



BOULDERING GYM FINANCIAL STRATEGY

Path to Profitability & June 2027 Break-Even

STRATEGIC ROADMAP // OPERATIONAL KPI PLAYBOOK

CONFIDENTIAL TURNAROUND STRATEGY DOCUMENT

Executive Summary: The Critical Path to June 2027

THE GOAL

\$47,700

Monthly Revenue Requirement

Absolute operational mandate to cover fixed overhead (Rent + Salaries) by June 2027.

THE THREAT

180%

Current Variable Costs

Currently guaranteeing a gross loss on every transaction. Must restructure to <18%.

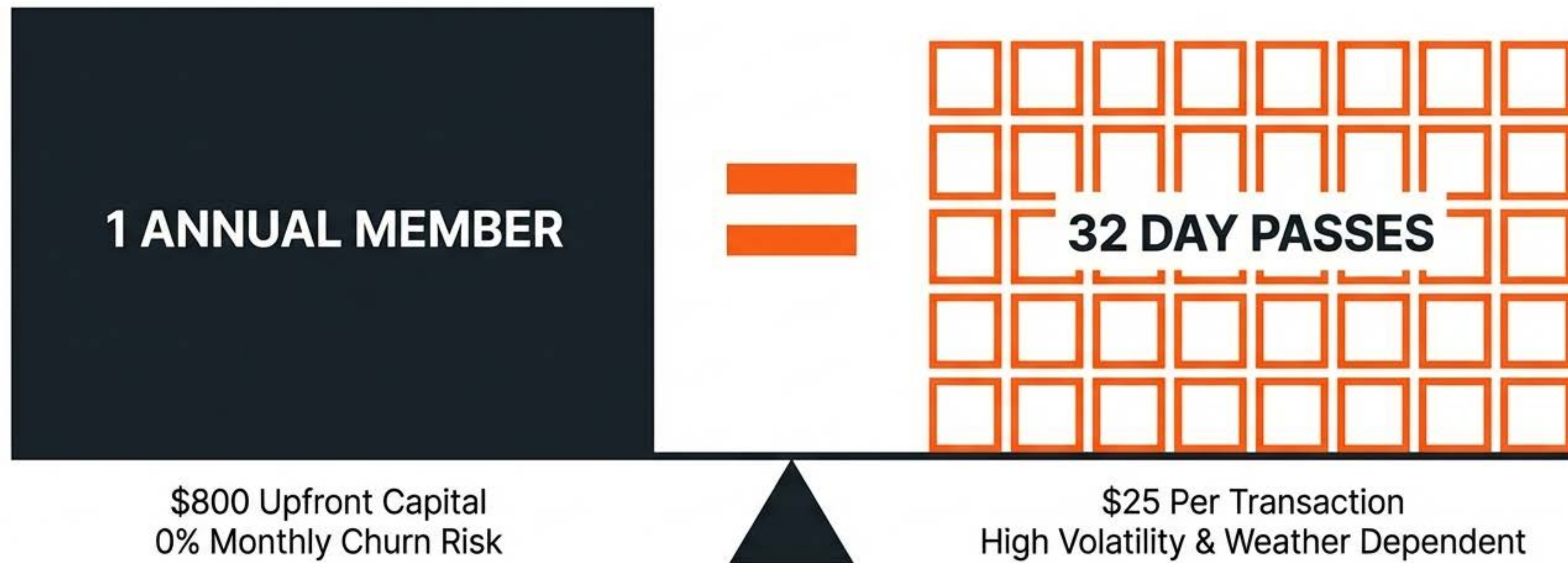
THE VISION

75%

Recurring Membership Mix

Shift from volatile day passes to recurring revenue by 2030 to maximize CLV.

