

mindbody

How to Create a Business Plan for Your Future Yoga Studio





Introduction

Yoga is your passion—one you want to share with others. That’s why you decided to open a yoga studio.

We understand, and we want to help you. Starting a business is a great undertaking, one that needs concrete planning and strategy. This guide, designed specifically for yogis turned entrepreneurs, will help you with the first step: creating an effective business plan.

A business plan is your guide to getting started on your road to success. It helps you get the not-so-fun details out of the way so you can focus on what you love. With a business plan, you’ll figure out how to staff your studio, where to rent a space and how you’ll fund it. You’ll have an idea of how much revenue you’ll make over the years, how to price your classes and how to grow your business.

Let’s look at the must-have parts of a business plan:

- Executive Summary
- Company description and market analysis
- Organization and management
- Service
- Marketing and sales
- Financial projections and funding

Executive Summary

Provide an overview of your business—*what types of yoga classes, services and products do you plan to offer? Who is your ideal client? How will your yoga studio stand out from the competition?*

These are the questions you'll want to answer in your executive summary, the part of your business plan that outlines the major details in the pages to come.

Think of it as a way of solidifying, organizing, and pitching your ideas for any reader.

As a yoga studio owner, your executive summary will include your reason for teaching yoga, your target market, community benefits, and projected success. If you're looking to get funding, your summary should be compelling enough to get potential investors excited about your studio and convince them to read more of your business plan.

Company Description and Market Analysis

The company description goes into greater detail about your future yoga studio. It outlines the problems you'll solve (bringing greater health to the community), goes into detail about your average consumer (a member of the local community interested in health and wellness) and, most importantly, underlines your competitive advantage.





What makes your business stand out from other yoga studios? Do you have years of training and expertise under your belt? Are you in a more populated or convenient place? Does your yoga studio offer workshops or teacher certifications? Do you offer a unique style or interesting member benefits? Having a clear vision of the ways your studio differs from others in the area will help with everything from marketing to decorating to funding and revenue growth.

The market analysis, meanwhile, describes in depth your industry outlook and target market. *Who will be your primary target client? Will you be providing a broad range of classes to appeal to a wide audience? Or will you be offering services that reach a more niche audience?* For example, if you are in a college town, you may offer more classes targeted at 18–24-year-olds. If you are in a retirement community, you may want more restorative and gentle yoga offerings. Think carefully about the type of student that you want to attract.

This is your chance to see what your competitors are doing and make more informed decisions about how to run your own studio, especially when it comes to location and pricing.

Market research doesn't end once your business gets off the ground, however continuing with it helps you keep evolving. Before you even open your doors, you should research and start using studio management software, so you have the data you need to manage your business.

Organization and Management

Use the organization page to define the legal structure of your business. [Visit the IRS page on business structures to see your options.](#) You'll want to consult legal counsel or your local government website to determine the best approach for your business.

For the management section of your plan, you'll outline how your staff will be structured and what their responsibilities are. Including a visual aid like an organizational chart is a good idea. Some considerations for this section include:

- The number of staff you'll need
- Whether or not you'll manage or hire a manager
- Whether you'll use employees or independent contractors
- Who will have keys to the yoga studio
- How you'll pay your team
- If you'll offer incentives (bonuses, discounted classes, merchandise, etc.)





Service

This section includes a compelling description of your yoga service, going into more depth here than in the executive summary. Here are a few relevant topics:

- Type of practice
(Hatha? Vinyasa? Hot yoga? What mix of classes will you offer?).
- Class types and descriptions—consider teacher trainings, intensives, workshops, retreats, or series classes.
- How will students book classes
- What, if any, inventory you will choose to sell
- How will your yoga studio collect revenue
- Patents and licensing
(Are you using a trademarked form of yoga like Bikram? Did you design your own form you'd like to license?)

You can also describe the sales cycle for your yoga studio here, outlining the journey from discovery through membership. Make sure you're thinking about all sales touch points—don't leave a potential dollar on the table.

Marketing and Sales

The marketing section answers the question, *"How will you attract and retain students?"*

Small businesses can't operate effectively without a marketing strategy; otherwise, no one will know your yoga studio exists. This part of your business plan may include options like:

- Local print advertising
- Paid online marketing
- Sponsored social media posts
- Networking with potential clients
- Connecting with social influencers within the yoga community
- Partnerships with other businesses in the area
- Local events





The sales portion outlines the journey of a single customer. Here, you should include each way a customer discovers your studio and pays for a class, including:

- In-person discovery
- Through your website
- On social media
- Via a branded app

Describe how a customer discovers your business through each of these methods, signs up for a class, turns into a repeat customer and eventually purchases a membership.

The yoga studio management software you choose can have a significant impact on your marketing, sales effectiveness, and revenue. *Does your software allow your clients to book your classes through online channels like Facebook, Instagram, and Google? Does it easily support membership set up? Does the software put your offers directly in front of consumers in your market?*

Financial Projections and Funding

A financial outlook helps you manage spending and, if necessary, convinces investors to fund your business. In a way, this is the most important part of your business plan. Class descriptions and marketing strategies are great, but none of it will work without solid finances.

You'll create a timeline of financial considerations that will take you through the next five years. Be sure to include:

- Start-up costs, including licensing, decor, signage, marketing, sales inventory, hardware, and software
- Fixed costs, like rent, employee pay and other recurring payments that don't change much
- Variable costs, such as future advertising and inventory
- Income projections based on payment type (online versus in-studio)
- A break-even analysis (how many clients you need to cover expenses)





Be sure to include considerations that will affect your financial projections such as:

- Class prices
- Realistic membership revenue goals
- Maintenance costs
- Taxes
- Rent and utilities
- Materials and merchandise

The funding page is where you'll explain what assistance you'll need, how long you'll need it and what you plan to use it for to a bank or investors. Be as detailed as possible here; you want them to be completely assured that your business is a worthwhile investment.

Conclusion

A thorough business plan serves two major functions. It's a guidebook for getting your dream off the ground, as well as a way to secure funding.

Think of this plan as gathering everything you need for success before getting started. Researching locations, choosing studio management software, networking with customers, securing funding—a business plan outlines these steps.

Once you open your doors, your business plan will be a guide to help you along the way. Coupling it with a [business management software](#) solution like Mindbody, you're set for success every step of your journey.

Congratulations, good luck and know that we're with you every step of the way.

Download our free [Business Plan Template](#) to get your planning started.

To learn how Mindbody can position your new business for success, schedule a demo today at www.mindbodyonline.com/yoga





How to create a business plan for your future yoga studio

Business Overview

(This is your elevator pitch)

Marketing and Sales Strategy

(How people will find you)

Mission Statement

(A formal summary of the aims and values of your company)

Projected Annual Costs

(Estimate)

1. Start-up costs:

2. Fixed costs:

3. Variable costs:

Target Market

(Future customers)

Projected Annual Income

Competitive Advantage

(What sets you apart)

Potential Investors

You can also download our free [Business Plan Template](#) to get your planning started.