Certified specialists	Certified specialists	Certified specialists	Certified specialists
Display & Video 360	Search Ads 360	Яндекс Директ	Яндекс Метрика	VK	my target

Wunder Digital
offers the world's leading international resources

Exclusive Tools

Access to Google's Localization Service

Global export strategy & activation

Support from Google's International Growth Team

Best in class market, vertical & competitive insights

Operational consulting services

International Growth Team

Anna Lipskaya
COO

Natalia Lukasheva
CEO Kazakhstan

Polina Baltieva
Project Manager

Yana Voropai
Head of Strategic

Elena Panteleyeva
Strategist

WUNDER

Agenda

1

Business Objective

New Expansion
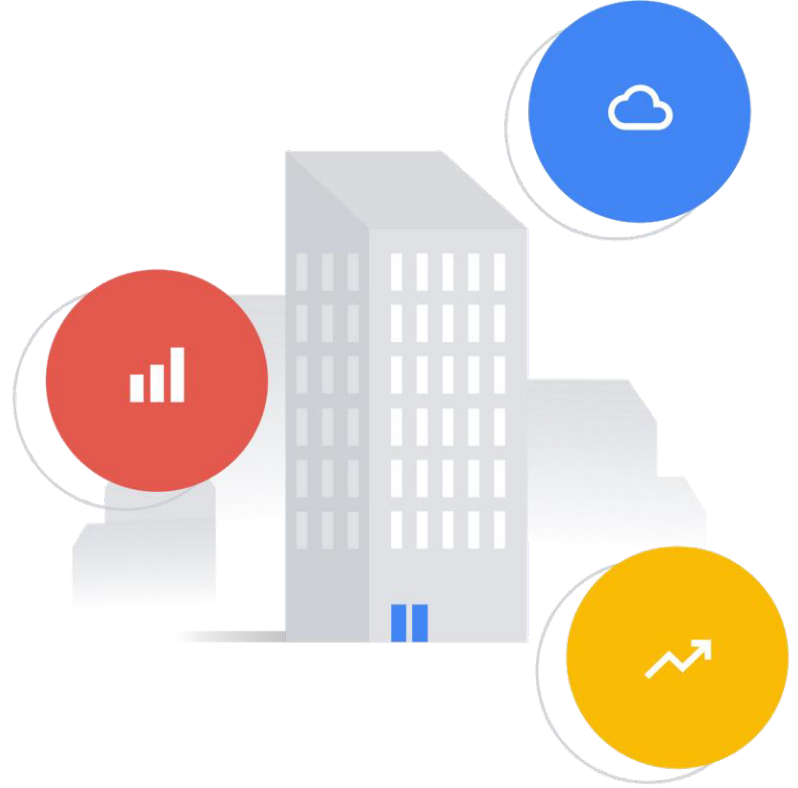
Footprint Expansion
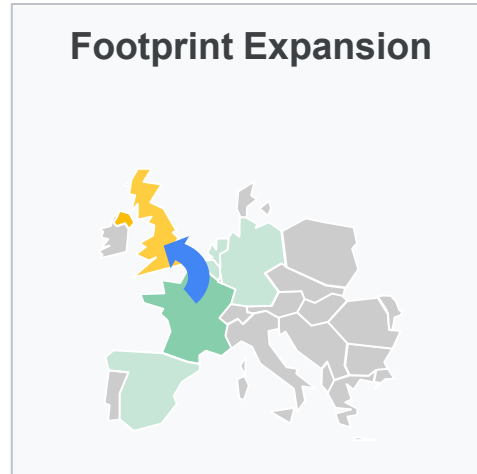
begin marketing in new countries, for companies already spending in 2+ countries

Market prioritization rationale

"

Leverage insights and data to identify demand in markets **that can** drive large market share and growth potential.

"

x2 in 3 years

Cross-border ecommerce is expected to double by 2025 (25% CAGR), growing **twice as fast** as domestic ecommerce

70%

Of the revenue for **Top 40 EMEA companies** is generated outside their home markets

$8.1 trln

The global eCommerce market expected by 2026.

80%

of global companies **plan to increase their investments** in cross-border trade over the next 3 years.

36%

of eCommerce revenue is expected to **come from international sales** by 2025.

Source: Statista. DHL.   McKinsey
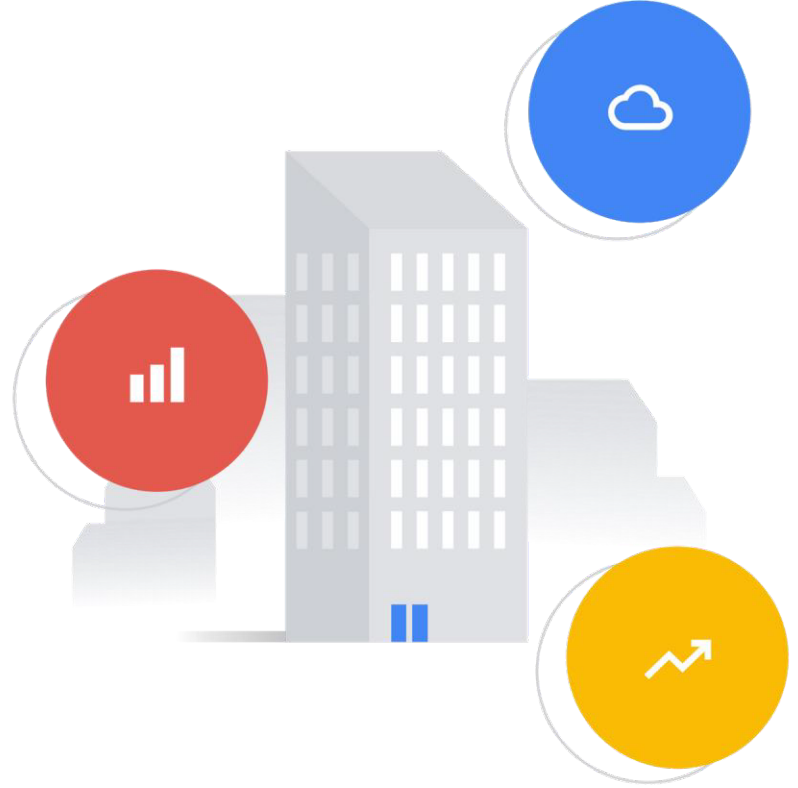
Business Objective **Key Takeaway**

