

BUSINESS PLAN FOR COSMETICS, BEAUTY AND FRAGRANCE SHOP

Introduction

Business plan does not have a particular definition. However, business plan could be defined as a comprehensive guidelines, strategies or ways to set up a business venture. It could also be seen as a plan set up by an entrepreneur to successfully carryout a business proposal or venture. It is very important for an entrepreneur to write a business plan before carrying any set business which will help him accomplish any set goals for that business or entrepreneurship. Business plan make in this regards comprises of the capital mapped out the purchase of land for location or capital for rent of accommodation, purchase of bus or vehicle needed in the distribution of cosmetics, beauty and fragrance the capital needed to pay the entrepreneur's employees, etc.

For an individual who want to start up cosmetics distribution to retailers he need to have a policy which will help him run his distribution business efficiently, purpose which will ensure that he does not run off his business tracks.

However, no matter how big or small a business may be its always necessary and important that a business plan be spelled out which will serve as a road map to the success and actualization of the purpose, goals or objectives of such business.

The purpose of this write up is to examine some factors necessary before setting up a cosmetics distribution business. Without writing out a business plan it will be difficult to have a target and also difficult to realize the set goal or objectives of the business. Business plan is very important as far as business or entrepreneurship is concerned.

PART I

Executive Summary

1.1 Name of Business

The name of my business is kingsolo cosmetics beauty fragrance shop

1.2 Legal Form of Business

This is a private form of business registered with the government
body responsible cosmetics products

1.3 Contact Address

14 Elelenwo Road Portharcourt City Rivers State

Mobile phone:08103422613, **email:**kingsolo7070@yahoo.com

1.4 Type of Business

This is a service providing business.

1.5 Concise description of the business idea

Services KINGSOLO Cosmetics, Beauty & Fragrance Stores is a private business that is owned by Ngwu Solomon chukwuemeka a student UNN, in department public administration and local government. Ngwu Solomon is in public Administration, with well over 2years of experience in the wholesale industry, working for some of the leading brand in the Rivers State. Although the business is launching out with just one outlet in rivers state – port court, but there is a plan to open other outlets all around key areas in rivers state.

My Product and Services

These Cosmetics, Beauty & Fragrance Stores we will be involved in retailing cosmetics, retailing perfumes, retailing toiletries, and retailing personal grooming products et al from different manufacturers both from the Rivers state and from other state.

My intention to start KINGSOLO Cosmetics, Beauty & Fragrance Stores is to maximize profit from the cosmetics, beauty and fragrance stores retailing industry and I will do all that is permitted by the law in the

Nigeria to achieve my corporate aim and ambition. Here are the products that will be found in my stores;

Hair care and shower products

Cosmetics

Skin care products

Fragrances

Nail care products

Deodorant and shaving products

Sun care, baby care and other products

1.7 Number of jobs to be created

By the time the company is up and running, it is expected that it will create direct jobs for 10 people.

1.8 Start – up capital

The following are the components of the required startup capital

a. Investment (Equipment, machinery and others)	N20, 000, 000.00
b. Working Capital and pre-operating expenses	N5, 000,000.00
	Total = N25,000,000.00

1.10 Source of Capital and share holding structure

Capital requirement for the project will be sourced as shown in the table below

a.	Owner's capital	N15, 000, 000.00
b.	Bank loan	N10,000, 000.00
	Total	N25,000,000.00

1.11 Profitability:

The net profits over the years are:

1. Year 1 = N5,000,000.00
2. Year 2 = N7,400,000.00
3. Year 3 = N10,800,000.00

1.12 Level of liquidity:

The liquidity levels over the years are:

1. Year 1 N800,000.00
2. Year 2 N1,800,000.00 3. Year 3 N3,200,000.00

1.13 START-UP PROMOTION

Effective communication is paramount in promoting the product to both existing and potential consumers. This will be done through the following ways:

- Use of fliers.
- Neighbour-to-neighbour approach.
- Use of business cards.
- Use of electronic communication such as text messages.
- Oral Marketing by family and friends.

THE PERSONNEL PLAN (STAFFING AND SALARY STRUCTURE)

Total	2,840,000	Position	No. of staff	Salary per staff per month	Total Annual Salary
1	10,000				
120,000		Marketing manager	1		
		Cashier	1		

20,000				
240,000HR and admin manager 1				
50,000 600,000				
1 100,000				
1,200,000S/N				
5				
4				
3				
2				
Store manager				
1				

Based on the fact that the planned business is technically feasible and commercially viable, it is therefore recommended for implementation and funding.

