

Report on marketing strategies for a Hair and Beauty Salon.

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Introduction

This report is investigating marketing strategies for a hair and beauty salon called 'Serenity'. The purpose of this report is to help me understand the steps and processes that have to be undertaken when setting up and starting a new business. The aim of this report is to:

- Understand the objectives of a business
- The importance of business location
- Apply the technique of marketing and market research.

Business ideas

I have decided to choose a hair and beauty salon for my business. I decided upon this type of business, as I was attracted to the industry because I am fond of the idea of meeting, helping people and expressing my talent of being a beautician. Also, my business is unique from other sectors and provides different types of services and products. One of the main reasons the beauty industry has become very popular, and has widened this is because many people especially my main target audience being women have taken great interest in their health and general appearance. Serenity will be also catering for the needs of men.

Some features of my business include the selling of brand name skin care products and cosmetics i.e. Oil of Ulay, Clarins and Tony & Guy hair products. The service and products provided by Serenity will be at a high level of quality.

Business Objectives

Business objectives are targets either long-term or short-term goals that a business sets for themselves to achieve, for example, To offer the best service to customers, and to make a profit etc.

I will set objectives so my business can measure how successful it will be and whether it has been reaching its targets and goals. The main business objectives for Serenity are the following:

- To make the business the most profitable in the area
- To work together in order to survive
- To make sure customers are happy with the service/products we sell them and they leave the salon satisfied
- To produce a safe working environment for our customers and employees.
- To invest in staff to attract a widening of skills and talents

Business Ownership

Before Serenity starts trading the next thing to think about is what form I want my business to take. The three main types of business ownerships are listed below as well as the advantages and disadvantages to the types of ownership.

Sole trader

Description:

A business owned by a single person who has unlimited liability.

Advantages:

- The firms are usually small, and easy to set up.
- Generally, only a small amount of capital needs to be invested, which reduces the initial start-up cost.
- The wage bill will usually be low, because there are a few or no employees.

- It is easier to keep overall control, because the owner has a hands-on approach to running the business and can make decisions without consulting anyone else.

Disadvantages:

- The sole trader has no one to share the responsibility of running the business with. A good hairdresser, for example, may not be very good at handling the accounts.
- Sole traders often work long hours and find it difficult to take holidays, or time off if they are ill.
- Developing the business is also limited by the amount of capital personally available.
- There is also the risk of unlimited liability, where the sole trader can be forced to sell personal assets to cover any business debts.

Partnerships

Description:

This is where the business by law can have 2-20 partners running the business. They all have an equal say in making decisions and equal share of the profits according to the agreement called the 'deed of partnership'.

Advantages

- The main advantage of a partnership over a sole trader is shared responsibility. This allows for specialisation, where one partner's strengths can complement another's. For example, if a hairdresser were in partnership with someone with a business background one could concentrate on providing the salon service, and the other on handling the finances.
- More people are also contributing capital, which allows for more flexibility in running the business.
- There is less pressure of time on individual partners.
- There is someone to consult over business decisions

Disadvantages

- The main disadvantage of a partnership comes from shared responsibility.
- Disputes can arise over decisions that have to be made, or about the effort one partner is putting into the firm compared with another.
- The distribution of profits can cause problems. The deed of partnership sets out who should get what, but if one partner feels another is not doing enough, there can be dissatisfaction.
- A partnership, like a sole trader, has unlimited liability.

Limited- Plc/Ltd

Description:

Here by the shareholders of a company are liable for the debts of the company. There are two types of limited companies-private and public.

Private Limited companies

Advantages

- The big advantage of a Ltd is that it has limited liability, in which it means that if the business goes into debt the shareholders do not lose their personal possessions but have to use the business's investments.

- Being incorporated, the company can continue trading after a shareholder passes away, unlike partnerships.

Disadvantages

- Ltd is more expensive to set up than partnerships because of all the legal paperwork.
- The company is legally obliged to publish its accounts every year unlike sole traders and partnership, which do not have to.

Public limited companies

Advantages

- A Plc can raise much more money than any other kind of business.
- In most cases the company expands and diversifies

Disadvantages.

- Each shareholder has very little say in how the company is run unless they own more shares than other shareholders.
- Anybody who thinks they have enough shares to make more profit can take over the business.

Other examples of business organisations:

- Franchises
- Co-operatives
- Multinationals

From the advantages and disadvantages listed above, I decided to make my business a sole trader business to start with, as it is very easy and quick to set up unlike the other businesses, but the problem is that if the business fails, then I am fully responsible for all the business' debts.