" The goal is **to expand into international markets**, focusing on countries with high growth potential and low entry barriers, leveraging Google data to select the most promising markets. "

2

Current Performance

We want New Expansion
Category: **Gyms & Gym Memberships**

GYM MARKET 2024

ESSENTIAL FACTS & STATS

$88.5bn
Market size of global health club industry

200,000
Number of health & fitness clubs worldwide

184,000,000
Number of club members worldwide

FITNESS INDUSTRY INSIGHTS

INDUSTRY GROWTH

▶ In recent years, global industry revenue grew from $84bn in 2014 to $96.7bn in 2019, before dropping to $54.2bn in 2020.

▶ It also experienced a dip in 2015, likely due to an increase in low-cost operators that tend to generate less revenue.

▶ 2023 revenue data shows a consistent increase since 2020 as the gym industry steadily recovers.
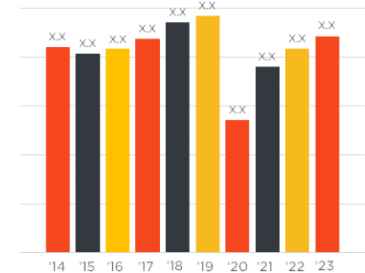
Global Gym Industry Revenue 2014 – 2023 ($bn)

© WWW.WELLNESSCREATIVES.COM

We want New Expansion
Category: **Gyms & Gym Memberships**

Global Facts & Trends

- In 2024 the **revenue in the Gym & Training** market worldwide amounts to **US$35.8bn**.

- The gym and health club industry is growing at a rate of **7.5% per year**.

- **Boutique fitness studios and budget clubs** (high volume low cost) are continuing to perform well, although some are predicting a resurgence of mid-market clubs.

- **Gym trends** predicted for 2024 include programs for older adults, exercise for mental health, and lifestyle medicine.

- One gym member is **worth an average of $517** to a facility each year.

Google | WUNDER

We want New Expansion
Category: **Gyms & Gym Memberships**

Biggest Gym Chains Review

Gym Chain	Revenue
24 Hour Fitness	$2.7 billion
Invited (formerly ClubCorp)	$2.6 billion
Konami	$2.4 billion
Anytime Fitness	$2.3 billion
.Life Time Fitness	$2.2 billion
LA Fitness	$1.3 billion
Basic Fit	$1.1 billion
Planet Fitness	$1.1 billion
Pure Gym	$723 million
Gold's Gym	$580 million
Equinox	$455 million

Biggest gym chains globally by revenue

Gym Chain	Number of Locations
Anytime Fitness	5200
Planet Fitness	2500
Basic Fit	1537
Orange Theory	1500
LA Fitness	800+
Gold's Gym	600+
Pure Gym	500+
Clever Fit	500+
L'Orange Bleue	400+
24 Hour Fitness	270
Virgin Active	240
McFit	230+
Jetts	200+

Biggest gym chains globally by number of locations

Gym Chain	Number of Gym Members
Planet Fitness	18,700,000
Basic Fit	3,800,000
Anytime Fitness	3,000,000
24 Hour Fitness	3,000,000
Gold's Gym	3,000,000
McFit	1,700,000
Pure Gym	1,600,000
Virgin Active	1,200,000
Orange Theory	900,000
Clever Fit	680,000
L'Orange Bleue	400,000

Biggest gym chains globally by number of members

Google | WUNDER

Current Performance **Key Takeaway**

> The fitness club market is growing by 7.5% annually, with budget and specialized fitness clubs gaining popularity. The average revenue per customer is $517 per year, making this segment **attractive for growth**.
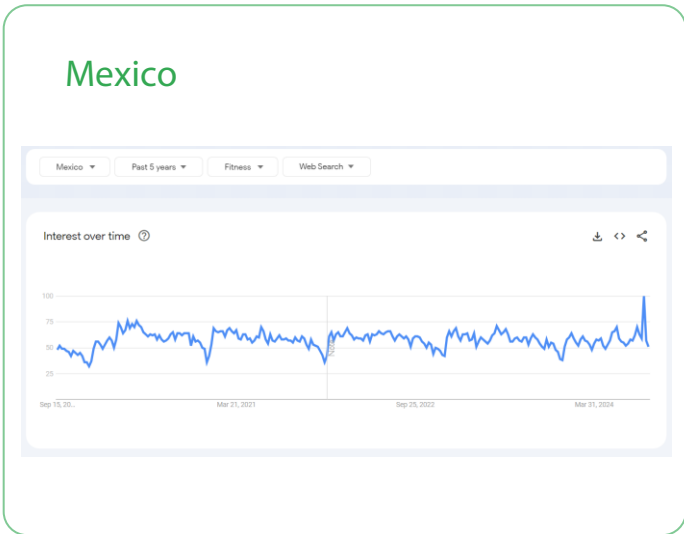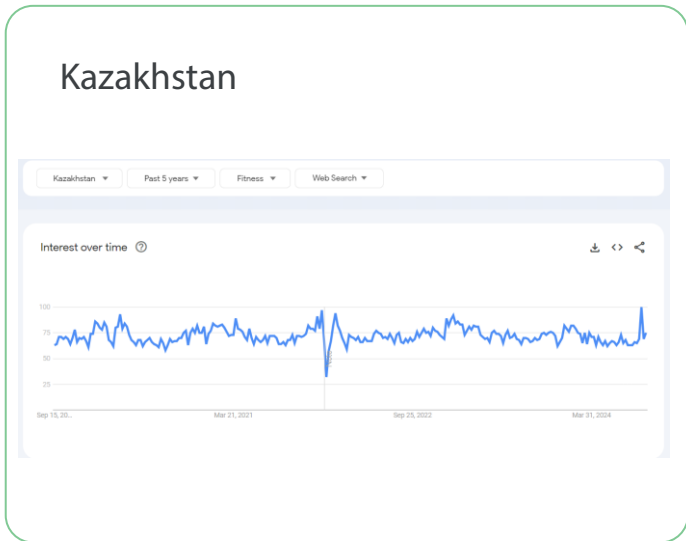
3

