



OXYGEN AEROBICS CLUB

Final Project

LEIS 4362

Katherine Jetleb
B00864740

Katherine Jetleb
Founder & Owner, Oxygen Aerobics Club

Spryfield, Halifax, Nova Scotia
(555-222-8716) | www.Oxygenaerobics/ns.ca

December 2, 2025

Subject: Invitation to Invest in Oxygen Aerobics Club

Dear Potential Investor,

I am excited to introduce you to Oxygen Aerobics Club, Atlantic Canada's first aerobic gymnastics team. We are looking to redefine the sport of gymnastics through introducing aerobics to athletes and fitness enthusiasts across Canada. Our club offers both competitive and recreational classes for all levels and ages, and we are driven by our commitment to raise awareness of aerobic gymnastics through affordable and inclusive programs that engage the community and encourage lifelong participation and enjoyment of the sport.

Although aerobics is popular in South America, Northern Asia, and Eastern Europe, the sport has only recently come to Canada and the U.S. within the last decade. Therefore, this sport is in its early adopter's phase, with significant potential for growth as awareness and participation increases within the nation and across various diverse populations/communities. Many gymnasts quit as teenagers due to the sport's high demands, cost, and tendency toward producing negative body images. However, Ontario's three existing aerobic clubs have successfully gained and retained members from all gymnastics backgrounds facing these challenges. Oxygen Aerobics aims to do the same through a low-cost strategy targeted toward youth in performance-evaluated sports. We are doing this by emphasizing our programs as high flexibility and low-cost, while capitalizing on our strategic location in Spryfield: Halifax's largest and fastest-growing neighbourhood.

Since our beginning plans, we have secured sponsorships from key gymnastics and sport apparel brands: Lululemon and Spieth Canada. Now, we are seeking more strategic partnerships with investors to help cover our start-up costs, mainly with financing our needed equipment. To support this, we are seeking an investment of \$100,000 with an interest rate between 4-8%.

Attached, you will find our comprehensive business plan, which outlines:

1. Our market and business opportunities,
2. Financial projections and expected return,
3. Our strategies for achieving our goals and vision.

Thank you for considering this opportunity, and I look forward to the possibility of sharing our vision and opportunities for Oxygen Aerobics Club.

Sincerely,

Katherine Jetleb

Founder & Owner

Oxygen Aerobics Club

www.Oxygenaerobics/ns.ca

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Executive Summary

Gymnastics has long been an appealing and engaging sport for many, but participating in it involves significant costs, commitments, and skill demands. Aerobic gymnastics, the newest addition to the five gymnastics disciplines, recently introduced in Canada and the United States, offers a unique advantage: it is less demanding in terms of cost, commitment, and physical ability. Rooted in fitness and influenced by dance, bodybuilding and CrossFit, aerobic gymnastics requires minimal equipment, making it easy to practice at home and accessible to people of all ages and fitness backgrounds. This increased accessibility provides a valuable opportunity to promote aerobic gymnastics to both youth and adults across various athletic levels and socioeconomic statuses.

I have firsthand experience with the transformative potential of aerobic gymnastics, through my time as a judge, coach, and national-level athlete. This is what has inspired me to establish Oxygen Aerobics, Nova Scotia's first aerobic gymnastics club located in Halifax—the largest sports market in the Atlantic region.

In the long-term, we want enhance community awareness for aerobics within the HRM. Oxygen Aerobics has significant competition in our target segment. Therefore, our strategic plan involves purposeful brand positioning as a low-cost and unique sport offering.

Business Description

Mission Statement & Industry Profile

For many years, being part of the aerobic community was central to my identity. It fostered a strong sense of belonging with others, giving those involved a shared collective purpose. Since the community is small, all of us Canadian aerobic athletes, coaches, and judges developed close bonds and worked collaboratively toward a common goal: to progress the sport across Canada, increase engagement, and help get our athletes on the world stage. The mission for Oxygen Aerobics aligns with these broader goals of the Canadian aerobic community— To raise awareness of aerobic gymnastics by engaging youth through affordable and inclusive programs that encourage continued participation and enjoyment of the sport.