In the future I may decide to change the ownership of my business to a private limited company, as this isn't so risky. I may turn to this alternate type of ownership, as I can gain maximum revenue with the least amount of total cost, which therefore enables me to obtain the maximum profit.

Location

The factors that need to be considered when deciding on the location for a business are:

- Cost and availability of premises- it is very important to locate your business in the correct area as some businesses need large amounts of space i.e. Car manufacturing; or some businesses may need small amounts of space i.e. a Newsagent. The ideal location would mean that the owner of the business must be sure that it will gain the maximum amount of revenue, meaning that because the location of the business is wanted by many people the rent will be inevitably high as there will be a great demand for it.
- Communications- a business needs to be located near to many communications links for example, main roads, railways, bus stops and in some cases an airport. Communication links are vital for a business to run as it mainly the only way for a business to receive stock or even distribute their products. It is also important for the business to be located near these communication links as it is easy for the public customers to get to.

- Availability of labour- most business will locate their business where it is most likely to find skilled labour depending on the product types. Businesses that don't require skilled labour and wish to keep their labour costs down may locate in areas of high unemployment where labour is readily available.
- Nearness to market- Service industries like shops need to be located where customers can easily get. In many cases, a manufacturing company such as a furniture factory/warehouse will locate next to the user of its product such as a furniture shop; this will cut down on transport costs.
- Transport costs- this may come into consideration as the cost of transporting products can be as much as 25% of a product's total cost, and so it is vital that a business locates where its transport costs are minimum.
- Nearness to raw materials- the further the location of your business to raw material needed for products the more the transport cost. This means that it is useful to have the business located somewhere local to raw material for example, a dairy by a farm.
- Utilities- all businesses need to have water, gas, electricity and waste disposal. Most of these needs can be extremely expensive to be provided therefore it is important to locate where the needs are at a suitable price.
- Government- the government have incentives to help regions that have high unemployment because their traditional industries have grown smaller. Also there is a risk that the government may restrict some locations due to land ownership.

The main factors I have decided to consider upon my location for my business are:

- Cost and availability
- Transport links
- Nearness to market
- Labour
- Government

My main task is to attract customers so choosing my location is very important and should be considered carefully. I have looked at several locations i.e. Finchley, Hendon, Kingsbury and Criklewood. From all the places I researched upon, I came to find that Kingsbury is the most suitable. This is because most of the needs I considered are achieved in Kingsbury.

The exact location I have decided for my salon is:

Serenity (Upper Floor)
632-640 Kingsbury Road
Kingsbury
London
NW9 9HN

Locating my business in Kingsbury will mean there will be some advantages and disadvantages; they are as follow:

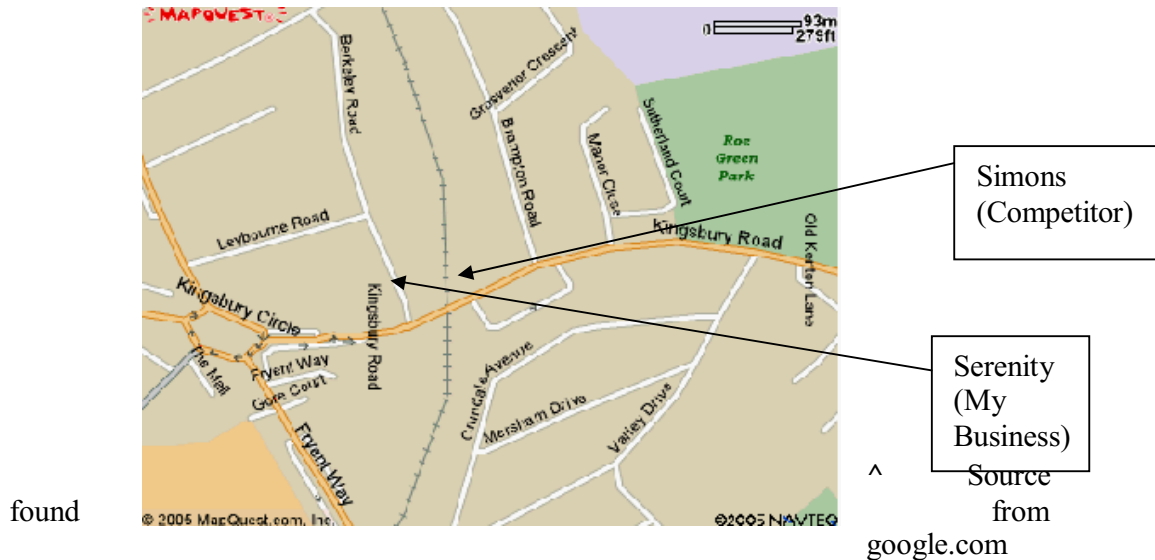
Advantages

- Many types of transport are near by i.e. Bus stop and Train station.
- The area is kept clean and not very polluted
- Quite busy (Especially on the weekend)

