

THE 4 O'S EXAMPLE

OBJECTIVES

- > We want to grow by an additional 50 private one-on-one lessons in 3 months (by 30th Sept).
- > 25 of those students will fill all current spots of the timetable, then we would need to create an additional space and hire an additional 2 tutors to reach the target.

OPPORTUNITIES

- > We have 25 spots available on the current timetable.
 - Short term, the best solution would be to fill these.
 - Long term, it would be better to add another space so there's more flexibility for lesson times and growth.
- > There's space in our venue to add another room to offer lessons. This will open up lesson times for an additional 50 spots per week and an extra 6 shifts for team members Monday - Saturday.
- > Implement 3-4 marketing ideas: e.g community blitz, FB campaign, sign up a friend campaign and a phone call to current students to ask for referrals.

OBSTACLES

- > We have \$3,500 set aside for the new space, but the budget needed is \$5000 which allows us to have a keyboard, drum-kit, music stand, and guitar amp.
- > We could get a loan for the additional \$1500 (family, bank or sell something).
- > Currently 12 people on waiting list who will potentially go elsewhere if we don't act now. Could charge fees up front to help with fit out.
- > We could fit out a new room and only buy the keyboard and music stand, then we can still offer guitar, keys, vocals and any other instrument lessons which tutors can bring their own instruments.
- > The net profit on the 12 on the waiting list is worth moving forward as that brings in \$144 p/w.

OUTCOMES

- > We currently make \$12 net profit on each lesson, so if 12 people sign up from the waiting list that's \$144 p/w. Over the next 12 weeks that's \$1728. We need an additional \$1500 to complete the room set up and so we can afford that over the 12 weeks even if our marketing campaign doesn't bring in any additional students.
- > To play it safe, we will spend the difference on marketing (\$1728 minus the \$1500 needed for the room). That leaves \$228 over 12 weeks, which is \$20 per week. That money will best be spent on Facebook adverts and free email campaigns to current students to sign up friends. Can't afford a community blitz with fliers, but can afford to approach organisations for a blurb/advert in newsletters for free.

My Actions

- > Create a 12 week Facebook campaign, reviewing and upping the budget as new students sign up.
- > Book in working bee to finish new room. Ask Dave, father of Tina to help since he's a builder.
- > Research online to see if I can find a better deal on the musical equipment and sound proofing.
- > Contact 12 people on waiting list with an offer to start.
- > Create referral promotion for all current students. Get them excited about our new room and get them to tell their friends to sign up.
- > Assess whether current team can grow their hours to cover the new room or whether we need to hire new tutors.
- > Plan out 2 days to visit and phone organisations (schools, sports clubs, churches etc) for a blurb/advert in newsletters for free.