



Start Your Own Salon Business in 7 Steps

Discover My Secret of How
I Made a Million Pounds

Beulaz Beauty & Laser Training Centre
www.beulaz.com



Serving Slough, Hounslow, North London and Birmingham

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About the Author

Manroop Ahitan's previous work experience includes administration, human resources, payroll and credit control up to 2005 working in an accountancy practice. This placed Manroop in an ideal position effectively to manage and expand her advanced beauty salon business CoLaz.

With her husband, Manroop, owns and operates four Colaz Advanced Beauty salons, and four Beauty and Laser Training Centres, and the Colaz Franchise.

The Colaz Salons are all operated in the metro-London area while Beaulaz is located in Slough, Hounslow, North London and Birmingham. The Colaz Franchise provides franchisees the opportunity to leverage the Colaz brand for their own successful salons.

She lives with her husband and three children in London.



Introduction



A Successful Salon Begins In Your Mind

If you're like the majority of students who graduate from the Beaulaz Training Centre, you want to open your own beauty salon business. And we want to help you to rise to the top in your region in terms of sales, client satisfaction, and profits.

That's the purpose of this Blueprint, to help you gain quicker success and accelerated profits in your new business.

My experience with four Colaz Salons, Beaulaz, and the Colaz Franchise (for beauty and hair removal salons) has convinced me that the easiest way to raise capital and grow your salon is with an effective, actionable business plan.

That's because you'll have a straight track to run on. You won't waste time taking wrong turns and spend valuable resources on hunches that don't work. Your job satisfaction as a salon owner will be higher as you avoid the problems others face in making everyday decisions, buying equipment, and competing with other salons in your area

You will be in control of events instead of outside events controlling you. Your salon will enjoy a better, smoother day-to-day operation. Systems create efficiency so more money flows to your bottom line.

Good Planning Now – Greater Profits Later

We've also found with our salons that a thoughtful, organized plan allows for a larger treatment menu with full offerings including laser hair removal. More treatments bring more clients and increased profits for you.

The banks will be interested in your ideas for marketing and public relations. They want to know how you will get the word out for a steady stream of clients. Your Business Plan will include your unique selling proposition, internet marketing, advertising, and PR. Done right, this will bring you a full schedule of clients day after day.

While planning your salon, you'll think about profiling your best clients who provide you the most profit. Your administrative structure facilitates efficiencies that add directly to your bottom line. Computer software, accounting and reporting procedures, and telephone and email communication systems all contribute to a smooth running operation that doesn't waste time or money.

According to Lockhart-Meyer, one third of small businesses fail within the first two years. The time you invest up front to create a reasoned, practical business plan will provide the advantage you'll need to be in the two thirds that succeed.

So let's start in building your own Salon Business Plan.

1. You Are Your Most Valuable Asset

The best place to begin your planning process is the area you know best: you and your salon.

Scrub your professional history to uncover how you got to where you are today. Why do you want to own a salon? What people or events in your life resulted in you wanting to open your own business? Why is now the right time?

In this first crucial step, you'll create your biography and list the resources available to you for your salon. This is also where you'll start thinking about your salon's purpose, the reason you want to be in business. You will draw on this history when you define your Mission Statement in the next phase of the Business Plan.

You may not think you have much of a history yet, but you've probably accomplished much more than you think. Include in your professional history your qualifications, for example: Advanced Beauty Therapy, Skin Blemishes, and/or Laser Hair Removal.

Also include your previous work experience, education, and personal aspirations.

If you already own a salon, describe how many employees you have, your typical clients, location, etc. All of this is useful for banks when you ask them for loans or lines of credit, and it provides a starting point for the rest of your Business Plan.



You Are Your Most Valuable Asset

Get a Lift From Your Life

After you've completed your professional history, start thinking about your own personal story. What are some of your personality traits that will make you stand out in the eyes and minds of your clients?

Where did you come from and how and why did you start in the beauty business? What do you like about it, what are you passionate about when it comes to treatments and making people look and feel better?

Think of views that you have that may offend others in the business but resonate with your clients. For instance, maybe you want to use only fair trade products in your salon. Or, maybe you know of companies and practices in your marketplace that you think are cheating your customers out of the value they should expect. Include how you will deal with these issues to the benefit of your clients.