Disadvantages

- Rush hour only in the morning and evening especially from the underground station near by
- Have to spend money on advertising to attract the public

I wish to overcome these disadvantages by advertising my salon such as, leaflets or newspapers. I willing to do this as it do not cost a lot. I feel that setting the location of my business in Kingsbury will be successful. Below is a map of roughly where my business is located.



The image below is a photograph of where I am going to construct ‘Serenity’.

Competition

Gladly, Serenity does not have many competitors, which is a good advantage. Serenity is competing with is another hair salon located approximately fifteen shops away called ‘Simons’. The location is shown on the map above.

To make my business different from my competitor, my unique selling point will be the beauty sector of my business as ‘Simons’ is only a hairdresser and my business is

a hair and beauty salon. Below, is a photograph that I have taken of my competitors' salon along with their business card.

Sources of finance

I will use budgetary control and I have decided that I will need an overdraft and a loan to pay the first and second years of my costs. This includes paying employees, rent, equipment, supplies, and investing in my staff for courses, (See loan brochure in appendix). Once my business starts, I will be able to form a loyal customer base; my business will eventually make a turnover. The salon will make sufficient profits, which will enable me to pay the bank, and I will be fortunate to have enough income to cover other costs. My aim is to borrow a loan off the bank and will require £10,000. I will be investing £4,000 of my own, which I will borrow off my family and friends.

Sources of Finance	<u>Advantages</u>	<u>Disadvantages</u>
Bank Overdraft	<ul style="list-style-type: none"> • <i>Used whenever needed</i> • <i>Easy to obtain</i> • <i>Low cost</i> 	<ul style="list-style-type: none"> • <i>Can rely upon it too much</i> • <i>Charges are made</i> • <i>Bank can ask for repayments any time</i>
Trade Credit	<ul style="list-style-type: none"> • <i>Low cost, often free for 30-60 days</i> 	<ul style="list-style-type: none"> • <i>Not always free</i> • <i>If not paid, a supplier could stop supplying goods</i>

Factoring	<ul style="list-style-type: none"> • <i>Regular payment of invoices</i> • <i>Don't have to chase debts</i> • <i>Speed up cash flow</i> 	<ul style="list-style-type: none"> • <i>Loss of % of a total that is owned</i>
Bank Loans	<ul style="list-style-type: none"> • <i>Can raise a large sum of money</i> • <i>Regular repayments</i> 	<ul style="list-style-type: none"> • <i>Charges are made</i> • <i>Failure to repay, may lead to business failure</i>
Leasing	<ul style="list-style-type: none"> • <i>Tax free</i> • <i>Reduce maintenance cost</i> • <i>Up to date technology</i> 	<ul style="list-style-type: none"> • <i>Can cost more than buying</i> • <i>Assets are never your own</i>
Hire Purchase	<ul style="list-style-type: none"> • <i>Tax free</i> • <i>Reduce maintenance cost</i> • <i>Items are owed after last payment</i> 	<ul style="list-style-type: none"> • <i>Can cost more than buying</i>
Sale & Lease Back	<ul style="list-style-type: none"> • <i>Raise finance quickly</i> 	<ul style="list-style-type: none"> • <i>Loss of ownership of assets</i> • <i>No control over rent of lease</i>
Grants	<ul style="list-style-type: none"> • <i>Free</i> 	<ul style="list-style-type: none"> • <i>May be given subject to conditions</i>
Debentures	<ul style="list-style-type: none"> • <i>Raise large sum of money over 5-25 years</i> 	<ul style="list-style-type: none"> • <i>Charged interest</i>
Venture Capital	<ul style="list-style-type: none"> • <i>Help from established business</i> 	<ul style="list-style-type: none"> • <i>Ownership can be sold without consultation</i>

I created this table to make it easier to see the advantages and disadvantages of the sources of finance available to businesses. I collected the information from class notes and use of GCSE Business Studies by Alan Anderton textbook.

Market Research

Market research is the process of planning, collecting, and analysing data relevant to marketing decision-making. Using a combination of primary and secondary research tools I will be able to understand a situation better.

The reason for carrying out market research is to find out what people want, which may give the manufacturer a change to improve the product and evaluate any problems.