Demand Analysis

Category Fitness searches in Mexico have grown by 2% YoY and are 3 times cheaper than domestic

Kazakhstan

Mexico

*Indexed Searches

2%
Y/Y Query Growth, MX vs
-5%, KZ

$0.31
Avg. CPC, MX
vs $0,93, KZ

370%
Search query growth
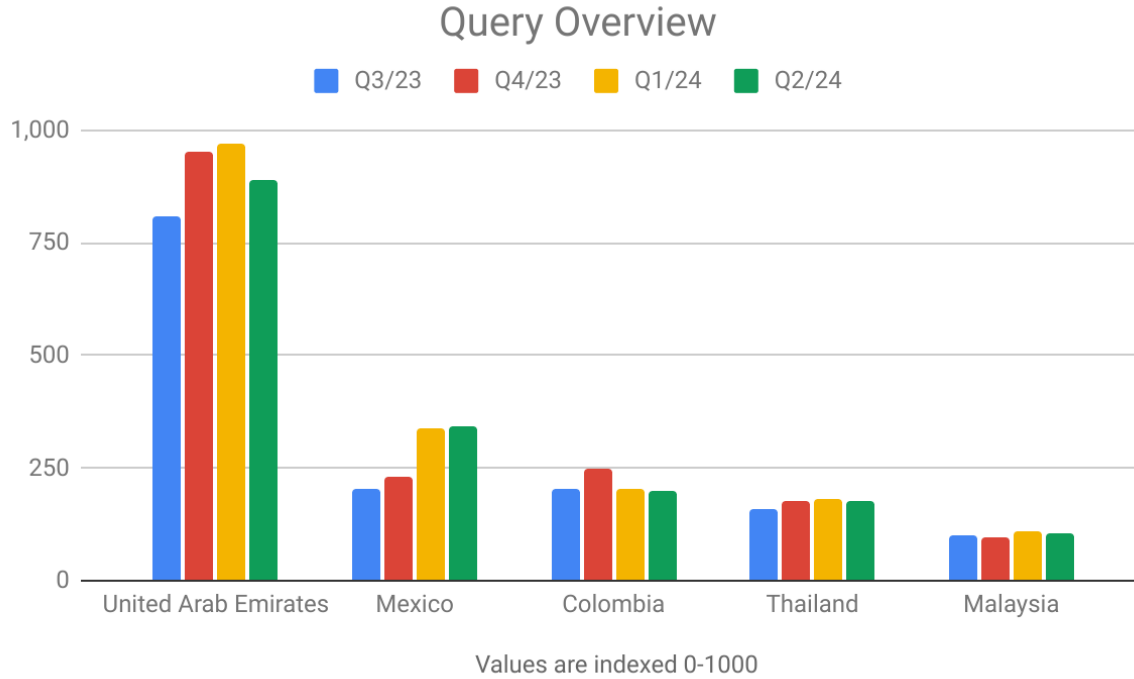over 5 years, MX
vs 274%, KZ

Google | WUNDER

Category Fitness in Mexico

Insights: Gym & fitness club members in Mexico

- 40% of gym & fitness club members **have a high annual household income**.

- **Career advancement** has more importance to gym & fitness club members than to the average consumer.

- 24% of gym & fitness club members are **innovators or early adopters** of new products.

- Gym & fitness club members remember **seeing ads on search engines more** often than the average consumer.

