Case Study I. Highland Yoga - Comprehensive Data Analytics & Strategy

"Bree's work has had a huge impact on our growth and marketing strategies and is integral to our plans moving forward."

-Elspeth Brotherton, Founder and CEO of Highland Yoga

Client Overview

Highland Yoga, a thriving regional yoga brand with ten studios across Atlanta and Nashville, sought strategic business insights and detailed financial analytics to better understand revenue streams, client behaviors, and growth opportunities.

Project Objectives

- Conduct detailed financial analyses of multiple revenue streams, including studio memberships, intro offers, teacher trainings, workshops, retreats, and online subscriptions.
- Build financial models of individual studios, and model planned expansion for potential investors.
- Calculate and evaluate key business KPIs, such as Lifetime Customer Value (LCV), churn rate, and retention rates.
- Evaluate effectiveness and profitability of marketing and customer acquisition channels, including Intro Offers, Groupon, ClassPass, referrals, and social media.
- Identify high-impact strategic initiatives focused on operational efficiency, profitable customer acquisition, and long-term retention.
- Build financial models of individual studios, and model planned expansion for potential investors.
- Optimize SEO.
- Automate data analytics for digital offerings.

Methodology & Strategic Analysis

I applied a multi-dimensional analytical approach using data-driven tools and techniques:

1. KPIs & Financial Analytics

- Integrated financial data from QuickBooks and client data from MindBody to create nuanced KPI analytics for:

- Customer metrics like LCV (integrating network effects)
- Predictive financial models
- Unit economics

2. Client Acquisition & Retention Analysis

- Analyzed effectiveness and profitability of client acquisition channels:
  - Intro Offers had approximately XX% **long-term retention**, generating robust recurring revenue streams.
  - Groupon promotions outperformed expectations, delivering a remarkable XX% **retention rate**.
  - Physical flyers demonstrated cost-effective and profitable client acquisition, outperforming digital ads in direct conversions.

3. Revenue Diversification & Profitability Insights

- Quantified significant contributions from supplementary offerings, including teacher training, merchandise sales, yoga retreats, and online yoga memberships.

4. SEO Optimization

- Added structured data to Highland Yoga website and Highland Flow website (online yoga) to improve SEO and generate Google snippets.
- Added alt text to all images and optimized keywords for search.

5. Strategic Recommendations for Growth & Efficiency

- Prioritized and optimized marketing channels that showed significant retention performance.
- Recommended renewed focus and expansion of client referral programs, demonstrating a high-margin return of $XXX **per referred client**.
- Recommended an increase in digital marketing and reallocation of marketing budgets toward proven high-return acquisition strategies, significantly reducing customer acquisition costs.

6. Automate data analytics for digital platform

- Integrated financial data from Stripe with client data from Namastream to create a fully automated, real-time KPI dashboard.
- Integrated API-driven data directly into customized Google Sheets for live updates on performance metrics, minimizing manual effort and enhancing data accuracy.

Key Outcomes & Impact

- Delivered clear, actionable analytics empowering Highland Yoga to confidently pursue strategic geographic and digital expansion initiatives.
- Enhanced visibility into customer acquisition profitability, directly influencing marketing spend efficiency and resource allocation.
- Provided quantified strategic recommendations, positioning Highland Yoga to achieve a target valuation of approximately **$▇▇▇▇ million** by 2026.
- Enabled the leadership team to communicate compelling financial narratives to potential investors.

Deliverables

- Comprehensive statistical analysis reports quantifying client behaviors, revenue trends, and KPI benchmarks.
- Integrated financial models accurately projecting revenue growth and profitability.
- Strategic presentation decks tailored explicitly for investor presentations, including visual summaries of client acquisition profitability, churn analysis, and detailed revenue stream breakdowns.
- Automated data analytics for digital offerings.
- SEO optimized with structured data, optimized keywords, and alt text.

Tools & Technologies Utilized

- Google Sheets and Excel for advanced analytics and financial modeling
- Python for analyses of revenue, attendance, and clients based on Mindbody data
- Mindbody and Namastream for subscriber data
- QuickBooks and Stripe for financial data
- Statistical and strategic analysis methodologies, including cohort retention modeling and profitability analysis

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Client Impact & Results

The comprehensive analysis and strategic recommendations provided clear pathways for Highland Yoga to efficiently enhance profitability, sustainably grow their client base, and successfully communicate strategic vision and financial health to potential investors.

