

Yoga Studio

Objective: To improve the return on investment of the yoga studio by analyzing session performance and proposing alternatives for low-ROI sessions.

The studio operates 50 weeks a year, six days a week, with participants paying a flat fee of \$15 per session. The studio incurs fixed monthly costs and per-session costs for teachers and operations. Our goal is to identify high-profit sessions, reduce costs, and maximize profitability through optimal session scheduling.

Current Operational Overview

- **Sessions per Week:** 24 sessions (4 per day, 6 days per week).
- **Annual Sessions:** 1,200 sessions.
- **Revenue Breakdown:**

Session Time	Revenue
Morning Sessions	\$90,225
Noon Sessions	\$61,590
Afternoon Sessions	\$37,320
Evening Sessions	\$59,940
Total Annual Revenue	\$249,075

- **Annual Costs:**

Cost Category	Amount
Annual Costs	
Rent	\$24,000
Operational Costs	\$18,000
Teacher Fees	\$60,000
Session Costs	\$36,000
Total Annual Costs	\$138,000
Annual Profit	\$111,075

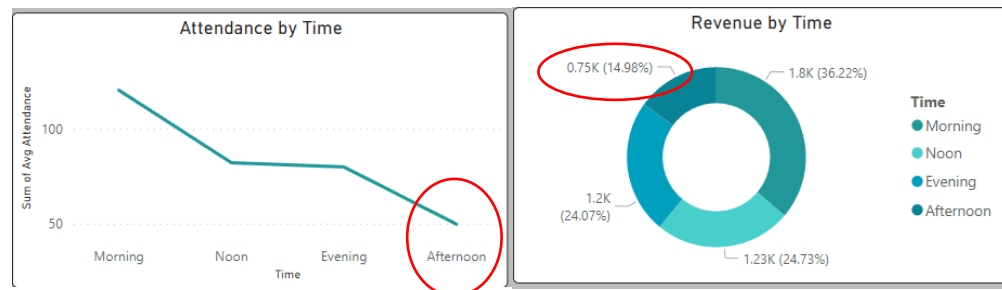
Key Insights from Dashboard Analysis

- Afternoon sessions have low attendance of 2,488 participants annually and generate the lowest revenue \$37,320.
- Evening Sessions of Saturday also showed to perform low with some adjustments like canceling Saturday evening sessions can remain profitable.
- By canceling low-performing sessions the studio will reduce costs significantly, improving the overall profit margin.

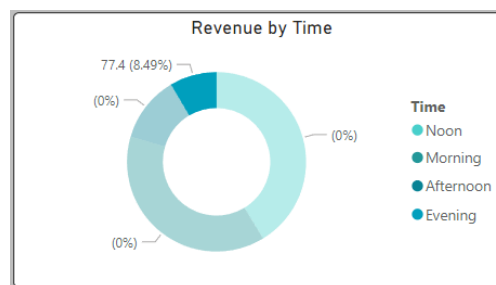
Recommendations

1. Afternoon Sessions:

- The afternoon time slot shows low attendance and revenue, making it less profitable. Canceling this session will help reduce operational expenses, including teacher fees, and enhance overall profitability.
- A potential reason for the low attendance in afternoon sessions could be the discomfort caused by travel fatigue during the midday heat. To address this, the studio could consider replacing afternoon classroom sessions with online sessions. This would not only reduce maintenance and operational costs but also potentially boost ROI by offering participants a more convenient option, especially during peak heat hours.



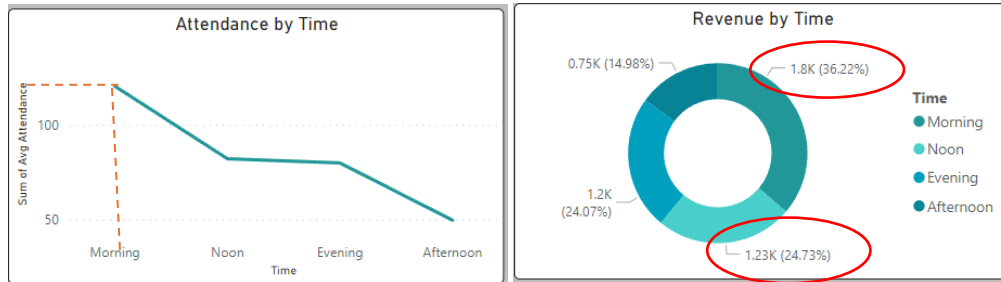
2. Saturday Evening Sessions:



- Saturday evening sessions show lower participation compared to other days scoring only an average of 8.49%. Reason could be due to weekends. By canceling this

specific time slot will help reduce operational expenses, including teacher fees, and enhance overall profitability.

3. Maximize High-ROI Sessions:



- The Business can focus on marketing the morning and noon sessions, as they generate the most revenue and have high attendance.
- Consider adding more sessions in the morning and noon (based on demand) to accommodate potential demand from afternoon participants.

4. Shifting Participants Shifts:

- The studio could shift the afternoon session participants to other sessions based on their comfort. Track how many participants from the canceled afternoon sessions shift to other times and how many choose online. Adjust the schedule based on actual attendance trends after cancellations to optimize the session structure further.

5. Additional Options:

- Offer promotions or bundle pricing to generate early revenue and reduce dependence on attendance levels.
- Consider hosting online workshops or special classes during peak time slots at a reduced rate. This strategy can enhance marketing through word-of-mouth and leverage a funnel approach to attract more participants.

Conclusion:

To improve the return on investment for the yoga studio, the analysis of session performance has revealed both opportunities and challenges. Currently, the studio generates a total annual revenue of \$249,075 with a profit of \$111,075 after accounting for annual costs of \$138,000. Despite this, certain sessions, particularly afternoon and Saturday evening ones, are underperforming, contributing to lower revenue and profitability. The proposed changes, including canceling low-ROI sessions of afternoon and Saturday evening, will result in an estimated profit increase of \$9,340 annually, bringing the total annual profit to \$120,415. This optimized approach will not only reduce unnecessary costs but also help the studio focus on maximizing the profitability of high-demand sessions.