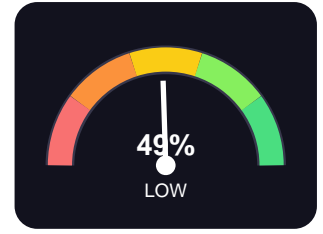




Market Verdict - Viability Analysis

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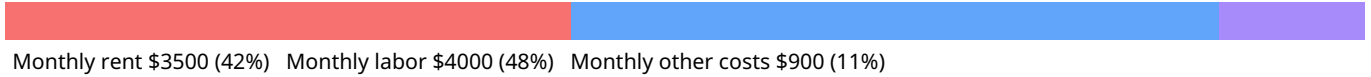
VIABILITY SCORE 49% LOW



Monthly revenue breakdown:



Monthly cost breakdown:



MARKET VERDICT — VIABILITY ANALYSIS

Idea: Yoga studio
Location: Denver, Colorado
Mode: Hybrid

YOUR INPUTS

Budget: \$80,000
Avg ticket: \$18
Customers/day: 25
Gross margin: 70%

Monthly rent: \$3,500
Monthly labor: \$4,000
Monthly other costs: \$900

VIABILITY SCORE: 49 / 100 (LOW)

Monthly Revenue: \$9,450 – \$16,200
Monthly Profit: \$1,785 – \$2,940
Break-even: 28 – 999 months

MARKET SIGNALS

Location: Denver, Colorado, USA
Competition: 1 (score 90/100) within 3000m

SUMMARY

Low viability under current assumptions. Competition count=1. GDP/capita ~\$85000. Profit range ~\$1785 to

~\$2940/mo. Adjust pricing, volume, margin, or costs.

RISK FACTORS

- Rent is high relative to baseline revenue (25.9%).
- Hybrid operations add complexity; ensure processes and staffing are realistic.

EXECUTION PLAN

1. Define a narrow target customer and a clear differentiation wedge.
2. Validate assumptions: price point, expected volume, and gross margin using 10–20 customer conversations.
3. Run a demand test: pop-up, market stall, or pre-sales campaign to validate real willingness to pay before committing to a lease or full inventory.
4. Collect a location shortlist and compute rent-to-revenue ratio; target rent \leq 10% of baseline revenue.
5. Measure competitor density in 1–2 mile radius and pick a wedge that existing options do not serve.
6. Build a buffer: plan for downside scenarios (seasonality, staffing, slower ramp).
7. Launch MVP: smallest offering that tests repeat demand, then iterate weekly using measured results.

CUSTOMIZED PLAN

1. Optimize pricing and class mix for higher occupancy

Why: With low viability (score 49) and profit sensitivity to volume/margin, the Denver market may support pricing and demand only if seats consistently fill. Since rent is high relative to baseline revenue (25.9%), optimizing utilization across beginner, ongoing, and specialty classes

First step: Redesign the pricing ladder and class mix to target higher utilization

2. Lower fixed costs with flexible class formats

Why: High rent relative to baseline revenue means the studio needs operational flexibility. Hybrid adds complexity, so reducing fixed staffing load and using smaller, demand-responsive class sizes can lower break-even pressure while maintaining a steady schedule

First step: Cut fixed cost pressure by converting part of the schedule to instructor-led pop-ins and smaller formats

3. Standardize hybrid delivery to reduce operational risk

Why: Hybrid operations add complexity, which increases execution risk when margins are thin. A repeatable workflow (studio setup, audio/video checks, participant support, and post-class handling) reduces failure rates and staff burden, helping protect the already narrow profit range

First step: Set up a hybrid operations playbook with standardized class prep, streaming workflow, and tech checklists

4. Build retention-focused hybrid membership offers

Why: The viability score is low and profit range is modest, so customer retention matters. In Denver, competition exists and hybrid can differentiate, but only if you convert one-off attendees into recurring members with predictable attendance and additional virtual sessions

First step: Launch a targeted local-to-virtual retention funnel (membership for recurring practice plus virtual-only add-ons)

5. Identify schedule gaps and differentiators versus local competition

Why: Competition is present, and viability is currently weak under assumptions. By mapping what

competitors offer (style, class times, hybrid options, pricing positioning) and identifying schedule gaps, you can adjust volume allocation toward higher-demand slots that improve revenue/c

First step: Run a costed competitor-and-demand audit focused on schedule gaps and differentiators

6. Use rent-and-capacity KPIs for weekly course-correction

Why: Rent is high relative to baseline revenue, so management needs fast feedback. Tracking attendance and engagement weekly helps adjust class count, staffing, and hybrid support before you fall into low-utilization weeks that drive viability down

First step: Implement a weekly KPI dashboard tied to rent coverage and instructor capacity (fills, cancellations, no-show rates, and virtual engagement)

Heuristic scoring + public data signals. Not financial advice.

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