

BUSINESS PLAN

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EXECUTIVE SUMMARY

The business plan is prepared very precisely and concrete, contributing to every aspect that is required in the opening of a Salon. The pre-determined planning is ready to be implemented soon and the Salon owners have a diversified target audience and they know the competition as well. The contingency plans are also been prepared and the Salon year of launching is official. All the finances and future plan are estimated; the market budget and process is also estimated with the help of assumptions. Soon, the Salon would be launched in the market in Westminster, UK.

COMPANY OVERVIEW

This business plan is for a salon that will open soon in Westminster. The reason behind opening it to Westminster is the competition, here are more than 400 salons are situated which gives this salon a reason to grow more efficiently with exclusive and unique rates that would be offered by the business. The services and products of the salon will be reasonable and highly affordable by the customers. This salon will own a team of experts and will provide every kind of services that customers willingly want. The products will be organic and herbal which means they will be chemical-free that do not harm when applied to skin. The ambience of the salon will be comparatively beautiful than many of the other salon out there.

The concept of this business has covered an idea signifying that the target market will be huge as everyone needs a makeover but the crowds of women are more in this business. This salon will be unisex and as per the demand of customer the activity will depend upon the approval of the customer. The security will be tight and all the other precautions during this hard time of COVID-19 will take into consideration like sanitizers and the salon members will be fully covered, the interaction of skin will be avoided. Salon will also concentrate on the use and throw equipment so that the chances of infection can be eliminated (Urbaníková, 2019).

PRODUCT AND SERVICES

The salon refers to be customer-centric this is why customer's priority will be on top. The services would be planned as per the present scenario of the world going through a pandemic, safety measures are the only thing customers' are looking forward. The services provided will be hair cutting, manicure, pedicure, spa, hair spa, full body waxing, makeover, highlights, threading, face steam, bleach, massage, bridal makeup, groom makeup etc. (Hagiu and Altman, 2017).

The products on the other hand would be organic and herbal, that will be suitable for every skin type. All the products used will be chemical-free or not so much intoxicated by the chemical that can be harmful to the skin. Plus, the safety measures will also be included in customers' service which grabs more attention of customers towards the salon.

The services for post-pandemic ,will be the use of tissue papers instead of towels, wrapped paper gown and slippers, paper hats and the salon members would also avoid any interaction with the customers as this way safety measures would be provided which makes the environment around the salon safe for customers (Hagiu and Altman, 2017).

Above services apart from safety measures are commonly used in every salon, the USP of this salon will be on call customers are allowed there is no need of pre-registration. In case of wedding seasons, the pre-registration gets open. This salon will also give home services on daily basis and this will not take the customer to wait long for their chance. These are some unique approaches that have been planned and these are better than many of the other salons out there.

MARKET AUDIT

Market audit refers to the analysis, evaluation and interpretation of business environment with the help of two factors. The internal environment talks about the company's health and status and the chances of its survival on the other hand external environment determine the external factors which can be profitable for the business or not. One of the models that is usually used in determining the present and future scenario of the company's sound health and its survival is SWOT and for external evaluation of the environment, either porter's five forces model or PESTLE analysis is applied. Mostly for the business plan the PESTLE model gives efficient results (Lilleleht, 2017).

SWOT ANALYSIS

STRENGTH	WEAKNESS
• Amazing customer experience • The location welcomes more footfall • Post pandemic COVID-19 safety measures • The services range is wide • Products are chemical-free, herbal and organic • Services give as per the demand of customers • Good ambience and affordable prices • Customer-Centric	• Higher risk while launching the business • Online presence • Technology • Low marketing budget
OPPORTUNITY	THREATS
• Prepared for giving competition to another salon • More opportunities to thrive in the unisex Salon • Local business partnership • Clients chain is strong • Organic and herbal products • Safety measures	• More competition • Customers' asking for discounts • Expensive for some special treatment

(Haluzová, 2016)

PESTLE ANALYSIS

POLITICAL	ECONOMICAL	SOCIAL
• Availability to grant for startups	• It can survive in worst to worst	• It promotes brand loyalty.