Google | WUNDER

Overview of Queries
All data are indexed

Query Overview

Legend: Q3/23 ■ Q4/23 ■ Q1/24 ■ Q2/24 ■

| | United Arab Emirates | Mexico | Colombia | Thailand | Malaysia |

Y-axis: 1,000 / 750 / 500 / 250 / 0
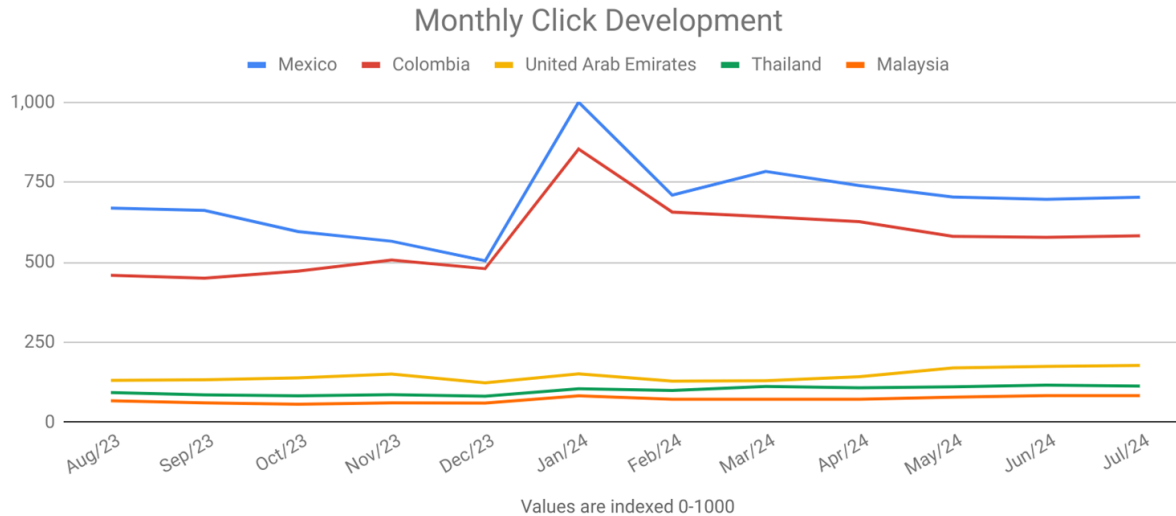
Values are indexed 0-1000

Key Takeaway: This chart shows a comparison of queries from Q3/23 to Q2/24 in the top 5 countries.

The United Arab Emirates leads   in queries, peaking in Q1/24.   Mexico follows , showing a steady growth through Q1/24 and Q2/24.   Colombia's performance fluctuates   , with a peak in Q4/23. Thailand maintains consistent query numbers, with a slight increase in Q1/24. Malaysia shows the lowest query volumes, with minor variations across the quarters.

The number of queries shows   good potential for the vertical   . Please be aware that the population size of the country may influence this metric.

Google | WUNDER

Monthly Clicks' Development
All data are indexed

Monthly Click Development

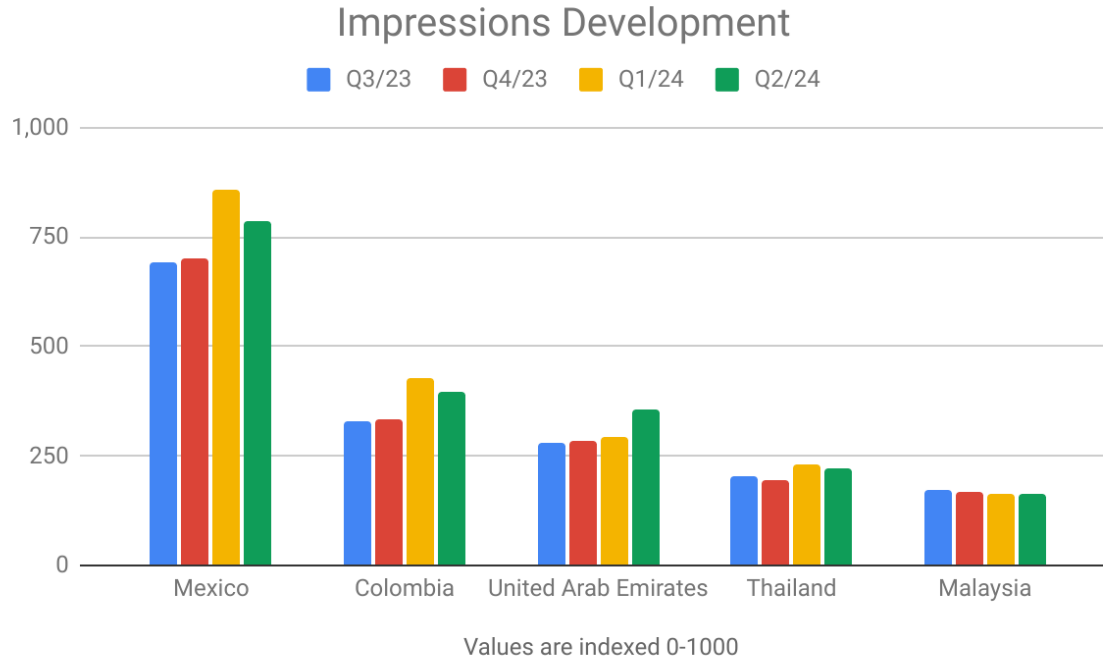— Mexico   — Colombia   — United Arab Emirates   — Thailand   — Malaysia

Values are indexed 0-1000

This chart shows the development of clicks over the last 12 months in relation to the vertical.

Mexico consistently leads   in the number of clicks each month, with a significant peak in January 2024.   Colombia follows , showing a steady performance with a notable increase also in January 2024. The United Arab Emirates, Thailand, and Malaysia have lower click volumes overall, with gradual growth and minor fluctuations throughout the period.

It is relevant to identify seasonal trends in order to create and promote content that responds to market dynamics.

Impressions Development
All data are indexed

Impressions Development

■ Q3/23   ■ Q4/23   ■ Q1/24   ■ Q2/24


Values are indexed 0-1000

Key Takeaway: This chart shows the development of impressions from Q3/23 to Q2/24 in relation to the vertical.

Mexico leads in impressions each quarter, peaking in Q1/24. Colombia follows, also peaking in Q1/24. The United Arab Emirates, Thailand, and Malaysia show lower impressions, with the United Arab Emirates reaching its highest in Q2/24. Thailand and Malaysia are showing more steady performance with minor fluctuations.

Taking note of these trends can help in creating and promoting content that responds effectively to the market.

