



The 10 Major Challenges to Starting a Float Spa and How to Overcome Them

Thinking about opening up a Float Center? Then you've come to the right place! We have been systematically refining the process of opening and running Float Centers since 2014 and have put together a system to save you from making the same mistakes or having the same headaches that many first time Float Center owners do.

Trust us, we don't want anyone else to have to go through the pain, sleepless nights, and emotional rollercoaster that came with figuring out all of the steps needed to set up and run a successful Float Center. We've captured the major steps and challenges for you here so that you can more quickly help to spread the benefits of Float Therapy *the right way* to as many people as possible.

Being a business owner isn't for everyone, but if you're interested in taking the plunge into the warm salty water, then use the information below as a guide to getting started so that you can save the time, money, and stress of having to figure this out on your own.

1. Opening and Running a Successful Float Center Is More Complex Than You May Think

Just like with most world-class businesses, they might make running it seem really easy, simple, and relaxing from a client's point of view. Opening a Float Center seems pretty easy from the outside: you just get the tanks (A.K.A., Pods, Chambers, Float Rooms), people seek you out once you are open, and then they fall in love with Float Therapy, just like you probably did after your first Float (if it was at a world-class center)! That's probably why you're here reading this after all, isn't it?

However, creating and running a Float Center from scratch is by no means simple, especially if you intend to run a best-in-class Float Spa able to compete in this growing industry. It is a lot of work to set up and create everything needed to ensure that your clients will have a great experience to the point that they want to come back and refer others to you. Just ensuring that they do not have a bad-to-lukewarm experience takes a concerted long term effort, let alone making sure that you can reliably deliver an amazing Float experience with every visit.



It will also cost more than you may think to get everything set up and to have enough working capital to sustain the business until it can sustain itself and then thrive. Hopefully you've already determined how you will be financing your endeavor, whether it's self-financed, business loans, reaching out to friends and family, or a combination thereof.

The remainder of this report will outline most of the major challenges that you will have to overcome in your journey to own a Float Center.

2. Pre-Opening Logistics and Considerations (Real Estate, Construction, Equipment, Interior Design)

Before being able to even open your doors to the public, there are a multitude of important decisions that have to be made which may likely impact your long-term ability to succeed (or short-term potential to fail, if the decisions are poorly made). Most of these decisions will probably be about topic areas in which you have no experience or expertise, such as: real estate, negotiating leases and contracts, architecture, engineering (MEPs), the implications of different float tank designs and equipment, interior design, graphic design, marketing, and website creation.

Location, Location, Location

One of the most important steps is to find a proper location that is conducive to all of the nuanced needs of a Float Center.

Found the Perfect Spot?

Next up is lease and cost negotiation for base rent and CAM. Not sure what CAM is? It's a somewhat misleading variable expense that you may not be thinking about during lease negotiation but is a significant amount of more money that you will likely have to pay each month to Common Area Maintenance (CAM).

Your rent will likely be one of the highest overhead expenses that you will have and it is very important not to be stuck in a location with a high overhead that will prevent your business from surviving the time it takes to ramp up business or sustain slow periods. The amount of construction needed will not make it easy or practical to move to a new location, so you will likely be signing a very long lease and don't want to get trapped overextending your cash flow by agreeing to pay too much rent.



You should have an attorney, who regularly reviews leases, negotiate the lease on your behalf. It will be worth it in the long run. Your business will depend on a serene setting so don't forget to add clauses around noise and vibration limitations from your neighboring businesses (if in a strip mall) and interruption assurances in the event that this becomes an issue in the future.

You get one chance to choose your location and set it up with the right layout and specifications, otherwise it will cause problems and lead to bad experiences for your clients, yourself, your team, and your business for the rest of the time you are in business.

We have developed a very detailed checklist and tips of all of the factors that should be considered when it comes to choosing a location to make it easy for us and the Real Estate Agent whenever we expand to a new location.

Construction and Build-Out

Once you've signed the lease, then one of the toughest, most demanding, and critically important parts that has to be completed correctly is the architectural design and build-out. Most architects and contractors have not built Float Centers before and may not be giving you the right guidance. Even worse is that if you are not setting the right expectations or asking the right questions up front then you will likely incur a lot of additional and unexpected expenses that were not part of the initial bids from the contractors.

Trust but Verify!

Even the best laid plans require hands-on management with the general contractor and their subcontractors (for whom you will need to source and vet first) throughout the entire renovation and construction management process, along with working with an architect and engineers to ensure your dream facility doesn't end up a nightmare.