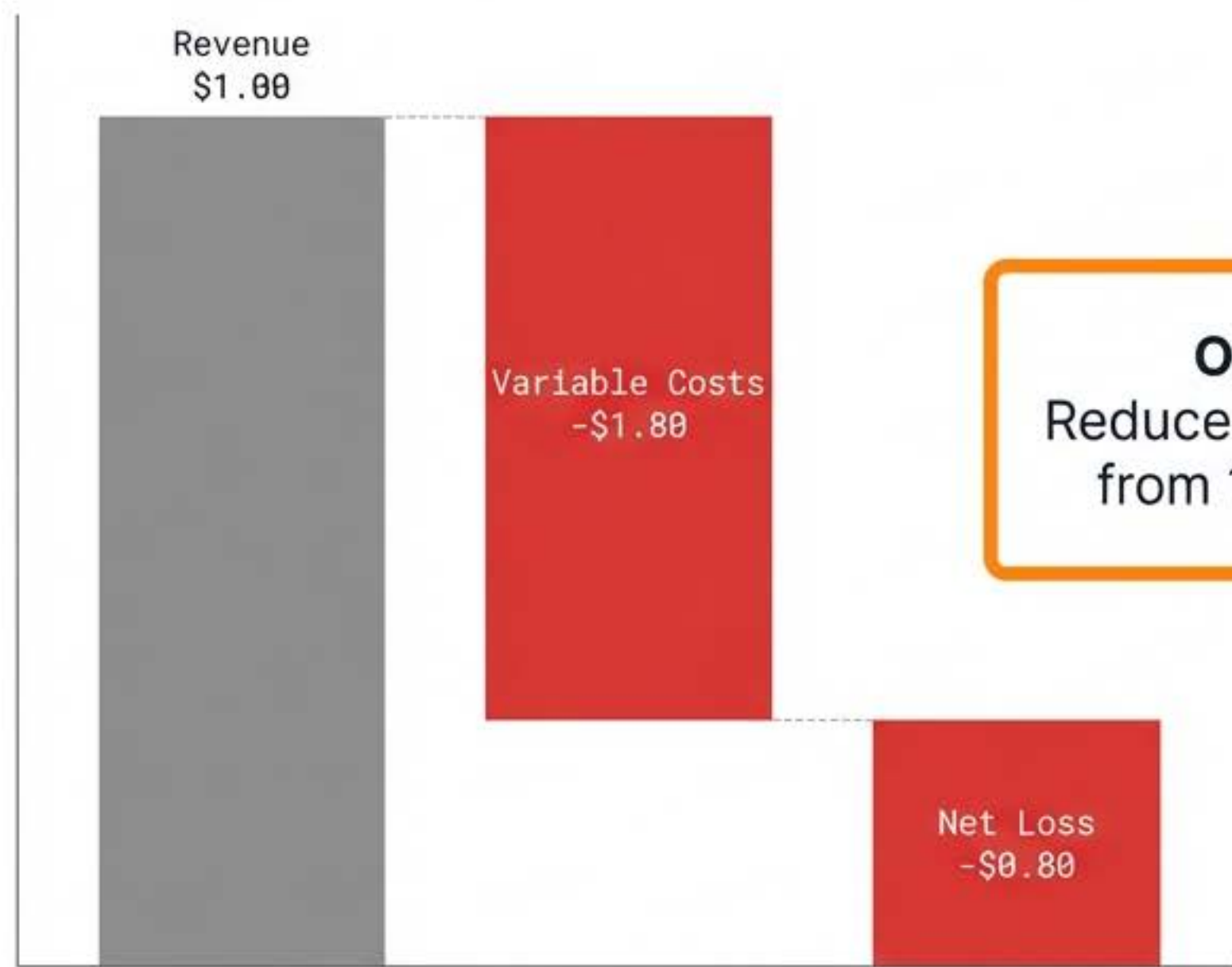
Revenue Hierarchy: Stability Over Volume



THE VOLATILITY GAP: It takes 32 individual transactional sales to match the revenue of a single Annual Membership. Annual commitments provide non-dilutive working capital and a defensible revenue floor.