Google | WUNDER

Comparison of Average Max CPC

Comparison of Average Max CPC

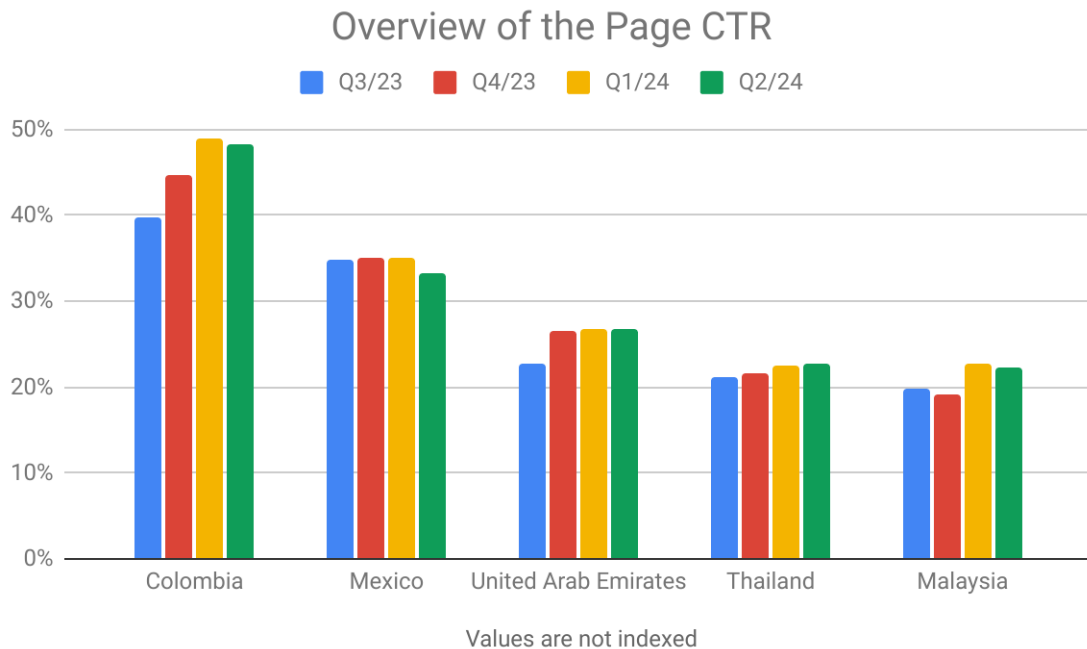■ Q3/23   ■ Q4/23   ■ Q1/24   ■ Q2/24

Values are not indexed
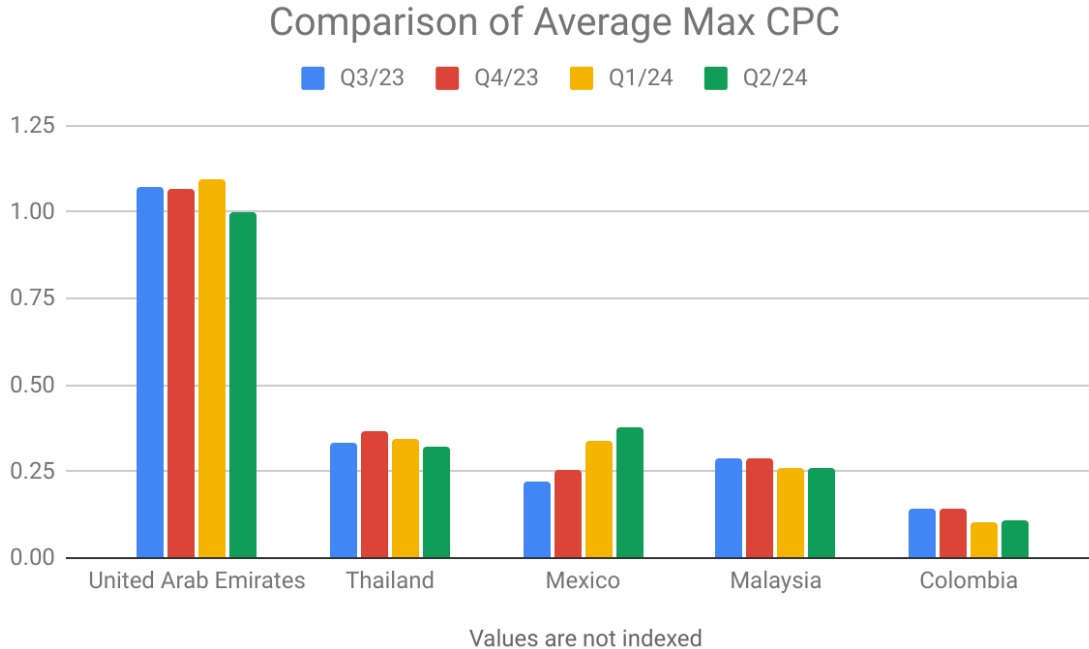
Key Takeaway: This chart shows a comparison of the average max CPC from Q3/23 to Q2/24 for the top 5 countries.

The United Arab Emirates shows the highest average max CPC, peaking in Q1/24. Thailand follows with a peak in Q4/23. A notable increase is seen in Mexico during the observed period. Malaysia maintains a relatively stable CPC, experiencing slight declines.   Colombia consistently has the lowest CPC   values throughout the period.

Maximize cost   -effectiveness by targeting the Colombia with   the lowest max CPC. Monitor seasonal trends to optimize your advertising budget for better results.