Proper design to ensure adequate soundproofing, light-proofing, ventilation, plumbing, and electrical work is paramount to ensure your future clients will be able to have amazing experiences at your facility. Get multiple bids and make sure you ask good questions of your potential contractors to ensure they have enough expertise and flexibility to build a high-quality Float Center.

We have developed a 100+ point checklist with tips and questions broken down by contractor type to ensure our facilities are perfect and that nothing important is missed.



Float Equipment

You will need to vet and decide on which vendor to use for your float tank - or float pod - or float room - or float chamber... what's the difference again in all of them? These are definitely not all created equal, and your best bet is to ensure that you have floated in all of the ones you are considering, or minimally the one on which you're deciding. Do they offer financing or leasing, or do you have to pay outright?

Once you get in the water and turn off the light it's the same, right? NOT AT ALL!

The last thing you want it to be stuck with a tank that:

- Has poor ventilation that forces people to float in very hot and humid air that makes it hard to breathe and then drips from above you onto your face, akin to water torture (yes, this is a thing and we've experienced it at multiple facilities)
- Doesn't heat the air and leaves the top part of your body cold, which is far from relaxing
- Makes people feel trapped with heavy or awkward lids and doors
- Doesn't properly clean the water after a float, leaving staff to use a pool skimmer for 10 minutes in a hot environment to get all of the hair out.
- Has faulty and unreliable parts, unresponsive service, or otherwise leaves you less-than-confident that you will be able to provide the proper float experience which clients in today's world have come to expect and need in order to get all of the benefits.

One of the frequent objections to trying Float Therapy for the first time is because they heard about a bad experience from a friend. Most of the time that bad experience was not the fault of Float Therapy, but from the tank itself and improper construction of the facility. Having people spread negative experiences that could have been avoided is bad for business and the industry as a whole. We use a list of over 20 questions to ask vendors before considering them, so please take your time and be thorough when choosing the tanks that you will likely have for 10+ years.

Interior and Graphic Design

Determining the general aesthetics of your center is another big component that will have a big impact on your business. Are you going for a bohemian / hippie vibe, or clean and clinical? Trendy and hipster, or classic, traditional and professional? A general wellness center or a true spa? The answers to the questions above will dictate the type of clients and team members that you will attract to your facility and will have a big impact on your brand, marketing efforts, and the prices you can charge for your services.



Once you have the general interior design and layout down, you'll need to fulfill your vision by sourcing all of the graphics, furniture, fixtures, and basic equipment needed. You'll need to become a maintenance expert in order to keep the whole facility clean, so you'll also need to determine merchants for all of your inventory, supplies, products, and tools.

It's a lot to determine and keep track of while you're focusing on the build out, hiring staff, and trying to get grassroots marketing efforts going, so we have developed a spreadsheet that has all of the furnishings, supplies, and inventory that will be needed upon opening. This would be a good time to get a 5% cashback Amazon credit card!

3. You Need The Right People On Your Team

Even if you're a super human with all of the time in the world, the skills, and the desire to set all of this up, you will almost certainly need a team to help you run the business itself. Having an experienced sounding board that should be able to provide guidance and solutions to the scenarios described below is invaluable for any business owner.

Hiring people to work in your business is very different than hiring people to manage your business. Will you hire managers at the start or take on all management responsibilities until you can promote from within?

How do you determine and foster the right work environment and culture, create values that people relate to and follow, hire people that will support those values, and manage performance based on those values and key performance indicators (by the way, you'll have to figure out what the key metrics are that you should be monitoring and managing based on the goals of your center)?

Are you prepared to facilitate training and provide coaching and feedback along the way? How will you handle when your employees make mistakes, are really bad at offering your products and services to clients, or sleep through their alarm and fail to open up the center before clients arrive?

Finding and hiring the right people to become part of your team and uphold your vision is no easy task and is **one of the most important responsibilities you'll have**. If you haven't been through extensive training on facilitating the hiring process and are following a specific selection system designed for your business, then you will likely be hiring under performers, people who undermine the culture you are trying to create, or decide a couple of weeks in that it is not for them... leaving you to start the process all over again. And because we, as a society, do not



enjoy firing people, you'll probably keep them for a long time (unless they have already quit) until you snap and the work environment is so bad that nobody wants to work there.

Once you've found a great Team Member, will you be able to minimize turnover and have a formal job progression system in place? Are you comfortable with the difference between leading vs. managing? Is your training process sufficient to manage their expectations and are you able to provide proper coaching to ensure work is being done correctly and addressed tactfully if not? We all think so until someone starts crying in front of you.

One of the most important factors in being successful is making sales. Are you well versed in the psychology of sales techniques and able to teach your staff to all become excellent and effective closers?

