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How to Start a Diving Business?

Setting up your own business in scuba diving, and successfully running the company as a commercial enterprise, is a rewarding and satisfying achievement.

The tips and expert advice in this help guide can make the process of starting a scuba company less complex - and more profitable.

Opening a Dive Shop: Basics for Beginners

- [Drafting a Professional Business Plan for a Scuba Diving Business](#)
- [Benefits of Purchasing an Existing Business vs. New Dive Shop](#)
- [Forming a Legal Entity \(Registering a New Scuba Company\)](#)
- [How Much Do Dive Shops Charge Customers for Scuba Courses?](#)
- [How Much Money Can I Expect to Make as a Dive Shop Owner?](#)
- [What are Some Ways to Make a Scuba Business More Profitable?](#)
- [How to Promote and Market a Scuba Diving Business Online?](#)
- [Skills and Qualifications for Building a Successful Diving Operation](#)
- [What Happens During a Busy Day at a Popular Dive School?](#)

So, you're thinking about opening a dive shop? Or, you want to earn some money from a diving charter boat? Well, getting started in a scuba business requires some diligent research, a lot of planning, and even more patience.

Here's the due diligence.

Ask yourself this question... How many people scuba dive in the world? In fact, figures suggest that six (6) million scuba divers are making around 30 million dives per week.

We accept that scuba diving is not for everyone, nor should it be! But, almost anyone can participate in some form or another.

Dive shop management is extremely challenging. But, if you enjoy introducing people to the underwater world, the rewards will be plentiful.

And the planning?

People have different reasons for choosing [scuba diving as a career](#). But, working in a job that you enjoy - and one that many others can only dream about - ranks among them.

You will need a purposeful plan to develop your dream job and be your own boss. Moreover, knowing how to make money scuba diving will ultimately be the difference between success and failure.

Let's face it, there are lots of fish in the sea and the success of "your" scuba business will depend on many factors - including a generous sprinkling of 'good fortune'.

Nonetheless, with some appropriate research, forward planning, and sensible business skills, the realistic chances of starting up and running a successful scuba diving business can become a reality.

The virtue of patience:

Many years ago, before I started running my own dive business ([Private Scuba](#)), I was fortunate to work alongside the top PADI® Course Director in Phuket, Thailand.

In fact, patience is a skill that you can learn - or at least make improvements. Anyone starting a commercial diving business will need to be patient with customers, with staff, and perhaps most of all - with themselves!

How to Make a Business Plan for a Dive Shop?

No matter how big or small your scuba startup will be, getting into the business of diving means you need to make a clear and concise plan. Try to keep it simple, but specific.

An efficient business model helps to map out the specifics and highlight some of the 'unknowns'. It also helps you set down a snapshot of some attainable goals, tactics, and how to manage your resources.

Here's a few topics to think about before you sign any legal documents:

- You will need a name and a good location for running a dive business (unless you purchase an existing dive shop). Choose a catchy name that represents your brand and evokes a level of professionalism and trust.
- The startup costs for opening a scuba diving business can be significant, depending on your long term ambitions. Plus, after starting from scratch, the ongoing expenses may also include:
 - Boat maintenance fees and fuel costs.
 - Cost of repairing and replacing scuba equipment.
 - Staff salaries and specialised training fees to further qualify existing employees.
 - Scuba diving insurance (e.g. [Divers Alert Network membership](#)).
 - Occasional business training programs for dive center owners.
- What, or who, will be the main short term target market and in the future? A pre-planned customer profile will help to fine-tune your marketing strategies for e-commerce and social media.
- Who will be your primary competitors and, based on that information, how much will you be able to charge your customers?
- Do you foresee any major developments that might threaten expansion or long term growth for your dive company?

Other tips and advice to help you start a scuba business could include attending a business seminar for the recreational dive industry.

At some point, you will need to get professional advice to enhance your business support network, such as from an:

- Accountant
- Bank manager
- Consultant
- Lawyer
- Small business adviser

Pro Tip: There are significant advantages and benefits in [becoming a PADI Dive Center or Resort](#) (e.g. by joining the [PADI International Resort and Retailer Associations](#)).

Buying a Scuba Company as a Going Concern

In fact, PADI suggests that it could take up to one full year of planning to open a dive shop or resort. In the end, it will depend on your particular schedule and resources.