Google | WUNDER

Overview of the Page CTR

Overview of the Page CTR

■ Q3/23   ■ Q4/23   ■ Q1/24   ■ Q2/24

Values are not indexed

Colombia leads   with the highest page CTR, peaking in Q1/24.   Mexico follows   , with stable CTR performance throughout the quarters. The United Arab Emirates, Thailand, and Malaysia exhibit lower CTR, but each shows gradual improvement over the period, with Malaysia experiencing the most significant increase.

Overall, the page CTR remains robust across all quarters, which is advantageous for ensuring consistent conversions.

Demand Analysis **Key Takeaway**

> **Mexico** and **Colombia** show strong growth in fitness-related searches and low cost-per-click, making them priority markets for expansion.

4

Market Identification

Market attractiveness | Segment your strategy based on market conditions

Cost of acquisition (CPC)

Challenging **Smaller markets, higher CAC**	**Mature** **High maturity**
Nascent **Low maturity**	**Most attractive** **Larger markets, lower CAC**

Market Average

Market Average

Market size (searches)

Most attractive

- Focus on penetrating the market, harnessing lower entry barriers and a large pool of customers to tap into

Mature

- Set a ROAS driven strategy focusing on the most profitable categories. Use automation to avoid more expensive conversions

Nascent

- Leverage lower CAC to test demand and build brand awareness to become a front runner in the relevant categories

Challenging

- Consider addressing on a 2nd wave of expansion due to barriers of entry associated with higher CPCs and heightened consumer expectations.

Google | WUNDER

Broad options for expansion *All data are indexed*

Country Scores ⓘ

Points ▾   CSV   Viewing Options ▾

Metrics	Weight	Mexico	Colombia	United Arab Emirates	Thailand	Malaysia
GDP Per Capita	●●○○	22pts	13pts	100pts	15pts	25pts
Category Interest Growth	●●●●	89pts	48pts	100pts	96pts	81pts
Category Interest	●●●●	100pts	35pts	23pts	23pts	18pts
Category Cost	●●●●	49pts	100pts	12pts	36pts	46pts
Country Score		**71pts**	**54pts**	**52pts**	**46pts**	**45pts**

Source: The World Bank (2021); StatCounter Global Stats (Statcounter, 2022); Media Metrix (Desktop only) (comScore, Jan-Mar 2016); Google internal data (Google, last four closed quarters)

Key Takeaway: We compare countries in category Gyms and Gym Memberships. Mexico leads in Category Interest and Category Interest Growth and has an average Category Cost. Colombia offers low Category Cost, not bad Category Interest Growth. UAE with high Category Interest Growth and high GDP per Capita has the highest Category Cost. Thailand and Malaysia have low Category Interest but high Category Interest Growth.

Source: Google Market Explorer Data

Google | WUNDER

Country Scores   *All data are indexed*

Type		Metrics	Weight	Mexico	United Arab Emirates	Colombia	Thailand	Malaysia
Opportunities	67%	Disposable Income Per Capita	●○○○	45pts	100pts	24pts	18pts	31pts
		Google Query Growth (yearly)	●●●●	89pts	100pts	48pts	96pts	81pts
		Google Query Volume	●●●●	100pts	23pts	35pts	23pts	18pts
		Google Search Per Capita	●○○○	32pts	100pts	28pts	13pts	22pts
Barriers to Entry	33%	Google CPC	●●●○	49pts	12pts	100pts	36pts	46pts
		Google Query Depth	●●○○	100pts	79pts	93pts	72pts	68pts
Country Score				**78pts**	**59pts**	**58pts**	**50pts**	**48pts**

Key Takeaway: Mexico excels in Google Query Volume, Google Query Depth, and Google Query Growth (yearly), highlighting strong opportunities. The United Arab Emirates performs best in Google Query Growth (yearly), Disposable Income Per capita, and Goog   le Search Per Capita, but has lower scores in Google Query Volume and Google CPC. Colombia performs well in terms of Google CPC and Goo   gle Query Depth. Thailand and Malaysia show lower   -than-average values in most metrics, apart from Google Query Growth (yearly) and G   oogle Query Depth.

Google | WUNDER

Better opportunities lies in **Mexico & Columbia**
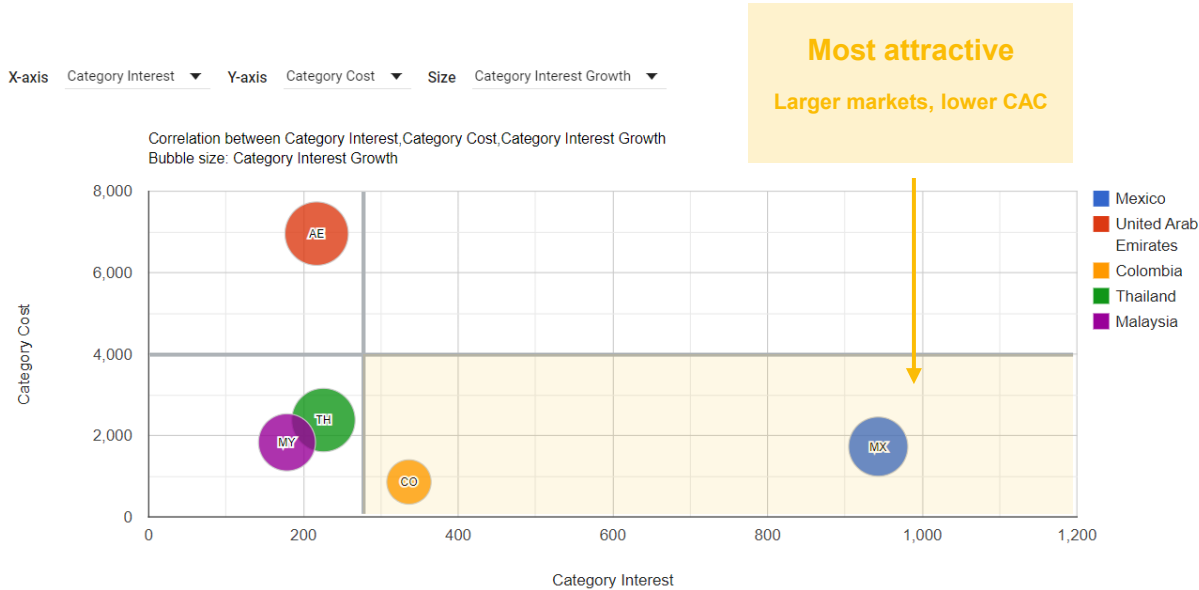
Mexico : take advantage of low Category Cost & high Category Interest .