• Health and safety regulations have to be applicable • Stability • Honest tax paying • Political requirements for all import and export activities. • Rules and regulation on the ban of particular ingredient products wouldn't be allowed	conditions like the recession. • Price consciousness • Beauty products are becoming one of the necessities • Customers' become more conscious and do not think twice to pay when it comes to beauty.	• Salon gets loyal customers • Attracting customer in one or another way is what salons do to make the customer buy the product. • Positioning will be done • Placement and distribution are taken into consideration.
TECHNOLOGICAL	LEGAL	ENVIRONMENTAL
• Online presence • Availability of products • All necessary information regarding the salon has been drafted in the website for customer ease • Wide range of customer base • Brand loyalty • 24*7*365 days access	• Legal duties will be taken into consideration strictly by the salon. • FD&C laws refer to beauty ingredients without approval product can't cross the border.	• Promotion of Eco-friendly packaging. • Organic and herbal products will be used that will have no harm to the environment

(Ylimartimo and Lehtinen, 2019)

TARGET MARKET: STP MODEL

STP model helps in preparing a framework about the business to take place in future. The STP model stands for Segmentation, Targeting and Positioning.

SEGMENTATION

Figure 1: STP MODEL

(Source: Singh and Maqbool, 2018)

Demographic: The demographic segmentation applied within the salon would comprise of:

Age- Above 15

Gender- Male and Female

Income level- Average and Above Average

Geographic segmentation:

The salon will initially open in Westminster but after gaining recognition and profits, planning will be done to expand the business in other parts of the city as well as in other cities of the UK.

Psychographic segmentation:

Lifestyle: Salon will attract every kind of customers as per their standard of living.

Opinions: The opinions, interests, hobbies and attitude changes as per the transformation takes place in marketing conditions. Nowadays customers find an easy way of making their work done, the easiest way today is the online presence of Salon, which cuts the time of waiting for customers (Singh and Maqbool, 2018).

Behavioral segmentation:

Brand Loyalty: Customers become brand loyal as they find the product they require most and also when their expectations from the products are attained efficiently. As of this salon, it has a huge product range that is herbal and organic and chemical-free. This will gain the reliability of customers and hence brand loyalty is created (Howison and Merchant, 2017).

Key Benefits: The product and service are of great benefits as they are offered at quite affordable rates and the salon has a customer-centric approach and to take care of customers' priorities is the main aim of Salon that is why the customer will get enough benefits (Howison and Merchant, 2017).

TARGETING:

Targeting helps the salon to adopt different approaches and services will undertake as per the demands of different target groups of audience. The segmenting helps the business in analyzing the taste and preferences of customers and make a way for Salon to identify different strategies to attract to reach to their expected place for having a makeover (Singh and Maqbool, 2018).

POSITIONING:

The Positioning means placing the Unique Selling Proposition of the business in the mind of customers. This salon will deal into embracing customers through the ambience, home services and safety measures which will enhance the footfall in the salon (Singh and Maqbool, 2018).

MARKETING PLAN

The marketing plan is comprises of planning done by the managers to market and promote the products and services that requires proper explanation of marketing mix, marketing budget, and Market Process.

MARKETING MIX

Figure 2 MARKETING MIX

(Source: Wu and Li, 2018)

PRODUCT: Products used by the Salon will be herbal and organic which means it will be well maintained and will not cause any irritation or harm on the skin. The high-tech types of equipment will be used by professional makeup artists and workers.

PRICE: The price is highly affordable as compared to other salons in the market. The starting price will be £8 but the packages are more effective than gives price relaxation to customers (Wu and Li, 2018).

Place: The place is located in Westminster which is a red ocean especially for Salons; Customers can easily visit here because of the superb availability of frequent buses, rail and DLR service, etc.