This is why some people, especially [qualified scuba professionals](#), might prefer to purchase an existing dive business that's already set up and trading.

Here's the thing:

You could almost eliminate the startup time and you might also expect taking over an existing company to be less risky than setting up a new dive shop.

In the main, you will be retaining the existing customer base, any contracted equipment suppliers, and the sales volume. Of course, it would be your responsibility to improve on them over time.

In addition, getting expert advice with proven experience from a knowledgeable business owner could be another benefit. But, you might also inherit some "bad scuba practices" too.

In case you were wondering:

The total investment for running the dive company of your dreams could set you back anywhere between \$10,000 and \$50,000. Whereas, you might need to pay something closer to \$1 million to buy an existing scuba diving business in a good location.

Members can check through a list of scuba jobs and dive operations for sale in the Classified Ads section of the [PADI Pros Site](#).

Important: Around 20% of small businesses fail within the first twelve months, and about 33% survive longer than ten (10) years - according to the [Small Business Administration \(SBA\)](#).

How to Register a New Scuba Business

There are four common types of business structure, a sole proprietorship, a partnership, a limited liability company (LLC), and a corporation.

There are benefits and disadvantages in establishing certain kinds of legal business entities. For example, registering a corporation or an LLC will protect you from most liabilities if someone sues your scuba diving business.

Registering for Taxation

Let's assume you want to learn how to open a dive shop in America. If so, you will need to register for several state and federal taxes before you can start trading.

Note: You can apply for an [Employer Identification Number \(EIN\)](#) online - and the process is free.

Opening a Business Bank Account

To help protect your personal assets, it's best to use separate business banking and credit accounts.

For example, mixing up personal and business accounts can put your personal assets at risk, such as your property and other valuables.

In fact, doing so is a legal requirement when applying for a business loan. Plus, it is the most efficient way to build a good credit history for the company.

Setting Up Business Accounting

All businesses need to keep records of expenses and income sources. So, it will be important to keep your accounts current and accurate to simplify annual tax filing.

Obtaining Permits and Licences

Failing to get any required licences and permits usually results in financial penalties (fines). But, in severe cases, it can also lead to the complete closure of your business.

For example, in the United States you need to comply with all state and federal regulations for scuba diving licensing and instructor licensing. Click through to [FAQs about becoming a certified scuba diver](#) for further information.

Certificate of Occupancy

Running a scuba business means you usually need some kind of storefront to attract customers. You may also need safe facilities for [teaching diving courses](#) (e.g. classroom, swimming pool, enclosed compressor room).

In general, whether you are leasing a location or planning to buy (or build) the facilities will determine the details in your Certificate of Occupancy.

Insurance for Scuba diving Business

Scuba is not classified as being a dangerous sport. But, you can also include errors such as poor judgement, inadequate preparation, a lack of proper training, and equipment use.

In fact, scuba diving has a low rate of [severe accidents and incidents](#). Even so, you will need to [get diving insurance](#) to operate (in most countries).

Costs of insurance tend to be separated between fixed items (e.g. buildings, boats, vehicles), and personal insurance policies, such as for diving accidents and public liability coverage.

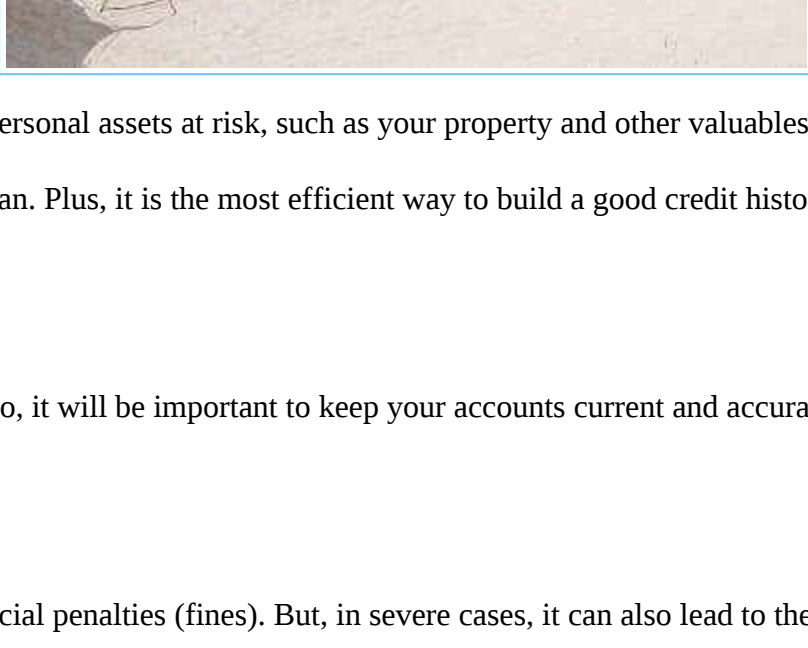
For example:

A typical annual premium for accidental and professional liability insurance could be \$300. Whereas, your buildings and contents insurance could be considerably higher.

