

THE RIGHT



The fitness sector is booming, because physical fitness has become an important issue for more and more people. However, fitness nowadays no longer just means training and building up muscles. Sporting activities should be a real experience, which takes up little time and increases people's quality of life. Martin Richter, the Country Manager at Peloton Deutschland, and Nils Thiesen, Managing Director for Sales and Market Development at Rhenus, want to ensure that the Peloton premium fitness bikes from the USA conquer the German market too.

Mr Richter, Peloton is already very successful, particularly in the USA and Great Britain. Who exactly are the people who buy your fitness bikes? R.: We're deliberately gearing our operations towards private individuals. Many people are fully involved with life and have a demanding job and family, with the result that sport often doesn't play the role that it should. What unites the Peloton community is that our members take their fitness seriously and want to be physically active.

Many people in Germany already train at a club or go to a fitness centre. Can your product still be a success here? R.: Definitely. Germany is the country in Europe where fitness is a significant factor. 11 million Germans are members of a fitness centre, but this figure naturally includes very many who don't go there as regularly as they'd like to. Peloton provides a new option for them.

Mr Thiesen, how did Rhenus Home Delivery actually find out about Peloton? T.: We pay a great deal of attention to the trends and developments in the fitness sector. Peloton offers a great product and sets very high standards for customer experience. That fits in very well with us. Then there was the fact that we'd been wanting to expand our range of products to include a premium service for final customers for some time.

The Peloton bike currently costs EUR 2,290, then there's a fee for the virtual courses. That sounds pretty expensive. What makes your product so special? R.: Peloton represents a completely new fitness concept, which offers its members the last word in cardio training at home. Peloton produces the courses with well-known trainers at their own studios in New York and London. Members can watch them via a live stream or download them later. Our growing range of courses is very motivating and is an enthralling training experience!

DRIVE

Premium logistics for Peloton fitness bikes

Peloton: the fitness trend from the USA conquers Europe - 2012: Founded in New York - 2019: Market launch in Germany - More than 1.6 million users worldwide - Price per bike: starting at EUR 2,290 - Monthly course fees: EUR 39 per household

Rhenus Home Delivery has already had decades of experience in delivering large sport equipment items. Can you tell us something more about your new premium service, Mr Thiesen? T.: It's true that Rhenus has already had a great deal of experience

in the fitness segment – not just because Rhenus Home Delivery brings items to homes in the B2C sector, but also because Rhenus Sports Tech operates warehouses, delivers goods and pre-assembles equipment at fitness centres. Our premium service particularly focuses on customers' experience.

How exactly do you achieve a positive customer experience? T.: We almost completely assemble the bicycles at our central warehouse, so that our delivery teams on the spot can fully concentrate on the customer's wishes and questions when they arrive. This means that our employees' soft skills are particularly important. As we give extensive instructions about how to use the Peloton app and connect it to the Wi-Fi system too, technical skills are also absolutely essential.

You therefore expect a great deal from your employees. How have you trained your delivery teams for their tasks? T.: There were three training courses. We developed the first one with an external institute. The state-of-the-art training concept boosts soft skills and teaches communication, the ability to solve problems as well as empathy; this is achieved by using different methods like case studies and role-playing games. It was also useful for our employees to train on the Peloton bikes themselves.

What was the focus of the other training courses? T.: The second training course explained the technology in the bike and app, as well as the promise made to customers. The final training course took place during a delivery trip. Our project managers travelled all over Germany with the Peloton trainers during a period lasting several weeks.

Mr Richter, why did you choose Rhenus as your logistics partner in Germany? R.: The Rhenus Group is one of the leading logistics specialists and matches Peloton perfectly with its corporate philosophy that teamwork and passion are the prerequisites

for success. It's also extremely important for us to know that our customers can experience premium-level services at any time with our brand. They range from coordinating the delivery date within a time window, which is as short as possible, to setting up the unit and even explaining and adjusting the bike at the customer's premises. What's more, the employees have been thoroughly trained and we're constantly monitoring customer satisfaction.

How many Peloton bikes could be delivered in Germany during the next few years? T.: The launch at the end of 2019 was very promising. We'll already deliver several thousand bikes this year. And there's potential in other European countries too.

Could Rhenus Home Delivery take over the logistics operations across Europe too, if necessary? T.: Of course. Our experience in Germany would certainly make it easier for us to distribute the bikes in other countries than a company that was starting from scratch. Rhenus Home Delivery already has business operations in Great Britain, the Benelux states, Italy, Poland, Bulgaria, the Czech Republic and Slovakia, in addition to Germany, and operates with professional partners in many other countries too.

Many fitness bikes gather dust in the attic or the basement sooner or later. Why is Peloton more than just some short-term fitness hype? R.: Peloton has an extremely low deregistration rate, because the training programme is very motivating. 94 percent of our members are still regularly training on their bikes one year later. Peloton is therefore not destined to attract dust, but get you sweating!