

BRAND RE-ORIENTATION ANALYSIS

CURRENT BRAND ORIENTATION: New York City Mind-body Fitness/Yoga Brand. Hip, dynamic, creative, inspiring, challenging, transformational, comfortable, accessible, communal, powerful, somewhat-accommodating, consistent, non-dogmatic spirituality, non-judgmental, grounding, younger and dynamic teachers, open to all ages, abilities and experience-levels, but most accessible to younger, fitter women.

ISSUE: Should the company consider re-oriented its brand to appeal to a wider target market?

CURRENT MARKET SEGMENT ANALYSIS:

- **Sex/Age:**
 - 80% women
 - 75% between 20 and 40 years old
 - 15% between 40 and 65 years old
 - 3% over 65 years old
 - 2% under 20 years old
 - 20% men
 - 85% between 20 and 40 years old
 - 15% over 40 years old
- **Occupation/Income:**
 - Entertainment/restaurant/temp – 75%
 - Professional – 10%
 - Other – 10%
- **Family Status:** 85% single / 15% married / 3-5% with kids
- **Attendance:** Ave 2 visits/week, 70% annual attrition
- **Needs/Desires:**
 - Strong workout
 - Centering experience
 - Share in community
 - To a lesser extent, time efficiency

POTENTIAL MARKET SEGMENT ANALYSIS FOR NATIONAL EXPANSION: Which markets hold the greatest potential to be captured by a potential brand expansion?

- **20-45 year old women/young moms**
 - **Benefits of Targeting:**
 - Already indoctrinated, highest rate of participation, greatest level of exposure and acceptance:
 - **Challenges in Targeting:** Knowledge is broad and desire is high, but costs and schedule are barriers.
 - **Segment-specific Needs:**
 - Time-efficiency,
 - One-stop mindbody solution (cardio, strength, flexibility & Stress mgmt)
 - Sacred time in day,
 - Childcare or simultaneous programming
 - Community
 - **Bang For the Buck** (return vs effort needed to cultivate (1-100)): 90
- **45-65 year old babyboomers/male & female: Needs...**
 - **Benefits of Targeting:**

- Largest demo by a wide margin,
 - Fastest growing demo by 5 million/year,
 - Highest disposable income permits regular, long-term participation
 - Life-enhancement/functionality motivation drives long-term participation,
 - More available time to participate
 - **Challenges in Targeting:**
 - High educational threshold – will require substantial “what is yoga?” educational initiative.
 - Higher-touch environment – more comfortable/less edgy
 - Need to overcome perception of intimidating environment (based partly on current market solutions and lack of knowledge)
 - Ability to create compelling, educational & non-intimidating introductory experiences.
 - Potentially need more experienced teacher who can accommodate students with higher-likelihood of injury and pre-existing conditions/injuries or limitations.
 - **Segment-specific Needs:**
 - Learning Path/experience
 - Life-enhancement
 - Improved physical functionality
 - Pain-reduction
 - Stress-management
 - Enjoyable experience
 - Welcoming community
 - Fitness solution
 - Time-efficiency
 - Easy to learn
 - Non-intimidating, comfortable setting
 - Knowledgeable teachers
 - Accommodate limitations/injuries
 - Smaller class size, more personal attention
 - **Bang For the Buck** (return vs effort needed to cultivate (1-100)): 80
- **20-25 year old working men: Needs...**
 - **Benefits of Targeting:**
 - Medium level of current knowledge means lesser educational initiative in selling campaign
 - Current participation level growing
 - Need for time-efficient total mindbody solution
 - **Challenges in Targeting:**
 - Moderate to high education effort needed
 - Overcome impression that it is largely for women who want to stretch
 - Overcome perception that yoga cannot deliver fitness benefits similar to mainstream fitness modalities like running, sports and weights.
 - Overcome potentially intimidation of women-dominated setting
 - **Segment-specific Needs:**
 - Time-efficiency,
 - One-stop mindbody solution (cardio, strength, flexibility & Stress mgmt)
 - Be part of a community
 - **Bang For the Buck** (return vs effort needed to cultivate (1-100)): 50
- **Kids/Teens: Needs...**
 - Sport-specific protocols for athletes
 - Non-judgmental experience for body-awareness challenged kids
 - Fun, exciting bonding experience
 - Safe environment

- **Bang For the Buck** (return vs effort needed to cultivate (1-100)): 30
- **Obese, Middle-Age “Richard Simmons” Segment:**
 - **Benefits of Targeting:**
 - Market participants shy strongly away from mainstream fitness settings due to perceived intimidation factor, but have a strong desire for an effective weight loss/fitness solution.
 - Flip-side: Market largely ignored by mainstream fitness/mindbody providers, i.e., gyms, yoga studios, fitness studios, etc.
 - Market size is growing rapidly in all age demographics (so sad)
 - Psychological needs to “fit into” a community can be filled.
 - Can help with weight loss, flexibility, stress-management and support
 - **Challenges in Targeting:**
 - High education effort needed to...
 - Overcome impression that it is largely for young, super-fit women
 - Overcome perception that yoga cannot deliver fitness benefits similar to mainstream fitness modalities like running, sports and weights.
 - Overcome potential intimidation of young fit women-dominated setting.
 - Need to create specific asana protocols to accommodate challenges of lower level of fitness, greater limitations on flexibility and movement and risk factors that may accompany obesity.
 - Create more comprehensive, fully-integrated programs.
 - **Segment-specific Needs:**
 - Non-intimidating setting and service providers
 - Programming that accommodates limitations of obesity
 - One-stop mindbody solution (cardio, strength, flexibility & Stress mgmt)
 - Strong emphasis on accepting, supportive community
 - Integrated, respectful programming without gimmicks.
 - **Bang For the Buck** (return vs effort needed to cultivate (1-100)): 75+

Brand Market Re-Orientation for National Expansion: Based on the above information, the extreme rate of competitive saturation and the company’s core philosophy and mission statement, the company would be well advised to pursue the development of programming and a re-orienting of the brand to appeal more to the Baby Boomer market and overweight/obese market in order to maintain long-term viability.