

Hair Salon Business Plan

Why Start a Hair Salon?

Have you ever wondered how much money hair dressers made in busy areas? If you have, then chances are that you imagined they would be millionaires. Well, truth is that indeed one could possibly become a millionaire by merely being a hair stylist who owns a hair salon. There are countless number of women who have to change their hairstyles from time to time. Some choose the once in a month option- especially if they have to wear braids. Yet others want the two weeks or even weekly option. Whatever the case may be, the reality is that there is mega bucks in this trade. The advent of hair making dates make to time immemorial. Since the ancient times, there has always been the need for women to look good. Fast forward today and you will find that it hasn't changed at all, and that is why there are several hair salons that continue to crop up on a daily basis all over the world.

You can launch out without the Skills

In the Nigeria, this is no exception. As a matter of fact, this is one trade that could make one a millionaire. Of course, this is rested upon the fact that you know how to make fine and unique hair styles. You may even want to venture into this trade without prior skill to make hair. This is because you can always hire the experienced stylists. The hair salon business is one business that you could start from just about anywhere. It could be from a cubicle, a room, a kiosk, shop, or a gigantic building. All that is highly required of you is the aim to make women beautiful with trending hair styles. These women in turn wouldn't mind to pay even if it costs an arm and a leg. This is because they leave no stone unturned when it comes to staying beautiful and attractive.

The Need for a Business Model

Starting a hair salon also means that you have got to have a plan in place. Plan like how you intend to compete in the market, how you intend to make your business known to the people, as well as other important factors that must not be overlooked. Here in this read, is a sample hair salon business plan that will help you know all the technicality that is involved in writing a business plan, as well as help you write yours. So, here is a sample for you to go through....

Hair business in Nigeria, as well as in other parts of the world is a money making venture. This is as a result of the seriousness that is being attached to the trade. These days, more than ever before in the history of man, there are more people who are taking to the trade. In Nigeria for instance, those who own hair salons are considered as those who run essential services, since both men and woman are known to want to care for their hair. The hair styles that appeal to Africans are some of the very expensive arts that one may want to shy away from. The white folks may so be exonerated from this, since they are naturally endowed with very long and silky hair. The Africans on the other hand may want to wear weaves, add hair extensions, weave the hair, and what have you. Many Africans for instance who reside in several parts of the world have taken to the hair making trade. As such they set up hair salon businesses, so as to have a fair share of the profits that this industry promises. It is without a shadow of doubt that the business is oversaturated; as a matter of fact there are plenty of competitors because nearly all women get to make their hair every now and then.

Sample Hair Salon Business Plan Template – Executive Summary

Introduction

Amaglo is a hair salon that allows the both male and female folks to have their hair needs satisfied in one convenient visit. Without disputing, there are quite a number of quick fix salons like Amaglo and we are set to make a difference. We shall be offering private services where our hair stylists and barbers can go to the homes of clients to have their hair problems solved. We know that home service in a place like New York will generate a whole lot of profit that is why we want to key into the trend. At Amaglo beauty Salon, it is a different ball game altogether, as maximum flexibility and sturdy customer attention is to a large extent guaranteed. Amaglo without mincing has plans in place to become the one stop hair salon when satisfying her clients comes to mind. As such, we will sure gain significant market share and create serious long-term relationships with our clients.

The Company

Amaglo is a hair business corporation, which is owned fully by Ms. Chiamaka Obi. It is located at No 20 Awkunanawstreet, Achara Layout Enugu. Ms. Chiamaka Obi is a seasoned beautician who has ten year experience in hair styling, and have serves in countless of salons all around

Enugu state Nigeria. She will be responsible for the day to day operations at the salon. Activities such as hiring and training, purchasing, and retail sales are what she will look into. She will also be responsible for hiring all the employees like the receptionist, who will be responsible for receiving guests as they come in, the hair stylists, the accountant/ cashier and what have you. There will also be other workers- precisely six of them.