This has also guided Oxygen's core values of inclusivity, consistent athletic development, empowerment, and community. Our vision is to become a national leader in aerobic gymnastics, inspiring the establishment of more gyms and programs across Canada. By doing so, we hope to foster widespread interest, passion, and participation in aerobics within the country.

Through competing, coaching, and judging, I have connected with aerobic delegates from around the world and developed strong relationships with members of the aerobic governing body in Canada. My deep understanding of the sport, experience as a high-level athlete, and well-established aerobic community network have been instrumental in building my

organizational team. These assets will also continue to guide the development of our athletes and shape our programming and business strategies.

Our club, Oxygen Aerobics, offers recreational, competitive, and specialized skill classes (including strength and flexibility training), catering to a wide range of interests and needs. Classes and competitive training will run weekdays from 4pm-9pm, and on weekends from 9am-3pm. In addition to regular classes, we also provide day camps (on holidays and in summer) and birthday parties to help provide additional revenue.

All other disciplines of gymnastics are notorious for their high expense and relative level of exclusivity, as gymnasts are often required to commit significant amounts of time, money, and resources to participate. Additionally, the desirable body of many gymnasts is one that is strong but petite, adding to the pressure many faces from the sport. When I was an aerobic gymnast, almost every other aerobic gymnast I met, listed one of these reasons as to why they quit artistic or rhythmic gymnastics and began aerobics. While our broader target market is youth and adults with an interest in music, performance, and physical wellness, we have chosen a specific target segment of youth already involved in performance-evaluated sports¹ seeking a more flexible, affordable, and less demanding alternative.

Place

Since Halifax is the largest city on Canada's Atlantic coast, it makes it an attractive city for opening a new sport club. Therefore, we decided to rent a facility in Halifax's highest density and fastest growing neighbourhood filled with our target segment (low-middle income families): Spryfield. Spryfield is highly accessible by transit, making it an easy commute for most people living in the HRM. This accessibility also allows those who do not have access to a car, a better opportunity to participate in our programs.

Most small-mid-size gymnastics academies are between 10,000-30,000 square feet (Chalk Bucket, n.d.). Since aerobics has only one apparatus (e.g., the floor), Oxygen's necessary square footage is on the lower end of the size spectrum. Therefore, we are renting a facility that is 13,000 square feet, complete with a full-size spring floor, training trampoline, and various training mats and equipment. Although some of our competitors have big facilities, allowing for more growth, our smaller facility size helps keep our facility maintenance, insurance, and renting costs low, but will eventually restrict our expansion abilities. This may require a future facility move to continue keeping up with our competition. However, for the time being, the current space is well-suited to

¹ Performance-evaluated sports refer to athletic activities where participants are judged on execution and artistry of body movements rather than scoring success based on objective measures such as "goals" or winning a race (ex. gymnastics, figure skating, diving, dance, cheer, etc.).

accommodate our anticipated number of members and the classes we plan to run while still allowing for sufficient growth in recreation and competitive membership over the next five years.

Team

Oxygen's management team is small, yet effective. As the business owner and founder, I will serve as the executive director and head coach, overseeing all major strategic decisions. Nadine Elashy, a former teammate of mine, will assist in day-to-day business operations as well as act as a supervisor for our coaches. We plan to start with 5 other part-time coaches, and they will be in charge of instruction for recreational classes and communication with members. Oxygen also has support from relevant figures in the Canadian gymnastics and aerobic communities. They will provide us with logistical, programming, and legal support to help us stay on track. Together, our team will focus on ensuring smooth operations of the program and facility by offering high-quality programming and instruction which promotes an inclusive and welcoming environment.

Marketing and Competitor Analysis

Given our location and market segment, and as a discipline of gymnastics, Oxygen Aerobics has 3 main competitors: Titans Gymnastics & Trampoline, Halifax Alta, and Illusions Rhythmic Gymnastics. Although similar in particular ways, each club has its own unique features and offerings, differentiating each other and attracting varying client bases. This is illustrated in Figure 1.

