

2019

Gym Trimz Business Plan



Steven Pattin ,Toni Cooper ,Caroline Haslam
BMSK 4006

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Executive Summary

This business is a Barbers shop that will be situated inside a 24-hr gym. It will be an on-site addition to the gym where customers can get haircuts and shaves. This will accommodate not only gym members but also none gym members. Our aim is to offer a service that is outside of the normal working hours of a standard high street hair salon meaning we can cater for customers anytime of the day or night 7 days a week.

Our marketing and business strategy are simple. We will be using social media platforms and the gyms own website to promote the business and its services. In addition, there will be mail shots sent out and flyers and posters printed to make the general public aware of this new addition to the area.

The key people involved in this project will be Steven Pattin, Toni Cooper and Caroline Haslam. In addition, the gym itself will be involved at a managerial level. They will be overseeing the whole project as landlord.

As for practical issues there isn't really any apart from changing electrical sockets to suit the intended layout.

The financing needed for this start up would be £15,000. This would cover all insurances and liabilities, all equipment (Chairs, Mirrors, sinks etc) and any costs incurred with fixtures and fittings.

Business Overview

Gym Trimz (Barber Shop) - This has always been a passionate dream of ours to provide high quality cuts, trims and shaves to wide range of clientele.

Gym Trimz we provide the latest hairstyles, cuts, shaves and techniques used in the hair industry.

As our business is a 24 hours barber shop which will be open 7 days per week, we will be unique and exclusive to the area that we are providing our services from. The business will be based inside a 24-hour Gym meaning we would have a steady flow of clients and income because of where we are based.

Gym Trimz plans would be for all staff to undertake regular training in the latest hair fashion trends and techniques meaning the business will be continuously evolving and expanding.

Any financing that we gain beforehand and whilst running the business would allow us to employ more staff and purchase high end equipment with the possibility of maybe expanding our business to other areas.

Markets and Competition

We understand that this is not a niche market as there is a lot of competition with competitors working 9-5 providing similar services but as already stated we are a 24/7 business based in a 24 hour gym so have a different type of clientele whom we can attend to outside of normal trading hours.

Target Markets

We aim to provide services to individuals who are otherwise unable to make appointments or walk into barbers or salons in normal working hours. Due to the fact that we are based in a gym our customers can go in and exercise and get ready and prepared, stress free ready for an occasion, event or simply a night out without the worry of the regular barber down the road being closed.

We took it upon ourselves to run a short survey with the general public on multiple occasions and asked passers-by what their thoughts were on a 24/7 barber shop located in the 24-hour gym, and whether they would use it. The results showed that it would be something people would be very interested in, as most barbers close after normal working hours, due to the public having busy lifestyles and hectic work schedules so not always being able to attend before 5pm.

Competition

The competitors in our industry are other barber shops which provide somewhat similar services i.e. – haircuts, shaves, colour treatment. Their advantage is that they already have an established business and clientele, are open between the hours of 9am and 5pm. Their disadvantage is that they are not open 24 hours a day ,7 days a week unlike ourselves.

Our target customer will buy in to our 24-hour high-quality service which would benefit a lot of shift workers.

Sales and Marketing

Product Positioning

As this is new business, we will be running many promotions and competitions for the first month before opening to gain attraction and to widen our customer base. Our customers will receive a 5-star services as all our staff will be trained to the highest of industry standards. They will hold a minimum of 5 years services within the industry.

Our customers will be made aware of the background and industry training of our Stylist's and this will be highlighted on our social media accounts, with links to each stylist's portfolio so they will feel at ease before attending.

Marketing

To sell our services and gain custom we will look at advertising on social media platforms, such as Facebook, Instagram and Twitter. We will run online competitions via these accounts before opening, for example "like and share our page", we will contact local radio stations to promote and advertise through them, this is a free service. We will also have posters and mail shots sent out with local free newspapers. The social media aspect will be aimed primarily at the younger market, where as radio advertisement, mail shots and local press would target the middle aged and retired generation.