She will also use the incentive methods to reward hair stylists who are able to bring in customers, as well as attend promptly and satisfactorily to the needs of the clients. It is pertinent to state that at Amaglo salon, we do not want to leave any stone unturned, which is the reason why we shall meet all the hair needs of our clients – both male and female. We will be in the trade of fixing weaves, braiding, locking the hair, barbing the hair, as well as engaging in other things that makes the hair beautiful.

As a way to keep attracting ample clients, we shall do well to always train our stylists; this is so that they can continue to be abreast with all the styles that abound. We are passionate about putting smiles on the faces of our clients, which is why we shall procure all equipment that will help us achieve just that. We plan to launch out thoroughly, which is why we have also invested plenty of money in making the environment where we plan to operate from very conducive. We believe the aphorism that says ‘first impressions say a lot about a thing’ and that is why our interior and exterior is well furnished to attract all and sundry.

Our Service Offering

At Amaglo, the look is what matters to us, and we know that one couldn’t possibly achieve the type of look they wanted, except they wore a nice Amaglo. This is why we have done our homework well and have come up with the type of services that we will be offering the public.

The services we shall render include;

- Fixing of Weaves
- Braiding
- Relaxing the hair
- Barbing the hair
- Dying of Hair
- Manicure
- Pedicure
- Curling

- Weaving

Our Vision Statement

Our aim in business is to be your one stop shop, where the hair and appearance of our customers is uttermost.

Our Mission Statement

Our mission is to build a very creative hair salon brand, where all and sundry can turn to so that their appearance can be enhanced.

Business Structure

Amaglo as stated earlier upon commencement is supposed to be a small scale business, however, there are plans to upgrade as the business booms and births other branches in and around Enugu Nigeria. We intend to operate with the best of structures in place, so that we can give our clients optimal satisfaction.

As a matter of importance, we plan to have a structure with the best combination ever. This is because we are really particular about the quality of service that gets offered. We know that the success of the business to a very large extent would also be hinged on the type of people that are being hired to carry out services. It is for that reason that we hire people to occupy the following positions.

- Chief Executive Officer – Owner
- Manager – Hair Stylist
- Barber
- Hair stylist 1
- Hair Stylist 2

Roles and Responsibilities

Chief Executive Officer (Owner):

- 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.
- Responsible for fixing prices.
- Responsible for recruitment
- Responsible for payment of salaries
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization
- Prepares budget and reports for the organization
- Responsible for Training and Development in the organization
- Defines job positions for recruitment and managing interviewing process
- Carries out staff induction for new team members

Manger – Hair Stylist

- Carries out the vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Responsible for managing the daily activities in the salon.
- Ensures that the facility is in tip top shape and conducive enough to welcome customers
- Interfaces with vendors
- Handles procurement
- Supervises all activities in the salon
- Makes sure that customers are satisfied before leaving the salon

Hair Stylist

- Sees to it that all clients are promptly attended to.
- Makes nice hair styles for clients
- Carries out all other duties as assigned by the manager.

Barber

- Manages the barbing arm of the saloon
- Handles any other duty as assigned by the manager
- Carries out all other duties as directed by the manager or CEO.

Sample Hair Salon Business Plan Template – SWOT ANALYSIS

At Amaglo, we understand the need to be at the top of one's game, which is why we have gone ahead to identify our areas of strength and weaknesses. To a very large extent, being conversant with this means that we have the opportunity to up the ante when our services are involved. We therefore thought that it was going to be a very nice idea if we employed the best of consultant's

to help us carry this poll out, so as to be conversant with our strengths , weaknesses , as well as the opportunities that we are faced with.

Strength:

AmagloHair salon is centrally located in Enugu Nigeria; our location is in fact one of our major strengths because we have invested quite a lot in seeing that we have the best hair stylists, as well as a top notch facility that can attract new clients (celebrities and non-celebrities) to us on a continual basis. We believe that with our strength, we will be able to attract a good number of people. The type of equipment that is procured is such that makes our work pretty easy.

Weakness:

It is no longer news that the competition rate in the hair salon business is one of the highest all over the world. It is for this reason that our weakness was realized. As such; our weakness is solely hinged on the fact that there are loads of other business owners who have delved into the hair making business in New York. This means that we have to brace yup for ample competition. Nonetheless, we shall continue to do our best to see that we bridge a gap between our strength and weakness.