PART II

General Introduction

Background

I am aware that the success of any business depends on the foundation on which the business is built on, which is why I have decided to build my cosmetics, beauty and fragrance store business on the right business foundation.

As a matter of fact, I am set out to build a cosmetics, beauty and fragrance store business that will favorably compete with some of the leading brand in the industry. in the Rivers state of Nigeria.

I want to build a business of dedicated workforce who will go all the way to ensure that my customers are satisfied. In order to achieve this, I am aware that it takes a business with the right employees and structure to achieve all what we have set to achieve, which is why I will be putting structures and standard operating processes in place that will help us meet my clients demand and run the business on auto pilot. The success of my cosmetics, beauty and fragrance store business will be anchored on the individual effort, and that is my own effort though I am still employing workers.

With the nature of cosmetics, beauty and fragrance store

business I intend running and the plan to open chains of stores in various locations all around Rivers state. I am only expected to employ more than it is required to run a conventional cosmetics, beauty and fragrance store business. In view of that, I have decided to hire qualified and competent hands to occupy the following positions;

Chief Executive Officer (Owner)

Store Manager

Human Resources and Admin Manager

Merchandize Manager

Sales and Marketing Manager

Accountants / Cashiers

Customer Services Executive

Cleaners

Roles and Responsibilities

Chief Executive Officer – Owner:

Increases management's effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; communicating values, strategies, and objectives; assigning accountabilities; planning, monitoring, and appraising job results; developing incentives; developing a climate for offering information and opinions; providing educational

opportunities.

Creates, communicates, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.

Responsible for fixing prices and signing business deals

Responsible for providing direction for the business

Creates, communicates, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.

Store Manager:

Responsible for managing the daily activities in the store

Ensures that proper records of goods are kept and our racks and warehouse does not run out of products

Ensures that the store facility is in tip top shape and goods are properly arranged and easy to locate

Merchandize Manager

Manages vendor relations, market visits, and the ongoing education and development of the organizations' buying teams

Helps to ensure consistent quality of cosmetics, beauty and fragrance products on our rack

Responsible for the purchase of goods and products for the organizations

Sales and Marketing Manager

Manages external research and coordinate all the internal sources of information to retain the organizations' best customers and attract new ones

Models demographic information and analyze the volumes of transactional data generated by customer purchases

Identifies, prioritizes, and reaches out to new partners, and business opportunities et al

Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.

Accountant / Cashier:

Responsible for preparing financial reports, budgets, and financial statements for the organization

Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.

Responsible for financial forecasting and risks analysis.

Performs cash management, general ledger accounting, and financial reporting

Sales Girls and Sales Boys

Sells our cosmetics, beauty and fragrance products to our customers
Ensures that all contacts with clients (e-mail, walk-In center, SMS or phone) provides the client with a personalized customer service experience of the highest level
Through interaction with customers on the phone, uses every opportunity to build client's interest in the company's products and services
Consistently stays abreast of any new information on the organizations' products, promotional campaigns etc. to ensure accurate and helpful information is supplied to customers when they make enquiries

Cleaners:

Responsible for cleaning the store facility at all times
Ensures that toiletries and supplies don't run out of stock
Cleans both the interior and exterior of the store facility
Handles any other duty as assigned by the store manager.
Cosmetics Store Business Plan – SWOT Analysis
Because of our drive for excellence when it comes to running a standard cosmetics, beauty and fragrance store business, we were able to engage some of the finest business consultants in rivers state.

2.2 Vision Statement

My vision as a standard cosmetic, beauty and fragrance store business is to become the number one choice in the whole Rivers state and also to be amongst the top 2 leading cosmetics, beauty and fragrance stores in Nigeria

2.3 Mission Statement

My mission is to build a highly successful, profitable all round business; a cosmetic, beauty and fragrance store business that will grow from one store to chains of stores in different locations all around Rivers state and other key cities in the Nigeria. I want to become a one stop cosmetics, beauty and fragrance shop.

2.4 Services offered

Distribute my fliers and handbills in target areas in and around my neighborhood

Contact corporate organizations, households, landlord associations and schools by calling them up and informing them of KINGSOLO's Cosmetics, Beauty & Fragrance Stores and the products we sell

Advertise our cosmetics, beauty and fragrance store business in our official website and employ strategies that will help us pull traffic to the site

Brand all our official cars and vans and ensure that all my staff members and management staff wears our branded shirt or cap at regular intervals

2.5 Location of the Business

14 Elelenwo Road PortHarcourt City (South-south) Rivers State. This location was chosen because it is a location with large population of people and everybody needs cosmetics. It is close to the infrastructure needed for development, the environment will lead to the growth of the business. There is also availability of good land and also good road network that will help par transport theirselves wards to my shops.