There are two types of market research, Primary and Secondary research.

Primary Research

- Primary research can also be called field or original research.
- It is useful for finding out new information, and getting customers' views of the product.
- Advantages are that it provides data that's up-to-date, relevant and specific to the product.

- Disadvantages are that it's expensive to collect, it's time consuming, and needs a large sample size to be accurate.

Secondary Research

- Secondary research can also be called desk or published research.
- It's useful for looking at the whole market, and analysing past trends to predict the future.
- Advantages are that it's cheaper than primary research, the data is easily found and instantly available.
- Disadvantages are that it's not always relevant to your needs, it's not specifically about the product and it's often out of date.

Methods of Market research

Primary Research

- Questionnaires
- Telephone surveys
- Product testing
- Working with consumer groups

Secondary Research

- Research reports
- Government publications
- Newspapers
- Magazine articles.

Other types of research may include observational and surveys.

As part of my primary research I have decided to create questionnaires. I chose this as I thought this would be the most accurate type of data I could use. I am going to give 50 random people in the area of Kingsbury the questionnaires to see what results I can go according to.

Questionnaire

I have decided to open up a hair and beauty salon, please fill out the questionnaire below to help me on my primary research. Thank you for your time and effort.

1. What age group are you in?
10-20 ____
21-30 ____
31-40 ____
40+ ____
2. What gender are you?
Male ____
Female ____
3. How far do you live from Kingsbury high road?
Less than a mile ____
1-3 miles ____
3-8 miles ____
8-10 miles ____



10miles+ ___

4. Do you get a yearly income? If so tick the value earned below.

5000-10000 ___
10000-15000 ___
15000-20000 ___
20000-30000 ___
30000+ ___

5. How often do you visit a hair and beauty salon?

Once a week ___
2-3 weeks ___
Once a month ___
Once a year ___
Never ___

6. How much do you normally spend in a salon?

£5- £10 ___
£10-£20 ___
£20-30 ___
£30+ ___

7. What type of advertisement do you prefer?

T.V ___
Radio ___
Magazines ___
Newspaper ___
Flyers ___

8. What types of promotions appeal to you?

Discounts ___
Buy one get one free ___
Vouchers ___
Half price sales ___

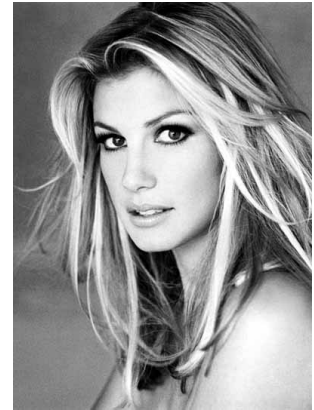
9. What kinds of pampering do you like to have?

Threading ___
Waxing ___
Facia ___
Hair cut ___
Hairstyle ___
Massage ___
Nails ___



Questionnaire

I have decided to open up a hair and beauty salon, please fill out the questionnaire below to help me on my primary research. Thank you for your time and effort.



1. What age group are you in?

10-20	<u>16</u>
21-30	<u>21</u>
31-40	<u>8</u>
40+	<u>5</u>

2. What gender are you?

Male	<u>25</u>
Female	<u>25</u>

3. How far do you live from Kingsbury high road?

Less than a mile	<u>26</u>
1-3 miles	<u>13</u>
3-8 miles	<u>7</u>
8- 10miles	<u>4</u>
10miles+	<u>0</u>

4. Do you get a yearly income? If so tick the value earned below.

5000-10000	<u>7</u>
10000-15000	<u>22</u>
15000-20000	<u>15</u>
20000-30000	<u>4</u>
30000+	<u>2</u>

5. How often do you visit a hair and beauty salon?

Once a week	<u>13</u>
2-3 weeks	<u>20</u>
Once a month	<u>7</u>
Once a year	<u>6</u>