Opportunities

Without mincing words, Enugu is one of the cities that has so many schools and at such have quite a number of students around. This is why we are located in such an area to start with. We know without reservation that we shall attract all and sundry when we kick start operation. Already the number of salons that are located in the vicinity where we plan to operate doesn't meet the full needs of the people. As a result, we know that with us being there, and with the type of services we want to offer, and how we want to offer them, we shall break even pretty soon.

Threat:

Some of the threats that are likely going to confront AmagloSalon might be losing our clients to other competitors. If we win them over and are not able to give them the best of services, then

there might be likelihood that we lose them again. This is one of the aims of wanting to even surpass the needs of the people so that we can gladly continue to be at the top always.

Sample Hair Salon Business Plan Template – Market Analysis

Market Trend

It is true that lots of people want to look good, this is one of the major essences the hair salon business came into existence. From the past times till now the number of people who start this type of business daily, have continued to be on the rise. This is because of the rewarding nature of the job and also the point that people want to look good nearly all year round. As such, it can be said that this is one business that when well located, can experience massive patronage all year round.

The Hair Salon market is a market that is solely dependent on one vital factor; and that factor is that at least people- especially the female folk visit the salon nearly all weekend. This is because of the need to wear different looks. These days' salons also incorporate other services like the manicure and pedicure services. In other words, they kill more than a bird with just a stone. When a hair salon is well positioned and have sent out the right words, plus have well trained workers, then there will always be success achieved.

Target Market

Before choosing a location for AmagloHair salon, we conducted our feasibility studies and market survey and we were able to identify those who will benefit greatly from our service offerings. Every detail is written in our hair salon marketing plan. Basically, those who will benefit from our service offering are adults- both male and female, as well as children. This type of folks cut across various sectors of the economy. Our target customers can be classified into different groups.

We are set to market our services in our neighborhood, talk to different people, corporate executives, business owners, celebrities, amongst many others. These are the category of people that we intend marketing our salon to;

- Business People
- Parents and Guardian

- Celebrities
- Teenagers
- Students

Competitive Advantage

Starting a hair salon business might not be a herculean task after all. As a matter of fact, it is an easy to set up business that does not require formal training to achieve. This means that you might even decide to get into this trade without training, provided you will hire expert stylists. Anybody can set this business up, if they have the required startup capital. It means that the possibility of having countless hair salons is high, since getting the skill of hair making can be maneuvered.

We aware of this which is why we are leaving no stone unturned in making our shop a one stop arena. It is for that reason that we have decided to come up with a business concept that will position us to become the leader in Enugu state. Our competitive edge is that we are a standard hair salon that has loads of expert stylists that are on standby to meet the needs of the clients. Our business offerings also will easily assist us in attracting the various clients that will look to attract.

We can confidently say that the location of Amaglo will definitely count as a positive for us, because we have decided to come to Enugu, where we intend to attract the students in the society, as well as all and sundry. Our services will be customized to meet the needs of all our customers because we are aware that there is loads of competition. That is why we shall keep training our team so that they can continue to give our clients the best at all times all year round.

Sample Hair Salon Business Plan Template – SALES AND MARKETING STRATEGY

- **Marketing Strategy and Sales Strategy**

The marketing strategy for Amaglo salon is going to be driven basically by excellent customers service and quality service delivery. We will ensure that we build a loyal customer base. We want to offer the best services to our customers, so that they can readily help refer folks who might be in need of our services. We are not undermining the fact that first impressions lasts a great deal

which is why we have put everything in place to see that we give each client a wow moment so that they can unreservedly tell others.