However, again from past experience, we would strongly recommend, and required in most countries, that appropriate insurance cover is taken out to help secure company survival - should the unthinkable happen.

Accidents and incidents are rare, but the consequences of trying to recover (physically and financially) from a 'bad day at the office' could prove to be catastrophic. It may also lead to the demise of your dream job in the diving industry.

Pro Tip: [Knowing how many scuba divers die a year might be an important part of your business planning and strategy for insurance liability coverage.](#)



How Much Can I Charge for Diving?

The amount that you charge your customers is not fixed by the scuba training agencies (e.g. [PADI](#), [CMAS](#), [SSI](#)). Instead, the factors that influence your pricing structure will include:

- How many days it takes to complete the training (scuba courses are performance based).
- Which dive certification levels you are teaching.
- Your outgoing costs - based on your staffing requirements and the location of your dive school.

So, apart from the legal cost of setting up a new scuba business, you need to add in your scuba equipment purchases and any long term investments.

For example, buying a scuba school rental set (e.g. [BCD](#), [dive cylinder](#), [regulator](#), [wetsuit](#), [mask](#), and [fins](#)) could cost around \$2,000. Besides, most dive centers will include free gear rental in the course fees.

But wait - there's more:

Carrying out [dive equipment servicing and maintenance](#) is important to keep it safe and in a good working condition.

Unless you are a trained equipment technician, you will have additional costs at regular intervals for repairs and replacements.

Furthermore, the [Professional Association of Diving Instructors \(PADI\)](#) requires all dive students to use and retain the corresponding training manual (costing around \$100 per pack) during and after the course.

Pro Tip: [Dive shops will have set charges based on several factors, such as diving destination popularity and level of competition. But, you can check through our \[scuba prices page\]\(#\) to get some idea of how much dive shops charge customers in Thailand.](#)

How Much Do Dive Shop Owners Make?

As we already suggested, the start-up phase for a new venture is likely to involve at least six months of hard work.

In fact, it takes a long time to build a customer base, and working long hours does not always mean you will be rewarded 'financially'.

Think about this...

A recent survey suggests that around 82% of all small business owners are working over forty (40) hours each week. Furthermore, around half will be at work for more than fifty (50) hours per week.

In other words, one of the smartest decisions that a new dive shop owner can do is to hire experts in their field. Some people excel at teaching, and others will be invaluable for marketing and retail management.

Different Ways to Make Money

Most scuba businesses charge customers for [diver training](#) and for conducting guided dives (so-called fun diving tours). But, there are other ways to generate additional sources of revenue, such as:

- Equipment rental (including [underwater cameras](#) and [dive computers](#))
- Snorkeling tours
- Free-diving certifications
- Spearfishing equipment sales
- Liveboard tours for divers
- Scuba diving for kids
- Emergency first response training
- PADI professional level courses

So, when you ask "how much profit can a scuba diving business make", it really depends on the expenses and several other factors.

Here's a good example:

You run the [Open Water Diver course](#) for four (4) beginners. It will take three days to complete and it will bring in something around \$2,500.

At the same time, you organise two days of guided tours for two more groups of divers and a snorkeling trip for a family of six. This brings in an extra \$2,500.

In other words, entrepreneurs see the value in starting a new scuba business if the revenue that an established dive school can make in three days is more than the outgoings.

Pro Tip: [Another article highlights the top 7 mistakes new dive center owners make and how to solidify your game plan.](#)

How to Increase Dive Company Profitability?

There are several ways to add revenue streams and make your business more profitable, especially during the low season.

For example, some dive shops rent out their equipment to private divers. Whereas, others will charge a fee for servicing the gear of their customers and set up an equipment sales area in the shop.