Select Figures from the Highland Yoga Project

Fig. 1 Financial Analyses

Fig. 2 Financial KPIs

KPIs	2021	2022	2023	2024	Averages
EBITDA%	30%	44%	36%	28%	36%
Net Income %	29%	50%	28%	19%	31%
YoY Revenue Growth	10%	35%	44%	24%	49%
Compound Annual Growth Rate (CAGR)	44%	43%	43%	41%	76%
	31-Dec-21	**31-Dec-22**	**31-Dec-23**	**31-Dec-24**	**26-Feb-25**
Current Ratio	2.27	3.31	1.74	1.60	1.88
Return on Assets (ROA)	0.68	1.16	0.87	0.58	0.84
Return on equity (ROE)	1.01	1.60	1.14	0.81	1.16

Fig. 3 Model of Growth for a New Highland Yoga Studio

New Studio Model

Revenues   GROSS MARGIN   EBITDA   Net Income

*Model represents inflation-adjusted numbers averaged across the three legacy studios for which there was sufficient data.

Fig. 4 Forecast Model for All Studios Including Proposed Additions


KEY METRICS
- Revenue
- Gross Margin
- EBITDA
- Net Income
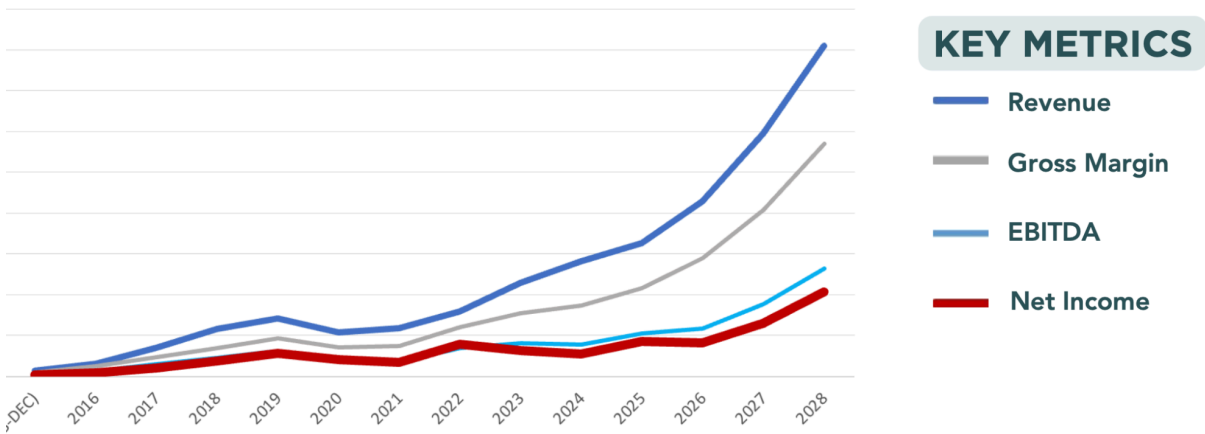
Fig. 5 Proportion of students referred from each source in 2024 who will go on to purchase a membership or package.