If someone is not working out, are you prepared to handle the steps to terminate an employee in a way that limits your legal risk, financial burden, and employer brand?

Are you working with family? That requires additional considerations such as work-life balance, how to handle disagreements, terminations, and sub-par performance. What happens if non-family employees sense favoritism?

We have seen nearly everything and have worked with selection, talent management, and sales experts to create the right system to consistently hire and keep amazing Team Members that regularly grow our business and make our lives easier. We strongly recommend that you do the same.

4. Branding Matters

Once you've decided on a company name that will effectively draw in and capture new business and have done the research to make sure it isn't close enough to another company name in the industry, you'll have to create your legal entity and consider filing a trademark if you haven't done so already.

Next you'll need to create a unique logo and color scheme. What about a catchy slogan that captures your unique selling proposition (USP)? You'll need to create your website in a manner consistent with your branding, as well as create and maintain your social media profiles. There's Facebook, Instagram, Twitter, LinkedIn, Pinterest, Tumblr, Snapchat, TikTok - seemingly a new platform every few months. How do you know which ones are really important and that you should spend your time on? Who within the company should be monitoring and posting to them? Here's a hint, you will have plenty of vital functions that you will need to spend your time on as an owner and will likely want to systematize or outsource this.



What attributes of your center or USP are you trying to portray to potential clients with your brand? Even little things like what you call patrons (i.e., customers, guests, clients) impacts your brand.

How does your online presence and in-store branding convey the value you provide to your clients? You'll need to hire a photographer to produce original content for online and marketing images with your branding. Would you rather pay for stock content which may be recycled among other businesses and not highlight your specific company, branding, or USP? Your branding will need to be extended to all of your physical materials as well, such as brochures, signage, business cards, etc.

A company's branding is how the company is viewed by potential customers, but your "employer brand" is also an incredibly important factor. Your employer brand is what potential employees think it's like to work for your organization and is largely based on the decisions you make in the section above. Having a great employer brand will make it easier to find and retain high quality candidates and will ultimately make your life much easier and allow you to spend your time on the most vital functions opposed to constantly recruiting, interviewing, training, and managing poor performance.

Identifying your employer brand can be determined by consciously deciding what you want the employee experience to be like and then constantly asking the many employees who come and go why they chose to work for your company and what they liked best about it. You should know that it can take years and lots of bad hires (including the stress that comes with them) to hone in on an accurate and effective employer brand.

5. Pricing and Sales

In an increasingly competitive marketplace, how do you determine a pricing structure that will allow you to meet (and ideally exceed) your revenue goals while also attracting the ideal clientele and paying your employees what they deserve? Are you prepared to be able to compete against other centers offering a Groupon deal undercutting your cost by 50% or more?

Price-setting is both an art and a science that takes research and testing to see what the market will accept, but ensuring that you don't set prices too low is important so that you can maintain the profit margins you need to successfully operate. Keep in mind that it's always harder to raise rates than to decrease them and that a business model structured around offering the lowest price is almost always a losing game in the end.



Will you offer discounts for new clients or first-time-floaters? What about for certain demographics such as students, military/veterans, teachers, or emergency service workers?

Will you offer any sales at all? Some higher-end companies don't offer any sales and are super successful!

If you do offer sales, how will your pricing change for different sales throughout the year, and when will be the best time to have sales? Constantly running sales can be detrimental to your business by attracting clients who are solely discount-shoppers which minimizes your potential for client retention and recurring revenue.

You will need to determine what type of client to go after and then set your pricing and sales strategy to match.

In order to not recreate the wheel every year, we have created a sales and marketing calendar that outlines every online and offline special offer that we put out on every marketing platform throughout the year with accompanying timing, sales copy, and signs. This will allow you to mostly automate marketing and sales efforts so that you can spend your time on new opportunities for growth.

6. Identifying Your Target Market (Demographics and Psychographics)

Everyone knows about the major demographics that exist for buyers (e.g., gender, age), but understanding your target market of who Floats and why they Float will help ensure your marketing efforts and money are appropriately targeting the people who will most likely have specific problems or needs that Float Therapy can fulfill.

Psychographics are more about lifestyles, values, attitudes, likes, etc. You can target your marketing efforts at any combination of demographics and psychographics. Your job will be to identify the best combination to get the largest return on your marketing budget investment.

Should you be going after men who hear about it from Joe Rogan or athletes like Steph Curry? Or is it women interested in treating themselves to a Spa day? Should you target all ages? How far away will people travel to Float at your center? What about students?