This personal story combined with your business history can be made into a compelling Brand Story that will resonate with your preferred clients. It's what your business will do, and why your customers will love it. You'll use it in your marketing to draw clients to your way of doing business.

Now that you've thought through your story, listed your professional accomplishments, and articulated your vision in the marketplace, let's determine why it is that your clients should do business with you and not the competition.

That's where your Mission Statement and Unique Value Proposition prove immensely valuable.



2. Secret Sauce

The Key to Market Dominance

Know Your Purpose

After you've completed your History, you'll be in a good position to define your Mission Statement and your Unique Value Proposition.

You'll want to write your Mission Statement into your business plan first. It's a short paragraph or two stating the essence of what your salon does, what products it offers, and how it wants to treat its clients.

Make it a simple statement that summarizes the aims and values of your salon. More than likely, you'll come back and revise this as you continue to create your business plan. The other parts will help clarify your sense of purpose and your understanding of how you want your salon to position itself.

To help get some clarity, ask yourself a few questions:

1. How do you want your clients to feel after their treatments? Sexy and glamorous? Feeling better and relaxed? Both?
2. What do you want clients to think when they see your storefront?
3. What will you put on your sign?
4. Can you sum up your customer philosophy in a single sentence?

Taking time to really think hard about these sorts of questions will pay off in the rest of your plan, because all sorts of hard choices are sure to spring up. You will know how to decide in those moments because you know your mission.

Secret Sauce - The Key to Market Dominance

Be the Answer To Their Question

After you have decided what you want to offer and to whom, think about why customers should come to you and not your competition. We call this your Unique Value Proposition (UVP).

The essence of your UVP is in the answers to these two questions:

1. What does your company do?
2. Why should clients who fit your ideal profile get their treatments at your salon and not your competitor down the street?

These are not easy questions to answer and it may take some time for you to come up with the unique benefit or solution that only your salon can offer. But when you do, you can use your UVP in your marketing to amazing results.

The 'secret sauce' concept is an example of a UVP. Look how each of these examples demonstrates unique value for the product:

1. Every sandwich shop has sauces. But only we have the secret recipe our chef's great grandfather created back in 1893.
2. Every tyre has treads. But only our tyres channel water away through a patented system, guaranteeing your car will never skid out in the rain.
3. There are lots of ink pens. But only ours has a sensor that tells you when it's almost dry.

See how it works? You're looking for that special "thing" that only you offer, and that meets a specific need of your customers.

Find Your Own Unique Value Proposition

[So, how do you come up with your UVP?](#)

First, create a profile of your typical client. What demographic would you like to cater to? What does she/he look like? Younger, middle age, older or all ages? A particular ethnic group? Is your marketplace affluent or middle class?

Most salons cater mainly to the people in the region they're located in. Survey your area to get an accurate profile of the people living there. Then, think about which of these would be ideal clients for your salon.

This is really important. If you dream of serving young college students, but you live in a town populated by retirees, then your dream isn't going to happen in that location.

Secret Sauce – The Key to Market Dominance

Think about the treatments you'd like to offer. You may decide to start out small with beauty treatments only. Or, you might want to work toward adding laser hair removal and skin care treatments to your list of services.

Features and Benefits – Marketing 101

Then make a list of all the **features** of your business. Those are the services you offer, the products you sell, your store hours, knowledgeable staff...all of the good things you offer your clients.

Then, list the **benefits** these features deliver to customers. For example, from your list of services you determine that clients can get not only their hair done, but also a manicure and facial, all at the same salon. The benefit here is convenience.

You need a clear understanding of how features differ from benefits, because your customers come to you for the benefits. They don't come to you because you offer to cut hair. They come because your free shampoo service makes them feel spoiled. They don't come because you offer an impressive nail service. They come because your staff listens, and makes them feel like you care about their needs.

They come for the benefits. And the UVP is your most unique and dramatic benefit.

You may have later store hours than other salons so clients can enjoy your services at times more convenient for them. Your knowledgeable staff not only delivers expert service, but also is up on the latest trends and offers advice that clients can't get anywhere else.

You get the point. From all of this, your client profile, list of features and benefits, and your History from Chapter 1, determine the single most important benefit message you can offer your preferred clients.

Messaging Attracts Customers

Why should your ideal client do business with you and not the salon up the street?

