



## **Starting a Business in Beauty Therapy Course Manual & Workbook**

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## Starting a Business in Beauty Therapy Course

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## **PART ONE – Working in the beauty industry**

### ***Introduction***

On this course we are going to look at many issues involved with starting your own business. We appreciate how difficult it is to set up in business for the first time so we have designed this course to give an overview and first steps for a self employed beauty therapist.

Within the business world there is a lot of jargon which we hope we can explain in simple terms. We will also guide you through the various services offered or required by a variety of professional bodies.

You can see from the contents page that this course is divided into three main sections:

We will begin with looking at the job of a beauty therapist in particular.

The most important aspect of running a business is something you must have before you even start and that is the desire to succeed. When you work for someone else your desire to succeed will affect your promotion chances but it is your manager's or boss's desire to succeed that determines the ultimate success of the business. When you work for yourself you are the boss; you must have that desire. Wishing and hoping that you will be successful is not enough to make the changes and meet the challenges to drive a business through the good and bad times.

It is this very important pre-requisite of desire that we will be looking at during the middle part of this course. This is where we turn our focus to the most important asset of your business – you!

Then we will complete the course looking at the statutory and legal side of running a business in general.

**At the end of each section is an activity which will help you to begin applying the advice and ideas included within this course. These activities are not graded as they will be very personal to your business and are intended to help you begin the planning and marketing aspects for your new business. These activities must be completed and submitted to achieve your certificate.**

**You are welcome to read through this course manual using the online portal but you will need to download and save a copy of this document to your pc or laptop (which must have PDF reader installed & enabled) to allow you to complete the activities and save your progress. When ready, upload your completed workbook as a PDF file through the portal when prompted. You will also need to submit a copy of your prospective business card and treatment price list which you should also submit as a Word, PDF or Jpeg image file only to complete this course.**



## ***Training***

If you are new to the beauty business then you need to consider your training options. The standard of your training will have great bearing on your confidence and eventual business success.

Correspondence courses are a great introduction to a subject and represent, for many, the best initial way forward. We have provided a list here of training options with a note of the features of each alternative:

### **Large Further Education Colleges:**

- \* Funding may be available for low incomes, lone parents etc
- \* Local and convenient
- \* Can offer a good qualification
- \* Courses usually over long period of time, sometimes require full time attendance e.g. full days at college
- \* May be large groups on the courses per tutor
- \* Mixed ability and ages
- \* You cannot start your business until the course has been completed

### **Part-time courses in Private Colleges:**

- \* Small-Medium size tutor group [12-16] so more opportunity for support and one-to-one feedback
- \* Can be more flexible to suit those who cannot commit to constant regular attendance such as full time courses or those at large further education colleges
- \* Often much of the coursework is completed from home, however you need to be organised and committed to manage your time
- \* Relatively expensive but can be a good qualification

### **Manufacturers Training**

- \* Available from many manufacturers. With certain products and machinery it is compulsory if you want to use their products
- \* Not usually very local or convenient
- \* Can be expensive and does not usually give generic skills should you later wish to use an alternative brand of product



### **Wholesalers Training**

- \* Often carried out by manufacturers or agents on wholesalers premises
- \* Designed to sell the product, not objective training
- \* Does not lead to a proper qualification, usually need to hold a beauty qualification already in order to gain insurance after wholesaler training courses
- \* Generally designed as 'add-on' training like manufacturers training so is not suitable for beginners
- \* Conditions can be variable; noisy, untidy
- \* Usually large groups

### **Intensive Courses in Private Colleges:**

- \* Very effective for mature students
- \* Much better if offered in small groups [8 maximum]
- \* Fast track route into the industry
- \* Can be quite cost and time effective [1, 2 or 3 day courses]
- \* In house qualification sometimes can lead to International qualification
- \* Flexible timings can allow trainee to start in business quickly
- \* Individual attention from tutor and plenty opportunity to practice

Training is, of course, very important and effective training is becoming more and more necessary as more restrictions and regulations are coming into the beauty industry from government and regulatory bodies.

## **Qualifications**

As far as qualifications are concerned you have two main options:

**Short diploma courses** - recognised for insurance and ideal for those wishing to work from home or mobile.

**Externally verified qualifications** such as NVQ, VTCT or City & Guilds. Externally verified qualifications usually involve practical training, coursework and written/practical assessment. Because of the rigorous assessment process involved these are the qualifications usually required by employers.