Figure 1
Competitive Matrix

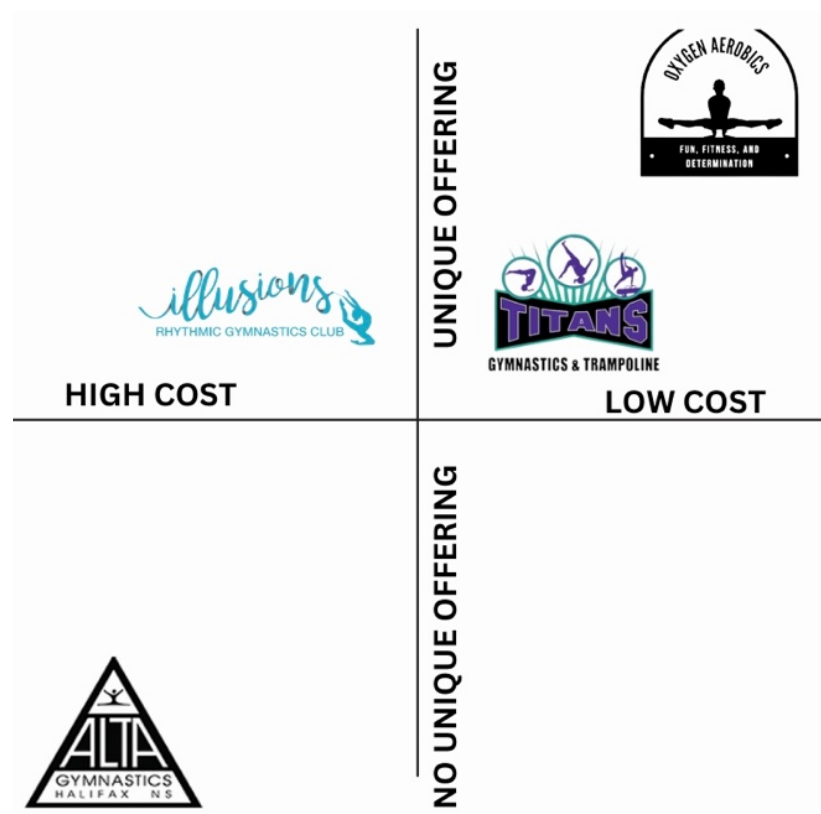
	Offers specialty programs	Has a strong online / social media presence	Currently houses and trains elite athletes	Has a large facility (e.g., 15,000 square feet+)	Average price of a recreation class per session \geq \$400
<i>Titans Gymnastics & Trampoline</i>	Yes (e.g., trampoline)	No	No	Yes	No
<i>Halifax Alta</i>	No	No	Yes	Yes	Yes
<i>Illusions Rhythmic Gymnastics</i>	Yes (e.g., rhythmic/circus)	No	Yes	No	Yes
<i>Oxygen Aerobics</i>	Yes (e.g., aerobics & fitness training)	Yes	No	No	No

Titans, a gym in Dartmouth, offers lower relative costs, a specialty program (trampoline), and they have a large facility. At the same time, Halifax Alta and Illusions host elite athletes, giving them more credibility and general appeal. However, they all lack an online presence. Therefore,

to put us in competition with these gyms, Oxygen plans to address our own member retention and growth challenges through strategic digital marketing and low pricing.

This competitive matrix has helped Oxygen identify key characteristics that separate the competing clubs across each aspect of the marketing mix (price, promotion, product, and place). This enables us to consider and analyze how and why each club varies in their overall marketing and operations strategies. It has also helped us identify our main advantages and opportunities in the market, illustrated by Figure 2.

Figure 2
Positioning Chart



Oxygen offers a unique sport opportunity that is low-cost. Compared to our competitors, this positions us as an accessible yet cool and new option for individuals seeking both sport and fitness activities. This helps differentiate us from the other gymnastics clubs in the HRM and gives us a

competitive advantage in attracting new members. However, to ensure it stays as an advantage, we need to ensure our marketing efforts are sufficiently focused on it to avoid any significant revenue loss. For example, if we lack in investing in promotions, we may have trouble attracting a lot of members. Then, our affordable prices will be too low to sustain our business activities, and we may eventually face bankruptcy.

Marketing and Promotion Plan

The overall goal that has shaped our marketing strategy is to, of course, capture the attention of our target segment, but also spread the word about aerobics as an up-and-coming sport in the Atlantic and broader nation.

Our target segment is youth, so our marketing strategy must address both their interests and the values of their parents, who would ultimately decide on their child's enrollment and likely cover all their fees. So, while programming should engage the children, promotional messaging should be accessible on platforms used by both parents and youth, ensuring attention to parental values.

