## Guide to Starting a Kids Indoor Playground

Start-up Checklist & Budgeting (Part 1)





### **Hello and Welcome!**

Starting a children's indoor play or activity center can be an exciting venture for a first-time business owner. A play center exclusively for children also speaks volumes about one's passion and love for it.

However, there are costs involved, and even if you want to start modestly, it has to be a realistic budget. We brought this guide to break down the one-time business expenses and the things that you need to figure out as you start off.

Here we have used real-world data and approximate estimates for equipment, staffing, licensing, insurance, marketing, and more. For a start, depending on the scale and location, opening a <u>children's activity center</u> or indoor playground requires upfront investment ranging from \$50,000 to \$500,000.

With careful planning (and a bit of creativity), you can tailor your budget to create a fun and financially sustainable play center.

Here's PART 1 of the series on Expenses and Budgeting on running a Kids' Indoor Playground or Children's Activity Center that exclusively talks about the first stage- start up!

Keep noting down!



## One-Time Startup Costs (Initial Investment)

Upfront costs include securing a location, outfitting your space with play equipment, and getting your business set up legally and safely. These are one-time expenses needed to launch your play center. Actual numbers will vary widely by city and the size of your facility.

For example, a <u>2018 report</u> suggests that one 2,500 sq ft play café in New York state reported spending about \$200,000 in total startup costs.

While smaller play cafés or toddlerfocused playgrounds typically fall at the lower end of the range. Larger family entertainment centers with custom themes, trampolines, or ninjastyle obstacle courses can easily exceed half a million dollars or more.

Before we outline the major startup cost categories and typical price ranges, here's something that you need to consider.

Another study in 2025 suggests that the average cost to open an indoor playground in the U.S. ranges from \$150,000 to over \$750,000, depending on factors like size, equipment, and location.

# How big is your facility going to be?

In the checklist below, you can check the size ranges typically used to classify kids' indoor playgrounds.

#### 1. Small Indoor Playgrounds

- Approx. Size: 1,500 3,000 sq. ft.
- Use Case: Often designed as play cafés or toddler play areas with soft play structures, ball pits, and small slides.
- Audience: Best for younger kids (1-6 years old) and communities with limited space.

Add Notes:		



#### 2. Medium Indoor Playgrounds

- Approx. Size: 3,000 8,000 sq. ft.
- Use Case: Can host multiple play zones toddlers, bigger kids, plus maybe birthday party rooms.
- Features: Climbing structures, obstacle courses, inflatables, or themed play equipment.
- Audience: Families with kids up to around 10–12 years old.

Add Notes:		

### 3. Large Indoor Playgrounds / Family Entertainment Centers

- Approx. Size: 8,000 20,000+ sq. ft..
- Use Case: Full-scale kids learning and entertainment area and indoor gyms.
- Features: Multi-level play structures, trampolines, ninja courses, arcades, laser tag, café/restaurant areas, birthday party areas, etc.
- Audience: Wide age range, designed to keep both younger kids and pre-teens engaged.

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Now that you have figured out the size of your facility, let's find what a few of the basic costs that you need to consider (with rough estimates)-

# 1. Facility Lease & Build-Out:

ISecuring a suitable space is often the first big expense. This includes the following expenses-

### a) Rent deposits-

Rent deposits vary in terms of location and size. A medium-sized space costs approximately \$5000-\$10,000 per month. This might require an upfront deposit.

### b) Build-out needed-

Any facility requires flooring, padding, childproofing, and all sorts of remodeling including painting, building walls, adding restrooms, HVAC improvements, safety upgrades and so on.

All of this would require a one-time cost of approximately \$10,000-\$50,000. To protect kids from injury, you'll need proper safety surfacing on the floors and around play areas.

This includes rubber mats, foam padding, or padded carpet in play zones, as well as padding for any support poles or walls. Safety surfacing can range from a few thousand dollars to tens of thousands of dollar, depending on the area covered and materials used



# 2. Playground Equipment & Installation

The play structures and toys will likely be one of your largest investments. Costs can range widely – from a few thousand dollars for a very basic setup to tens of thousands for elaborate multi-level play structures.

Here, the costs will again depend on your facility's size, the age of the kids you are aiming to build for. A couple of basic equipment required for an indoor playground are as follows-

- Ball pit
- Multi-level slide
- Climbers
- Crawl tunnels
- Interactive toys or inflatables
- Soft play pieces
- Sensory panels
- Trampolines
- Mazes
- Spring Rockers/Riders

Apart from that, your kids' activity center will also require furniture, tables, desks, and chairs for both students and instructors. It's wise to invest in quality, commercial-grade equipment that can withstand daily use.

Installation costs also include travel and technician fees, which are basically estimated to cover <u>27%</u> of the total costs.