- \* Upon successful completion of a short diploma course you may be awarded an in-house diploma. This diploma will enable you to join a trade association and obtain insurance. Short diploma courses are great if you simply want to work from home or mobile.
- \* In addition to the above you may also decide to train for an external and sometimes even internationally recognised qualification. Options include: NVQ or VRQ from VTCT, BTEC, CIDESCO, ITEC, CIBTAC and City & Guilds. If you wish to gain employment you will need to study for one of the above qualifications. Most students who want to go on to gain employment in the UK will complete either a VRQ or NVQ through VTCT or a City & Guilds Award as these are the most widely recognised with UK employers.



## ***Insurance***

From a legal perspective, it is crucial that you obtain certain insurance cover in order to practice as a mobile beautician. To be able to perform treatments in somebody else's house, you must have public liability insurance, as well as professional indemnity insurance, which covers you in case a client makes a claim against you. There are many organisations or insurance providers that offer specialist coverage for therapists and it's worth taking your time to shop around for the best deals. Internet searches are a good starting point.

The Beauty Academy have links with professional insurance underwriter Balens; who provide discounted insurance options for The Beauty Academy graduates. More details can be found at: <http://www.thebeautyacademy.org/insurance-scheme>

Another important thing to remember is that all mobile or home based beauticians need to register themselves as self-employed with HM Revenue & Customs. See more details at: <https://www.gov.uk/register-for-self-assessment/overview>

## **Licensing**

In order to practice as a beauty therapist, you must attain a license from your local authority. More details on the law concerning this can be found at: <https://www.gov.uk/massage-and-special-treatment-premises-licensing>

Each council has their own type of licensing policy with some offering them for free, while others might charge you a fee for the authorization. If you're planning on practising in a number of different boroughs, be sure to obtain a license for each one respectively. Contact your local authority for more details on their particular policy.

To offer treatments involving intense pulsed light systems or lasers in England, you must register with the Care Quality Commission this can be found at: <http://www.cqc.org.uk/>

## **Starter Kits**

Starter kits are invaluable whatever the form of training you may take.

Experts all agree that the most important thing to do following training is to practise, practise and practise. As soon as a course is over the trainee needs to put into practise what they have learned. It is essential to have willing persons lined up to be practised upon. Confidence and competence will diminish the longer the gap between the course and real life treatments.

Starter kits can be purchased from manufacturers' direct, wholesalers and sometimes from the college where the course was held.





## **Suppliers**

Kits lead us nicely onto the subject of suppliers. Your ongoing relationship with your supplier or suppliers will be an important part of your business. There are lots of options:

### **Local Wholesalers**

- \* Find them in yellow pages [often under Hairdressing supplies]
- \* See their adverts in local papers
- \* Walk in and buy what you like when you like
- \* Open an account and help your cash-flow
- \* Sometimes limited with actual available beauty products

### **Manufacturers**

- \* May require a large starting order
- \* Product training can be available
- \* Minimum delivery order charge
- \* Range limited to their products

### **Show and Exhibitions**

- \* Great over view on all the products and producers on display
- \* Special show offers can save you money
- \* Usually carry the stock away with you

### **On-Line**

- \* Very convenient, order from home
- \* May not have the option to try before you buy.
- \* Huge variety of products and national and international suppliers

### **Supplies and kits from the training college**

- \* Products you have been trained with; they are familiar to you
- \* Gets you started as soon as you leave the course

We recommend the following suppliers are good starting points however you are advised to shop around through a range of different suppliers to get the best deals:

Beauty Express:  <http://www.beautyexpress.co.uk>



Salon Services:  <http://www.salon-services.com>

Ellison's:  <http://www.ellisons.co.uk>

Beauty Serve:  <http://www.beautyserve.com>

Sometimes online shopping will be the cheapest but if you need something urgently, you may need to pay a little more for the convenience of a local, walk-in style beauty retailer. Try to plan your supplies and order things at once as often you can then receive free delivery or some companies have a minimum spend limit.

When attending beauty exhibitions or shows, try not to get carried away and overspend. Occasionally wholesalers will do 'show only' promotions or offers where you can save money by ordering in this way, but often the temptation factor is too great and you may find you duplicate products (e.g. buy nail colours you already had) without realising or you may feel compelled to purchase bulk show deals and end up with more product than you can safely store. Also think about the logistics of getting your purchases home to avoid damages in transit. This is one advantage of suppliers who deliver as their courier will insure the items while in transit and you can exchange any damaged items.