The answer to that question is your UVP – the message that will draw clients to you. What it comes down to is you're not really selling a treatment, you're selling beauty, confidence, and well-being to your clients. Those are the benefits that people are really after when they visit your salon, and every feature has a corresponding deeper benefit.

This is an exciting section of the business plan because it motivates you to be your best, consolidates everything good about your salon, & instills in you a mission to be the best you can be for your clients.

Now to be sure your employees are working together and delivering consistently superior service, it's time to move on to your Organization Chart & Management Systems.

3. “I Can’t Do Her Nails. I’m a Laser Technician!”

The Organization Chart clarifies the areas of responsibility and the relationships within your salon: who reports to whom, where equal relationships exist, and the function of each position. You, as the owner, are at the top of the chart with the different departments and operations listed below.

If you are starting out small, you could easily be listed in more than one function. For example, you are at the top of the chart as CEO of the salon, but also listed as a certified hair removal technician in your Hair Removal Department.

Be sure everyone in your salon is on the chart including full & part time. Indicate reporting relationships & describe the function of each position on the chart. Try to set up your internal structure to produce as much efficiency as possible.



“I Can’t Do Her Nails. I’m a Laser Technician!”

A reporting relationship matters because it lets employees know who gets to tell them what to do, and who doesn’t. Clearly defined roles and relationships will greatly reduce friction among employees.

Nailsmag.com listed the failure to take care of employees as one of the most common mistakes new salon owners make. Their best recommendation to help reduce employee conflict is a good business plan. Happy employees create happy customers. Your plan needs to clearly spell out who does what, how often, and when.

Making the best use of people’s time adds to your productivity. For example, you don’t want a highly paid laser hair removal technician answering the phone. You can easily have a lower paid receptionist do that.

Your plan will also help you to create Management Systems that maintain top efficiency. In a real sense, you are creating a ‘turn-key’ operation so that your salon delivers superior customer service and treatments every day, whether you are there or not.

The bottom line is that if you optimize managerial and operating costs, you save money while offering better service for your clients. You’ll have a more customer friendly salon with better equipment and people.

With a well thought out Organization Chart, all of the rest of the employees in your organization will know their jobs and to whom they should report. Issues about who does what will be very easy to solve.

And by building management systems, you’ll be able to deliver the best client experience available in your marketplace. You will have an organizational structure and standards of service that provide your clients consistent, effective treatments day after day.

So after we create our Mission Statement and Unique Value Proposition, now our employees understand their roles to make it all happen.

Next up, let’s make some assumptions about where we stand with our personnel, building, and equipment.

4. Plan a Vibrant Customer Experience

It's now time to analyze where you are in your business relative to employees, storefront, and equipment. Take an honest inventory of where you are today so you'll better know what you will be needing to reach your goals.

If you aren't in business yet, you should at least have a mental picture of your ideal facilities and personnel. Complete this section with that in mind, and then list the equipment that will help you fulfill your mission, deliver your Unique Value Proposition, and that is available to you.

Know the Job Before You Hire

Analyze your current employee experience, qualifications, age, and skill level. Include yourself in this analysis and be honest about your evaluations.

You will want your employees trained in how to deal with clients on the phone, in the salon, and in pretreatment consultations. Clinicians will be always learning and striving for the best delivery of treatment in your marketplace.

If you organize your job descriptions well, you'll be able to recruit and train the best staff available. That's because you've planned each job for the skill level and personality traits you're looking for in each position.



Plan a Vibrant Customer Experience

The Cost of Doing Business – Invest Now, Pay Off Later

You could open a beauty parlor with flowery wallpaper, curtains to divide the treatment rooms, & cheap couches, but in our experience, customers are demanding class as competition increases in the beauty business. Why do one third of new businesses fail? They fail to count the cost with a solid business plan.

To open a decent beauty salon in the UK will generally cost you around £100,000. This includes refurbishment, salon equipment, legal fees, lease purchase fees, and other set up costs.

If you plan on offering advanced treatments such as laser hair removal, electrolysis, slimming treatments, advanced skin care treatments, and power plates, then your equipment costs will be higher, maybe around £150,000.

Within the boundaries of your Mission Statement, here are a few building and property questions you need to answer:

- Do you own or rent a salon now?
- Is it located in a busy section of town and does it have adequate parking?
- Is it easily accessible to the clients you prefer to serve?
- Does the building look good to your clients?
- Are there private rooms where necessary for various treatments?
- How will you refurbish your property?