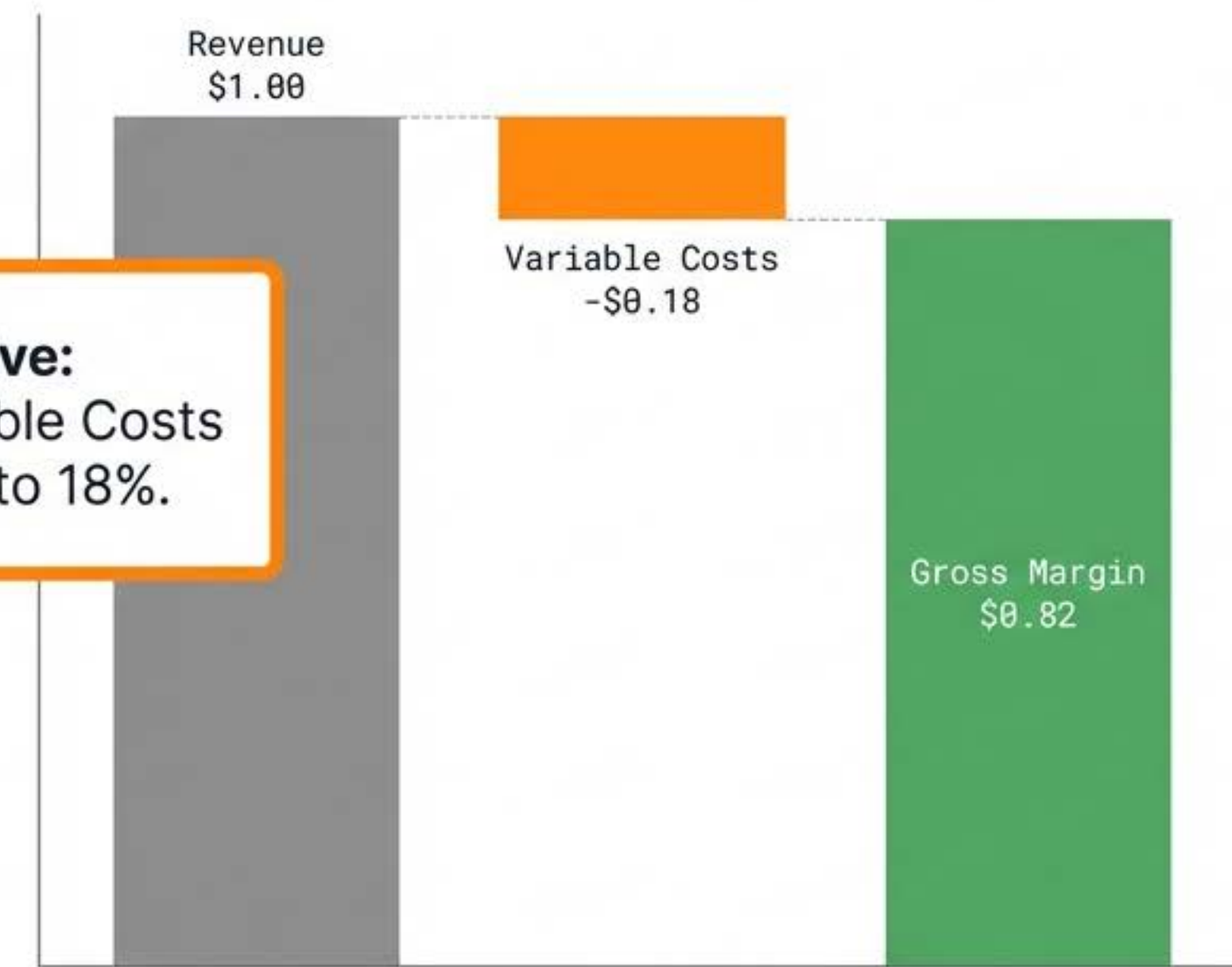
Fixing Unit Economics: The Variable Cost Shock

CURRENT STATE (BROKEN MODEL)



Inter: Losing 80 cents on every dollar before rent.

TARGET STATE (SUSTAINABLE)

