

Executive Summary

In an increasingly busy and interconnected world, the desire for a balanced and healthy lifestyle has become a paramount concern for individuals of all ages and backgrounds. Issues such as work-related stress, mental health, and loneliness have become the three most common problems faced by the modern generations. As people become more & more preoccupied with their daily routine, such as their jobs or household, they have difficulty fitting in the time for activities that contribute to their own wellness. It is in this context that Yoga, an ancient practice with enduring relevance, and Pilates, a holistic approach to physical well-being that focuses on strength, flexibility, and the mind-body connection, have risen to prominence in recent years, especially in Indonesia. These disciplines, which intertwine physical exercise, mental tranquility, and spiritual harmony, represent a unique and holistic approach to wellness. The benefits of improved physical fitness, mental clarity, emotional balance, and community interaction have proven to attract and give rise to studios that provide yoga and pilates classes. However, consumers have felt their fair share of dissatisfaction with their personal experience, such as far distance to the studio, prices being out of their budget, time constraint, or small range of courses offered.

As an answer to the problems and opportunities mentioned above, our business, FIHL Studio, offers comprehensive yoga and pilates classes led by certified instructors, with the added option of the '*on-call class*', a service to have your private yoga or pilates classes whenever and wherever, with the equipment and instructor delivered straight to your location. This service eliminates the need for customers to deal with a trip to the studio, finding parking space, or uncertainties regarding the comfort of the studio, as they can hold a class in their own home, office, or campus with family and friends, without the need to purchase the necessary equipments (other than fitness attire).

FIHL's target customers are, but not limited to, Millennials and Gen-Z's ages 20 - 39 years old, in the middle-upper segment. We will be using the Focused Cost Strategy. Our decision to use this strategy is influenced by the survey that was conducted and identified an upper segment (20-29) that is potentially price-sensitive. Thus, by keeping prices relatively affordable, but keeping the service quality high with certified instructors and a wide range of class types, FIHL hopes to still attract this particular segment. All of our instructors are highly certified with a minimum of RYT

200h for yoga instructors, and STOTT certifications for pilates instructors to ensure that the service provided will always meet industry standards and customer expectations.

FIHL Studio targets the opening of four branches within a five-year period, specifically two branches in Year 1 and two branches in Year 2. The first two branches will be located in BSD, Tangerang Selatan and Pondok Indah, Jakarta Selatan. The next two branches will be located in Jakarta Garden City, Jakarta Timur, and Summarecon Bekasi, Bekasi, for a total of four branches in Year 2. The location decision was based on our supply and demand analysis, and also taking into consideration residential areas with high-traffic commercial areas in close proximity.

The operational goals of FIHL Studio are to maintain professionalism and quality standards in conducting Yoga and Pilates class training, fulfill the demand for yoga and Pilates classes, and meet customer requests for customized "Yoga & Pilates On Call" services. In order to maintain quality, the result of the capacity strategy analysis conducted by FIHL is the provision of 5 group Yoga classes per day, 2 VIP classes per day, and 2 on-call classes per day, with a maximum daily capacity of 126 customers and a maximum monthly capacity of 504 customers. For Pilates classes, FIHL offers 5 group Pilates classes per day, 2 VIP classes per day, and 2 on-call classes per day, with a maximum daily capacity of 28 customers and a maximum monthly capacity of 112 customers.

To promote FIHL Studio, we will be using free trials, sales promotion, digital ad campaigns, and digital promotion via content marketing and KOL during pre- and post- store opening. As for FIHL's pricing method, FIHL Studio will be using Perceived-Value Pricing with High Value Strategy (High Perceived Product Quality & Medium Perceived Price). This means FIHL tailors our pricing to align with both the scope and caliber of services provided to our customers.

To start the business, FIHL Indonesia estimated that the amount of initial investment and initial operational costs required is IDR. 7.6 billion, with calculation of achieving the payback period which will occur in 4 years and 1 month. In the calculation of the most likely scenario, the NPV of the business will reach Rp. 1.4 billion with an IRR of 12%. With this scenario, it can be concluded that the FIHL Indonesia business is feasible to run.