Columbia : take advantage of low Category Cost & Category Interest higher than the rest .

Countries Overview for Vertical **Gyms & Gym Memberships**

All data are indexed

Countries Overview: All values are indexed: 0 – 1,000, except Page CTR and CPC USD							
Countries	Impressions	Clicks	Page CTR	Cost USD	CPC USD	Queries	Matched Queries
Mexico	761	694	34.6%	684.58	0.31	287	351
Colombia	378	574	46.0%	216.87	0.12	212	185
United Arab Emirates	313	146	26.0%	478.35	1.05	911	903

Key Takeaway: Mexico ranks first in impressions, clicks, and cost. Colombia has the highest page CTR and best CPC. The United Arab Emirates stands out with the highest CPC and ranks first in queries.

Google | WUNDER

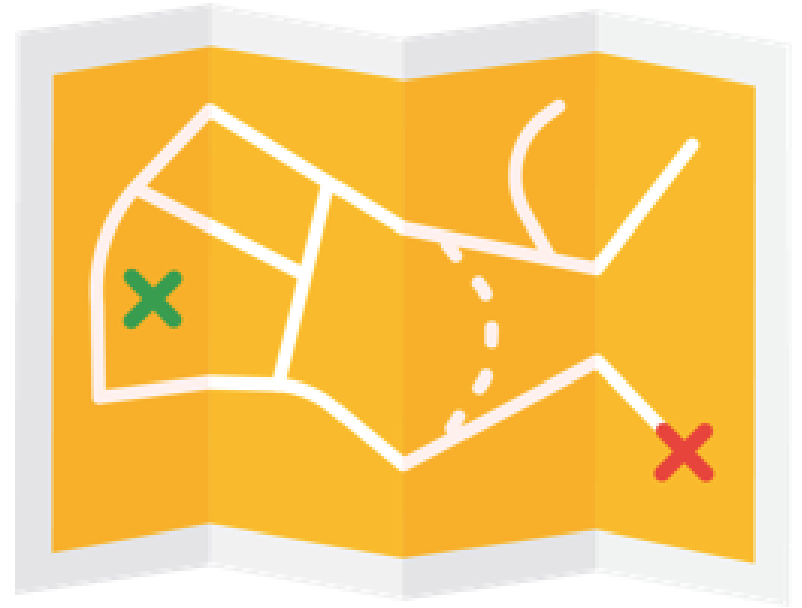# Market Identification **Key Takeaway**

> **Mexico** and **Colombia** are the most attractive markets for expansion due to their low customer acquisition costs and high interest in fitness services. UAE also shows potential but has too high costs in category.

5

Market Prioritization

Market attractiveness
Identify the most attractive markets

Mexico

Columbia

UAE

Market size:
Focus on markets with higher Category Interest, where there is a large base of potential customers – Mexico, Columbia.

Growth:
Focus on markets with higher Category Interest Growth – United Arab Emirates.

Competition:
Prefer markets with moderate levels of competition, with low Category Cost, which will allow for faster market share capture – Mexico, Columbia.

Logistics:
Least challenging market: Mexico, as it offers significant growth opportunities and simpler logistics, despite bureaucratic hurdles.
A promising market: Colombia, with opportunities for rapid growth, but with operational challenges that may require additional investments.
Most challenging market: UAE, due to high competition and complex regulatory requirements, although the infrastructure is well developed.

Google | WUNDER

We've prioritized **2 markets** based on demand and opportunity to **New Expansion**

Your top recommended markets
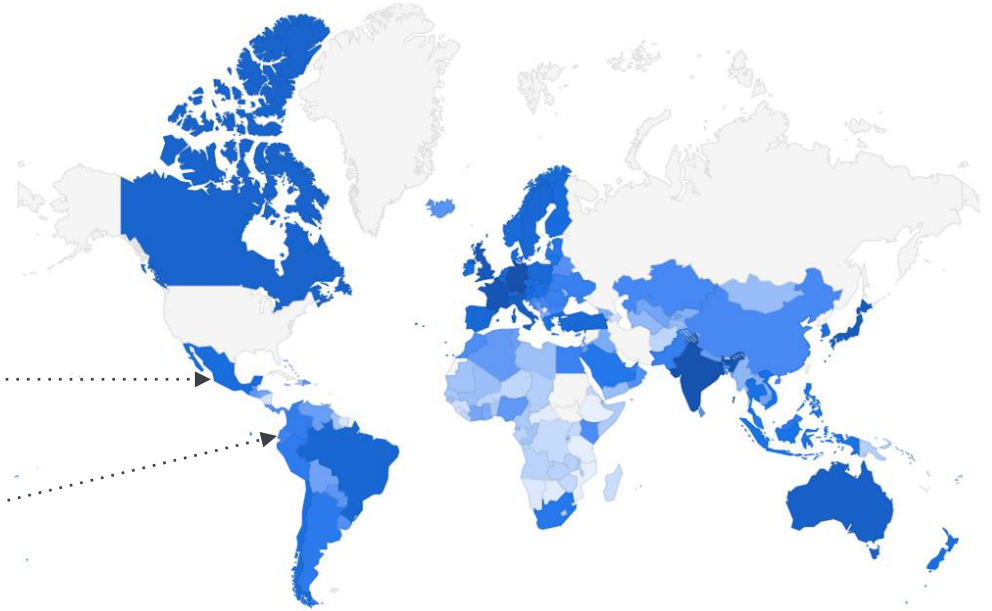
We calculated which regions offer the best opportunities for growth, based on key metrics for your chosen categories.