PART III

3.1 Market analysis

Market Trends

Cosmetics, beauty and fragrance store cum wholesale business has been in existence for as long as human started trading goods, which is why you can easily find mom and pop shops scattered all around world. In most cases, those people that you find running mom and pop business in a very small scale in a street corner may not have the education that would want them to aspire to run the business on a large scale.

Just like in any retailing business, it is common to find cosmetics, beauty and fragrance stores locating their business in a location with the right demographic composition and a place that is visible to their target market.

Lastly, it is a common trend to find cosmetics, beauty and fragrance stores that are determined to stay top if the game retail a wide range of

hair care and shower products, cosmetics, skin care products, fragrances, nail care products, deodorant and shaving products, sun care, baby care and other related products et al from different manufacturers both from the rivers and Nigeria at large.

With that, they can be considered a one stop cosmetics, beauty and fragrance shop and if they retail in rock bottom prices, then they are going to stay atop for a long time.

3.6 Target Market

As a matter of fact, the cosmetics, beauty and fragrance stores industry has one of the widest ranges of customers; everybody on planet earth has one or more things that they would need from cosmetics, beauty and fragrance store- be it an adult or a kid. It is difficult to find people around who don't patronize cosmetics, beauty and fragrance stores.

In view of that, I have positioned our cosmetics, beauty and fragrance store to service the residence of port court of that, I have positioned my cosmetics, beauty and fragrance store to service the residence rivers state and every other locations where I intend opening my chains of cosmetics, beauty and fragrance stores. I have conducted a market research and I have ideas of what my target market would be expecting from me.

I am in business to retail a wide range of cosmetics, beauty and fragrance products to the following groups of people;

Households

Bachelors and Spinsters

Corporate Executives

Business People

About to wed couples

Expectant Mothers

Sports Men and Women

Students

Tourists

My Competitive Advantage

A close study of the cosmetics, beauty and fragrance stores industry reveals that the market has become much more intensely competitive over the last decade. As a matter of fact, you have to be highly creative, customer centric and proactive if you must survive in this industry.

I am aware of the stiffer competition and I am well prepared to compete favorably with other leading cosmetics, beauty and fragrance in the state and outside

3.7 Payment Options

The payment policy adopted by Spotless Cosmetics, Beauty & Fragrance Stores is all inclusive because we are quite aware that different customers prefer different payment options as it suits them but at the same time, we will ensure that I abide by the financial rules and regulation of Nigeria.

Here are the payment options that Spotless Cosmetics, Beauty & Fragrance Stores will make available to her clients;

Payment via bank transfer

Payment with cash

Payment via POS

Payment via online bank transfer

Payment via check

Payment via bank draft

In view of the above, I have chosen banking platforms that will enable our client make payment for farm produces purchase without any stress on their part. Our bank account numbers will be made available on our website and promotional materials to clients who may want to deposit cash or make online transfer for the purchase of products from my stores.

4.1 SWOT Analysis

There are some weaknesses, strengths, opportunities and threats that are found

Strength

My location, the business model we will be operating on (selling franchise and opening chains of stores in various locations), varieties of payment options, wide range of hair care and shower products, cosmetics, skin care products, fragrances, nail care products, deodorant and shaving products, sun care, baby care and other related products et al from different manufacturers both from rivers and from other states and our excellent customer service culture will definitely count as a strong strength for KINGSOLO Cosmetics, Beauty & Fragrance Stores

Weaknesses.

A major weakness that may count against my cosmetics business is the fact that am starting newly a cosmetics, beauty and fragrance store outlet and don't have enough financial capacity to compete with multi – million Naria cosmetics, beauty and fragrance stores in Rivers state and other states. when it comes wholesale cosmetics products at a rock bottom prices

Opportunities

The fact that I am going to operate cosmetics, beauty and fragrance store in one of the busiest streets in Rivers – port court provides me with unlimited opportunities to sell my cosmetic products to a large number of people.

I have been able to conduct thorough feasibility studies and market survey and I know what my potential clients will be looking for when they visit my cosmetics, beauty and fragrance store; I am well positioned to take on the opportunities that will come my way

Threats

Just like any other business, one of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing / spending power. Another threat that may likely confront me is the arrival of a new cosmetics, beauty and fragrance store or even a supermarket that retails cosmetics in same location where mine is located.

4.2 Conclusion and Recommendation:

In view of the technical feasibility and commercial viability of the

project, it is highly recommended for implementation and funding.