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1. Overview of the Business idea

1.1 Business Concept

Glow & Grace Beauty Salon is a modern, full-service beauty salon offering haircare, skincare, nail treatments, and cosmetic service. The salon aims to deliver premium yet affordable self-care experience from women and men aged 18-55. The concept focuses on personalised services, high-quality products, and a relaxing environment designed to improve customers wellbeing.

The beauty industry continues to glow due to rising consumer interest in self-care, and lifestyle aesthetic. Glow & Grace positions itself as a mid-range, trend-forward salon combining luxury service quality with accessible pricing, making it appealing to a broad customer base.

1.2 Management Structure

Glow & Grace will adopt a flat management structure, promoting fast communication and staff collaboration

Owner/ Managing Director: Responsible for strategic planning, operation, budgeting, and compliance.

Salon Manager: Handles staff scheduling, customer service, stock management, and quality control.

Beauty Therapists and Hair Stylists: Deliver treatment and handle clients consultations.

Receptionist: Manages bookings, payments, customer support, and sales of production.

A flat organisational structure ensures agility, efficient decision-making, and cost-effectiveness (Burns, 2022).

Legal Format

The business will operate as a Private Limited Company (Ltd) due to benefits such as limited liability, tax efficiency, and credibility with investors (Companies House, 2024).

2.Environmental Analysis (PASTLE)

A PASTLE framework helps analyse the external environment influencing the beauty salon's success.

Political Factors

Government regulations under the UK Health and Safety Act outline hygiene tool sterilisation, and COSHH obligations. Policies related to small business support, such as grants or tax relief schemes, can benefit new salon. Changes in employment law, including minimum wage adjustments, may influence operational costs.

Economic

The beauty sector remains resilient even during economic downturns, with consumer spending on personal care steadily increasing (Mintel, 2023). Inflation may raise costs of consumables such as creams and hair products, but high demand for grooming services offsets this risk.

Social

Social trends emphasise self-care, wellness, and beauty enhancements. The rise of social media influencers drives consumer interest in salon-quality appearances. Customers also prefer eco-friendly products and ethically conscious brands (Statista, 2024).

Technological

Digital booking systems, online payments, and CRM tools streamline operations. Social platforms such as Instagram and TikTok are essential marketing channels for showcasing salon results.

Environmental

Sustainability expectations are increasing. Glow & Grace will use biodegradable towels, vegan product lines, and low-waste packaging to meet consumer demands.

Legal

The business must comply with employment law, GDPR for customers data, and licensing regulations for chemical treatments and skin-penetration procedures. Insurance will include public liability, employer's liability, and treatment risk coverage.

3. Marketing Strategy (Including STP Model)

Segmentation

Market segmentation includes demographic, psychographic, and behavioural variables. Target customers include women age 18-55, beauty-conscious individuals, and repeat grooming clients.

Targeting Strategy

Glow & Grace will adopt a differentiated targeting strategy, mainly focusing on:

- Primary Market: Women aged 25-45 seeking premium beauty treatments.
- Secondary Market: Students and younger adults wanting affordable grooming services.

Targeting is guided by the high purchasing power and repeat-service potential of these groups (Kotel and Armstrong, 2022)

Positioning

The salon will position itself as:

A premium, eco-friendly beauty salon offering personalised treatments that enhance natural beauty

Positioning is supported through:

- High-quality natural products
- Professional, trained staff
- A spa-like ambience
- Strong digital presence and influencer collaborations

Marketing Mix (4Ps)

Product

A range of beauty services including:

- Haircuts, colouring, styling
- Facials and skincare
- Waxing
- Makeup
- Manicure and pedicure
- Eyelash extensions

Packages will include “Bride Glow Package”, “Self-Care Sunday”, and “ Student Glam Deals”.

The variety ensures multiple revenue streams and increases opportunities for upselling.

Price

A value-based pricing strategy will be used. Premium services command higher prices, while entry-level grooming services remain affordable.

Place

Physical salon located in a busy urban area with high footfall. Online booking, social media engagement, and Google Business Profile will support visibility.

Promotion

- Instagram/TikTok campaigns
- Influencer partnerships
- Loyalty cards and referral bonuses
- Seasonal discounts

4. Funding Requirements and First-Month Start-up Expenses

Table 1: Start-up Cost

Start up cost	Amount (£)
Renovation and interior design	10,000
Initial equipment (chairs, mirrors etc..)	12,000
Initial Stock (products, tools)	2,500
Licence and insurance	1,200
Technology (Online booking)	1,000
Marketing (branding, initial advertising)	2,000
Total Cost	£28,700

In Table 1, it shows the total amount of the Star-up cost.

Table 2: Running Cost (Monthly)

Running Costs (Monthly)	Amount (£)
Salaries	8,000
Rent	2,200
Utilities	450
Product Restocking	700
Taxes	350
Total Cost	£11,700

In the Table 2, it's the total monthly amount of the Running Costs.

Table 3

Fixed Costa (Monthly)	Amount (£)
Salaries	8,000
Rent	2,200
Utilities	300
Taxes	350
Total Cost	£10,850

Table 3, present the total Fixed Cost monthly.

Table 4: Variable Costs (Monthly)

Variable Cost	Amount (£)
Beauty Products (usage-based)	400
Disposable items (towels, waxing strips, gloves)	250
Utilities (variable portion)	150
Total Cost	£800

Table 4 is about the total Variable Cost per month.

Table 5: Monthly Budge (Jan-Jul)

Months	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Cost	10,850	10,850	10,850	10,850	10,850	10,850	10,850
Variable Cost	800	800	900	900	950	950	1,000
Total Cost	11,650	11,650	11,750	11,750	11,800	11,800	11,850
Revenue	9,000	10,200	12,500	14,000	15,300	15,800	16,850
Profit/Loss	-2,650	-1,450	750	2,250	3,500	4,000	4,350

Funding Sources

To cover £28,700 start-up costs+ £11,700 first month operating cash (recommended)
Glow & Grace will raise £40,400 from:

- Owner investment: £10,000
- Bank Loan: £25,500
- Government Small Business Grant: £3,000
- Family Contribution: £2,400

This ensure the salon has enough working capital for the first 1-2 months while customer demand grows.

Conclusion

Glow & Grace Beauty Salon is positioned for success due to strong market demand, eco-friendly brand identity, and solid marketing strategies supported by the STP model. With clear financial planning and structured operations, the salon aims to establish itself as a trusted beauty destination while achieving profitability within the first quarter of operation.

References

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