Never 4

6. How much do you normally spend in a salon?

£5- £10 7

£10-£20 16

£20-30 14

£30+ 13

7. What type of advertisement do you prefer?

T.V 24

Radio 10

Magazines 4

Newspaper 10

Flyers 2

8. What types of promotions appeal to you?

Discounts 17

Buy one get one free 12

Vouchers 13

Half price sales 8

9. What kinds of pampering do you like to have?

Threading 19

Waxing 8

Facial 5

Hair cut 9

Hairstyle 2

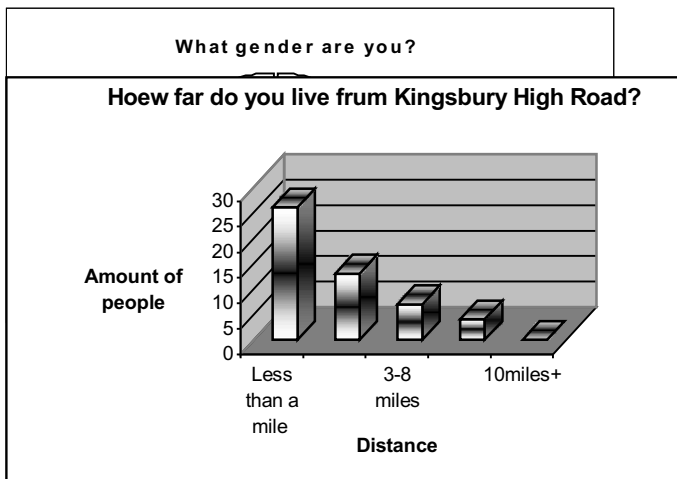
Massage 2

Nails 5

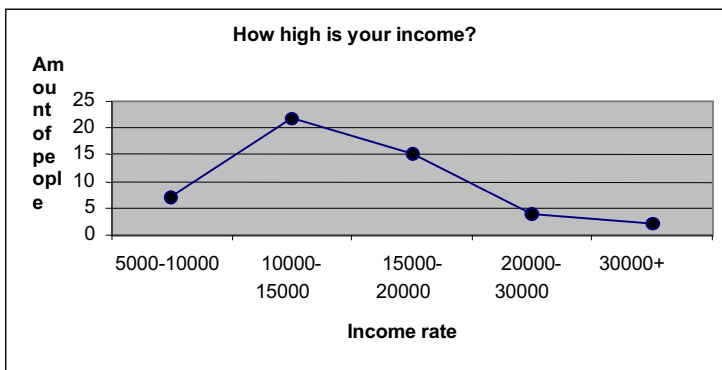




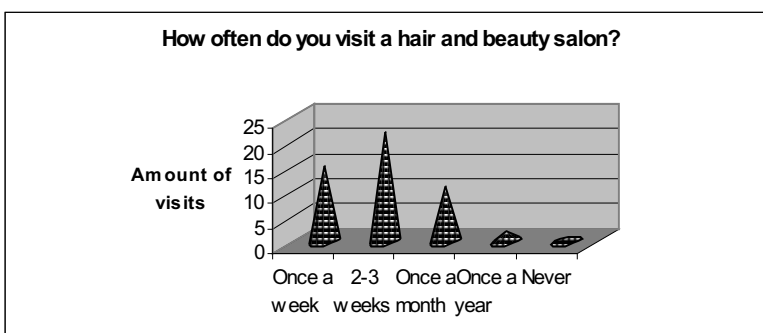
This graph I have created shows that many of the people I questioned were in the age range of 20-30 years old. This shows that a majority of the customers that attend hair and beauty salons are adults.



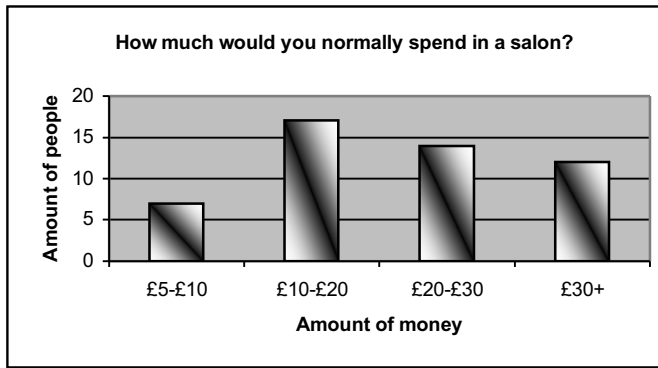
To make my questionnaire results unbiased I decided to question an equal number of males and females. The graph represents that males and females public live 25 miles and 25 females as a majority live less than a mile away from the area of my salon. This is an advantage as it shows that my business may have many customers.



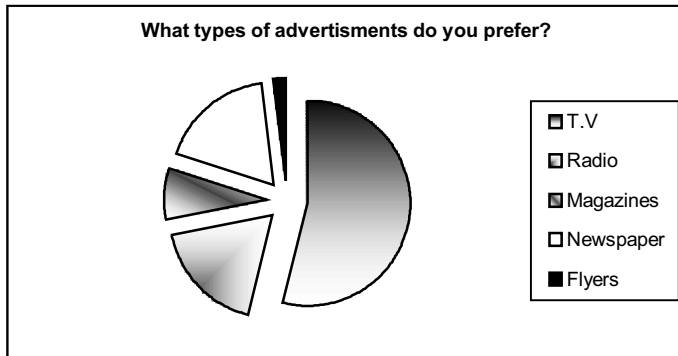
Most of the people I questioned had an income ranged between £10000 and £15000. This is a general question, which could show how much people roughly would spend.



