

**MODULE: MANAGING ENTERPRISE IN THE 21ST
CENTURY**

MODULE CODE: BMSW 4006

MODULE LECTURER: LIGHT ZAGLAGO

**ASSIGNMENT TITLE: BUSINESS PLAN
STUDENT**

Student name:

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BIRMINGHAM TANNING HOUSE

BUSINESS CONCEPT

- This is a tanning salon where women and men can come and get a tan.
- The company provides the salons with special sunbeds and other cream products which help the people in the tanning process.



**“Catch a tan every
season.”**

MARKET SUMMARY

- Our company used to have a lot of clients in the past, but now in present, we get more and more clients every day and we expect the same thing to happen in the future as well.
- The prices of the minutes people they buy to get tanned raised recently, but even with this raise, a lot of people still come in because the service we are giving to them is a very good one.
- We do have competition, but this will not stop us. We are the best in our city and we will be for a very long time.
- The cleaning process is a very deep one because every single bed needs special cleaning to make sure that the hygiene level stays up.
- Our staff member is very lovely and all of our clients love them.

SWOT ANALYSIS

Strengths	Weaknesses
We have one of the salon located in the middle of the city which makes more people have access to it	When it's too hot outside in the summer time, we have to close the salons which makes us lose clients
Opportunities	Threats
Increasing our staff team and getting more clients	Other businesses

PESTLE ANALYSIS

P	E	S	T	L	E
Strict guidelines	Industry that resists recessions	Loyalty of the brand	24h access	Ingredients	
Product safety	Price-conscious customers		Online shopping		
Ingredients					

OPPORTUNITIES

- ❖ One of the problems that the customers might have is that the tanning process takes a while. To catch a tan, you need to use the beds a couple times for the results to be seen. The opportunity that is brought in by this problem is the money that come in. The more people come, the more money the company makes.
- ❖ Another problem is that during the summer time, customers have a certain amount of minutes that are requested for them to use because of the hot weather.

COMPETITION

There are other tanning houses which can be a competition, but we are not afraid.

These are the advantages:

- ✓ Our company has 3 salons; one in the city and two outside the city.
- ✓ All the salons have about 6 or 7 beds; lay downs and stand ups.
- ✓ The cleaning process is a very serious one; we clean every single bed every week.
We make sure that everything else is clean around the salon, not just the beds.
- ✓ There is a big variety of cream products that we provide for our customers.

GOALS AND OBJECTIVES

Goals:

1. Get 1,000 more customers by the end of the year
2. Buy new sunbeds
3. Fill up the cream stock with a bigger variety of creams
4. Redecorate all the salons
5. Increase our staff members

Objectives:

1. Creating better adverts to attract the clients
2. Make discounts every month
3. Provide the customers with the best customer service

THE TEAM

Maricela Gheorghica:

She has been working in the customer service field for a few years now.