Mexico

Columbia

1-20   20-40   40-60   60-80   80-100

Google | WUNDER

Next Steps for Success

Now

- Plan, prioritize and approve high opportunity markets to launch with Wunder Agency

- Understand your current approach and tailor for new opportunity size via **'Market Deepdive'**

Next

- Build your international roadmap to chart out opportunity roadmap for markets in this analysis

- Explore the development of localized landing pages for key markets with localized ads
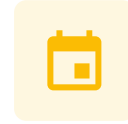
Long-Term

- Pursue further new markets with the largest opportunity and optimize all markets based on consumer insights

- Diversify your product investment to ensure you are building across brand and performance assets

Market Prioritization **Key Takeaway**

" Mexico and Colombia are key markets for expansion, offering low acquisition costs and high demand. It's recommended to **create localized landing pages** and **adapt strategies for the selected markets**. In the long term, focus on developing brand assets. "

Appendix

Optional Slides

Countries Overview for Vertical **Gyms & Gym Memberships**

All data are indexed

| Countries Overview: All values are indexed: 0 - 1,000, except Page CTR and CPC USD							
Countries	Impressions	Clicks	Page CTR	Cost USD	CPC USD	Queries	Matched Queries
Mexico	761	694	34.6%	684.58	0.31	287	351
Colombia	378	574	46.0%	216.87	0.12	212	185
United Arab Emirates	313	146	26.0%	478.35	1.05	911	903
Thailand	215	99	22.2%	105.71	0.34	174	249
Malaysia	167	70	21.2%	59.67	0.27	103	189
Morocco	13	8	22.2%	11.65	0.46	43	334

Key Takeaway: Mexico ranks first in impressions, clicks, and cost. Colombia has the highest page CTR. The United Arab Emirates stands out with the highest CPC and ranks first in queries. Thailand and Morocco have similar page CTRs, but Thailand shows higher values in impressions and clicks. Morocco has the lowest values in impressions, clicks, and cost. Malaysia, with its lower-than-average values in impressions and clicks, also has a higher -than-average CPC.

Competitors' Costs and CPC **ABC Analysis** – Mexico

All data are indexed
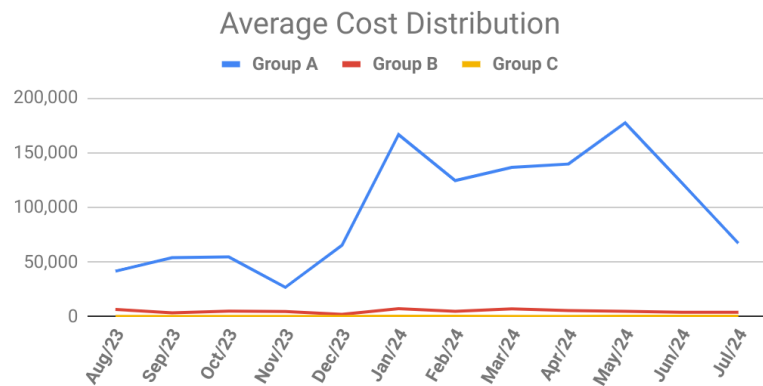
Average Cost Distribution

Values are indexed in benchmark group of 3 sections

Average CPC Trend
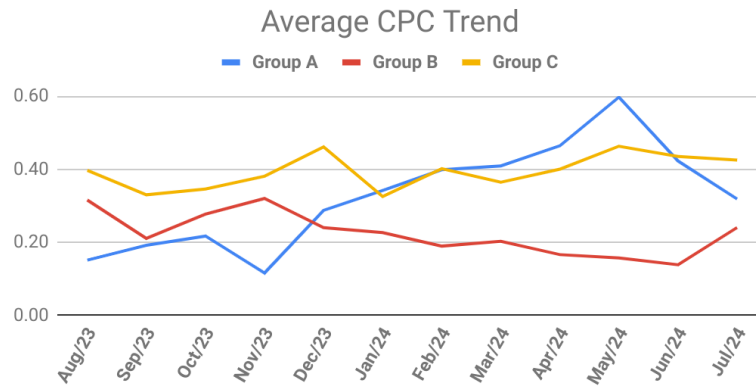
Values are indexed in benchmark group of 3 sections

Key Takeaway: In Mexico, the   costs from the A competitor group can be noted as significantly higher than the other 2 clusters   . Peak in cost can be observed in May 2024. On the other hand, November 2023 can be seen with the lowest cost for the A group. B and C group   s c an be seen with very similar trend lines that can be considered quite stable. In relation to the   CPC trend, it is possible to see very unstable trend lines for all 3 clusters   . Note that in May 2024, the A group can be seen with a peak in CPC. The C group is the one with the highest average CPC among the groups. The B competitor group is the one with the lowest CPC in comparison to A and C.   When possible, a strategy that combines monthly adjustment in the campaigns' budget with any traced seasonality will be useful to take advantage of periods   with higher traffic and also prevent "limited by budget" status.