Most wholesalers or manufacturers will require you to register for an account with them to purchase goods. In order to register, some will require you to send scanned copies of your diplomas or qualification certificates to validate that you are suitably qualified to use the products and offer services as many supply only to the trade. Sometimes registering with them can also allow you to take advantage of occasional offers such as VAT free days.

Some suppliers will ask you to pay up front whereas some will provide credit. Ensure you are careful not to overspend when buying on a credit account and check the rates of interests or charges associated with such credit to ensure you are not paying over the odds for goods.

## ***Products and stock***

You will probably change the products you use a number of times during your career.

Try not to be tempted into buying too much initial stock by the offer of quantity discounts. Keep lean and mean when you start off; you will soon find out which products suit you and your clients best of all.

It will take a while before you can establish the rate at which products become used up in the salon but keep a careful eye so that you are able to place regular top up orders rather than having to panic purchase or pay too much for convenience by having to buy at a local, walk-in supplier rather than through an online wholesaler for example. Try to take a stock check at the end of every week or every few days depending on how busy you are and if you are carrying out lots of the same treatments (using up the same products). There is nothing worse than running out of a vital product during a treatment or only discovering you do not have everything you need in stock when setting up your treatment area for the day with clients due any minute.

Wherever you work, make sure your products are displayed nicely. This will create a good impression with your clients and will lead to product sales. Many therapists will invest in a spice rack style shelf or narrow picture shelves to allow them to display the nail polishes they use in treatments. This is great for allowing clients to view the full range available and select a colour at the start of their treatment. It can also create an eye catching display for your salon at minimal cost.

Keep an eye on the market for new and improved products. Search the internet, visit trade shows, subscribe to trade magazines and visit salons, spas etc to see which products they are using. Social Media such as Facebook is great for allowing you to like and follow various beauty brands or wholesalers. This way you can keep up to date with the latest trends, new product launches and also special offers. It's also a great way to promote your business simply by sharing the social media posts of beauty brands that you use within your treatments and making your clients aware of the products you use.

## ***Working Location***

There are a number of options available to the qualified therapist. However, the most popular are those listed below:

**Working from home – a treatment area or room within your own home**

**Mobile – travelling to client's homes or chosen venue**

**Renting a couch or space - within a local salon/hairdressers etc.**

Other options include: Employment or self-employment contracts in salons, hotels, spas and cruise ships.



## **Working from Home**

When setting up in a business for the first time many therapists choose to work from home. As with everything there are advantages and disadvantages which include:

### Advantages

- \* Flexible working hours for those trying to balance home and work commitments
- \* On site for last minute appointments
- \* Low overheads - no rent for premises
- \* No travelling or constantly moving equipment around
- \* A comfortable, private environment for your client (do not have pets or children around when your client arrives for their appointment)
- \* Convenience for you
- \* A percentage of your home maintenance bills can be apportioned as 'expenses' (talk to your accountant for advice on how much you can claim).

### Disadvantages

- \* Strangers coming to your home (be careful of the wording that may be misinterpreted in your promotional literature about the 'services' you provide). Be careful who gets your home address.
- \* If a part of your home is used solely for business purposes, you become subject to business rates. If you have a mortgage your lender should be informed you are running a business from home. Additionally you should notify your home and building contents insurers.
- \* Very occasionally properties have a restrictive covenant in the house deeds preventing them from being used for business purposes. You will need to look into this before you start as some covenants can be removed.
- \* You will need to have a specific insurance policy covering you for working from home – this is a third party liability (your accountant will be able to guide you on this one).
- \* Consider parking facilities at your property or in your neighbourhood. If clients are to park on the road outside, ensure you are clear on where they should park and that there is no disruption to your neighbour's access as this could lead to complaints against you.
- \* If advertising your services outside of your home (e.g. a poster in the window or plaque on the wall), this is great to sign post clients to your property for appointments but remember you may get people knocking on your door at all times of the day enquiring about your services, even when you are not available to work.



## **The Mobile Therapist**

Mobile therapy is similar to working from home, but again there are advantages and disadvantages which include:

### Advantages:

- \* Flexibility of working hours, juggling those home and work commitments
- \* Being able to do treatments to groups of clients, spa evenings/mornings or visit an office building for office workers.
- \* You will have more control over the client and being selective over your work– if there is a client you do not wish to visit, it is easier to be unavailable by being ‘fully booked’ or ‘out of the area’ that day.
- \* There is no need for the clients to know your home address.
- \* Clients who are unable to travel or leave their home perhaps with disabilities can be accommodated.
- \* Clients are more relaxed in their own home.
- \* You are supplying a 'personal service', most clients love to have ‘their own therapist’ come to visit them. When their treatment is over, they can relax and let their toes nails dry without putting shoes on for example.
- \* Some people enjoy the variety of going out to work and being in different environments
- \* Part of the cost of running your car can be offset against income tax. Your allowance is business miles only so you must keep a clear record.

