

# Kristi's Amazing Piano Studio

## *Turnkey Planning for 2020*

### North Star Vision

*My vision is to open a lively and engaging studio with multiple branches serving the Orange County, CA area. My mission is to help thousands of students combine their love and appreciation for music with their academic studies, fostering a genuine love for learning and letting music serve a purpose beyond the keys.*

### Analysis Phase

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Operating Costs/Overhead: **\$960/month** (running lean!)

- Travel Expenses: \$500/month
- Supplies and Materials: \$40/month
- Rent: \$0 (no formal space)
- Health Insurance: \$200/month
- Bookkeeping Software: \$50/month
- Credit Card Processing Fees: \$170/month

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Kristi's Salary: **\$42,000/year (~\$3,500/month)**

- Number of weeks to teach per year: **40 weeks** (take off for longer summer vacation, account for all major holidays, lessons other students might miss)
- Market Rates: Average cost **\$60/hour** in Orange County, CA
- Skills: Bachelor's and Master's degrees in Piano Performance, MTNA member, five years teaching experience
- Breakeven:
  - Needs to make **\$4,460/month** to break even (**\$53,520 in Annual Revenue**)
  - Planning on charging **\$70/hour** (slightly above market rate)
  - Teaching **40 weeks** per year with \$70/lesson means Kristi needs **20 students per month** at minimum to meet her operating expenses and salary) — this brings her to **\$56,000** in AR, netting her \$2,480 in studio profit to put away as capital.

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Capital On-Hand: **\$30,000** (6 months of **runway**)

- \$20,000 in bank (savings)
- \$5,000 in bank (checking)
- \$5,000 loan (parents)

# Innovation Phase

How to Differentiate Myself — *how does this tie in with my grand vision?*

- Interested in holding Music Field Trips twice per semester for students! (Music halls, museums, concerts)
- Volunteer opportunities for students to perform in senior living homes, libraries, etc. (Community outreach)
- Music + Academics master classes: combining the art of learning music with an academic field in a fun and engaging way
- Strengthening bonds between families in the studio: Monthly mixers and studio classes
- End-of-year holiday party for kids to strengthen healthy relationship between music and fun for the students and the parents
- Alternatives to “no makeup no reschedules” policy?

# Planning Phase

Q1 Plan — *what to execute in three months! (January-March 2020)*

<b>Quadrant 1 (Important / Urgent)</b> <ul style="list-style-type: none"><li>- Secure all relevant business licenses and permits from the City (buffer <b>~6-8 weeks</b> for this to process)</li><li>- Finalize teaching schedule with students (<b>~1 week</b>)</li></ul>	<b>Quadrant 2 (Important / Not Urgent)</b> <ul style="list-style-type: none"><li>- Launch marketing campaign (search engine optimization, business logos + website, distribute flyers locally, email campaign) — <b>~4 weeks</b></li><li>- Build studio policy (outline offerings, solidify pricing and teaching schedule for the year, explain perks and rules of the studio) — <b>~3 weeks including proofreading time</b></li></ul>
<b>Quadrant 3 (Not Important / Urgent)</b> <ul style="list-style-type: none"><li>- Gather all materials for teaching — <b>~1 week</b></li><li>- Get car oil changed — <b>1 day</b></li></ul>	<b>Quadrant 4 (Not Important / Not Urgent)</b> <ul style="list-style-type: none"><li>- Plan out music field trips — <b>~2 weeks</b></li></ul>