

Introduction

Background

Yoga and pilates have soared in popularity in recent years. According to [Roy Morgan Research](#), approximately 2.2 million Australians practise yoga, and 1.2 million practise pilates. Both of these activities are dominated by women; 77% of yoga devotees, and 90% of pilates participants, are women.

The growing market for yoga and pilates classes has driven growth in business opportunities for people working in health and fitness. However, with increased availability of teacher training courses, there is a risk that the market will become saturated with businesses offering classes in these disciplines.

Market saturation would see unsustainable competition among businesses, and a resultant downward pressure on class prices (and, therefore, revenue). Because of this, the long-term profitability of a yoga or pilates provider hinges upon locating its premises where there is an identified market need. Locations that are already well-served, or where the population demographics indicate a lack of interest in yoga or pilates, should be avoided.

Business question

If a new yoga or pilates studio were to open in Victoria, Australia, where should it be located?

Interested parties / stakeholders

This analysis is aimed at people in the health and fitness industry who are seeking to open a yoga or pilates studio in Victoria. It should also be of interest to people who invest in or provide finance to such businesses, as the insights in this analysis would aid in determining investment risk.