This question could help me estimate how many people would visit my shop. The graph shows that most people visit their salon 2 to 3 times a week, which may be an advantage to my business.



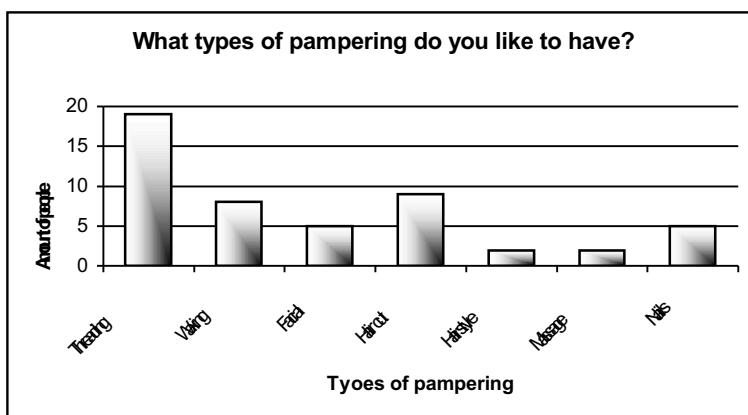
Most people would usually spend around £10-£20 at a salon. This could help me set my prices and my price list. Using my competitors' pricelist could also help me do this.



Using the results from the questionnaire, I have decided that the best way to advertise my business is the television. I may also advertise it on the radio and in newspapers.



Using the results from the questionnaire, I have decided that the best way to promote my business is to discount some of my prices here and now. This will be appealing to the customers and those more I get the more profit I will achieve.



This graph gives me a good example of what most customers want done. It shows that most customers like to have their threading done. There is also a majority of haircuts and waxing wanted.

Prediction Table

<i>Predictions</i>	<i>Outcomes</i>
I predicted most of my customers will be within the age range of 20-30	Most people were within the age range of 20- 30 years of age.
I predicted most people live 1-3 miles away from Kingsbury High road	Most people live less than a mile away from my salon.
I predicted most people's yearly incomes are between £10000 and £15000.	Most people's income is between £10000 and £15000.
I predicted most females visit a salon once within 2-3 weeks.	Most people visit a salon every 2-3 weeks.
I predicted that most people would normally spend from £20-£30 in a salon.	Most people spend from £10-£20 in a salon.
I predicted that most people would prefer T.V for advertising.	Television is the most popular source of advertising.
I predicted that the best type of promotion for customers is discounts.	Many people prefer discounts as part of promotion.
I predicted a majority of the people that visit my salon would usually prefer to get their hair cut.	Threading is the most popular type of pampering.

Promotions:

Promotions are another part of the businesses marketing strategies. It's about getting the message across to the customers so that the customers react by buying the product. After the first year, if I notice a decline in sales, I will use promotional schemes like:

- Half price hair cuts on certain days
- Two hair cuts for the price of one
- Save £2.50 on your next waxing session
- OAP/Student discounts

There are many types of promotions that can be used to promote my business; the advantages and disadvantages are below:

TELEVISION: (Costs: £120.000 approx)

Advantages:

- Involves motion and sound, along with colour
- Wide audience range
- Can be repeated and seen over again

Disadvantages:

- Very expensive to produce and buy slots
- Adverts are often ignored
- Not a good idea for local businesses

RADIO: (Costs £1000 approx)

Advantages:

- Involves music and sounds
- Heard repeatedly by a range of audience
- Wide audience range

Disadvantages:

- Quite expensive to buy slots
- Adverts usually ignored

POSTERS: (Costs £500 approx)

Advantages:

- Visual-colour and images
- Relatively cheap
- Seen repeatedly in a local area

Disadvantages:

- No sound or motions
- Weather can damage poster
- Vandalism could occur

NEWSPAPERS: (Costs £200 approx)

Advantages:

- Images and fonts
- Range of audience, and are targeted at specific areas
- Cheaper than television and radio
- Cheaper to buy

Disadvantages:

- No sound or motion
- Black and white, often quite boring or ignored
- Not repeatedly seen
- Readers decline in numbers

Advertising:

Advertising helps a business communicate a message using a wide range of media such as television, magazines etc. Below are the objectives of using advertising methods in a business such as Serenity.