While all disciplines of gymnastics are high-energy and thrilling, aerobics stands out with a unique vibe in both training and at competitions. Unlike artistic, rhythmic, and trampoline/tumbling gymnastics—which require a quieter, more focused atmosphere and use only instrumental music—aerobic routines use upbeat workout music/pop songs and gymnasts prefer a lively and energizing environment. An artistic gymnast may get mad at teammates or spectators for being loud during a routine, but in aerobics, loud cheering is encouraged. Therefore, the delivery of our promotion messages will reflect this energy, utilizing hype music and radiant visuals to best showcase the fun, dynamic, and inclusive atmosphere of aerobics, thus leaving intrigue and capturing the attention of our target segment.

First, we will utilize internet marketing in the form of social media posts, paid search bar promotions, and our website. Oxygen will establish accounts on TikTok, Facebook, and Instagram, linking them together for a seamless user experience and consistently directing viewers to our website for more information. As previously discussed, posts on these platforms will be captivating and thrilling while highlighting the inclusivity, accessibility, and fun atmosphere of the sport. Additionally, our main competitors take the top of the Google search engine results for “gymnastics Halifax” due to their established reputation. To account for this, we will pay for a search engine ad, allowing our gym to grow in recognition faster.

While social media will be used for generating intrigue, attention and interest, our website will be our hub for general information, resources, and registration. This is where both returning customers and prospective customers can find general information about the sport and what a class entails, as well as pricing, class types, Oxygen's goals and mission, and coaches and management profiles. There will also be a FAQ and contact us section, where members and interested customers can find our e-mail and phone number.

Aside from internet marketing, Oxygen will utilize a couple forms of traditional marketing. A lot of this type of marketing will be networking and word-of-mouth based. We will visit elementary, junior high, and high schools to give mini-demonstrations and engaging presentations on the sport of aerobics and our club. This helps create positive associations with our gym while gaining interest in our programs and gaining brand visibility.

We also have a couple sponsors and supporters. In exchange for brand visibility, loyalty, and recognition, Lululemon and Spieth Anderson have agreed to provide in-kind support. Lululemon is our official apparel and team training supplier, and Spieth Anderson has agreed to give us a discount on equipment purchased from them in exchange for promo videos posted on Tik Tok, where we show us using their mats.

With all things considered, when developing and implementing our marketing plan, it is vital that we leverage our strengths and acknowledge our weaknesses in relation to our major competitors, target segments, and long-term goals. This will help us keep up with competition, thus increasing our brand consideration, awareness, visibility, and attraction/retention.

ESG Concerns

Oxygen is committed to providing sustainable, empowering, and trustworthy services. Our business is centered around inspiring people from all backgrounds to engage in sport as a means of personal growth and enjoyment. Guided by this, we have identified key priorities in the environmental, social and governance areas of the market and our business.

Aerobics is an indoor sport, so outdoor environmental concerns are minimal. However, we want to ensure our facility has important elements of sustainability. To conserve energy, we will use LED light bulbs and install added insulation and motion-sensor lighting. Additionally, our waste bins will be divided properly into recycling, garbage, and compost with clear labels for proper waste management. Since gymnasts drink a lot of water, we will also install multiple water refill stations. This will encourage our members to bring reusable bottles or cups, reducing plastic waste. Although small, these practices will help us reduce our carbon footprint while promoting sustainable practices within the community.

Along with sustainable practices, we also want to promote empowerment and self-determination within the community. A notorious challenge faced by gymnasts and those in performance-evaluated sports is body and self-confidence. For decades, gymnastics has been known for promoting eating disorders due to a cultural emphasis on maintaining a small and lean physique as well as high pressure from coaches. Recently, the sport has seen strides in changing this issue. Oxygen wants to help encourage this mindset change and we want to make sure our members always feel comfortable in their own bodies and proud of who they are.

Management Practices

Service Standards

Oxygen is committed to providing high quality service standards. We will always be focused on creating a space of social belonging, where all feel supported and encouraged. We'll also ensure all coaches are certified, experienced, and consistently deliver engaging, safe, and effective training sessions. All communication will be friendly and professional, making sure to address concerns efficiently. and will always Collect and act on feedback to improve our services. Additionally, we will ensure our equipment uses updated and safe technology to decrease the potential for injury risk amongst our members and coaches.

