

UNIVERSITY OF NIGERIA, NSUKKA

FACULTY OF ARTS

DEPARTMENT OF MASS COMMUNICATION

TOPIC:

BUSINESS PLAN ON CAR WASH SERVICES

A BUSINESS PLAN

**WRITTEN IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE COURSE: CEDR 342
(BUSINESS DEVELOPMENT AND MANAGEMENT)**

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BUSINESS PLAN

1.0 Executive summary

Trend setters is a full-service beauty salon dedicated to consistently providing high customer satisfaction by rendering excellent service, quality products and furnishing an enjoyable atmosphere at an acceptable price/value relationship. We will also maintain a friendly, fair, and creative work environment, which respects diversity ideas and hard work.

The start-up capital required for the project

10 million broken down as follow

5 million for purchase of fixed capital

5 million for working capital

PART TWO

2.0 Background

Introduction: This is beauty Salon geared towards providing quality services. It maintain a favourable and cordinal relationship with the customers.

Vision and mission statement our mission – To supply services and products that enhance our clients physical appearance and mental relaxation.

Our motor- your beauty our priority

Our vision: To provide a one –stop location for accessory high quality, reasonably priced and convenient hair styling in a desirable and conducive environmental while offering products at the best possible price.

We also hope to have branches located in three state

Ownership: It is a sole proprietorship business. It is managed by one person. The decision about the person is made by one person the “Chytrend setter”, beauty salon is solely own and managed by Chinasa Maryann trendsetter is duly registered by the cooperate affairs commission in line with the business and allied maters act.

LOCATION: The “Chytrend setter”, beauty salon is located at university of Nigeria Nsukka as it will attract customers. It has easy access to target market from that location

PART 3 (SERVICIES 3)

The services – “Chytrend setter”, beauty salon provide such services as manicure, pedicure, polishy sculpture oils fixing of eye lash, plating of hair of all style, barbing of hair of your choice, retouching hair treatment etc. skin care: European facials, body massage.

Business strategy

Its business strategy is to provide the above mention service within the reach of the customers. Skill at what we do, good customer services and creating a pleasant environment for our customers will be important to implement our business plan.

Key success factor

The use of sophisticated and high standard equipment for perm and hair cup.

High quality services

Good relationship between the workers and customer and Good customer care services.

3.0 MARKET

Nature and size

The beauty salon is located within the university community where the student, the lecturers and the surrounding community members close to the school will come and beautify themselves.

Key to success

Providing an easily accessible location for customers providing an environment conducive to giving relaxing and professional services. Offering clients a wide

range of services in one setting and extended business hours. Reputation of the owners and other beauticians as providing superior personal services.

Target market- our target market is the University of Nigeria students.

Key competitions and players:

Service delivery – customers comes to the trend setter shop with his hair scattered opting for beautification.

The “Chytrend setter”, workers attends to the customer. The customer moves to the hair working section where the hair is wash with shampoo and other hair treatment equipment. Then the customer is moved to the hair dryer section where the hair is dried ready for plating.

Finally, the hair is plated. We have several other services we render like hair-cut etc.

Quality assurance –we makes sure that the equipments used in trend setter are in the right state. For those of the equipment which needs changing we make sure that it is replaced for efficient services.

Technology

We use technology product like computer with point of sale terminal, computer with printer for back office, give cutting stations each station requires a barber

chair blow dryer, curling iron, electric razor, three couches for the reception area, Display self for sales of retail products and adsorbed toys for the children.

Competitive edge

“Chytrend setter”, want to set itself apart from other beauty so longs that may offer only one or two types of services. Our business atmosphere will be a relaxing one where clients can kick back and be pampered. Soft drinks will be offered to clients as they enter. Televisions will be located on the waiting and hair drying area.

4.0 Marketing plans

Promotion and distribution

Strategy – Our market strategy is a simple one: satisfied clients are our best marketing tools. When a client leaves our business with a new look, he or she is broadcasting our name and quality to the public. Most of our clients will be referrals from existing clients. No major advertising campaigns are anticipated. Our research has shown that word of mouth is the best advertising for this type of business we also ask clients for referrals and reward them with discounted or free services depending on the number of clients they bring we also offer discounts to the new clients who have been referred. There are plans for a lottery that will offer a free trip to any country of your choice. A client would simply refer new clients to

us and we will place a card in a box for each client he or she brings. The more they bring, the more chances they have of winning the trip.

PART 5

MARKET POSITIONING

The “Chytrend setter” beauty salon will position itself as a premium brand and the leading beauty salon around university of Nigeria Nsukka where customers beauty will be our priority

Demand and supply analysis

Projected demand of beauty salon in University of Nigeria Nsukka at January/February 2017.

Estimated population of the area 500,000

Target group (70%) = 350,000

Demand by the target group 80% = 400,000.

