

Sunrise Yoga

An Exploratory Business Plan
For Denton's First Hot Yoga Studio

Executive Summary

Sunrise Yoga will offer Hatha and Vinyasana yoga in a heated room plus workshops in related yoga topics. Sunrise Yoga will employ well-trained, professional instructors. The studio will provide progressive teaching methods, a non-competitive and encouraging atmosphere, and a beautiful light-filled facility.

Sunrise Yoga will be located in the commercial downtown section of Denton, Texas. Sunrise Yoga's goal is to facilitate classes for students of all ages and experience levels with the intention of helping students increase their fitness levels and decrease their amount of daily stress. Sunrise Yoga will operate as a sole proprietorship.

In this business plan, we request a loan of \$2,158.80 to assist us in purchasing inventory for the studio's boutique space.

Introduction

Objectives:

The objectives of Sunrise Yoga are the following:

- Acquire 200 loyal customers by the end of the first year of operation. This will be determined by membership sales, conversion rates, and membership retention rates.
- Achieve sales in excess of \$5,000 from the boutique. This will allow the studio to re-pay its initial loan, and make profit.
- Increase customer base by 25% by the end of the second year of operation.
- Increase sales by 15% by the end of the second year of operation.

Mission:

At Sunrise Yoga our instructors are dedicated to seeing each individual develop their practice. Each instructor will be certified to teach yoga and will demonstrate the qualifications necessary to be registered with the Yoga Alliance at the highest teaching standard of 500 hours. This means they have completed over 500 hours of comprehensive training in techniques, teaching methodology, anatomy, physiology, yoga philosophy, ethics and lifestyle. Not only will our instructors teach students, they will exemplify aspects of dedicated students themselves. Each instructor will have a background with personal practice that includes thousands of hours of dedication. They will understand what it is like to be a student and will assist students in their journey toward a rewarding and fulfilling yoga practice.

Company Summary

Yoga means “union” in Sanskrit and is essentially the connecting of the physical body to the mind. Yoga explores, develops, and bonds the body, mind, and spirit. Through the Yoga asanas (postures and poses) the body’s muscles are both stretched and strengthened. The asanas increase circulation to internal organs and glands, quiet the nervous system, and improve circulation. When yoga is used in every-day self-care it can bring vitality, health, weight loss, deep relaxation and peace of mind.

At Sunrise Yoga we will offer 3 separate series classes, all of which are designed to reduce stress, increase strength, improve flexibility, and balance the weight of the body. Sunrise Yoga students are encouraged to combine our many class and workshop offerings to achieve a peaceful physical and mental experience unique to their needs.

Sunrise Yoga will offer mixed level classes throughout the day so that students can easily fit classes into their schedules. Classes offered will vary from heated Hatha yoga, to headed vinyasna yoga. The studio will also facilitate workshops for children’s yoga. Sunrise Yoga will also have a small boutique in the front of the studio that will sell mats, towels, props, and other yoga related materials.

Company Ownership

Sunrise Yoga will be co-owned by Alexandria Hudson and Jodie Hudson.

Alexandria Hudson, RYT, co-founder of Sunrise Yoga, has been teaching Yoga since 2009 and has been a yoga practitioner since 2007. She is registered with the national Yoga Alliance at the highest 500-hour level. She has experience teaching Yoga to all levels of students in environments that range from community centers to fitness clubs to yoga studios.

Jodie Hudson, RYT, co-founder of Sunrise Yoga, has been teaching Yoga since 1995 and has been a yoga practitioner since 1985. Jodie has been managing a franchised Yoga studio since 2010 and has experience with managing and maintaining teaching staff and budgets for heated studios. She is registered with the national Yoga Alliance at the highest 500-hour level.

Start-up Summary

The start-up expenses for Sunrise Yoga will be focused primarily on a deposit for the studio’s rent, mirrors for the yoga room, and inventory for the boutique. Alexandria will invest \$5,000 and Jodie will invest \$10,000. We plan to use our own start up cash and a small loan of \$2,158 to finance the business. Our start-up requirements are simply business assets, teaching supplies, and advertising.

Company Locations and Facilities

Sunrise Yoga will be located in downtown Denton, Texas. The studio is quickly accessible to the over 20,000 urban dwellers that Sunrise Yoga considers to be potential clients.

With one large yoga room, men and women's changing rooms, and a boutique, Sunrise Yoga offers a quiet spacious area for people to find peace of mind in the busy city.

Products and Services

Sunrise Yoga will offer 3 basic classes that will alternate during the week. In addition to these classes, Sunrise Yoga will facilitate workshops for kid's yoga and gentle elderly yoga.

Services

- **Sun Series:** Temperature ~98.6 Humidity ~60%
This 90 minute class will consist of 34 postures performed at a moderate pace in a carefully controlled environment. This series is accessible to students at any level and provides all students from beginners to advanced practitioners with an ever-expanding set of challenges and rewards.
- **Earth Series:** Temperature ~90 Humidity ~50%
This 60 minute class is an energetic, detoxifying and exhilarating power yoga class. It will employ dynamic movement and focused balance and appeals to fitness minded students. Very similar to power yoga.
- **Moon Series:** Temperature ~ 90 Humidity ~60%
This series will be performed to music in subdued lighting. This series frees the mind to explore the mental and physical benefits of yoga. The selection of music will progressively awaken the entire brain and facilitate a deep physical body connection with the creative mind through meditation and gentle stretching.
- **Kids Yoga Workshops**

Pricing and Memberships

Studio tuition will have various options so that students on a budget and adults with no budget can each have accessibility to yoga.

- Drop in class rate: \$15
- Student drop in class rate: \$10
- 5 Class Punch Card: \$70
- 10 Class Punch Card: \$120
- One month of unlimited classes: \$109 (Minimum of 6 Month Contract)

Market Analysis

Market Segmentation

Sunrise Yoga will have a customer group of varying demographics.

- Ages will range from 20-60
- Sex: 30% Male, 70% Female
- Health/Lifestyle: Active individuals who are focused on healthy food and dieting.

Marketing Strategy:

We will seek to avoid most print, radio, newspaper and paid advertising when our studio first opens. This will help us to save money and focus on improving our studio environment. Instead, we will use as many free promotional avenues including the following:

- Community newspapers
- School and company bulletin boards
- The Internet
- Social media
- Flyers

We plan to establish a social media presence as well as a frequently updated website that will list class prices and times.

Financial Summary

Sunrise Yoga will be a Limited Liability company. We would be interested in leasing a space in downtown Denton beginning in January of 2014.

We will be applying for a 3-year lease at the fixed rate of \$25 per square foot, utilities at \$400 per month, and a Triple Net expense of \$250 per month, bringing the total monthly payment to \$1585 per month.

In addition to the cost of leasing, we will also purchase inventory for the studio's boutique. The co-owners of the studio will supply funds for the leasing of the studio space and the start up costs of transforming the space into a functional yoga studio. The co-owners will be seeking a funding request to purchase inventory for the boutique. These supplies are intended to make profit in the first year.

Funding request

To begin our business, we will be seeking a loan of \$2,158.80 to purchase inventory for our studio's boutique.

A breakdown of our initial supply cost follows:

20 Gaiam brand hot yoga mats for the boutique (\$29.98 each): 599.60

20 Gaiam brand yoga blocks for the boutique (\$11.98 each): \$239.60

20 Gaiam brand yoga straps for the boutique (\$11.98 each): \$239.60

15 Yogi Toes brand skidless hot yoga towels for the boutique (\$64.00 each): \$960.00

30 Yogi Toes brand headbands (\$4.00 each): \$120.00