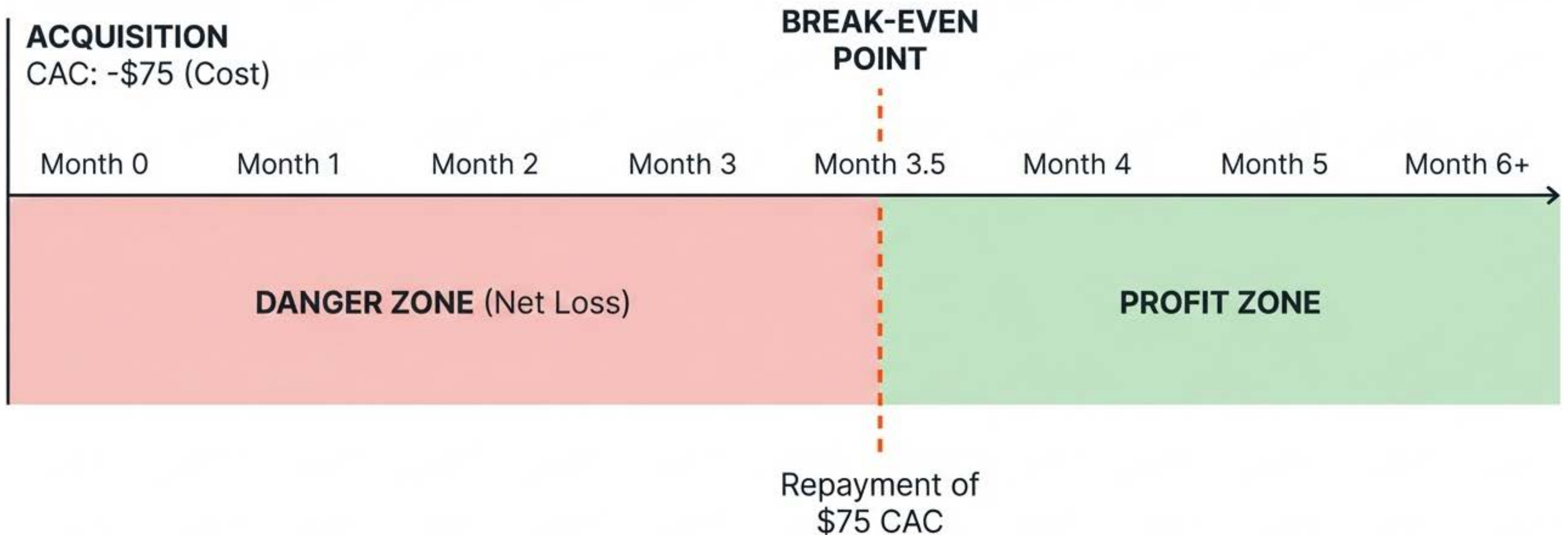


Inter: Targeting >82% Retention to cover Overhead.

Objective:
Reduce Variable Costs
from 180% to 18%.

Marketing Efficiency: Buying the Right Growth

Annual Budget: \$40,000
New Customers: 533
Target CLV: \$225 (3x CAC)



KPI 01

Total Member Count

Sum of all active Monthly and Annual members. Represents recurring demand stability separate from one-off volume.

Strategy: Prioritize Annual plans at sign-up.