### Disadvantages:

- \* You are dependant on your car so this needs to be reliable, organised, clean, smart and insured for business use.
- \* You must check your car insurance policy to ensure it will cover you for business mileage. Some policies do not cover this and it could invalidate your insurance in the event of an accident while travelling to a client’s home. Others will cover you for business mileage at an additional cost. Sometimes you can even obtain insurance that covers your products/tools within your car in the event of theft or an accident.
- \* Clients need to be able to reach you by phone 24- 7 (but not during a treatment). A mobile phone is ideal but when choosing provider, check the network coverage is powerful enough in the area you are going to work. If you will be advertising your number online, it may be worth ensuring you have a business telephone package as some providers have clauses requiring you to have a more expensive business mobile package.

- \* You may be limited by the space in your car to the amount of treatments you will be able to offer your clients. You will need to ensure your car is suitably sized to carry the essentials that you may require to work such as a portable treatment couch or your beauty case. You need to ensure you can lift this equipment in and out of your vehicle easily.
- \* You must have a safe way of transporting your products and tools such as a beauty trolley or case. You will want to take only the products required to keep the weight and bulk of your kit down and also for extra security, however this may limit you from being able to offer last minute add on services such as an eyebrow tidy if you do not have the items you require with you. Otherwise you will have the risk to health and safety through having to carry it, and lesser security of having your full kit with you at all times.
- \* Time is money and if you are not careful a lot of your time will be taken up by transportation and preparation (we cover this later in the day – Managing your Diary)
- \* Be careful for client's furnishings and carpets. You will be liable for any damage.
- \* Going to strangers' homes can be risky (we will be looking at this in the Health & Safety session).
- \* You never know what to expect when you arrive at a client's home for the first time. Some discussion at the time of booking will help things run more smoothly such as ensuring they have a suitable area you can work (e.g. a table and two chairs if providing a nail service), access to running warm water if required, electricity etc. Some clients may have young children around while you are working and so you need to take care with where you leave your kit and for things like trailing wires or hot equipment.
- \* The environment can be very different when working in a client's home. You may find it more difficult to concentrate or complete the treatment within a commercial time frame if you are surrounded by a new and changing work environment or where there may be distractions (such as a client who has young children intervening during the treatment).

If you decide to be mobile, ensure you arrive at your client's door with only the necessary items to do the treatment. By all means have some other equipment in the car (especially your waxing and tinting kits) but only take what you need into their home. This is better for safety, avoids carrying excess weight and also makes you appear more organised and professional. Some clients will have smaller homes and will not have space to accommodate a huge kit box in their hallway for example.

Everybody's circumstances are different, so look at the pros and cons, and seek professional advice. You may find that it is better for you to do both mobile and home based treatments.

## **Renting 'Space' or 'Couch'**

There is another alternative which is renting a chair or allocated space in a salon, hairdresser or other similar premises, again this means being self-employed. However, be choosy over which company you intend to work with. If their reputation is good it will have a direct and positive impact on your business.

It is essential that you take independent professional advice before entering into this kind of arrangement. There should be a written contract signed by both yourself and the owner, and this document will create legally binding obligations for both parties. Again there are advantages and disadvantages:

### Advantages:

- \* Clients may come from the other business on the premises through word of mouth or in salon promotional materials. This can create regular walk-ins or fill last minute cancellations for you which would otherwise have lost you earnings.
- \* Any promotions the other company do may have a positive effect on your client base by driving footfall into the salon, promoting the salon name locally or by creating a good reputation.
- \* You may share costs on joint promotions.
- \* Often your costs in renting a space will be significantly lower than that if you were renting an entire business premises alone or working from home as often you will pay a flat fee to the salon owner rather than having to pay the utility bills which often go up and down throughout the year and as the business grows.

### Disadvantages

- \* You will need to have fixed hours (not so flexible as mobile or working from home), as you will need to fit in with the salon's existing opening hours and will need to ensure you are present even when you might not have bookings to promote your services, deal with enquiries or take last minute walk-in appointments.
- \* Being present without being booked will mean you're almost working for nothing financially and may prevent you from doing additional work such as on a mobile basis that you might otherwise be free to do.