- To target at new customers
- To increase customer loyalty among regular clients
- To announce a particular service which is offered
- To boost the overall image of Serenity

I sent of several letters asking companies for the costs of advertising. From looking at the information that was sent to me by Carlton television, I found out that between 7.15pm and 20.00pm the prices of advertising increase rapidly as this is the time were most families are relaxing at home watching television. The prices of the advertising steadily decreases at 23.30 as few people are watching at this time. (Please find rates for Carlton in my appendix.).

To find out specifically what my customers preferred when it came to advertising, I carried out a separate questionnaire for a random sample of 30 people. Before I carried out the questionnaire I predicted that television would be most preferred way of advertising.

(Please find my advertising questionnaire in the appendix)

From looking at the questionnaire I noticed that 21 people out of 30 voted television as the most preferred way of advertising. From this I was given a slight idea of what people prefer, however due to my business being small I will be unable to advertise by television due to the high advertising costs. Alternatively I could advertise in magazines, newspapers and leaflets, which would be a cheaper method of advertising that has the potential to reach large audiences. The reason I carried out a questionnaire was because it was having first hand information and is less time consuming than asking on the telephone, they also tend to be cheap, reliable and accurate.

Laws of advertising:

The laws of advertising are an important factor as it stresses that the advert must compile to be true. An example of a business, which did break the law was the HOOVER Company, this was when the Hoover Company had offered a deal, that if you spend more than £100 then you are entitled to two free flight tickets. Many people heard about this offer and bought goods from the Hoover Company assuming they are entitled to the two free tickets. However as many people bought goods to the value of £100, Hoover Company were unable to pay up and was sued for breaking the advertising law, and customers were given compensation. This incident put Hoover's reputation down extremely.

Pricing Strategies:

There are several different types of pricing strategies approaches that my business can take up, these include:

- Cost plus pricing
- Competition pricing
- Price skimming
- Promotional pricing

Legislations:

Below, are concerns and constraints that I might have to overcome, what they mean and how they may affect my business.

Weights & Measures Act

It is illegal for a business to sell goods, which are underweight or short measured, meaning products with a weight or measure should be as you have described it. This will only affect my business a little such as, when selling hair products or cream it has to be the right quantity as said on the bottles.

Trades Descriptions Act

This is protection for consumers from poor quality goods and services. It is illegal for products to not be described as it says.

Again, this is an issue that comes under products such as hair products, they will have to be good quality and have an affect on the person as it says on the packaging.

Advertising Standards Authority

This act put into effect the codes of practice. 'All adverts must be legal, decent, honest and truthful and must not cause offence'.

This will hardly affect my business as the type of advertising I will use will be cheap and cheerful such as a local newspaper advertisement.

Sales of Goods Act

This lets customers to take action alongside a business, if a product is sold which is not of sellable quality.

Planning permission

In the future if I want to extend my salon I would need to get planning permission this is having permission from the local authority in order to extend my property as it may be harmful or spoil the image of the community. (Please look at the example of the application form sent to me by Brent Council)

Influences and Constraints:

There are many influences and constraints when setting up my salon; these include my competitors, customers, suppliers and the local community.

COMPETITORS:

Positive:

- Not many in the area, therefore I have a good chance for high profits
- A wider range can be offered to my customers as few competitors

Negative:

- The one competitor which I do have, may have more customer loyalties therefore consumers are not willing to change

CUSTOMERS:

Positive:

- Biggest influences on how I sell my services and products
- Located in a busy area therefore are more likely to have greater business

Negative:

- Limited amount of customers due to being in a local area
- Dependent on customers loyalty and regularity

SUPPLIERS:

Positive:

- Large wholesaler's close by therefore quick convenient access
- Can be bought in bulk buy therefore cheaper and able to receive huge discounts

Negative:

- Could be unreliable at times when transporting good to salon, need to build a strong relationship with the suppliers
-

LOCAL COMMUNITY:

Positive:

- Brings Business to the local community

- Brings employment to the local community

Negative:

- Could introduce new laws and legislation, which we have to abide to therefore creating more costs.

Social, Financial and Environmental affects

Social affects would include employment. This will also relate to locating my business in an area where I can employ staff. I would need to locate my business where there are many unemployed people so it will be easier for me to recruit more staff. Having few competitors, it means my business has the competitive advantage, as it will attract a large amount of customers, therefore in return means a larger business profit and a higher chance of survival Therefore 'Serenity' is creating wealth and prosperity for the local community.