2030 PENETRATION TARGET

75%

Recurring vs. Visiting Mix



KPI 02

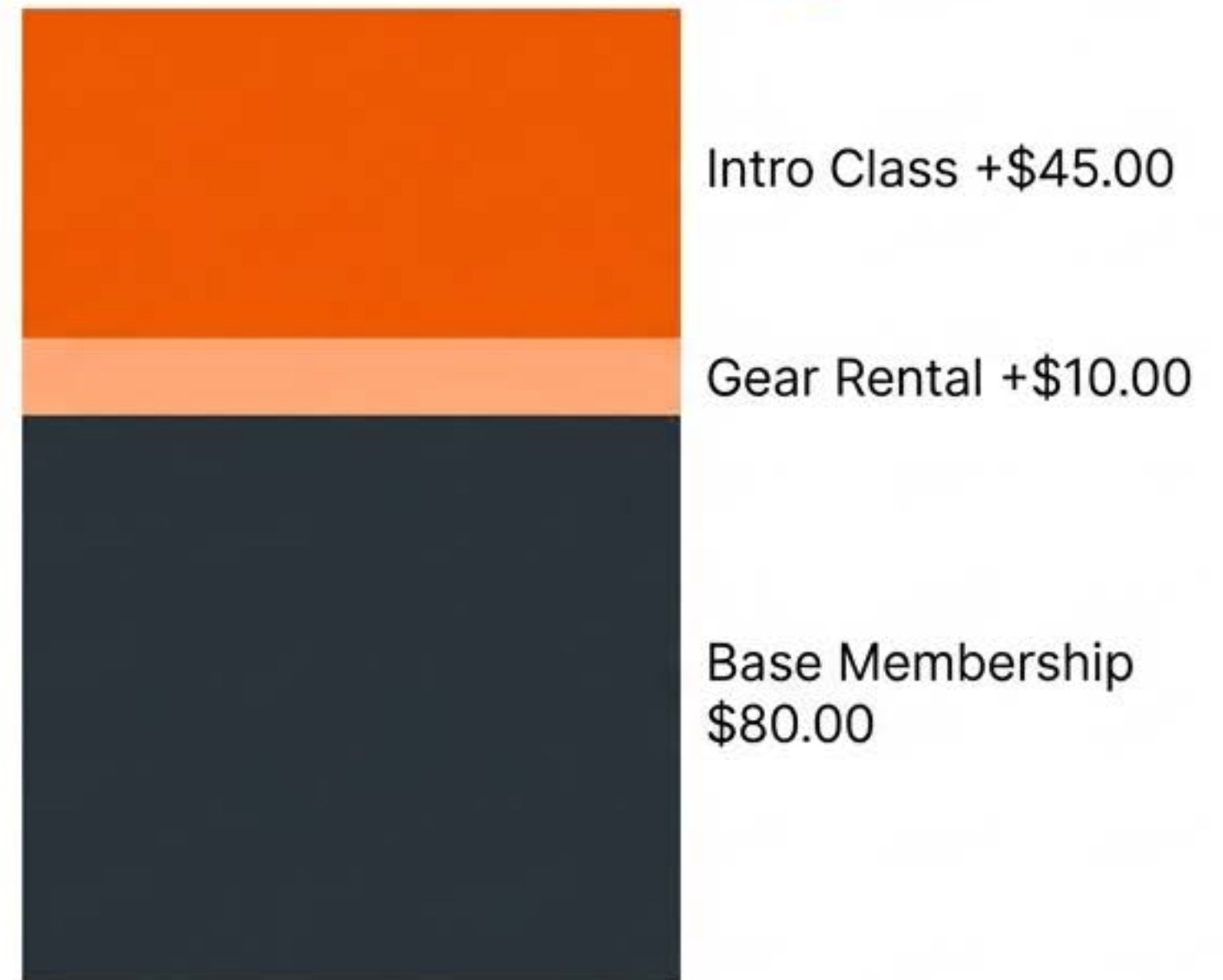
Average Revenue Per Customer (ARPC)

Total Monthly Revenue / Total Active Customers.
Measures revenue quality and upselling success.

Strategy: Mandatory Intro Class offer in Week 1.

The Upsell Ladder

\$135.00 Potential High Value



$\$65k \text{ Revenue} / 600 \text{ Users} = \108.33 Avg ARPC

KPI 03

Membership Churn Rate

(Members Lost / Start Count) x 100. The primary threat to growth.

Strategy: 30-Day Onboarding & Route Resets.