Clients Retained from Common Referral Sources - 2024

■ Another Client   ■ Google   ■ ClassPass   ■ Instagram   ■ Flyer   ■ Facebook
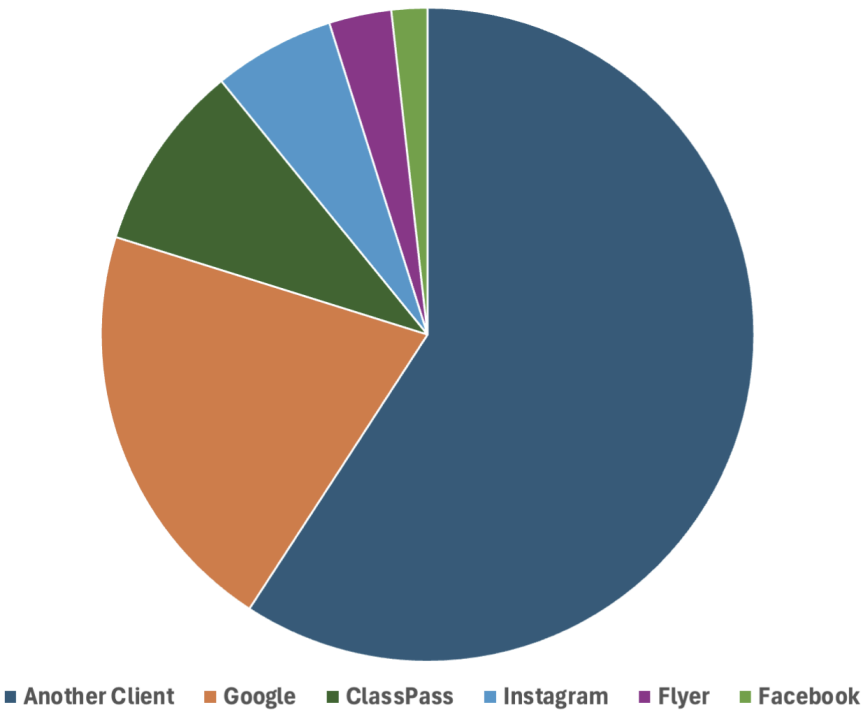
*These proportions closely approximate the total value Highland Yoga receives from each of these sources. Client referrals generate nearly ▓▓% of all profits at HY.

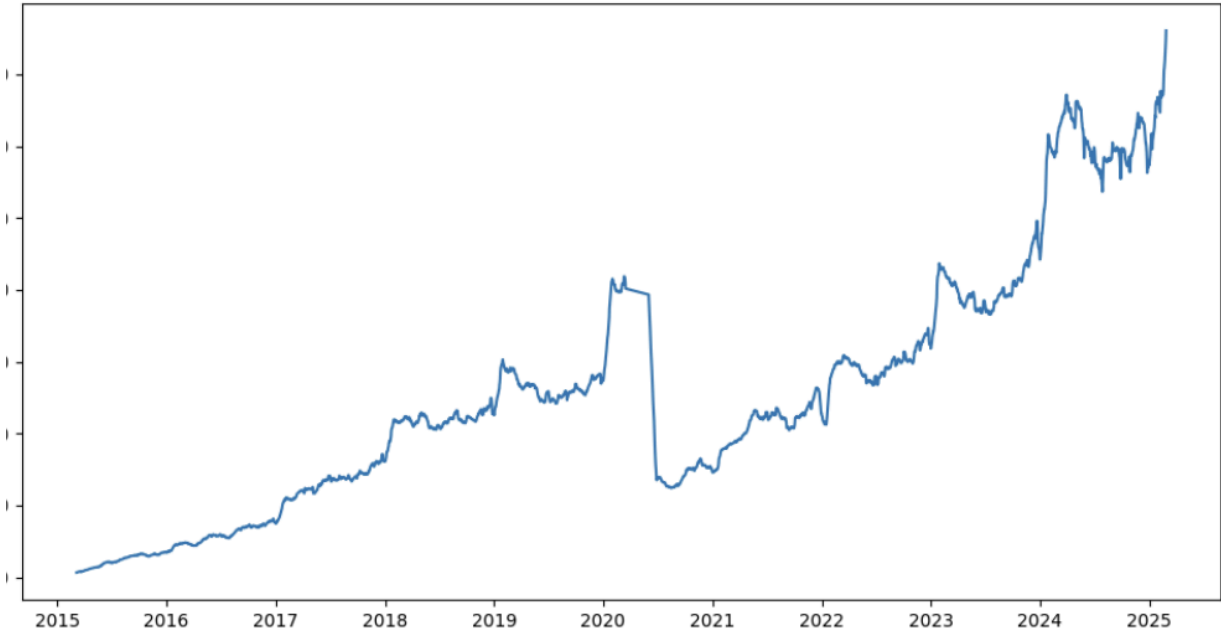**Fig. 6** Retention rates for common pricing options (all time).