- \* By having to be present even when without bookings, you might also still need to make provision for and cover the cost of things like childcare and travel so you could end up out of pocket on some occasions initially while the business grows.
- \* You may be asked for a weekly or monthly contribution to the owner - regardless of whether you have clients or not. If you are doing well, the owner has no claim on your profits other than the rent you pay.

You may opt to work by paying the owner a percentage which means for every treatment you do, you give the owner a percentage of your takings. To start off this may be a good arrangement as if you don't have any business; you don't have to pay the owner any fees. But if your business is successful, you will be paying a significant share of your success!

You may be able to negotiate a short term deal for say, 6 months when you first start with this to be reviewed and renewed. This would work in your interests initially to have a percentage fee while your business builds and then going to a flat rate fee once you are established. This is advantageous to the salon owner too however as it shows you will be committed to making the business grow and by having a better deal commence after 6 months, it incentivises the therapist to create an ongoing business opportunity at the salon. It still gives the salon owner an opt-out if things are not working out after 6 months. It is not in the interests of the salon owner to have a long term contract with a therapist if the business is not taking off after a short initial period or if the relationship between therapist and owner is not a positive one.

## ***Your local market and competition***

The local market will determine the type of customers available and the prices you can charge. Some areas have a mix of potential clients from a broad spectrum of socio-demographic groups. Other areas have less of a mix and offer potential clients of one main type or even age.

Certainly, when you start you will feel more comfortable dealing with friends, family and clients in your immediate location. Your business growth will come from developing these opportunities and then, stepping out of your comfort zone, into the wider market.

So, consider your market; what they like, what they expect and what they can afford.

Learn from your competitors. Having competitors is not a bad thing, the fact that they exist proves that there is a market for your services and products. The most important element for



you is to observe how they run their business. Look for aspects of their business that are well done and you could adopt for your business and those that could be improved. Sample their services, go for treatments in a selection of salons to see what sort of services they offer, and improve on them.

A major assumption and a debatable one is that offering your services and products at a lower price will automatically win customers from competitors. This is not necessarily true within the beauty industry. This is an area where you really need to get to know your local area and the clients spending habits, popular treatments etc. Do a telephone exercise calling local salons to ask what are their most popular treatments and the prices they charge. Often by simply undercutting your competitors, this will not be a sustainable business model as eventually you will need to increase prices to cover your growing costs or to create a profit and client's may be unhappy to pay an increased price losing you the initial advantage. You do not want to be known as a 'cheap and cheerful' business or one when clients hop from you to another therapist dependent on your latest offers. You are looking to build a reputation based on the quality of your treatments and your high level of professionalism. You want to build a faithful client base who come to you for treatments regularly as they like you as a person. Building good client-therapist rapport takes time and will depend on your target client base, however it should naturally through good client care.

Never criticise your competitor's professionalism or behaviour, particularly not in public forums such as on social media. This can be considered liable and you could face legal action from a competitor for this. It also reflects poorly to clients on your level of professionalism and could be considered 'sour grapes' by bad mouthing other local businesses.

Instead, it is advisable to enlighten potential customers about the positive differences between your treatments or products and those of your competitors. However, you should avoid trying to win custom by passing judgement on your competition. It is unprofessional and there could be ramifications if your competitors find out!

Instead use social media such as Facebook to create a lively forum in which to contact your clients at minimal cost and time commitment by posting about latest treatments, new products, sharing educational information about treatments and your products, and last but by no means least – by showcasing examples of your work regularly by posting photographs of treatments such as nails or make up that you have recently completed. You should obtain the client's permission to share these photos but it's a great way to engage existing and potential clients.



Find out about your local businesses and form links with those who offer related services where you could cross promote or share promotions together e.g. florists, wedding cake makers etc. Support your local economy by taking part in local business events, networking opportunities and by communicating positively with direct local competitors where possible as often you may find common ground and can help each other e.g. to work together at local charity events or to share a client if you have a last minute enquiry that you cannot accommodate or do not offer the service they require. If you can't beat them, sometimes it's better to join them and keep your competitors close.

## ***Advertising your business***

Your website and social channels should be one of your business' biggest assets therefore it is very important to get them right. An effective web presence can help you attract and communicate with clients and build credibility.