Risk Management

Because gymnastics is a very high impact sport, the potential for injuries is heightened. This is a fact that many parents are aware of, giving it a negative safety reputation. Statistically, gymnastics is regarded as a riskier sport, sometimes negatively affecting athletes in the long-term. However, these risks can be effectively cared for through proper safety training for both athletes and coaches, and effective risk management. This includes maintaining the highest safety standards. We will do this by keeping up with provincial, national, and sport safety regulations, consistently training our athletes and coaches on how to prevent injuries and falls, and ensuring our facility is equipped with high quality and technology equipment.

On the more operational level, there is a risk of low enrollment. Since our sport has low awareness, most people will not actively seek out our gym. To account for this, we have committed a lot of our efforts to marketing and promotions to help us increase recognition and consideration.

Financial Strategy & Action Plan

Sample Income Statement – First Year of Operations

Revenue	
Registration Fees	\$100,000
Fundraising	\$20,000
Total	\$120,000
Costs	
Equipment	\$60,000
Salaries	\$80,000
Rent	\$30,000
Marketing	\$25,000
Legal, Insurance, & Administration Fees	\$15,000
Total	\$210,000
Net Profit	(\$90,000)

Due to the nature of our business, our revenue will basically solely come from registration fees and fundraising (Figure 3). In our first year of operations, we plan to hold two community fundraisers focused on showcasing our gym and providing support for our athletes. We also expect to have around 200 members per session, and we'll have three sessions in a year. As illustrated in Figure 4, Each session costs between \$200. Therefore, with 600 members throughout the year, we are forecasting about \$100,000 in revenue. Our class fees are priced on the low end of gymnastics classes in the HRM at nearby gymnastics clubs in order to maintain our low-cost strategy, thus giving us a competitive edge. Since aerobics also requires less space and equipment than other disciplines of gymnastics, this low-cost strategy is financially viable. As a result, we can maintain lower operational costs while still providing high-quality programming focused on meeting the needs of our target segment.

Figure 4

Session Information – Program Information

	Running Months	Price Per Participant
Fall Session	September - December	\$200
Winter Session	January - April	
Summer Session	May - August	

*Classes are 1.5 hours once a week

We also aim to bring in extra revenue from maximizing the utilization of our facility during non-operational hours. Since our target market is youth, our operations occur after school hours. Therefore, from Monday to Friday after 3pm, our facility is not in use by our club. To make more efficient use of this availability, we intend to offer day camps and birthday parties and offer our space for rent, to be used by local businesses, community groups, or other organizations interested in a more versatile venue. This will not only help us maximize revenue but may also help build our client base through spreading awareness of our club to diverse groups and populations. For instance, birthday parties and day camps offer a good opportunity to reach a wider market and gain members outside our primary target segment. For example, a child who has their birthday at Oxygen could invite up to 20 friends, introducing them to the sport and our gym (and its programs). Similarly, camps allow participants to try aerobics with no commitment.

Despite our lesser need for equipment than our competitors, we still face the challenge from high equipment costs for the equipment we DO need. Primarily, an aerobics spring floor costs ~\$50,000 and supplemental training mats and equipment may cost between \$30,000-\$50,000. However, much of this equipment will turn into fixed assets. And as equipment costs diminish year to year, we also expect salaries to raise.

We have also committed a significant amount of money into marketing. As discussed, marketing and promotions is an important consideration for Oxygen, as we have to spread awareness about the sport before we can gain a major client base.

Other major costs we will incur are those associated with legalities, regulation, and insurance. With gymnastics/aerobics being a riskier sport (injury-wise), we must ensure that we take necessary measures to meet provincial, national, and sport safety standards, hold adequate insurance coverage for the club, and safeguard the health and finances of our members, our facility, and ourselves.

We are proposing a \$100,000 loan at 6% interest for 5 years. This would make our annual payment \$23,139. Given this, we have the potential to break-even in our second year of operations. However, this is under an assumption that we will grow and retain membership by at least 10% each year for the first five years. This is illustrated in Figure 5.