Having numerous financial affects may affect my business a great deal. Having reasonable budgets will mean I will be able to invest more into my hair and beauty salon. I will be able to obtain money from the bank and pay it back over a long period of time preferably with good interest rate. I will be able to invest more into my business having making large profit. However, much of my profits will be spent on construction, employees, specialist products etc. If I do not achieve these profits my business will be at a great risk of shutting down or losing possessions.

I am aware of the environmental affects; however the few affects need to be taken into account. I will increase the knowledge of the environmental affects to my employees, in which I will train them not to use any dangerous CFC gases and will recycle any waste products. The hygiene levels of my business will be kept up to date. As the location for my business does not have many Hair and Beauty salons, it will provide the local community a helpful service and I feel it will also help the local community as a whole.

Evaluation

Overall, to run my business successfully I had to make many decisions. In my own opinion, I note my decisions rather accurate.

At first, I decided what kind of business I was looking to run; I decided to run the business as a sole trader ownership as I thought it would be the easiest. I think this was the right type of ownership as my for the first year, I just want the business to be steady and surviving. For the following years after I will then try to achieve profit and if this is lucrative I will then decide on either extending my business or transforming it into a partnership business. However, if I do not succeed I may have to sell it to administrators, turn to economies of scale where I buy cheaper products to sell, or even change the look of my salon to attract more and newer customers.

To follow on, I had to decide on where locate my business, making sure it is suitable. I had to think about finding staff in the area, communication links, costs of premises etc. I was fairly successful in this element as Kingsbury is quite a popular area, with many transport links such as a tube station nearby, bus stops etc. I also had to find out who my competitors were, and what differences and similarities I came across. Hereby this was an excellent outcome as I only had one competitor by the name of 'Simons'.

My research had a large effect on my business as it helped me a great deal. I decided to carry out questionnaires, where I asked many relevant questions to do with my business. Using the results, it has given me a bigger picture of how to run my business and what kinds of materials to include. Looking at result it looks like many people are interested in my business which is good news.

My advertising method seems the most suitable, as it is a cheap and cheerful way to publicise my salon. Many people will be appealed and so I will gain many customer's which leads to sustainability as well as profit. I have also included promotions to make my salon more appealing. I have set my prices on average, between normal selling prices and my competitors selling prices. This is so my products and pampering are not too expensive and not to cheap.

Even though my business already seems rather successful, there are a few problems such as constraints and influences. Not much can be done about them, however things can be improved. I could sell more products, introduce more treatments. I could also ask customers opinions and take action from there. I can introduce new activities such as weekly promotions etc. These suggestions may help me improve my business and to make it as successful as possible.

Hopefully, I can be up and running my business, keeping it sustained and profitable. In the future I may be able to extend it in a majority of ways such as opening another salon in another location.

Action Plan

Date	Activity	Problems	Overcome/Outcome
1-7-05	Thought of business ideas and decided upon business	Hard to decide	Decided upon hair and beauty salon.
4-7-05	Made my choice on the type of ownership I will be.	Stating pros and cons of each ownership.	Sole trader- easy to set up
7-7-05	Decided upon location- Advantages and disadvantages	Deciding location	Kingsbury
11-7-05	Competition		Simons
19-7-05	Sources of finance	Deciding on what type of source I could use.	Overdraft and loan. Used class notes and sheets.
19-9-05	Decided upon which promotions to give	May lose profit	Discounts
22-7-05	Market research	What type of research to carry out	Questionnaire
15-9-05	How to advertise my business	Costs were expensive	Cheaper types of advertising e.g. Newspapers
23-7-05	Carrying out questionnaire	Printing out 50 copies.	Photocopies
21-9-05	Laws of advertising and pricing strategies	Hard to find sources	Used class notes and internet.
Summer Holidays	Collecting information e.g. Price list, writing to companies etc.	Few companies never replied.	
24-9-05	Legislations		Used class notes and Alan Andertons book.
7-9-05	Create graphs from results of questionnaire		Used excel.
29-9-05	Influences and Constraints.	Hard to find sources.	Used notes
	Social. Financial and environmental affects.		
5-10-05	Evaluation, bibliography, Appendix and Contents page. 21		

Bibliography

- Class notes given in lessons
- <http://www.bbc.co.uk/schools/gcsebitesize/business/>
- GCSE Business Studies by Alan Anderton
- Google.com-(Images)
- Sources- Bank loan brochure
 - Carlton TV price list
 - Photographs
 - Radio times price list
 - Planning permission