The above analysis shows that 400,000 persons is within the locality of demand for beauty salon services.

Projected demand supply gap of beauty salon in university of Nigeria Nsukka at January/February 2017, as mentioned above only about 60% of the demand are met by the beauty salon shop.

Demand = 80,000

Supply (60%) = 100, 000

This shows that only 100, 000 persons are satisfied.

The demand-supply gap = 100, 000.

This result above show that beauty salon is yet a major demand in the area and so the beauty salon business will be a success.

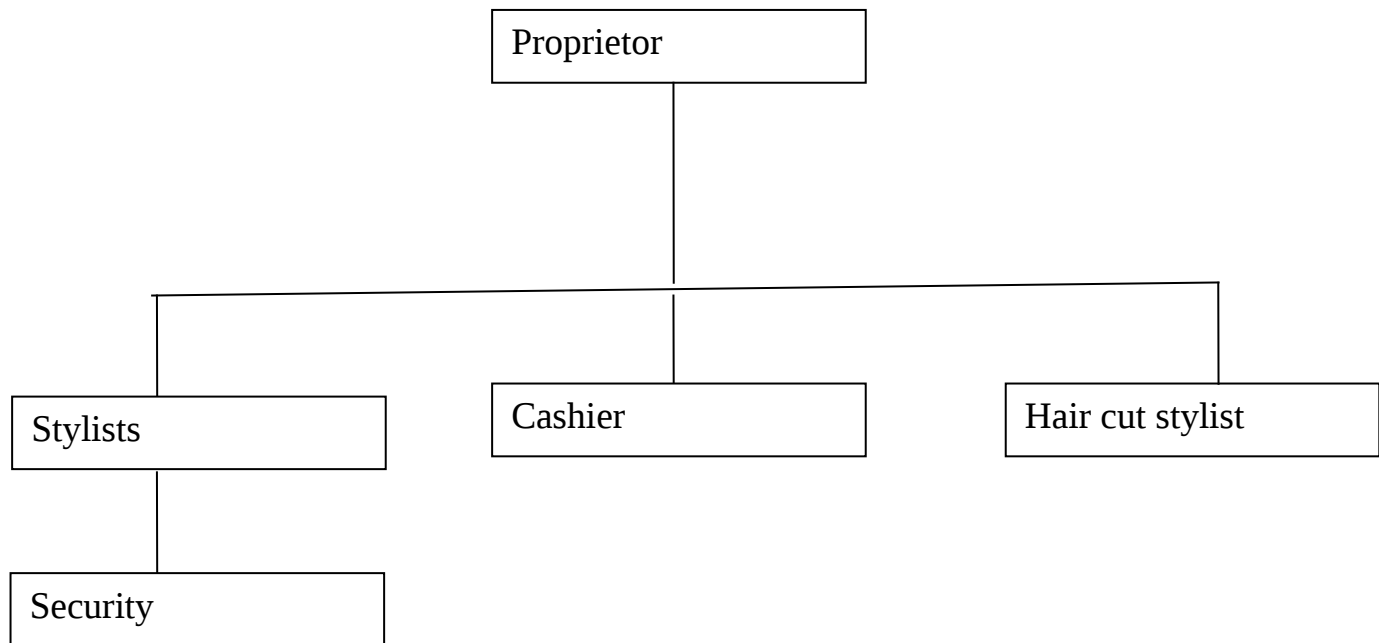
Management and organization

“Chytrendsetter” beauty salon is a sole proprietorship which is solely owned and managed by Chinasa Maryann. Stylist will be employed to help the proprietor in their day to day running of the beauty salon business.

S/N	POSITIONS	NO OF STAFF	ANNUAL SALARY	TOTAL
1	Proprietor	1	1 million	1 million
2	Stylists	15	1.8 million	1.8 million
3	Cashier	1	96,000	96,000
4	Hair – cut stylist	2	288,000	288,000
5	Security	2	192,000	192,000

	Grand total		3,378,000
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The figure below shows the organizational structure of the business



External support

“Chytrendsetter” beauty salon has discussed with Enugu electricity distribution company (EEDC) Nsukka branch for stable power supply at an affordable price.

We has also discussed with Nsukka water works to provide us with water which we can be using to wash our clients hair and wash our beauty salon equipments.

Value and norms of the company

- a. To maintain her integrity by offering quality services to clients

- b. To see our employees as the most valuable assets toward realizing our stated goal
- c. The adhere to the rule and regulation and law as stated in the constitution of Nigeria.

To maintain a steady and consistence quality services

PART 7

Legal, environment, social and regulatory issue.

“Chytrendsetter” beauty salon has done its best by obtaining all the necessary permit and licenses in other to not to flaut any government laws.

Environmental

“chytrendsetter” beauty salon has taken adequate measure in other not to cause nuisance in the its location. It has a good drainage system why all the water used in washing in the salon are channeled to.