Promotion: Advertisement will come regularly in the newspaper like the Metro and the Sun. The poster will also be presented in local areas; online presences like Instagram, Facebook, YouTube, etc. will definitely work for promotion as well as nearest places will also talk about the upcoming salon. On festive seasons like Easter, Christmas, Thanksgiving and Halloween night will be the days of promotion (Wu and Li, 2018).

People: The employee and expertise workers will be hired for the Salon and will provide the best services and this will only happen when the workers get enough benefits as well. The salon planned to give free services to workers, they can practice on their skills and an attractive salary package will do to encourage and motivate them (Wu and Li, 2018).

MARKETING BUDGET

Local Marketing	Projected funds
Newspapers	£60
In-store Marketing	£100
Public Relations	
Public events	£300
Sponsorship	£500
Press releases	£200
Social Media	
Twitter	£50
Facebook	£50
LinkedIn	£50

Instagram	£50
Online	
Website	£120
Mobile App	£150
Email Newsletter	£100
Advertising	
Online	£85
Print	£70
Outdoor	£30
Banners	£50
Television	£100
Total Budget	£2065

(Lonardi et.al. 2018)

MARKET PROCESS

IMPLEMENTATION

The plan will be executed soon as per the planning all the necessary requirement of the Salon is written down and capital is as well initiated by the parent company. The salon will go running in the market keeping in mind about the marketing budget, target market and marketing mix (Fiaschetti et. al. 2018).

MONITORING and CONTROLLING

Monitoring involves looking into the activity and the correctives measure to take place while implementing the plan. To achieve the efficiency manager must take care of the marketing objective of Salon, monitoring the performance, evaluate the performance and take corrective action if things go wrong (Fiaschetti et. al. 2018).

MANAGEMENT TEAM

The management team must include:

- Chief Executive Officer (CEO)- Founder and concept of the Salon idea
- Chief Financial Officer (CFO)- Take care of all the finances, salary, wages and stipend to the employees.
- Company Secretary-Manage the accounts and legality
- Head of Research- Look forward to Market research and competitors steps
- Investment Strategist- One who looks into other locations that can be suitable for opening new branches.
- Head of Sales- The one who undertakes and examine all the sales or organization and determines the sales is profitable or not.
- Head of Compliance-One who looks and prepare rule and regulations
- Head of Social Media Manager- One who looks forward and manage all the online platforms
- Head of Customer Support- Customer grievances, complaints, dissatisfaction, product review will be rectified here.
- Other Staff- Receptionist, workers, attenders, trainees, etc. would be part of it.

FINANCIAL PLAN

Projected sales for 2021

SALES FORECAST	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Males	€200	€400	€300	€150	€300	€600	€800	€1000	€1200	€1400	€1600	€1800
Females	€300	€500	€350	€200	€350	€700	€900	€1100	€1300	€1500	€1700	€1900

Total	€50	€90	€650	€35	€65	€13	€17	€21	€25	€29	€33	€37
Sales	0	0		0	0	00	00	00	00	00	00	00
Assumption- First three months would increase sales every year, the next three month are the heavy rains that turn into less customer progress and the remaining season is summer and they are also festive one so this would create a huge income and customer footfall.												

(Vochozka, 2016)

COST TABLE

ITEM	TOTAL COST PER MONTH
INSURANCE	€300-700
CLEANING	€50-200
ELECTRICITY	€1000
WATER	€650
EQUIPMENT	€5000
REPAIRS AND MAINTENANCE	€500
LEGAL AND PROFESSIONAL FEES	€200
MISCELLANEOUS EXPENSES	€500
WAGES & SALARY	€800-1000

(Vochozka, 2016)

CONCLUSION

The business plan of Salon is all set to get launch in the year 2021 as all the requirements and other miscellaneous activities are taken into consideration. From company overview to product and services the salon will provide, SWOT and PESTLE, marketing mix, market budget and market process are all discussed in depth. The financial plan and management team will also get ready soon for future action. The highly affordable price and customer-centric salon will go to launch as per the plan.

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