We are big proponents of data and can tell you that doing research and testing with objective metrics is the best way to reliably identify your target market. Another curve ball is that you may need to target different types of people with different copy for the different buyer personas that



exist. Unfortunately, this takes spending thousands of dollars over time to get a reliable picture of the types of demographics and psychographics that work.

7. Marketing (Reaching and Converting Your Target Market)

After you have identified your target market, you now need to get them to make purchases. Marketing is the tool used to get those initial sales and to stay in the minds of clients as a reminder to come back.

Without sales, your business will fail. Period.

You will need to become very knowledgeable about the major buckets of marketing and what works best for a Float Center within a specific market. Some of the major categories include digital, physical, referrals, and public relations... each of which could be expanded to include multiple marketing avenues.

You will need to be very clear about what your unique selling proposition (USP) will be and how you differ from your direct and indirect competitors. What makes your facility better than what others offer? Once you identify and can clearly articulate your USP, you need to confirm it is actually what people want. Once you know your USP is viable, then shout it to the world in every outward facing document that is meant to reach possible clients.

Determining which of the major marketing avenues to engage in can be challenging or require guesswork without prior results. You'll also need to assess return on investment (ROI) on an ongoing basis to determine which are worth continuing in the future versus those that do not provide strong results. Besides online platforms, creating physical marketing materials is needed to ensure you can adequately market yourself offline locally as well.

Your website and social media are two of the major digital marketing avenues while this article is being written, so having experience with copywriting, website design, and online advertising is a major plus. Learning the ins and outs of digital marketing can be very time-consuming and expensive. Hiring an agency to assist you with this critical aspect of attracting new clients can also be very expensive and be a hit or miss, especially if they haven't worked with Float Centers before. We learned this the hard way by trusting many different agencies that didn't have Float Center advertising experience before finding out what does and does not work for us.

This is another reason why having a thorough marketing plan and calendar that takes into consideration results from previous marketing efforts is essential for achieving high levels of success. Without knowing which marketing efforts on the different platforms produce ROI is like



spinning around with your eyes closed and then trying to hit a bullseye on a dartboard. If that's your plan, then good luck, you'll need it... or a tremendous amount of money.

8. Processes and Systems

Ideally, you will want to structure your business and all of the accompanying processes in a way that allows you to proactively work *on* the business (i.e., developing and growing it) as opposed to having to work *in* the business (i.e., be an employee responsible for covering shifts). There is nothing wrong with working *in* the business, but you should be able to do it on your own terms.

Detailed processes allow you to not spend all of your time in a reactionary state but allow you to be in control of the business and spend your time where you should be as a business owner. A reactionary state leaves you constantly putting out all of the little fires and subsequent considerable fees for all of the compliance steps you didn't follow because you forgot to do them or you just didn't have the time to research the updated local and state regulations that change every year.

You'll need to determine the most efficient way to run every aspect of your business, be able to discern what needs to happen, how often they should happen, and what you should say no to. There is too much to do if you want any resemblance of a life outside of the Float Center unless you set up good systems and are comfortable delegating work to your team.

The types of processes and procedures you should consider include: effective scripting for your employees for all client touchpoints, how to properly perform all cleaning duties, how to keep proper water chemistry, maintenance schedules, troubleshooting steps, equipment repair, scheduling (both your team and clients), creating and using gift cards, and answering FAQs for all the little things for which you'll need to be the subject matter expert.

You'll also need procedures for the software and systems used to run the business like scheduling appointments and processing payments to the higher-level functions like payroll, bookkeeping, and paying taxes (e.g., quarterly estimated payments and annual).

Creating a series of checklists, procedures, and scripts, should be one of your major priorities or else you will likely *need* to spend most of your time *in* the business instead of *on* the business. We spent over four years creating and refining the written and video processes, procedures, and scripts for every aspect of the business before rolling them out to a new location in 2017, so we can tell you that it will make a world of difference to every aspect of the business!



9. Services and Products

Services and Products is an easy one, right? You're going to be offering Float Therapy! Sure, but what durations should you offer? 30 minutes, 60 minutes, 90 minutes, 2 hours, can someone reserve the room for the whole day? How do ensure you have the right number of options and be able to explain the benefits to each of them without overwhelming people who have never heard of this before and have no frame of reference?

Will you only be offering Floatation Therapy or do you want to include other services as well? There are a lot of popular options like massage therapy, infrared saunas, halotherapy, salt rooms, and cryotherapy. Keep in mind that each one of those is a separate business which requires its own operational expertise, up-keep, procedures, regulations/requirements, marketing streams, training, etc.

What about products sold to increase your revenue potential? What types of goods will you sell and which vendors will you use? How will your retail space be laid out to maximize the ability to "silently sell?" Do you make branded clothing and products? Keep in mind that every additional piece of inventory you keep has downstream costs and time associated with maintaining them.