## Licenses and Permits

Before opening your indoor playground, it's essential to make sure you're fully compliant with local rules and safety standards. The exact permits you'll need depend on your city, county, and the scope of your business, but here are the most common ones:

- Business License: Required for any commercial operation, this is issued by your city or county.
- Zoning Approval: Confirm that your chosen location is zoned for use as an indoor playground or entertainment facility.
- Building Permit: If you're making renovations or structural changes, you'll likely need approval to ensure the space meets construction and safety codes.
- Health & Safety Permits: If you plan to serve food or drinks, or if sanitation is a concern, the health department will need to approve your setup.
- Fire Safety Clearance: This ensures your facility complies with fire codes and emergency safety standards.
- Occupancy Permit: This confirms how many people can safely be inside your facility at one time



The process can take time, so start early. Requirements vary by location, and additional permits may be needed depending on your setup. Working with a local business consultant or attorney can make navigating the process much easier.

Also, these costs are relatively small in the budget but cannot be overlooked. Depending on local regulations, permits and licenses might range from a few hundred to a few thousand dollars in total.

\*Having said that, every city or state is different and might have different local requirements. Be sure to check them





### 4. Insurance

Children's activity and indoor play centers must carry insurance to protect against accidents and liabilities. You will typically need general liability insurance (in case a child or parent gets hurt on the premises) and property insurance (to cover damage to your facility or equipment). Insurance premiums for a small center are on the order of a few thousand dollars per year.

Most insurers require the first year's premium to be paid upfront, so plan for an initial outlay of around \$3,000-\$6,000. The exact cost will vary based on your coverage limits, location, and the scale of your facility—larger operations or those in higher-risk areas can expect to pay more.

**Pro tip:** Simplify liability management with Omnify— <u>collect and store digital waivers</u> effortlessly as part of your registration process. Keep your children's activity center and kids' program legally protected while ensuring quick access and full compliance, all without the paperwork hassle.



# 5. Staffing & Training

Right after the establishment of your indoor playground and activity center, next comes the costs for one of the most significant assets of your business- your team. Building your team of trainers, non-training staff, and security is one of the most important aspects before you can open the doors of your facility.

This includes hiring staff (e.g. interviewing, background checks) and paying employees during training sessions or setup periods. Plan for at least a few weeks of payroll expenses before you start earning revenue.

Many indoor play centers bring on key employees—such as a manager and a few play attendants—a couple of weeks ahead of opening. This early hiring allows time for training, setup, and fine-tuning operations.

### Few things to keep in mind are-

- Wages for training hours (pre-opening period)
- Required certifications, such as CPR or first aid training, to ensure safety
- Staff uniforms for a professional look



## 6. Marketing and Branding

To attract families and build awareness, you'll need to invest in both <u>marketing</u> and creating a strong brand identity. Initial costs often include designing a logo, installing signage, developing a website, printing brochures or flyers, and promoting your grand opening both online and in the local community.

Industry experts suggest budgeting at least \$5,000-\$10,000 for marketing in the first year, with a good portion spent in the early months. This can cover social media ads, Google Ads, partnerships with local parent groups, and launch events to get your center noticed quickly.

But branding doesn't stop at visuals and advertising—it extends into the experience you deliver to customers every day. This is where a children's activity software and booking platform like Omnify becomes invaluable. Beyond streamlining operations, software like this actively supports your brand by making interactions seamless and professional:



- Easy QR Check-Ins A quick, modern entry process like <u>QR check-ins</u> makes families feel welcomed and cared for.
- Digital Waivers Collect and <u>store liability</u> waivers online, reinforcing trust and professionalism.
- Slot & Class Bookings Let parents book classes anytime, anywhere, without phone calls or paperwork.
- Membership Options & Discounts Build loyalty with flexible packages, <u>sibling discounts</u>, and special offers.
- Upsell Classes & Products Increase revenue by offering add-ons like private sessions, merchandise, or café items through the same platform.

By integrating these tools and more, your brand goes beyond visuals—it communicates efficiency, care, and customer-first service, which is exactly what keeps families coming back.

\*Check the <u>pricing of Omnify Children's Activity</u>
<u>management software</u> to get an idea of what an affordable booking platform's expense looks like.



# 7. Other Startup Costs

Apart from the basic expenses already mentioned above, there are a lot of miscellaneous and hidden costs involved. The checklist below will help you to note down such other expenses required during the start-up of a new facility.

☐ Furniture and Fixtures	
☐ Cleaning Supplies	
☐ Products and Merchandise to sell	
☐ Food and stationery inventory	
☐ Capital/Contingency Funds	
Any others (PIs Mention)	



### Conclusion

Launching a children's indoor play or activity center is a unique opportunity to combine passion with purpose. It's about more than just opening a business—it's about creating a space where families feel welcome and children can safely learn, play, and grow.

This guide has laid the groundwork for the first stage—startup expenses. As you continue, the next step will be learning how to manage ongoing costs effectively and build systems that support both financial health and community impact.

In the following parts of this series, we'll dive deeper into ongoing operational costs and practical strategies to optimize your budget—so you can not only launch successfully but also sustain and scale your play center with confidence.





# Embrace Your Journey

Thanks for taking the time to explore this guide on starting your children's indoor play or activity center.

Every step you take—from planning your budget to making thoughtful investments—brings you closer to building a space where kids can play, learn, and thrive.