Then make a list of the beauty & laser equipment, furnishings, office equipment, & software you'll need.

Equipment & Furniture

- Beauty Equipment
- Laser Machines & Equipment
- Skin Care Technology
- Salon Furnishings
- Office Furniture
- Lighting
- Telephone
- Computers
- Salon Software

An additional word about computer booking software is important here. We highly recommend computer software that takes bookings, sends text reminders, performance reports, & staff clock-ins. This is a must as it will greatly cut your time down adding efficiency that saves you money every day.

Beauty salon software can cost around £2,000 for a five-year license and then £50 per month for support. However, there is less expensive software for around £1,000 and a small monthly support package. Whatever you decide, be sure to research the best software program that works for you at a price that you can afford. You won't regret it in saved time, better productivity, and efficiency.

Now that you have a good idea of the property, building, and equipment you either have or will need, it's time to move on to your external business environment.

5. Know Thy Prospect

A healthy business plan must include an investigation into the demographics of the area you're located in, your clients, and the competition nearby. Think about what barriers you must overcome, what factors might stop customers from buying, such as price or selection.

Remember, the market for beauty salons is very competitive and saturated so you really need to do your homework before opening a salon and hoping customers flock to your store.

What is the competitive climate of your location? Are there other salons nearby? Do they offer the same services and treatments that you plan to provide? How long have they been in business? If there are salons nearby that perform some services very well, are there other treatments you could provide that will fill a gap in the marketplace?

What are the overall economic climate and beauty trends of your area? Is it a rural, suburban, or urban population? Are beauty treatments as important as hair removal or skin care?

This is where you can start thinking about pricing your services, as well as special promotions and discounts you might offer. You also plan the kinds of treatments that will & will not succeed in your area. If your competitor is doing a treatment better than you, it's probably a good idea to specialize in other services.

Evaluating your region & the competition in your area prepares you nicely for the next stage in your business plan, sales, marketing, & public relations. Aside from the satisfaction salon owners get from administering beauty treatments to satisfied clients, marketing can be a lot of fun for you.



6. Put Your UVP To Work

Marketing and sales are the most important functions of any small business. You must have a full schedule of satisfied clients from day one so you have enough money to operate. Repeat clients and a steady stream of new clients make for a strong, healthy return on your investment.

This is why it's so important to work out a viable marketing strategy.

If you're just getting started, think about how you are going to brand your business in this crowded marketplace and why customers should come to you instead of your competitors. Refer back to the Mission Statement and Unique Value Proposition discussed earlier in this report. Here's where you'll use the UVP you created and incorporate it into your marketing.

You'll also need a logo that communicates your brand. And a tag line that says in just a few words the main benefit you offer your clients. Refer again to your History and Mission Statement for ideas. Look at other businesses to see examples of good taglines.

For example, CoLaz tagline is "Sexy Smooth & Confident" and Beaulaz's tagline is: "Your future in laser and skin care." A furniture website uses the tagline, "A zillion things home." "Never stop improving" is one used by a home improvement store.

Consider traditional advertising in your area plus the all-important marketing on the internet. Both are effective at exposing your business to your marketplace and drawing in new customers.

Greater Exposure, Lower Returns

Traditional marketing consists of TV, radio, and newspaper advertising, direct mail, telephone book, and in-house brochures and flyers. You'll also need business cards, letterhead, envelopes, and signs.

This kind of marketing is passive, because you are trying to convince customers to pay attention to you. So work hard to get your name on their minds.

We suggest you offer discounts and specials when you launch. You can use these to distinguish your salon from the competition so customers know right away what you offer, & can try it out for less cost.

Plan a grand opening party to get publicity for your new salon and create some excitement about how you'll help clients look and feel better. Run half price introductory advertising in the newspaper and with leaflet drops.

And don't forget the importance of a good sign, and the power of an inviting storefront.

Put Your UVP To Work

Less Exposure, Higher Returns

Internet marketing is a powerful tool for small businesses. Upward of 85% of Britons use the internet. That's why it's crucial to plan the content on your website and how you'll use social media and email marketing to nurture and attract new clients.