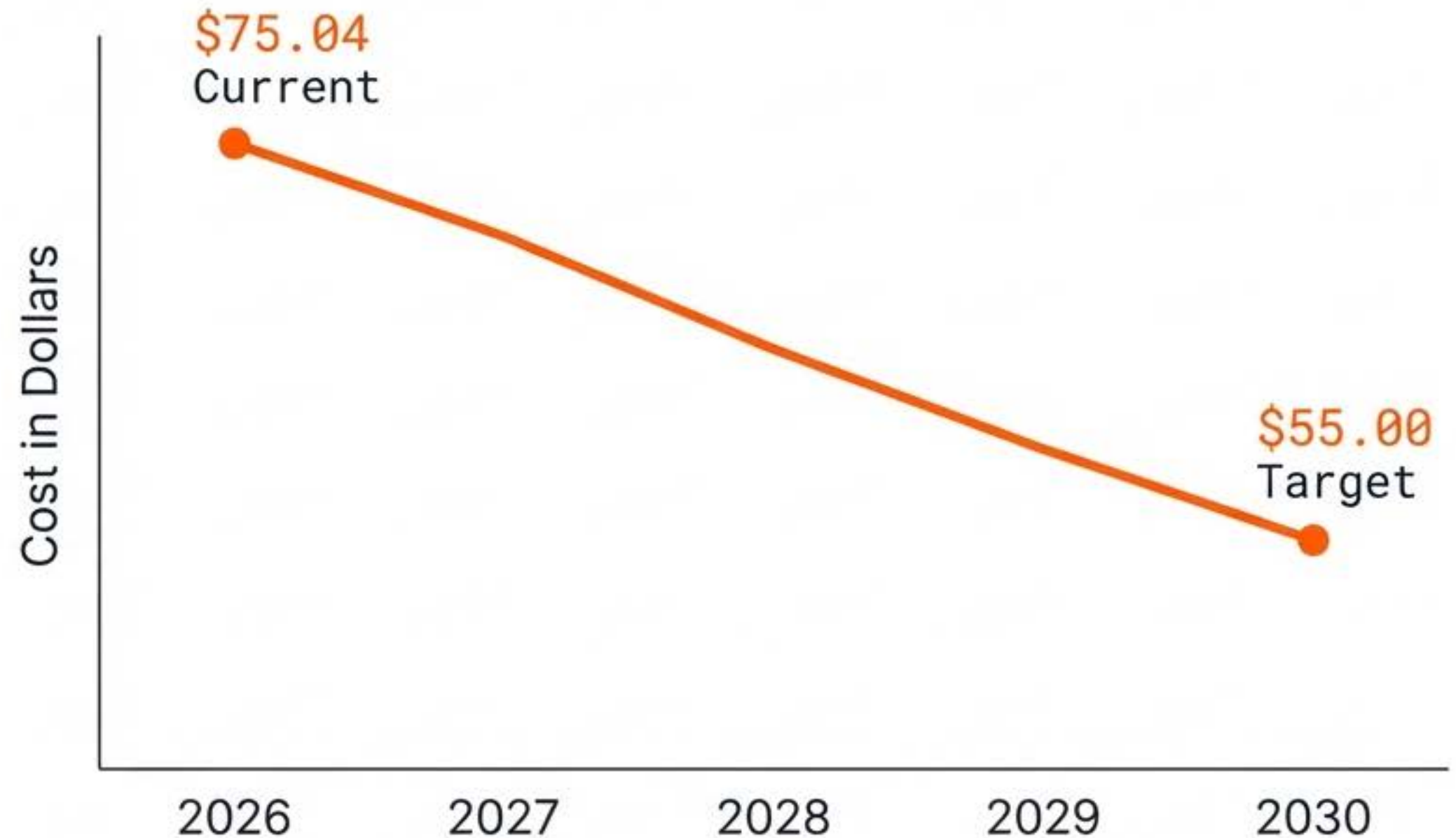
Identify members inactive for >14 days.

KPI 04

Customer Acquisition Cost (CAC)

Total Marketing Spend /
New Customers.

Improve onboarding
speed to reduce early
churn.



**27% Efficiency
Improvement Required.**

KPI 05

Gross Margin Percentage

(Revenue - COGS) / Revenue. Core unit economics.

Strategy: Keep variable costs <18%.