Retention Rate - Pricing Options
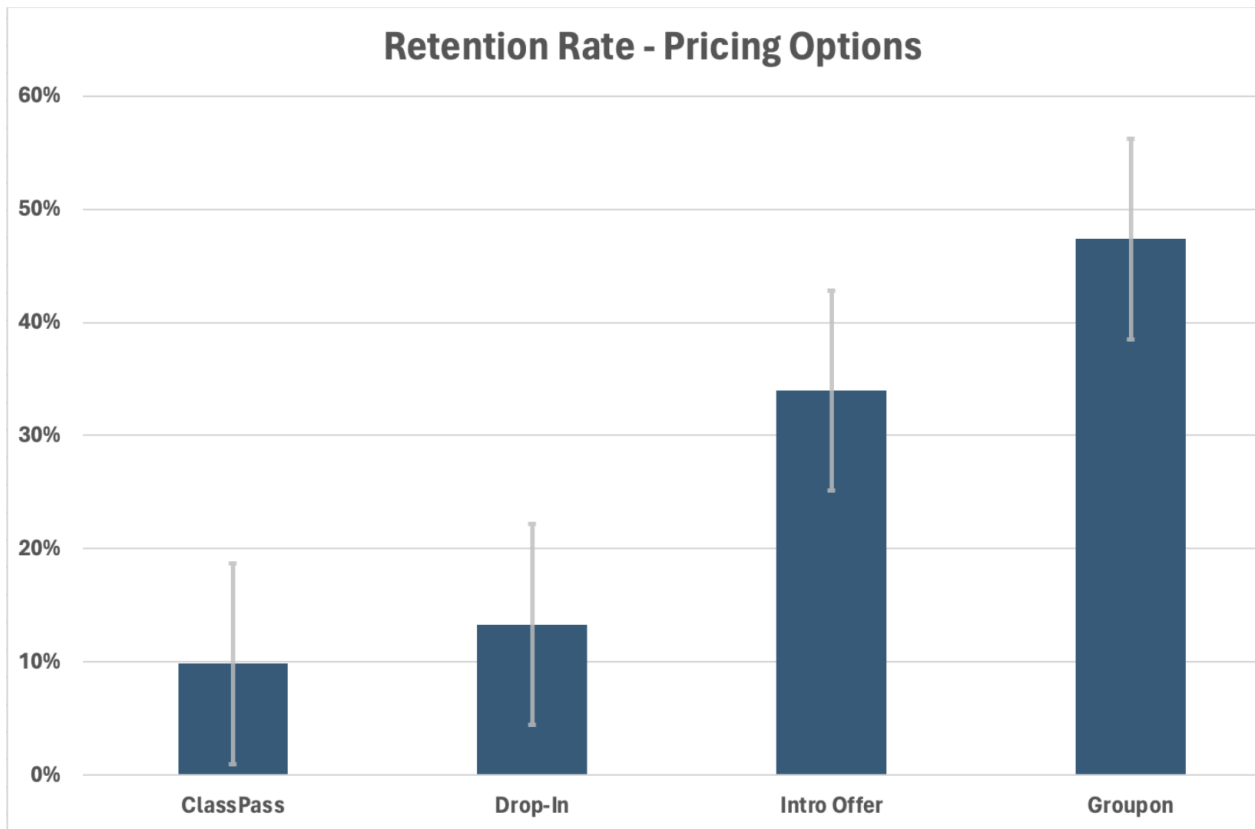
*"Retention" means the student goes on to purchase a membership or package.

Fig. 7 Revenue by studio, before and after COVID.