This kind of marketing is active, because potential customers arrive at your site looking for answers to a specific question. Not as many of them will see your website as they will a TV ad, or your storefront, but the idea is to capitalize on the interest they've already shown by visiting your site.

The content on your website should answer the questions visitors bring to your site. Explain how your services and products help them look and feel better. Then be sure to direct them clearly to a Call to Action for an appointment or consultation, to sign up for your email newsletter, or download a discount coupon.

This might be a good place to hire a professional content writer. He or she can help you write the text that gets your salon ranked higher in the search engines (search engine optimization or SEO) and effectively moves site visitors to call for an appointment.

The Best Marketing Audience Ever

One of the best sources for revenue is up-selling your existing clients. Don't forget about them. Train your staff to offer additional services during or after treatments. If they're giving a facial, offer product to keep their skin moist and toned after they leave. After a laser-hair-removal session, they might be interested in one of the inch loss treatments you offer.

Salons typically generate 5-15% of their revenue just from selling products in the store like shampoo. Who's buying? Your existing customers!

Your current clients already trust you and like you. They'll appreciate all of the additional services and products you offer them.

Now that you have a steady stream of new and repeat clients, it's time to plan how to keep track of all of that income!



7. Financial Management

Be Ready For the Unexpected

When you ask for financing from a bank or other financial institution, you'll want to put your best foot forward when you present your Business Plan. That's why we recommend you have an accountant who will help you set up your financial statements.

He or she will also be there as you budget your expenses & projected income for the coming year. Include in your business plan your current or projected Profit and Loss Statement, Balance Sheet, and Income Statement. Close scrutiny of your finances is essential to the viability of your business throughout the year.



You are in charge and responsible for every pound in and out of your salon so keeping close track is crucial. It's also a good idea to include in your Business Plan the areas of service that you'd like to grow. Break those out into separate revenue centers so you can track your progress.

For example, say you are adding inch-loss treatments to your list of services. Keep a spreadsheet on the revenue and expenses for just that treatment to see if your marketing and up-selling is working to your satisfaction.

Accurate, systemic financial management returns big dividends when seeking bank loans and in understanding the actual state of business at any time during the year. The last thing you need as a salon owner is a financial surprise that you didn't see coming.

With your financial management and budgeting in place, you're now ready to complete your Salon Business Plan. In the next section, we'll discuss a few final thoughts to get you off on the right track.

8. Positioned For Success

Before you begin writing your plan from scratch, there are many business plan templates available online for your use. Look around for one that you're comfortable with and that suits your salon.

At the same time, we recommend you find a good solicitor and chartered accountant to help you with the legal, accounting, and tax issues you'll be dealing with as a salon/clinic owner. For example, they'll advise you as to forming a Limited Company or Partnership, help you with local council licensing, and VAT reporting.

Remember also that you will be making various assumptions in your plan, especially if you're just starting out in the beauty salon and hair removal business. Don't worry that things will change during the course of the year. That's natural and unavoidable.

The wonderful thing about having a thorough business plan is that no matter what comes up you will be able to deal with it from a solid base. Changing track is fine as long as you know where you are beforehand.



Often, when problems present themselves salon owners make poor decisions because they don't really know where they are in the first place. Your business plan is the starting point for all of your decision-making during the year.

And planning your success is really a pleasurable, productive experience. Instead of letting the outside world control you, you end up controlling it. And that is a very satisfying and profitable experience.

We hope this report will help you find success in your new beauty salon and hair removal clinic!

Manroop Ahitan

Owner of CoLaz & Beaulaz Brands

Fast Track Your Salon's Success with a Colaz Franchise

The ebook you've just read covers the basics of a good beauty salon and laser hair removal business plan. But even with good planning, you will find out that it's difficult managing all of the moving parts when you launch a new salon from scratch.

We've been building our Colaz Advanced Beauty Salons in London for over 10 years. And we have enjoyed much success, but it took a lot of work . . . and we made our share of mistakes along the way.

What if you could directly benefit from those years of experience . . . and avoid those mistakes?

What if you had a breakthrough Salon Business Plan written for you?

What if all you had to do was follow some easy management systems and your salon would run efficiently and profitably right from day one?

And what if you could leverage an immediately recognized brand that comes with marketing tools guaranteed to bring you clients day after day?

If you're interested in proven success in this exciting industry, we have something exciting to show you. Contact us here:

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