The services and products that you provide should be what most people seek. You will need to find the sweet spot in options because too many will overwhelm your patrons (and your team who will have to be able to learn and explain the benefits of each) but not having enough options will leave people seeking other centers that can better meet their needs.

You can spend many months debating the pros and cons of every aspect of the questions above, but a great place to start is by rating every option on ease to implement, ease to maintain, and the potential profitability. Ultimately, you will have to test out what sells and then be willing to adjust your strategy. You should also consider the following before finalizing your products and services offerings: revenue per square foot, margins for products, supplier reliability, wholesale account options, partnerships with local businesses, and what you will offer as up-sells, add-ons, or cross-sells.

Remember, people are coming to use Float Therapy to relax, destress, and get benefits from it, not be forcefully sold things that aren't in-line with their goals. Make sure whatever products or services that you offer are done in a cohesive way that adds value to the customer and provides a better overall experience.



10. You Don't Know What You Don't Know

If you spend time perusing industry-specific groups online, you'll find no shortage of folks seemingly in over their heads, struggling with basics, and even stories of blowing through funding without ever being able to open up. While you may be passionate about Float Therapy and see the ever-increasing demand for it, you will not succeed if you don't have the skills and knowledge to run a business.

Do you have the knowledge, skills, discipline and desire to create your own Float Center from scratch and in a way that will be profitable? If you don't have the knowledge, ability, desire, or time to learn and then create everything mentioned above from scratch, then you may want to consider franchising with East Coast Float Spa.

We built this company with a franchise model in mind by creating and fine-tuning everything in this article since 2013. We established our flagship location in 2014, expanded to our second corporate-owned location in 2017, and began offering franchise opportunities in 2020.

We have taken our time to carefully and methodically create comprehensive and robust processes, procedures, policies, training, systems, manuals, scripts, marketing - you name it - because we're passionate about Float Therapy and fulfilling our mission of bringing our world-class Float brand to as many people as possible in the right way... but also to be able to do it on our own terms and still enjoy life.

You Have Options

1. You can spend the next few years wasting money and time while you learn as you go, while trying to juggle the normal operations of a new business (which is a 24/7 commitment) and figuring out a way to become more profitable (which are some people's full-time jobs).
2. You could spend thousands of dollars on "experts" in the areas in which you lack the knowledge and skills in order to save you the time of having to do it yourself... but most of them don't have experience with the unique aspects of running Float Centers.
3. You can join a franchise organization that has all of the above in place and answers to all of your questions that were derived through rigorous testing and strong business acumen.

If you are still wanting to push forward on your own, we can't stress enough the importance of having a group of experts in the areas covered above that can help you make the best decisions



possible. After all, we want to see Float Therapy become a mainstream service and want as many Float Centers as possible to succeed in providing the amazing benefits to the masses.

The East Coast Float Spa Difference

Our world-class Float Centers feature custom-built sensory-input-controlled Float Rooms, large enough to walk into and stand inside, providing a consistently unparalleled Float experience.

Designed with our clients' comfort in mind and offering the most modern and spacious environment compared to the typical sensory deprivation tank or pod. Our Float Rooms do not have a lid to close over yourself, which eliminates any worries of claustrophobia so that everyone can be comfortable with experiencing a whole new level of relaxation.

Our Spas provide all the amenities, use only the highest quality all-natural and organic products, and as our clients attest, we really thought of everything.

East Coast Float Spa is a revolutionary opportunity in an expanding industry. In the last decade, growth has been "mind-boggling" according to Ash Kahn Jahromi, host of the annual national Float Conference. "At this point it feels like we should all strap ourselves in, because we're about to blast off."

There is a tremendous demand for the total mind/body relaxation Float Therapy provides and particularly, the East Coast Float Spa brand. In our constantly-connected culture, people are in more need than ever of disconnection, relaxation and overall well-being.

When you open an East Coast Float Spa, you become a part of our Float Team. Your success is our success, so we live our core values, we listen to you, and we provide the best Floating experiences possible. And of course, we Float. Accordingly, we are seeking partners who understand our vision and share our mission for spreading the amazing benefits of Float Therapy.

Joining the East Coast Float Spa Team

Our franchise system allows for you to open a state-of-the-art facility in a relatively short time frame, fully equipped with operational know-how and marketing guidance, complemented by high-end technology and impeccable customer service standards, all under the trusted East Coast Float Spa brand. To get started and for more information on the franchise process, if you have not done so already, please visit our franchising page at www.eastcoastfloatspafranchising.com.



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