

Program of study : cerHE in business skills in the workplace

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BUSINESS PLAN

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1. Overview

Our beauty salon is a modern and welcoming environment focused on providing exceptional personal care and beauty services in a clean, calm and relaxing environment, we specialise in threading, waxing and nail care, providing precise, professional, and tailored treatments to meet the unique needs of every client.

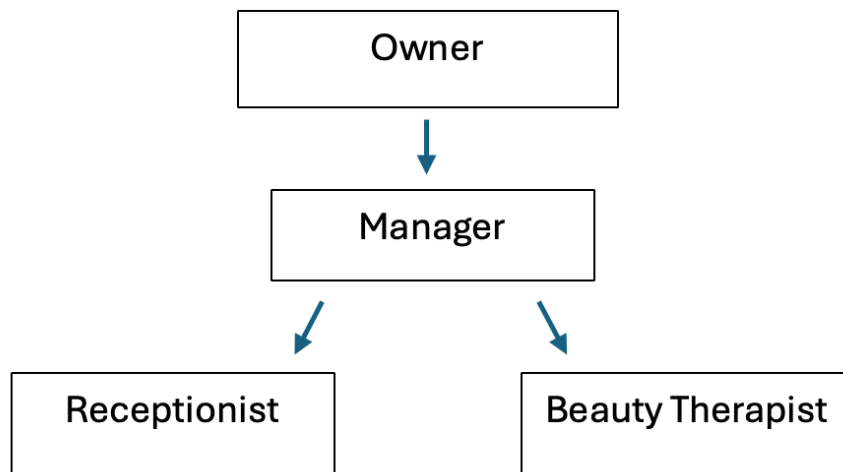
Services we offer

- **Threading:** expert eyebrow shaping and facial hair removal using traditional threading techniques to achieve precise, well – defined results without the use of harsh chemicals.
- **Waxing:** full body and targeted area waxing for women, using premium wax products to ensure smooth, long-lasting results with minimal irritation.
- **Nail care:** a wide range of manicure and pedicure services, including classic, gel, and spa treatments designed to nourish nails, enhance the appearance, and promote relaxation.

2. Management structure

The beauty salon will implement an organised management structure to ensure efficient operations and deliver excellent customer service. A clear organisational framework is essential for beauty salons, as it supports operational efficiency, staff coordination and high service standards. The manager will be responsible for managing daily activities and all aspects of the business, including team management, marketing, client's services and financial management. Receptionist will be responsible of taking phone calls and booking appointments. The beauty therapist will be carrying out the treatments on the clients. As the salon grows, additional beauty professionals and staff will be hired to ensure consistent service quality and efficiency.

Figure 1: Management Structure



3. Legal format

The business will operate as a sole proprietorship, giving the owner complete authority over business decisions and full accountability for daily operations, finances and client satisfaction. This structure offers a straightforward and flexible approach during the startup stage while establishing a foundation for future growth, this format is particularly suitable for startups due to its ease of setup, minimal administrative requirements, and flexibility, allowing the owner to adapt quickly to market changes or new opportunities (GOV.UK, 2023). As the sole proprietorship, the owner will be responsible for managing all aspects of the business, including compliance with applicable health, safety, insurances and employment regulations.

4. PESTEL Analysis

The PESTEL analysis examines the political, economic, social, technological, environmental and legal factors that affect the company.

1. Political

- Government regulations regarding health, safety, and hygiene in personal care businesses.
- Regulations related to business permits and taxations for small business.
- Local licencing requirements for operating a beauty salon legally.
- Labor laws affecting salon staff employment and wages.

2. Economical

- Economic fluctuations affecting consumer spending on non-essential services such as beauty treatments.
- Prices of salon supplies (wax, threading and nail products) and any applicable import taxes.
- The spending capacity of the target market impacting the demand for personal care services.
- Interest rates and availability of credit if financing is required for startup costs.

3. Social

- Increased demand for beauty services among both men and women.
- Rising interest in self-care and personal beauty maintenance.
- Preferences for hygienic, eco – friendly and chemical free treatments.
- Changing lifestyles, including urban living and busy schedules, creating greater demand for convenient and quick beauty solutions.

4. Technological

- Social media platforms as a key channel for promoting and building a reputation.
- Online booking systems and digital marketing for client engagement.
- Use of modern hygiene and safety technologies, such as sterilisation devices and touchless tools to maintain a clean and safe environment.
- Availability of advanced beauty tools and high quality products such as nail curing lamps, wax heaters, electric facials, to improve service quality and ensure a better client experience.

5. Environmental

- Growing customer demands for eco – friendly salon practices such as plant based or organic products.
- Efforts to reduce water and energy usage throughout the salon's operations to save on utility bills
- Requirement for waste management, especially for wax, nail chemicals and single use materials
- Preferences for eco – friendly biodegradable, or cruelty free products to align with environmental expectations.