We are a salon that is strategically located in Enugu and we are going to maximize the opportunities that are available, which is why we spend more to locate the business in a location that will be visible and accessible to plenty of people. We will adopt the following means to attract the kind of people that we look forward to be our clients. Part of the marketing and sales strategies that we will adopt is;

- Open our Amaglo Salon with a big shindig.
- Continuously Improve the performance of our services
- Hire the services of experts to make our Amaglo salon brand known in Enugu state.
- Deliver consistent customer experiences to all our guest; making our first impression count positively
- Make use of attractive hand bills to create awareness and also to give direction to our salon
- Create a loyalty plan that will enable us reward our regular customers

Sources of Income

Amaglo Salon business will generate income from the following service offerings;

- Perming
- Weaving
- Braiding
- Washing and dressing of hair
- Fixing of artificial nails
- Hair cuts
- Manicure
- pedicure

Payment Options

Our payment policy is all inclusive because we are quite aware that different people prefer different payment options as it suits them. Here are the payment options that will be available in every of our pub;

- Payment by cash
- Payment via Point of Sale (POS) Machine

- Payment via online bank transfer (online payment portal)
- Payment via Mobile money

In view of the above, we have chosen banking platforms that will help us achieve our payment plans without any difficulty.

Sample Hair Salon Business Plan Template – Publicity and Advertising Strategy

We know the importance of having our business in the faces and on the lips of every one: that is why we shall continue to work at ways to have the best marketing plans that can sure help us beak even within a short period of time. Already, there are tons of hair salons in Enugu that have become a household name. This is why we have got to look at ways to matchup the strategies of these competitors.

Amaglo Salon is set to create a standard for hair salon business in Enugu which is why we will go all the way to adopt best practices to promote our business. Good enough there is not hard and fast rule on how to advertise or promote our brand. One of the difficulties being encountered might be that hair salons might not have the required money to pump into publicity and advertising.

We will ensure that we leverage on all conventional and non – conventional publicity and advertising technique to promote our car was business. Here are the platforms we intend leveraging on to promote and advertise Amaglo Salon in Enugu;

- Encourage our loyal customers to help us use Word of Mouth mode of advertisement (referrals)
- Promote our business online via our official website
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, et al to promote our brand
- Install our Bill Boards on strategic locations
- Engage in road show from time to time
- Distribute our fliers and handbills in target areas

Start – Up Expenditure (Budget)

This is the key areas where we will spend our start – up capital on;

- Marketing promotion expenses (2,000 flyers at 100 per copy) for the total amount of #20000.
- Renting of the salon per anum, #60,000
- Cost for leasing facility for the salon: #60,000.
- Cost for facility remodeling – #150,000.
- Other start-up expenses including stationery – #10,000)
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – #180,000
- The cost for Start-up inventory – #35,000
- The cost for the purchase of furniture and gadgets (Computers, Printers, Telephone, TVs, Sound System, hair dryers, steamers, clippers, and chairs et al): #220,000.
- The cost for our grand opening party: #75,000
- Miscellaneous: #20,000

We would need an estimate of #830,000 to successfully launch our all-round car wash business in New York.

Generating Funding / Startup Capital for Amaglo salon

This salon is a family business and it will be financed by the owner who is also a hair stylist.

These are the areas where we intend sourcing for fund for our business. They include;

- Generate part of the start – up capital from personal savings and sale of his stocks
- Generate part of the start – up capital from family members and friends (soft loans)
- Generate a larger chunk of the startup capital from the bank.

Check List / Milestone

- Business Name Availability Check: **Completed**
- Opening of Corporate Bank Accounts: **Completed**
- Opening Mobile Money Accounts: **Completed**
- Opening Online Payment Platforms: **Completed**
- Purchase of Insurance for the Business: **Completed**
- Acquiring facility and remodeling the facility: **In Progress**
- Conducting Feasibility Studies: **Completed**
- Generating capital from family members: **Completed**
- Applications for Loan from the bank: **In Progress**
- Writing of Business Plan: **Completed**
- Drafting of Employee’s Handbook: **Completed**
- Design of The Company’s Logo: **Completed**
- Graphic Designs and Printing of Packaging Marketing / Promotional Materials: **In**

Progress

- Recruitment of employees: **In Progress**
- Opening party / launching party planning: **In Progress**
- Establishing business relationship with vendors – suppliers of all our needed carwash accessories, drinks, and tobacco et al: **In Progress**