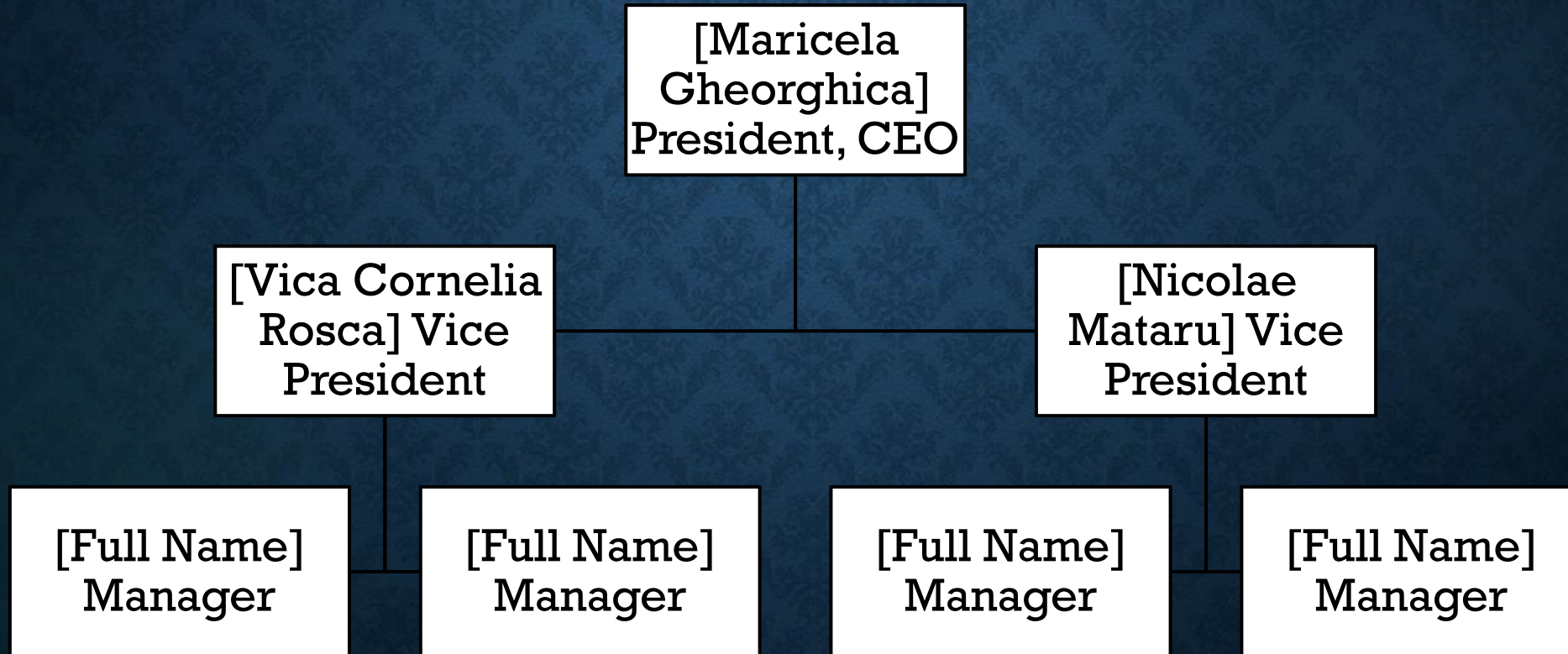
She is good with the cream products.

She is good at cleaning.

Vica Cornelia Rosca:

Nicolae Mataru:

THE TEAM ORGANIZATION CHART



RESOURCE REQUIREMENTS

List requirements for the following resources:

- Personnel – customer services, cleaning, honesty
- Technology – expensive and safe tan beds
- Finances – saving up money for things that are used the most in the salons so we can buy new ones after a while
- Promotion – discounts for the Easter, Christmas, New year and summer holidays
- Products – very good quality products
- Services – customer services, cleaning

FINANCIAL PLAN



	CASH FLOW FORECAST												
	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Totals
Sales Income						£15,000.00	£17,000.00	£20,000.00					£52,000
Grants													£0
Bank Loan					£25,000.00								£25,000
Investment by Owner					£20,000.00								£20,000
Any Other Income					£15,000.00								£15,000
Total Incoming	£0	£0	£0	£0	£60,000	£15,000	£17,000	£20,000	£0	£0	£0	£0	£112,000
Stock/ Materials					£20,000.00								£20,000
Rent & Rates					£1,200.00	£1,200.00	£1,200.00	£1,200.00					£4,800
Wages					£5,250.00	£5,250.00	£5,250.00	£5,250.00					£21,000
Drawings and N.I.C													£0
Utilities					£550.00	£550.00	£550.00	£550.00					£2,200
Insurances					£350.00	£350.00	£350.00	£350.00					£1,400
Repairs and Renewals					£1,500.00		£1,500.00						£3,000
Motor Expenses					£1,000.00	£800.00	£800.00	£1,000.00					£3,600
Phone/Internet					£115.00	£115.00	£115.00	£115.00					£460