Using Social Media Platforms

Not using social media to market a scuba diving business is a missed opportunity. All the big platforms offer easy ways for you and your divers to share [dive industry news stories](#) and underwater photos of incredible [sea life creatures](#) and plants.

So, now it's full disclosure time. We use social media platforms to communicate with our customers. Come and meet our team at:

- [Facebook](#)
- [Pinterest](#)
- [Twitter](#)

Pro Tip: [We also have an \[active snorkeling blog\]\(#\) to keep our non-diver customers amused and entertained with equipment reviews and safety tips for beginners.](#)

Create a Website for Your Scuba Business

The marketing of any enterprise, in particular a new scuba business, should include having a professional and informative scuba diving website. It can be an extremely affordable way to attract new customers to your shop.

Website sales and enquiries in general are expected to remain a low cost method for gaining new business - from a 'shop window' that's open 24 hours a day.

Plus, it's still working for you when you take that well earned day off! The website would be a very valuable asset, and much thought needs to be put into its provision and design.

Which leads us to...

Your website should compliment your brand, style, and company logo. Some entrepreneurs enjoy website design and content writing. Whereas, others have no idea how to get started.

So, whether you choose to learn new skills (like I did), or you invest in the services of a website-building professional, this is why it needs to happen:

- All legitimate and credible businesses have a website, and they update it on a regular basis.
- Getting your dive business online is not determined by the size of your operation or any particular niche that you operate in. Do it... no matter what!
- Some may disagree, but a professional, well-written, informative business website should not replace social media accounts and profiles. They should compliment each other!

There are various ways of creating a simple website yourself and saving money. Typical examples include [GoDaddy Website Builder](#), [WordPress](#), and [WIX](#).

Gaining Extra Skills and Qualifications

Now that you know how to start a scuba diving business, it's appropriate to consider ways to expand and improve your [scuba diving career](#).

As a scuba business owner and manager, being an experienced and competent dive instructor would be a tremendous advantage over your rivals.

In other words, before I even planned on starting and running a new scuba diving company, I completed four years of hands-on training with PADI.

But there are alternative training agencies, as our [PADI® Qualification Comparison Chart](#) shows. Others include Scuba Schools International (SSI), British Sub-Aqua Club (BSAC), and the Confédération Mondiale des Activités Subaquatiques (CMAS).

Why choose PADI?

You will get some support from the organisation that you choose to affiliate with. So, [trading through the PADI system](#) means instructors will be certifying the students.

Hence, they will be buying the training materials and filing the necessary paperwork after completing the course training with the students. Communicating with PADI in this way means an individual instructor can run a business entirely by themselves.

Some of the other training organisations, such as the SSI system, have the businesses certify the students after they themselves have finished teaching the courses.

Keep Your Customers Coming Back

One way for an establishment to set itself above the competition is to hire sought-after instructors that can teach in several languages.

In addition, have at least one instructor with multiple credentials and qualifications means they will be able to teach advanced classes, such as:

- [Dry Suit Diving Certification](#)
- [PADI Freediver Course](#)
- [Popular PADI Specialty Courses](#) (e.g. [Wreck Diver](#))
- [Scuba Diving Internship Programs](#)
- [Emergency First Response Instructor Training](#)

Simply put, there are few limits to the growth potential of a newly opened scuba diving business. But, your foundation will be to have intimate knowledge of the [best dive sites in your area](#), with a local diving expert to provide guided dives for certified divers.

Basics of Running a Scuba Diving Business

This may be a good time to ask yourself... Is this kind of business right for your situation? If so, you may already know what happens during a busy day at a popular dive shop.

If not, it goes something like this:

- Coffee time and customer briefings with roster checks for the day's schedule.
- Welcoming the customers and gearing them up for their respective activities. Provide transportation for those who will be joining any organised boat trips.
- Some instructors will be teaching students in a classroom setting. Others will be guiding divers from the boat or conducting scuba training in confined and open water environments.
- Office duties include ordering replacement supplies (e.g. equipment and training manuals) and responding to enquiries from your website and social media platforms.
- Workshop duties may include cleaning dive equipment, [scuba regulator servicing](#), and refilling air or nitrox tanks.

Finally, from our team to yours, we wish you good fortune with starting your new scuba business. Feel free to download this scuba diving business plan template (PDF) for future reference.

Article Edited and Updated by Scuba Steve (2023)

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