



DREAM DANCE STUDIO

Dream Dance Studio in Clinton has grown from 10 students to more than 100 in about five years. Its primary form of advertising: word of mouth. Studio owner Olivia Bartley worked with University of Tennessee students to map out a plan to grow over the next five years.

Dance studio owner takes steps toward growth

The strategic management class in the University of Tennessee's College of Business Administration is the final required course for all business undergraduates. Students are asked to integrate their four years of learning to solve real-world company dilemmas. In Professor Anne Smith's Management 401 section last spring, students were required to identify a local small- to medium-sized business (privately held, 500 employees or fewer), conduct interviews with key participants and provide written advice. One group selected Dream Dance Studio Inc. in Clinton and worked with its owner to chart a course for future growth.

The students: Josh Andrews, Andy Auth, Brian Crane and Landon Hill

The organization: Dream Dance Studio provides instruction to children and adults and has grown from 10 students in a church basement in 2000 to more than 100 students in a studio. The artistic reputation of the company's owner, Olivia Bartley, has attracted students from across the area. Bartley attended the Oak Ridge Academy of Dance, was a member of the Contemporary Dance Ensemble of Oak Ridge and received training from outstanding instructors. She also is certified by the Dance Educators of America.

The studio has grown through word-of-mouth advertising — more than 900 individuals

DREAM DANCE STUDIO, INC.

- **Address:** 120 Miller Rd. Suite 2, Clinton, TN
- **Founded:** 2000, incorporated 2002
- **Service:** Dance instruction to children and adults in and around Clinton
- **Principals:** Olivia Bartley, principal instructor. Kay Bartley, office manager
- **Telephone:** 865-457-7271

attended its spring recital, and students perform at nursing homes, elementary schools and special events.

The challenge: Bartley wanted an evaluation of her business and its potential to grow. Having survived the five-year threshold, she saw value in getting advice on developing a five-year plan to get her business to the next level.

"I'd never taken the time to step back and formally analyze where the company was going. I appreciated the opportunity to sit down and talk about my business with the student group," she said.

Bartley was specifically interested in generating more revenue from her existing resources. The studio's customers are school age, so the studio is used primarily only on weekdays 3:30-8 p.m.

The approach: The students spent three hours

interviewing Bartley and toured her facilities. They also conducted field interviews and analyzed competing dance studios relative to price, types of classes offered, times of offerings, locations and advertising. They also brainstormed on ways to best use the company's current assets. The group then developed a strategic analysis and recommended ways for the company to leverage its existing assets for continued growth and success.

The recommendations: The group's advice centered on adding new products and diversifying the products offered.

First, the group identified that Bartley and her reputation were the most important assets for the studio. Yet, they realized that she did not have the time to increase the number of hours she provided instruction. Therefore, the primary recommendation was to hire part-time instructors for new offerings and offer those classes when the studio was not being used. Hip-hop dance could be offered on Saturdays, drawing students from a wider geographic area. Yoga classes could draw adults available to attend during the day when the studio was currently not in use.

The group identified several risks in implementing new classes. If they are not of the same quality as Bartley's classes, the studio's reputation could be negatively impacted. Also, marketing the new classes could be more difficult and

divert Bartley from focusing on her already successful classes.

The second piece of strategic advice was to consider product diversification, specifically to use some of the studio's administrative space for the sale of dance-related items, such as apparel, handbags and accessories. Tying up working capital and diverting Bartley's attention away

“I'd never taken the time to step back and formally analyze where the company was going. I appreciated the opportunity to sit down and talk about my business with the student group.”

Olivia Bartley,
owner

from her core competence might be risky, but the group contended that Bartley knew what items her students wanted and having these available could save them from looking else-

where.

Bartley stated that the students' formal review was “meaningful” and that their suggested strategic actions were helpful. “Actually, I had so many ideas about what I wanted to do with the company ... this analysis helped me to think seriously about expanding into new offerings and into new products.”

The result: Dream Dance Studio now is selling warm-up suits and T-shirts, both with the studio's logo, along with dance shoes and other accessories. Bartley is using the new revenue to hire another instructor during the day to teach yoga, Pilates or another dance class.

According to Bartley, “Small businesses have so many possibilities in the beginning, and it can be difficult for a new company to decide upon what to implement. This report has sparked several concrete ideas for the studio. I am looking forward to the next five years.”