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Introduction

“New Look” is a small business Barber shop that dedicated to not only providing contemporary hairstyles and grooming or men and women, but also offers life enhancement support for individuals and families by providing quality service and support. The “New Look” Barbershop is located in East London with middle class residents that can afford to pay the hairdressing costs and serves people from different background and needs.

On this business report outlined Aim and Objectives, Mission and Vision of the business, cash flow statement, and also discussed PEST analyses, SWOT analyses. marketing strategies, Summaries.

Aim and Objectives

The aim of the “New Look” is a goal the business wants to achieve. Illustrate to make a good profit, become larger, improving quality their services, satisfy our customers.

The objectives “New Look” is conducting smart criteria of objective (Nazarova 2011). It is as follow:

- **Specific**

The objective of the company is specific and it is easy to understand for the employees and management.

- **Measurable**

The objective is measurable. Everyone in the organization and analyze his personal performances as well. According to Alan Bryman, Anna Bell (2011 3rd ed.) “Measurement allows us to delineate fine differences between people in terms of the characteristic in question.”

- **Acceptable**

The objective of the business is acceptable to workers and management of the organization and everyone is working according to the objective of the business.

- **Realistic**

It is based on real world instead of imaginary thoughts. That’s why it is more easier for the workers and the business to get the success.

- **Time**

Objective should be set by the organization within a specific period and extra time shouldn’t be wasted for setting the objective,))))))

Mission and Vision

Mission

“New Look” Barber shop will provide a comforting, yet stimulating, friendly atmosphere in which customers will be able to relax both their body and mind, through a wide range of services, “New Look” will provide itself as high quality service provider to which clients and their family can always come to escape the stress of life, and refresh their potential, enjoy the companionship of their colleagues and friends.

Vision

Great vision presides great achievement. The vision for “New Look” are outlined below:

- Encourage and embrace a caring environment that fully supports people from different backgrounds, and needs.
- Dedicated to “Making dreams come true” in the lives of our customers and workers. According to Thomas and Wastmund (2011) “More and more smart people are following their hearts and making their dreams of working for themselves come true and they’re no different to you”.
- The management concerns in skillful and ethical manner. Undertaking to build an honest, fair, and confidential workplace.
- Excellence in professional growth by eager developing our knowledge base, to be specialist within our branch.
- Company to pay great attention work together as teamwork, respect each other, and give every worker the chance to develop to their fullest potential.

Legal Compliances

1. Legal Compliance

A barbershop in UK might be operated as a sole trader or as a partnership. For operating as a sole trader we need to register with HM Revenue and Customs (HMRC) as self-employed. A self-assessment tax return needs to be managed every year. They will also have to pay Class 2 and class 4 National Insurance Contributions (NIC) every year. Same formalities are also to be followed in case of Partnership business. In addition each member needs to manage self-assessment tax and individually pay Class 2 and Class 4 National Insurance Contributions every year. In April each year self-assessment taxes are issued and the previous year from 6th to 5th April is issued.

Other legal structure that can be adopted to start a barbershop is a private limited Company. A set of accounts needs to be supplied along with a complete return to HMRC. A Vat registered barbershop needs to complete a VAT return form for every tax period. It is usually every 3 months. We must be very strict about guidelines related to health and safety otherwise the authorities might close our shop. We need to ensure wellbeing of the customers as well as the employees conduct a risk assessment of our premises and minimum standards of comfort and cleanliness needs to be ensured.

Marketing Strategies

i. Establish a brand

Initially we need to create brand awareness by promoting our services. The services provided by us like haircut, shave, pedicure, manicure they need to be properly communicated to the audience. Our target audience properly needs to be notified about our service.

ii. Create a Website and rank it on top with help of Search Engine Optimization (SEO)

People just don't browse the internet they almost live on the internet. Digital Marketing is a necessity for almost any business. So when people will search about barbershops in Google they must find our website on the top. So as a result they will get fast access to our page and which will in return increase our brand value.

iii. Facebook and Instagram

Through our Facebook fan page we will communicate all the necessary information to us to our Target Audience. In Instagram we will post interesting photos of our barbershop. The benefit of Facebook is that we can advertise and target whomever we want.

iv. Email marketing and Newsletter

We need more and more people to subscribe to our newsletter. The people who subscribe to our newsletter needs to be updated with the latest promotional offers of our barbershop. As a result customers will stay updated with our latest offerings.

v. Mobile App

We need to build a good mobile app which will be useful for our customers' to check about our latest updates relating to our services.

vi. Print Advertising

Though digital marketing is the main way of Marketing for many years but still brochures, leaflets and pamphlets are very important when there is face to face interaction with our customers. These will be distributed with newspapers and when customer visits our shop we can give them our brochure to communicate the latest offers.