The first step in creating an online presence is to set up a suitable website. Your website does not need to be complicated or flash. It just needs to look professional and be succinct in providing the information clients need to know what your services are, how much they are and how they can book. Having a good website allows potential customers to find you through a quick Google (internet) search.

List your business on Google by including a map, opening times and allowing the option for customers to leave you Google reviews which all improve the visibility of your business on Google searches. See the following link for details on how to list your business for free on Google:  <https://www.google.com/business>

There are options available at a cost to help maximise your Google search ratings and to help you appear higher in the results than other similar businesses local to you but this takes time and you may need to make use of a Google analytics optimizer service to achieve this.

Promote your business by appearing on third-party search directories such as:  [www.yell.com](http://www.yell.com) or industry specific directories such as:  <http://www.freeindex.co.uk> – some professional bodies such as Professional Beauty or The Guild have directories for therapists/salon businesses that you can access simply by joining them. For a small annual fee, you can benefit from their directory but also regular beauty news, industry updates and sometimes discounts on affiliated training courses or products.

Social media websites are usually free to use. Facebook has the facility to create a page for your business where you can gather reviews from customers, create a following by encouraging clients

to like your page, by liking your page you can then market to your customers through regular posts about updates to your services, products or latest news. You can also use a Facebook page to reach new potential customers (where your likers on Facebook then pass on the details of your page simply by liking or sharing your posts). There is the option to post photographs with examples of your work and to list your opening hours, contact details and treatment price list. You can post details of latest offers and last minute appointment availability. Creating your online presence does take time and it will be a while before you have enough followers to really gain the most from this medium for advertising. However through word of mouth directing existing clients to your page and to leave reviews, you will soon build up your following.

Share details of your Facebook page on associated industry pages such as wedding, beauty or local community Facebook pages as these will be people looking for the services you are offering, possibly in your specific area and this takes only minutes to do on a regular basis but opens you up to lots of potential new clientele.

Other social media options such as Instagram (which focuses on posting of images) or Twitter (where you place short posts that others can share or comment upon) also can help drive attention towards your business and get your name out there.

You can also place adverts in local publications. Think about the type of client you hope to attract and where they live. Go to the Library and get a list of the local publications before deciding upon the best publication for you. Most will charge a fee to feature your advert and particularly in the early days, you need to be sure any expenditure is going to be worthwhile and hopefully bring about some business.

Avoid advertising in personal columns on local papers – this tends to attract the wrong kind of attention. Parish magazines are often a very good place to advertise. People often leave them on the coffee table for a few weeks and are interesting to read through to find out about local services.

Your advert or website should be simple and easy to understand, make the service you are offering clear. It is far better to say too little than too much. Approach local magazines and invite the editor or her assistant to visit your treatment room and write an editorial on you. This is a great form of free advertising.

## ***Promoting your services***

Making contact with other local businesses is a very good way of promoting the services you offer. Joint ventures often work very well in the beauty industry

- \* Get a good quality price list and business card printed up. You can order high quality marketing materials online, printed at a low cost. Sometimes they even offer free samples or discounts. See the following links for examples of companies:  
<http://www.vistaprint.co.uk>,  
<http://www.snapfish.co.uk>  
<https://www.moo.com/uk>
- \* Your business card can then be handed to new enquiries, left with other local businesses (many have a small business card holder area in the reception allowing local businesses to cross advertise). Your price list should be available in your treatment area for clients to browse or take with them for future reference. Encourage clients to take some home and share these with their friends or family if possible.
- \* Your pricelist will also be your key piece of marketing material to hand out at trade or wedding fairs, local events or any charity events that you take part in. Price lists are also great to give to walk-ins if you are based within a salon or for others within the salon to hand to potential clients when you are already busy with another client and helps you to avoid losing custom.
- \* Spa evenings – get together a group of friends and offer a limited treatment menu. Each lady will pay £10 for a treatment and you will have the opportunity to introduce yourself, give out your price list and retail products
- \* Approach other healthcare professionals – dentists, chiropodists, osteopaths. Offer a discount to them or their customers if they are willing to promote your services. This may be as simple as they having a promotional poster for your business on their treatment room wall.
- \* Speak to local hairdressers, they may be keen to recommend you to their clients in return for you recommending them to yours!
- \* Approach travel agents – they may be prepared to place a small leaflet offering a holiday package of treatments in with their travel documents
- \* Approach bridal shops/florists – the bridal market is a very lucrative one!
- \* Take a small stand at a local bridal fair – be prepared to chat about your services and give out information. Have several friends lined up to have make-up demos (so it looks like you are constantly busy). People are more likely to approach you if they feel they are not going to be pounced on! You might wish to make up some inexpensive goody bags which have your business card or promotional leaflets inside along with a small wedding style favour such as some sugared almonds. Having something to take home and look at again

later really helps to keep your business details to hand when they are ready to book!