Sales

Senior management will be taking turns to actively approach the public with handouts, discount vouchers, and flyers. This will work in conjunction with other methods we will use as we would have also advertised well in advance before the business launch date. Due to our stylist's previous experience and knowledge they will have their own previous client base built up which will follow them meaning continuous returning customers from the offset.

Management

Key Personnel

The key individuals of our business are –

- Manager
- Stylists
- Receptionist

The managers responsibilities would be to ensure the business is running smoothly, and cash flow is frequent. Keeping on top of the stylists ensuring they attend their shifts and keeping in touch with clients with regards to repeat appointments. Buying stock and ensuring the shop always has adequate supplies and that staff are trained in health and safety and COSHH. Our Stylists responsibilities would include keeping up with regular hair training, ensuring they follow health and safety and COSHH regulations and provide the best quality service. Receptionist responsibilities would be to keep in touch with clients and to ensure that appointments are kept up to date and recorded appropriately, meet and greet clients and making them feel welcome.

Advisors and support services

As our business includes multiple owners, we are going to have a difference of opinions so we would have a business manager to see what opinion is more viable for the business. We will also have a business lawyer who will draw up contracts and make sure we are compliant regarding all regulations I.e. GDPR.

Operations

Premises and Equipment

Gym Trimz will be in a 24-hour Gym. The location will be like no other due to the barbers being open out of normal business hours. Equipment needed would be Barbering chairs, Mirrors, Seating area and a till. Barbers would provide their own equipment as needed.

Employees

There will be 3 chairs which will run on an 8-hour rental block, Barbers who are renting the chairs will be coming from reputable barber shops who will have their own chain of personal clientele who will follow the barbers to the new premises.

Suppliers

Gym Trimz have no suppliers as such, The Gels, Hairsprays, dying products and shampooing products will all come from V05 and will come at no cost to ourselves, as we will be promoting their products and products will be available to purchase from clients.

Financial Forecast

Sales

We predict within a period of 3 months to have our chairs rented out on the ratio of 3 chairs during peak hours, 2 during the middle and 1 during low meaning that our turnover would be £240 daily.

Cashflow

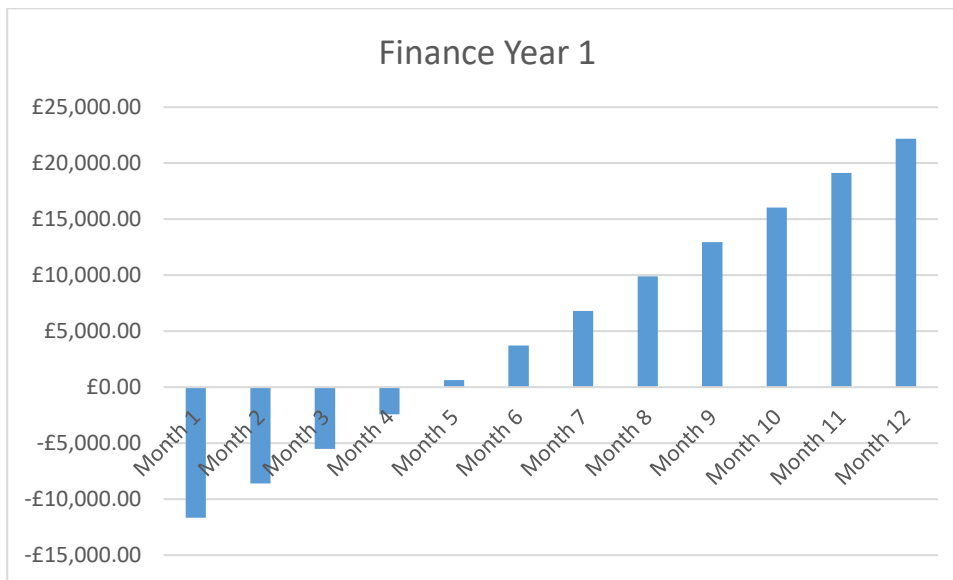
Barbers would pay one month in advance for their rental chairs, so we are always a month ahead. A day we would earn us £240 A week £1,680, a month £6,720 and year it would be £80,640.