6. Legal

- Strict adherence to cosmetic and product safety legislation, which governs the quality, labelling and safe application of beauty materials such as threading products, wax, nail polishes and chemical treatments. Licences are required.
- Following UK GDPR requirements for processing, storing and protecting client information, ensuring confidentiality, secure data handling and transparency regarding how personal details are used within the salon.
- Employment law requirements relating to contracts, wages and staff training.
- Full compliance with UK health and safety regulations that apply to beauty therapist, ensuring safe working practices, proper sanitation and the correct use of equipment in accordance with Health and Safety Executive (HSE) guideline (HSE,2025).

5. Marketing strategies

5.1 STP Model

1. Segmentation

the beauty salon divides the market into different groups based on different factors:

- **Demographics:** this includes women aged 18 – 45 who are more likely to use beauty services
- **Geographically:** we will be focusing on attracting clients who live and work locally.
- **Physiographical:** the salon focuses on clients who value looking after themselves and maintain their appearance.
- **Behaviourally:** it targets people who book treatments regularly as well as those who prefer quick and high-quality service.

2. Targeting

- **Main target:** is for women aged 18 – 45 who are looking for a regular place to go for their beauty treatments.
- **Second target:** busy professionals who are looking for quick and reliable treatments
- **Occasional:** clients who need treatments done for special occasions.

3. Positioning

- The salon position itself is as a modern, affordable luxury beauty salon that offers high quality treatments from experienced friendly staff and has a convenient booking system.

5.2 Promotion Strategies

A beauty salon startup can effectively connect with its customers by developing a solid and consistent marketing strategy designed to build brand visibility, attracting new clients and encouraging repeat visits. This begins with creating a strong brand identity that reflects the salon's personality through its logo, colour scheme, décor, and customer experience. By recognising and emphasising the features that make

the salon unique whether it offers luxury treatments, affordable services, eco-friendly products, or specialised treatments. The business can differentiate itself and stand out in a competitive market

Digital marketing is essential for reaching today's beauty clients. Social media platforms such as Facebook, TikTok and Instagram allow the salon to display its services through before and after pictures, client feedback, beauty tips and engaging in short videos. Consistently posting high quality content and using targeted ads helps attract people in the local area. Creating a profile on Google increases the salon's visibility by helping it show up in local search results. Additionally, having an easy online booking system strengthens the salon's digital presence and gives customers a convenient way to view services, compare prices and make appointments.

Promotional strategies help attract new clients to the salon. Offering introductory discounts, service bundles and loyalty programs encourages first time visits and repeat clients. Referral incentives motivate clients to bring friends and family. Seasonal or holiday offers such as Valentine's Day or Mother's Day provide additional chances to increase customer interest and drive more sales.

Community involvement and partnerships also help increase the salon's visibility. Working with nearby businesses like gyms, cafes and boutiques can strengthen its reputation. At the same time, delivering great in-salon experiences through excellent service, and a relaxing atmosphere can encourage clients to recommend the salon to others.

Traditional marketing methods such as distributing flyers, posting advertisements in the neighbourhood, and planning a grand opening event can attract the local customers and listening to the customers' feedback and improving the services can ensure long term customer satisfaction and loyalty. These marketing strategies create a strong multi-channel approach that helps a beauty salon startup attract customers.

Influencer partnerships and customer created content help the salon reach a wider audience. Working with micro influencers or asking clients to post their results online helps build credibility and social proof. Keeping in regular contact with customers through email and SMS keeps clients updated on offers and appointments, can strengthen the brand and provides customers with more value.

6.Funding

The estimated cost to start a beauty salon business will require a total of **£40,000**, depending on factors such as location, the size of the shop and the services provided. This amount covers the initial set up cost including securing the premises, purchasing equipment, obtaining licences and carrying out initial marketing efforts. It also ensures there is enough working capital to support the business during its first three months, while it builds a customer base and begins generating steady income. Ensuring sufficient funding at the start reduces the risk of cash flow challenges and enables the salon to open efficiently and operate with confidence.

The beauty salons funding will be sourced from three key areas. Firstly, **£10,000** of personal savings will be contributed, showing commitment to the venture while reducing the amount that needs to be borrowed. Using personal funds also helps avoid interest charges and lowers overall financial risk. Secondly, **a £20,000 government – backed startup loan** will be obtained because it provides low, fixed interest rates, manageable repayment terms, and is tailored for new business owners. The loan also requires only limited credit history and includes mentoring support, making it a suitable choice for someone opening a beauty salon for the first time. The remaining **£10,000** will be secured through from asset finance, which will be used to lease key salon equipment. This approach spreads the cost over regular instalments, helping to protect cash flow during the initial months of trading.

In the first month, the salon will face several key **startup costs** during the first month of the salon operations. These include the rent deposit, typically two to three months' rent upfront , plus the first month's rent and utility set up fees. Money will also go towards renovations, essential salon equipment and furniture. Administrative expenses will cover licences and insurance, as well as purchasing initial stock and supplies. Furthermore, **operational costs** will come from building and maintaining the website, launch marketing and the first payroll. A 10-15% contingency fund will be set aside for any unexpected expenses (NHBF 2018).

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