Consider a discount for bookings made on the day of the wedding fair or perhaps a small payment like £15 which gives them a voucher towards a wedding make up trial with you at a later date.

- \* Presentations to local women's groups, this could include slimming clubs, local nursery schools – anywhere that you may encounter ladies who may be interested in pampering themselves.
- \* Demonstrations in local care homes and over '55 complexes – mature ladies still want to look good and will have the time and money to pay for treatments
- \* Approach large companies and place information on notice boards
- \* Join ladies clubs – yoga, aerobics, Pilates – tell other members what you do! You may be able to place a poster on the gym or health centre noticeboard or even in the ladies changing rooms.
- \* Leaflet drops – leaflets can be distributed by hand to targeted areas
- \* Car banner – this is good way to attract attention. Make sure you have a business card or price list to give to people. You will be surprised how many people will stop you and ask. Just make sure your car is always clean and well presented as even when you are not in it, it will be giving out an impression of your business.
- \* Ask your friends to give you a list of 5 names and addresses. Send a nice card introducing yourself and enclosing a gift voucher for £5 to be deducted from their first treatment.
- \* Websites such as:  <https://www.touchnote.com>; allow you to print a high quality colour postcard including an image such as your logo or examples of your work, all posted for only 99 pence. These are so effective and look very professional. You can personalise the message. These are fantastic for sending to those who enquired at your stand at a local wedding fair or who have joined your mailing list but not yet booked a treatment.

The marketing plan will change as your business grows and initially you may have a very limited budget to fund marketing and so will need to be very selective what you invest this budget within to bring the most interest and new clientele to your business. Think about which means of marketing cost nothing such as using social media or word of mouth in your local area and utilise these effectively.

You may also want to plan a launch event for your business. The cost for this could be minimal if you plan carefully. You could invite locals (whether that is neighbours, friends, family, people from local links you have such as the local school, local businesses you use or clubs you attend). This could be held in your treatment area whether this is at home or in the salon.



You might like to offer a small range of refreshments and have marketing materials such as your business card or price list available to give to guests. You could perform a brief demonstration of one of your treatments such as a painting a models nails or an Indian head massage. Or you might like to offer a small range of complimentary treatments such as hand massages or file and polish of nails to give an incentive for guests to attend and a basis for encouraging them to book with you in future. Alternatively you may wish to offer a prize draw to guests with them to leave their details and the winner to be drawn at a later date. The prize could be a voucher towards a treatment or a discount off a service to encourage a booking from the draw. It would be fantastic if the local press would run a feature on your opening event – perhaps you could invite one of their reporters along and offer a free treatment. This would give great exposure for your new business.

### ***Basic Marketing***

For your business to succeed you must attract and grow a base of satisfied clients and hold on to them. To do this you need to carefully consider the following:

- \* Treatments you are offering
- \* Retailing products

Marketing is based on the importance of customers to a business and has two essential principles:

1. All your business policies and performance should be directed toward satisfying customer needs.
2. Profitable sales are more important than maximum sales volume.

Marketing is quite complex for large organisations, but for small businesses it can be simple, the most important thing is to understand your clients and what they want.

**Services and Products** - These strategies may include concentrating on a small product line, developing a specialised product or treatment, or providing a product-treatment package and high-quality service. In essence, offering something different that other therapists or salons do not offer.

**Promotion** - Promotional strategies can include advertising in small specialised local booklets, leaflet drops and direct customer interaction. A good sales approach is essential for a small business due to a limited budget to spend on advertising.

A good, accurate data base is also important in our business for remembering those important birthdays and Christmas cards. Direct mail is an effective, low-cost medium available to small business or leaflets inserts on local newspapers targeting your local area.

**Price** - The right price is crucial for maximising total revenue. Generally, higher prices mean lower volume and vice-versa; however, small businesses can often command higher prices because of their personalised service.

**Distribution** – This applies mostly to manufacturers and wholesalers on how to distribute their products. However, with your business, try to have professional beauty products that your clients will only be able to obtain from you.

### ***Your marketing strategy***

For your marketing strategy to be successful, thought should be given on how to prioritise marketing activities and carefully combine them with forthcoming marketing events.