Social

The establishment of the “Chytrendsetter” will see to the social and economic benefit to the society as the neighboring community members would be employed

thereby reducing waste of human resources. It will also reduce poverty as those employed would be paid handsomely.

Regulatory

In mining the beauty salon business we will comply with all the environmental regulation e.g adequate disposing of waste as well as all relevant industrial safety equirement.

PART 8

Risk analysis

The project has been subjected to risk analysis and some where not rises identified and appropriate mutagens proffered to avoid the business being disrupted.

1. Irregular power supply	Buying of generator
2. Fall in devad or service during vacation	During vacation attention will be slighted to neighboring villages
3. Attraction of competitors	Maintain integrity will help out way to competitor strategy

Swot analysis

A SWOT analysis on the project reveal the following

Strength

The beauty salon is located in a university of Nigeria Nsukka where her services are in high demand the use of technological instrument makes the process less labour intensive. The business is located close to several female hostels in university of Nigeria Nsukka where student will just come out from their hostel and work straight to the “Chytrendsetter”

Weakness

1. Irregular power supply
2. Insufficient capital to start up the enterprise

“Chytrendsetter” resolve to tackle this problem by procuring a stand by generator incase the they ceased light.

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Opportunities

Currently, there are few premises beauty salons sparsely distributed. There are salons out many of them do not offer much services as “Chytrendsetter” beauty salon hopes to explore this opportunity.

Threats

Irregular power supply

Vacation periods when students of university of Nigeria vacate the school will affect the business drastically.

PART 9

9.1 Summary of project cost

The total cost of the project is 90, 000,000

This is made up of 5,000,000 in fixed capital and 5,000,000 as work capital.

9.2 Fixed capital Investments

S/N	Details	Qty	Unit p	Total amount
1.	Computer with point of sale terminal	2	10,000	20,000
2.	Electric razor	2	15,000	30,000
3.	Five cutting stations with chair	5	30,000	150,000
4.	Couches	5	20, 000	100,000
5.	Curling iron	5	5,000	25,000
6.	Hand glow dryer	4	6,000	24,000
7.	Standing dryer	3	50,000	150,000
8	Pairs of scissors	5	1000	5,000
9	Niddle and thread	15	50	750
10	Large narrow	3	3000	9,000
11	Generator	1	110,000	10,000

= 623, 750

9.3 Other Expenses

There are other expenses expected to be incurred in the course of running the business for the first year.

The table below shows the other expenses to be incurred in the first year of existence of the project.

Type of expenses	Amount (N)
Equipment maintenance	50,000
Promotion/adverts	50,000
Miscelelanous	100,000
Total	200,000

9.4 Working capital projection for the first year of operation

Type of expenses working capita/item	Amount (N)
Provision for utilities	100,000
Maintenance materials	50,000
Other expenses	200,000
Salary per worker for the first 3month	642, 2000
Working capital	5,000,000

9.5 Total required start-up capital

N/P	Capital item	Amount (N)
1	Fixed capital investment	5,000,000
2	Working capital	5,000,000
	Total	10,000,000

9.7 Financing Plan

To finance the required investment outlay the proprietor plans to source capital from friends in addition to his own personal savings. This is to avoid further expenses of interest incurred by loan.

The table below show the source and amount.

Source	Amount (N)
Personal savings	5,000,000
Friends A	1.5 million
Friend B	1.5 million
Friend C	2 million
Total	10,000,000

The above friends requirement for payment

Friend A = In 8 month time

Friend B = in 2 years time

Friends C = within a year. All with no interest forcast of profit and loss for the first year of operation \

Particulars	Year 1 amount (N)
Expected income from services	3,000,000
Less % discount	50,000
Net sale	2,950,000
Utilities	100,000
Other expenses	200,000
Salaries	642,200
Total expenses	942,200
Profit	2,007,800
Less 7% tax	18,000
Net profit	1,989,800
Retain earning	1,989,800

9.8 cash flow projection for the first year of operation

Cash in	Amount (N)
Personal/saving	5,000,000
Friend A	1.5 million
Friend B	1.5 million
Friend C	2 million
Net profit	11,989, 800
Total/cash in	9,989,800

Cash out	Amount (N)
Fixed capital	5,000,000
Working capital Increase/decrease in cash	5,000,000
Total cash out	10,000,000
Opening bal	1, 989, 800
Increase in cash	1989,800

This shows that the business will be able to generate funds to be able to meet maturity obligation of chytrend setter after the first year of operation 10.0. Other considerations and conclusion 10.1 economy justification.

Form the above study and analyses of the findings. The business is a promising one to the economy promotion. There will be creation of jobs as well as creation of wealth.

Commercial viability

The project has been found to be commercially viable, having shown through projection a very clear sale profits and cash flow position.

10.3 Conclusion

The project is therefore highly recommended, both the finding and implication.