Figure 5

Membership Growth

Membership Growth @ 10%/year	
Year 1	200 members
Year 2	210 members
Year 3	221 members
Year 4	244 members
Year 5	268 members

In case of only partial funding (e.g., a smaller loan with/or a higher interest rate), we will still move forward with our start-up, as it will not compromise the overall feasibility of the venture. A smaller loan or higher interest rate will just mean that we have to shift our priorities in certain investments or extend our break-even timeline. We would also adjust by expanding our revenue streams through more partnerships and value-added services (e.g., renting our facility during non-peak hours). However, full funding would allow us to implement our growth, financial, and marketing strategies without having to compromise to help us break-even quicker. With full funding, we are able to make all necessary investments in key areas such as marketing, equipment, and staff training, therefore promoting a stronger foundation which emphasizes long term success.

Figure 6

Key Action Steps

Phase	Tasks	Key Takeaways	Completed?
1	<ul style="list-style-type: none"> - Planning and programming, - Business plan development, - Market Research. 		Yes

2	<ul style="list-style-type: none"> - Legal set-up - Procurement - Hiring/Training of coaches - Develop Website - Complete compliance and safety checks. 	<ul style="list-style-type: none"> - Register club with Gymnastics NS and Gymnastics Canada, - Set up insurance, - Formulate all club documents. - Purchase/order equipment and supplies 	Yes
3	<ul style="list-style-type: none"> - Marketing and promotions, - Brand development, - Registration and membership set-up. 	<ul style="list-style-type: none"> - Choose club colours and design overall look/feel of the club, - Start registering new members. 	In Process
4	<ul style="list-style-type: none"> - Launch 	<ul style="list-style-type: none"> - Have an opening event to create buzz, excitement, an interest. 	Opening day: September 2, 2025
5	<ul style="list-style-type: none"> - Continuous improvement, - Evaluations, - Adaptation to external environment and member needs. 	<ul style="list-style-type: none"> - Conduct surveys and gather feedback from members to assess overall satisfaction with club and classes, - Measure retention and conversion rates from free trials, media interactions, and community events, - Evaluate startup costs versus future budget projections by keeping track of monthly revenue, - Keep up-to-date with evolving external situations and sport-specific updates. 	*continuous*

Appendix

Figure 1
Competitive Matrix

	Offers specialty programs	Has a strong online / social media presence	Currently houses and trains elite athletes	Has a large facility (e.g., 15,000 square feet+)	Average price of a recreation class per session \geq \$400
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Figure 2
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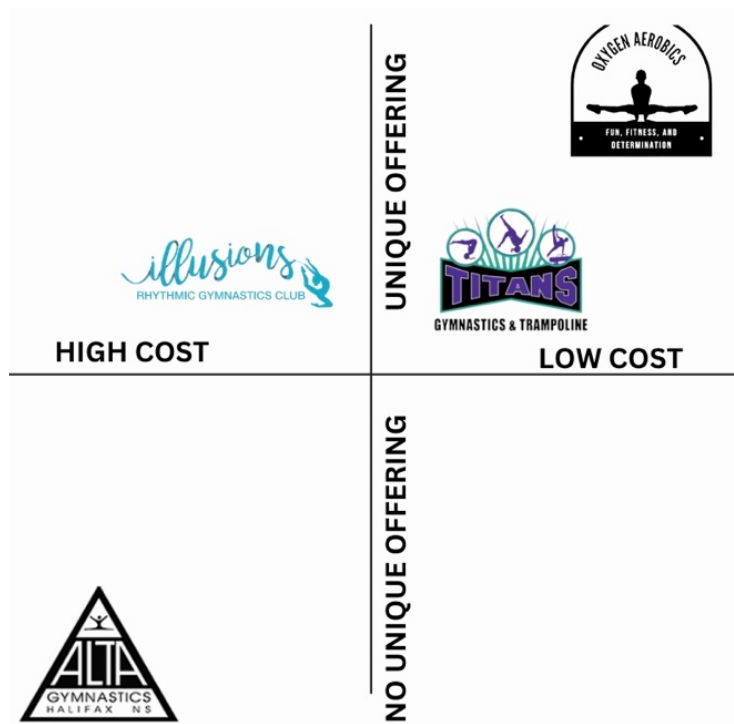


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