“New Look” Barber Shop

Sales and costs forecast

	Month	1	2	3	4	5	6	7	8	9	10	11	12	Total
A	<u>Month name</u>	January	February	March	April	May	June	July	August	September	October	November	December	
Sales forecast														
B	Women	55	57	58	45	60	53	61	67	60	56	57	67	
C	Men	110	120	118	115	117	119	121	117	121	113	125	135	
D	Kids	48	53	55	47	55	53	57	65	68	52	56	68	
Costs forecast														
E	Women Hair cut (£35 each)	1925	1995	2030	1575	2100	1855	2135	2345	2100	1960	1995	2345	24,360
F	Men Hair cut (£15 each)	1650	£1800	1770	1725	1755	1785	1815	1755	1815	1695	1875	2025	21,465
J	Kids Hair cut (£5 each)	240	265	275	235	275	265	285	325	340	260	280	340	3385
Annual Total:														£49,210

	Month	Pre-start	1	2	3	4	5	6	7	8	9	10	11	12	Total
A	<u>Month name</u>		January	February	March	April	May	June	July	August	September	October	November	December	
	<u>Money in (£)</u>														
B	<u>Funding from the...</u>														
	<u>Funding from other sources</u>														
	<u>Own funds</u>														
	<u>Incomes from Sales</u>		3815	4060	4075	3535	4130	3905	4235	4425	4255	3915	4150	4710	49,210
	<u>Other</u>														
C	<u>Total Money in (£)</u>		3815	4060	4075	3535	4130	3905	4235	4425	4255	3915	4150	4710	49,210
	<u>Money out (£)</u>														
D	<u>Estimate costs</u>		1410.17	1410.17	1410.17	1410.17	1410.17	1410.17	1410.17	1410.17	1410.17	1410.17	1410.17	1410.17	16,922
	<u>Wages</u>		1152	1152	1152	1152	1152	1152	1152	1152	1152	1152	1152	1152	13,824
E	<u>Total money out (£)</u>		2562.17	2562.17	2562.17	2562.17	2562.17	2562.17	2562.17	2562.17	2562.17	2562.17	2562.17	2562.17	30,746
F	<u>Balance (£)</u>		1252.83	1497.83	1512.83	972.83	1567.83	1342.83	1672.83	1922.83	1692.83	1352.83	1587.83	2147.83	18,464
	<u>Opening balance</u>														
	<u>Closing balance</u>														

Cashflow forecast

Personal survival budget

Section	Annual cost (£)
Mortgage/rent	£12,000
Council Tax	£2,400
Gas, electricity and oil	£420
Water rates	£180
Rent Lease	£1,200
Clothing	£100
Food and housekeeping	£180
Telephone	£192
Subscriptions (clubs, magazines etc.)	£250
Total costs (£)	£16,922

SWOT Analysis

Strengths

Premium Pricing- There are a lot of metrosexual men who usually spend a lot on saloons, they will pay whatever is charged if their demands are met.

Take home service- The clients who don't want or have time to come to our barbershop in that case we can send our barbers to their residence.

Weakness

High Barriers to entry- There are a lot of legal compliances like registration, tax and maintain a healthy environment.

Heavy Investment- Though there are lots of legal formalities but initial investment is quite a lot. The room rent, seats, interior, sanitary items and whole set up takes quite a lot of money.

Easy to replicate- Though there are high barriers to entry and high startup costs, once those are managed, the skills, offerings are easy to replicate.

Opportunities

Scope for expansion- If the business runs smoothly than providing the same quality of services we can expand in different areas.

Affiliate relation with vendors- We can develop long term relations with vendors which will help us achieve economies of scale in long run.

Threats

New Regulations might cause problems- Due to new regulations there might be some problems in day to day operations.

Inflation may hamper demand- With prices of everything going up there is a high chance that the prices of service may go up and many customers might not be able to avail the premium services.

PESTLE Analysis

Political Analysis

New rules and regulations

New loans for small business

If High taxes are imposed on cosmetics products.

Economic analysis

The currency of UK falling after BREXIT.

Inflation having an impact on overall pricing where prices of services jack up.

Ever increasing price and demand of cosmetics.

Nominal Income increasing but not Real income.

Social analysis

Men are more beauty conscious than the past more focused on posting their pictures, selfies to Facebook etc.

More men like to style their hair and also trim their beard to keep up with the latest fashion.

Technological Analysis

The robust growth of social media very helpful in promoting such services online. Through videos the haircutting, pedicure, manicure can be promoted.

Good reviews in social media can help bring in a lot of customers to our shop. On the other hand negative reviews can spread out of hate jealousy.

Inventory management and keeping accounts can be done pretty effectively through use of software.

Environmental Analysis

The health and safety measures needs to be implemented as per law such that authorities are satisfied. If there are health hazards found then authority can close down the shop.

Legal Analysis

- The legal compliances which includes license, tax return, insurance and preparing necessary documents as per type of business.

PESTLE Analysis

- ***Political Analysis***
- New rules, regulations, loans etc
- If high taxes imposed on cosmetics product
- ***Economic analysis***
- UK currency falling after BREXIT
- Ever increasing price and demand for cosmetic
- Nominal Income increase but not Real income



PESTLE Analysis

Social Analysis

More men being focused on beauty and hair styles
More men being fashion conscious
Sharing latest hair styles on social media

Technological Analysis

Promoting services through social media.
Inventory management, keeping accounts etc.



PESTLE Analysis

Environmental Analysis

Health and safety measure to be followed as per direction of authority.

Legal Analysis

License, tax return, insurance, preparing necessary documents etc.



Conclusion

- Premium prices can be charged if the quality of service is good.
- The initial investment and barriers to entry are very high and it's very easy to replicate.
- Government often imposes new regulations which might cause problems.
- Inflation, appreciation of currency such factors have an impact on prices.
- Technology can be very helpful for promoting business.
- Health and safety measures needs to be properly implemented and legal compliances are to be followed properly to fulfill the legal requirements of business.

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- **Note:** This assignment written by students: Shemshat Nazarova, Bodo Ndongala and Sandra Mauwa