FINANCIAL PLAN

Stock/ Materials					£20,000.00								£20,000
Rent & Rates					£1,200.00	£1,200.00	£1,200.00	£1,200.00					£4,800
Wages					£5,250.00	£5,250.00	£5,250.00	£5,250.00					£21,000
Drawings and N.I.C													£0
Utilities					£550.00	£550.00	£550.00	£550.00					£2,200
Insurances					£350.00	£350.00	£350.00	£350.00					£1,400
Repairs and Renewals					£1,500.00		£1,500.00						£3,000
Motor Expenses					£1,000.00	£800.00	£800.00	£1,000.00					£3,600
Phone/Internet					£115.00	£115.00	£115.00	£115.00					£460
Advertising					£200.00	£200.00	£200.00	£200.00					£800
Print/Stationery					£150.00	£150.00	£150.00	£150.00					£600
Miscellaneous					£200.00	£200.00	£200.00	£200.00					£800
Loan Repayments					£150.00	£150.00	£150.00	£150.00					£600
Bank Charges													£0
Accountancy Fees					£80.00	£80.00	£80.00	£80.00					£320
Total Outgoing	£0	£0	£0	£0	£30,745	£9,045	£10,545	£9,245	£0	£0	£0	£0	£59,580
Incoming less outgoing	£0	£0	£0	£0	£29,255	£5,955	£6,455	£10,755	£0	£0	£0	£0	£52,420
Opening Bank Balance	£0	£0	£0	£0	£0	£29,255	£35,210	£41,665	£52,420	£52,420	£52,420	£52,420	
Closing Bank Balance	£0	£0	£0	£0	£29,255	£35,210	£41,665	£52,420	£52,420	£52,420	£52,420	£52,420	

RISKS

- Financial risks - A small organization's biggest risk is financial. There is a lot of pressure to succeed for founders who invest their life savings or take out loans.
- Strategic risk - Brand new organizations may have difficulty knowing what steps to take. During each stage of the business life cycle, there are challenges that arise. It's important to plan your ideal structure, target market, sales and marketing strategy, production strategy, etc.
- Reputation risk - Reputation risk is one of the most commonly overlooked risks. A company's reputation is its single, most important asset. This is particularly important for small businesses because they need to create a good reputation in order to grow: if nobody has heard of your organization or only knows bad things about it, they're not likely to become a customer.

REWARDS

- Personal freedom - Owning a business puts you in control. Working with who you want, choosing your customers, and taking opportunities without asking permission are all up to you. You can take a few days off, reduce your hours, or work from home instead of commuting if you want to spend more time with your family.
- Financial opportunity - You can make a lot of money with your small business, even if you're not a billionaire. Your company's success is primarily yours. Workweeks and hours limit employees. Commission caps can even affect commissioned salespeople.
- Ownership - Business ownership is unlike any other experience. The process of starting a business is different from being self-employed. Over time, it grows. People start talking about it, and it becomes well-known in your market. A business is a struggle, a worry, and a celebration.

KEY ISSUES

Near term issues

- ~ Finding new customers – if we don't find new customers quick, we are going to lose time and money
- ~ Customer service – poor customer service can lead to losing customers
- ~ Creating visions for the future – this can slow the growth of the business
- ~ Employee communication – this can lead to misunderstandings and conflicts
- ~ Employee motivation – this can lead to losing staff and also health problems

Long term issues

- ~ Financial management – this can ruin your business if you are not aware of how much money you spend
- ~ Personal wealth management – this can also ruin the business because of the money
- ~ Formal training courses – this can be a time waster if the people you are trying to train either don't understand the training or the people who are training them are not good at doing this

APPENDIX

- <https://pestleanalysis.com/pestle-analysis-in-beauty-industry/>
- <https://www.clearrisk.com/risk-management-blog/bid/47419/the-6-biggest-risks-concerning-small-businesses>
- <https://smallbusiness.chron.com/three-biggest-rewards-having-own-business-22768.html>
- <https://connecteam.com/challenges-small-businesses/>
- <https://www.businessinsider.com/five-long-term-pitfalls-that-entrepreneurs-forget-2011-3?op=1&r=US&IR=T>