

Peloton customers are furious over excessive order delays, and experts say lengthy wait times and poor customer service can hinder holiday sales and inflict lasting damage on the company's reputation



Jen Van Santvoord rides her Peloton exercise bike at her home on April 7, 2020 in San Anselmo, California. [Ezra Shaw/Getty Images](#)

- **Peloton consumers are still experiencing extensive delays due to ongoing supply chain issues stemming from unprecedented demand during the pandemic.**

- Peloton executives said earlier this month that delivery setbacks have been compounded by the debut of Peloton's new premium model, Bike Plus, which is manufactured on a separate supply chain than its original bike.
 - As angry consumers take complaints to social media en masse, experts are raising concern over the long-term negative impacts to Peloton's previously sterling reputation.
 - "With so many delays continuing to occur, brands that do not prioritize their order support experience will lose loyal customers who will choose to purchase from those that have," Durk Stelter, CRO of consumer experience platform Linc, told Business Insider.
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When Lauren Peri woke up on Tuesday, she began her morning routine, which since early October has involved religiously tracking her order of the new Peloton Bike Plus.

Though the bike was originally slated to arrive the Wednesday before Thanksgiving, she was upset to find out that the expected delivery date had unexpectedly been pushed back from November 25 to December 21.

After a frustrating call with customer service during which she was told the warehouse in her region was closed due to a possible COVID-19 outbreak, she decided to take her complaints to social media. There she found a crescendoing mob of angry Peloton customers already inundating Twitter feeds, Facebook pages, and Instagram comments to decry Peloton a "[terribly run company](#)" and bemoan its "[horrible customer service](#)."

"I really, really want the bike and I was super disappointed about it," Peri told Business Insider. "I just don't understand how that could even happen, that my delivery up until yesterday morning said it was on time. Something really isn't adding up to me."

Read more: [11 virtual fitness companies vying to compete with Peloton's winning membership model and cash in on the at-home exercise boom](#)

For Peloton, social media has been a vital part of its growth, fostering niche communities of fans that have in turn become brand ambassadors. However, while these highly engaged communities have helped Peloton prosper, they've also proven how having a rambunctious group of followers can be a double-edged sword. Peloton enthusiasts on social media have helped highlight the company's struggles to keep up with overwhelming demand during the pandemic.



A Peloton stationary bicycle. [Scott Heins/Getty Images](#)

"The gift and curse of social communities is exactly what Peloton is seeing happen right now," Claude Zdanow, CEO of marketing agency holding company Stadiumred Group, told Business Insider.

According to Zdanow, when business is going well, and a company is being "authentic and transparent," its social media following can be one of its most valuable assets, a captive audience for luring new consumers and gleaning insight on ways to improve.

It's when snafus arise — like Peloton's persistent delays, extended wait times, and lack of responsive customer service — that the digital masses turn quickly from friend to foe, hurting the business along the way, he said.

"The pro is you have brand evangelists who love your product talking about, sharing about, and helping you craft something better in the future," he said. "The curse is that as a brand you are exposed to a very powerful consumer community if they are unhappy with you."

Peloton's sterling reputation is on the line as the company fails to keep up with unprecedented demand

Peloton is one of the few companies managing to thrive during the pandemic, as quarantined Americans seek alternative ways to workout at home. Since March, sales have skyrocketed, with the company this month reporting that sales in its fiscal first quarter ending on September 30 increased by a whopping 232% to \$757.9 million year-over-year.

However, Peloton's meteoric rise hasn't been without problems. Because of the unprecedented demand, the company has struggled to deliver products in a timely fashion, an issue that has been exacerbated by "periodic warehouse closures associated with COVID-19, west coast forest fires, and hurricanes," CEO John Foley told investors earlier this month.

Foley said delivery setbacks have been compounded by the debut of Peloton's new premium model, Bike Plus, which is manufactured on a separate supply chain than its original bike. Though he shared an action plan to mitigate the delays — including increasing production, investing in expedited shipping from Taiwanese factories, and hiring more employees — the obstructions only seem to mount.

"Please note we're fully up to the challenge and are 100% committed to again delivering the level of excellent customer service our members deserve and expect, but it will take us a bit more time to get there," Foley said on the call. (In response to a request to comment for this story, a Peloton spokesperson referred Business Insider to remarks made on this call and in Foley's most recent [shareholder letter](#).)

In some cases, [customers are still waiting](#) for orders placed several months ago. Worsening Peloton's woes, thousands of riders over the summer reported that pedals had [snapped off mid-ride](#), causing injuries and broken bikes that went unfixed for weeks on end due to unresponsive customer service. In October, Peloton issued a [recall of 30,000 bikes](#) as a result of the pedal breakages.

"I, along with others, have been lied to and basically given the runaround when it comes to repairing broken Pelotons. I have never complained about a service like this, but this has gone on too long," Peloton customer Alissa Dorman wrote in an email to Business Insider.

Dorman, a marketing professional in Wisconsin, waited more than two months to receive her Peloton Bike Plus, only to have it break one week after arriving on October 5. After contacting Peloton customer service on October 12, she was told someone was scheduled to come fix the bike on November 13, but no one showed up.

"Before I purchased a bike, I did all kinds of research and was always given a glowing review from friends. It appears these issues have only plagued those who purchased a bike during this pandemic," Dorman said.



Becky Friese Rodskog rides her Peloton exercise bike at her home on April 6, 2020 in San Anselmo, California. [Ezra Shaw/Getty Images](#)

Now, as some consumers start to lose faith in the fitness giant, experts are raising concern over long-term negative impacts to Peloton's previously sterling reputation.

Landon Luxembourg, a senior analyst at Third Bridge, [told Freightwaves](#) the persistent supply chain issues will "absolutely" mar sales, as consumers may start to lose faith in the company.

Durk Stelter, chief revenue officer of consumer experience platform Linc, also told [Business Insider](#) that inconsistencies in communication and sluggish customer service response times may prove especially perilous to brands like Peloton.

"Consumer loyalty lies in choosing the brands that provide the most ease of use in terms of accurate shipping times, correct order information, providing multiple shipping information, and overall best communication," Stelter said. "With so many delays

continuing to occur, brands that do not prioritize their order support experience will lose loyal customers who will choose to purchase from those that have."

The coronavirus pandemic

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 - Managers at a Tyson facility **bet on how many of their worker would get sick with COVID-19** after they were ordered to work during the pandemic, a wrongful death lawsuit alleges.
 - President-elect **Joe Biden started tearing up after talking to a nurse** about treating COVID-19 patients in ICU.
 - NYC parents **unleash fury after news that schools will close as restaurants, gyms remain open**.
 - Imagine if every person in Reno, Nevada, suddenly died. **That's how many lives COVID-19 has claimed in the US so far.**
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