Profitability

This forecast shows that in the first 12 months the business would have a steady income

Financing

We would like to request a start-up fee of approx. £15,000 this would cover us for Public Liability Insurance, Employees Liability Insurance, Contents Insurance, furnishings and fixings etc. There is no cost for rent, council tax, gas, electric or water rates as Gym Trimz and the 24 Hour gym have come to a mutual written agreement that we will be able to use their empty spaces to increase their own personal profile as well as help make ours grow. Gym Trimz advertisement on social media and local radio stations and posters will bring the 24-hour gym extra custom and potentially many new members. The gym will run promotions which would benefit new members, also any purchases made by new and existing gym members for Personal Training classes this would allow a free treatment at the barbers. There would be gym member discounts as well as discounts at the gym for the barber's customers with free joining with no fees. The barber shops products are at no cost, advertising comes at no cost.



This chart shows how the business is expected to progress from day one to year end. As can be seen above we will initially be making a loss for the first few months but gradually by month five we will have broken even with a continuous profit from there on in.

This takes into account the 3 wages for ourselves paid at minimum wage. A detailed breakdown can be found in the appendix.

Appendix

	Income	Outgoing	Profit/loss	P/L per month									
Month 1	£6,720.00	£18,390.80	-£11,670.80	-£11,670.80		insurance & liability etc is	£6,000.00			equipment cost is	chairs	£1,500.00	
Month 2	£6,720.00	£3,640.80	£3,079.20	-£8,591.60							mirrors	£750.00	
Month 3	£6,720.00	£3,640.80	£3,079.20	-£5,512.40		chair rent is 1 month in advance					waiting area	£1,000.00	
Month 4	£6,720.00	£3,640.80	£3,079.20	-£2,433.20		£240 a day from 3 chairs	£6,720.00	per month			sinks	£2,000.00	
Month 5	£6,720.00	£3,640.80	£3,079.20	£646.00							hairdryers	£150.00	
Month 6	£6,720.00	£3,640.80	£3,079.20	£3,725.20							sterilizing equipment	£200.00	
Month 7	£6,720.00	£3,640.80	£3,079.20	£6,804.40							towels	£150.00	
Month 8	£6,720.00	£3,640.80	£3,079.20	£9,883.60							washing machine	£250.00	
Month 9	£6,720.00	£3,640.80	£3,079.20	£12,962.80							tumble dryer	£250.00	
Month 10	£6,720.00	£3,640.80	£3,079.20	£16,042.00							signage	£2,000.00	
Month 11	£6,720.00	£3,640.80	£3,079.20	£19,121.20							flyers & posters	£500.00	
Month 12	£6,720.00	£3,640.80	£3,079.20	£22,200.40									
total	£80,640.00	£58,439.60	£22,200.40							pay for ourselves			
										minimum wage	£8.20		
										3 people	£24.60		
										37hrs per week	£910.20		
										4 weeks	£3,640.80		

CUTS

GENTS.....	£9
BOYS u10s.....	£8
HEAD SHAVE.....	£8
& RAZOR.....	£10
SKIN FADE.....	£11
& RAZOR.....	£12
CUT & PATTERN..	£15
O.A.P.....	£7
SHAPE UP.....	£5

SHAVE

HOT TOWEL SHAVE.....	£8
BEARD RESTYLE	£9
BEARD LINE UP	£7
TRIM BEARD	£5

TREATMENTS

FACE MASK.....	£5
EAR CANDLES.....	£6
FACE TREATMENT 1.....	£5
FACE TREATMENT 2.....	£10

CUTS

Gents	£9.00
Boys Under Ten Years Old	£8.00
Head Shaved	£8.00
+Razor	£10.00
Skin Fade	£11.00
+Razor	£12.00
Cut & Pattern	£15.00+
OAP	£7.00
Shape Up	£5.00

TREATMENTS

Face Mask	£5.00
Ear Candles	£9.00
Face Treatment 1	£5.00
Face Treatment 2	£10.00
Waxing	+£2.00
Threading	+£2.00
Head Massage & Wash	£7.00