Adjusted Revenue per Day by Studio — Before COVID

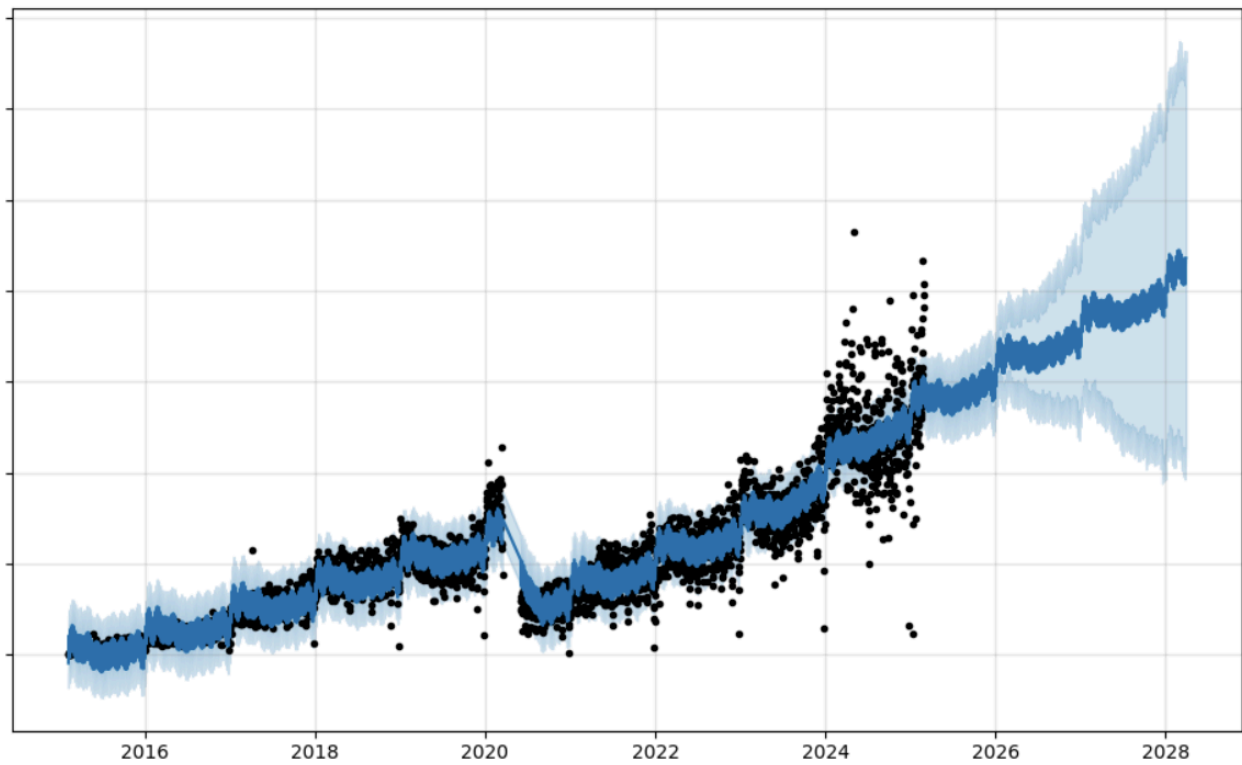. Adjusted Revenue per Day by Studio — After COVID
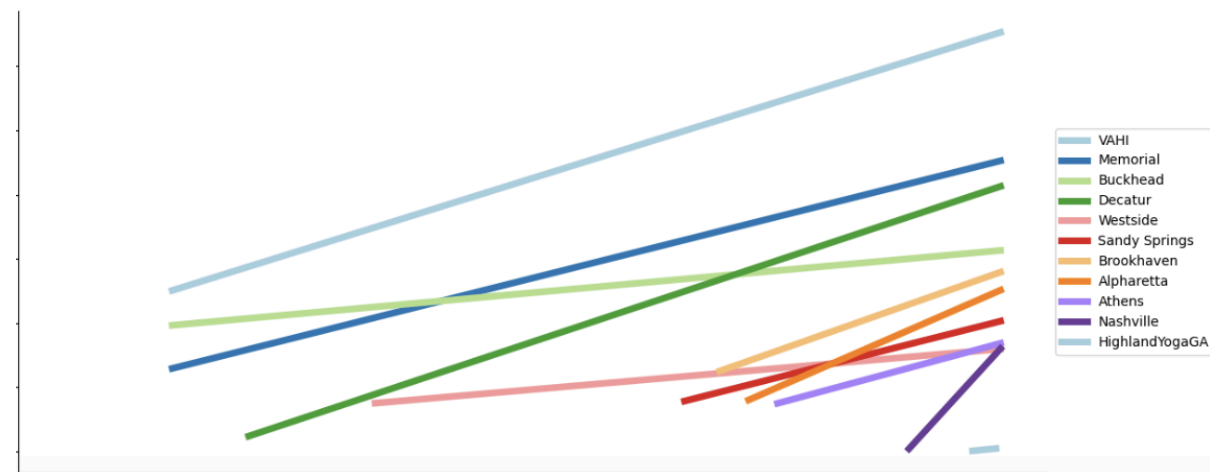
Fig. 8 28-Day Moving Average of Revenue (All Time)

Fig. 9 Autoregressive Predictive Model for Revenue

Fig. 10 Most Popular Pricing Options (All Time)