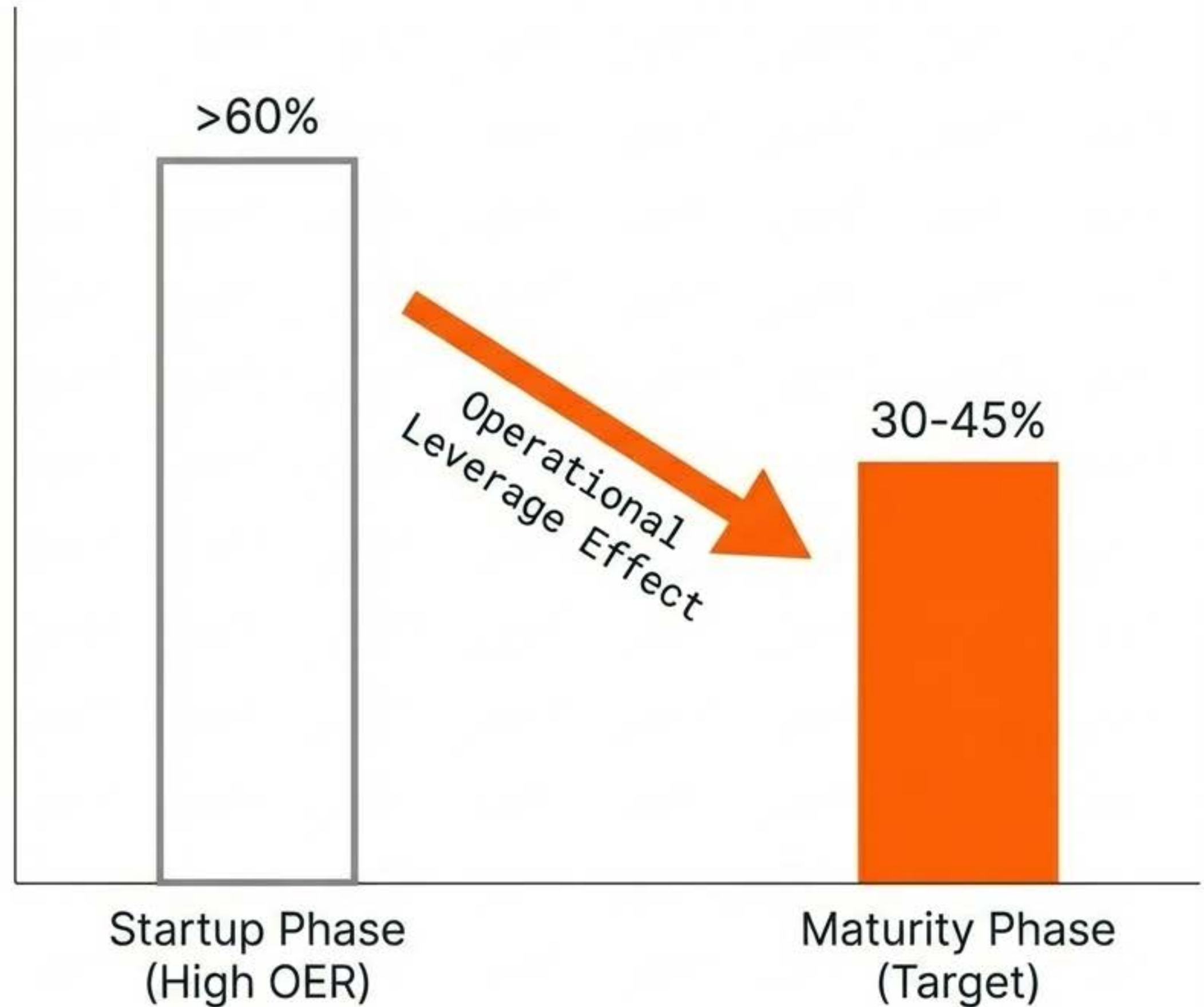
Must absorb \$47,700 Fixed Overhead.

KPI 06

Operating Expense Ratio (OER)

$(\text{Fixed Costs} + \text{Wages}) / \text{Revenue}$.

Strategy: Leverage fixed rent against scaling revenue.



KPI 07

Months to Breakeven

Month where cumulative EBITDA turns positive.

Strategy: Stop draining cash reserves.



Industry Average: 24-36 Months.
Target: 18 Months.

The 2030 Operational Targets: Success State

METRIC	CURRENT REALITY	2030 TARGET
Membership Mix	Volatile / Transactional	75% Recurring
CAC Efficiency	\$75.00	\$55.00
Gross Margin	-80% (Loss)	>82% (Profit)
OER	High Startup Ratio	30-45%

Actionable Levers for Growth



RETENTION

- Mandatory 30-day onboarding sequence.
- Flag members inactive for 14 days.



REVENUE QUALITY

- Offer \$45 Intro Class in Week 1.
- Implement tiered gear rental packages.



CHURN DEFENSE

- Frequent route resets to refresh product.
- Win-back campaigns before cancellation.



COST CONTROL

- Strict separation of COGS vs OpEx.
- Lock multi-year lease for fixed cost certainty.

Strategic Synthesis: The Path to June 2027