Marketing activities can be split into two sections:

#### **External Marketing**

- \* Corporate identity – business logo, colour scheme
- \* Sales promotions
- \* Advertising in local newspapers/local magazines/internet
- \* Presentations to clubs/groups etc.
- \* Exhibitions
- \* Networking with other businesses

#### **Internal Marketing**

- \* Treatment price lists
- \* Special promotions
- \* Window displays
- \* Referrals
- \* Treatment packages
- \* Client loyalty schemes
- \* Branded towels/gowns/products/chocolates
- \* Link selling
- \* Newsletters
- \* Database

All of the above may not be appropriate for your business, choose those which apply.

The marketing events can then be considered and your marketing activities timed to coincide with them to maximise the effect.

### ***Special days and special service***

Give some thought to seasonal events such as Christmas, Easter, Holidays, Mother's Day – how many more can you think of? Take a calendar and mark these events down.

This will help you plan your promotions in advance. Remember, you may need time to prepare, for example if you are sending out a newsletter or having a new price list printed – things often take a couple of weeks.

Quick examples of ways to capitalise on special events or days throughout the year include offering themed nail art (e.g. Easter bunnies or Santa Claus nail designs) or by offering packages that have a name tailored to the event to target them to your customers e.g. Mother's Day pamper package and offer several treatments ideal for new mums at a reduced price or Summer Holiday Package where you might combine a pedicure and tanning service for a reduced price if booked together.



Spending time and money on marketing your business is of no use if you lack attention to detail. The business may appear attractive and look professional from the outside, but if the environment, service and treatments are poor the client will not return to the salon for further treatments.

The following are a few suggestions to ensure your salon/treatment is perceived as being a little bit special and lives up to the client's expectations:

- \* Have fresh flowers in the reception and a single flower in a delicate vase on the treatment trolley (fragrant if possible)
- \* Offer a selection of herbal teas, fresh juice or mineral water in a good quality glass or china cup with a wrapped biscuit. You can purchase these supplies cheaply at a local cash and carry.
- \* Always answer your telephone with good morning or good afternoon. A simple hello is not enough to make clients feel their call is welcomed and always finish by thanking them for calling and that you look forward to seeing them at their appointment. If you are driving or in an unsuitable environment to answer the call, let it go to voicemail then call them back at a better time as soon as possible. Calls answered in noisy backgrounds or when distracted are very poorly received by clients far more than to have their call returned in a prompt manner.
- \* Ensure your appointments start and finish on time – never be late.
- \* Plan into your treatment time at the end so you can do more than just rush the payment through – you need to have time to take a photograph of the treatment result such as their nails so you can post this on your social media later on in the day (or straight away if you can). Tag them into the photo to bring a smile to their face later in the day when they see it again. Also book the client in for their next appointment, thank them and say goodbye properly. You want them to leave looking forward to their next appointment with you.
- \* Treat your clients like royalty – remember they are paying your wages
- \* Make eye contact, smile, make your client feel welcome
- \* Notice your clients – pay them a relevant compliment such as what a lovely shape they have to their eyebrows when doing an eye treatment or how nicely their natural nail shape is if completing a manicure. We all like to feel appreciated!
- \* Following the consultation, make conversation – ask a nice open question to get the chat flowing such as if their treatment today is for a special occasion or if they have any plans for the weekend. You can soon gauge if a client wants to chat or whether they just want the space to relax and have some peaceful time. Don't be afraid to let the client enjoy the silence if that's what they want.
- \* Write down any personal information regarding clients on treatment cards for example, name of children, dog or husband (in that order!). You can then bring this into future conversations. Also write down their usual drink. Nothing impresses people more than you remembering what they usually have to drink.
- \* Make sure you have the most comfortable environment possible within your treatment area – spend a little extra to have comfy seats or have a cushion on your treatment couch to help support their neck or behind their knees. Ensure your area is warm, suitably lit (whether that is candles for a massage or bright for nails) and consider ambient noise such

as low volume radio playing a suitable radio station. You must ensure any music played in your salon complies with the rules about broadcasting and you may need a licence if you want to play anything other than the radio.

- \* Simple touches like having a cool glass of water waiting ready for your client in reception when they have redressed after their massage, having a scented oil burner on your reception desk to provide an nice welcoming fragrance or providing a soft laundry style bag for clients to place their clothing within during massage treatments (rather than over the back of a chair or the floor) all make a good impression and add to the luxurious feel.
- \* Ensure you, your premises, and your equipment are immaculately clean.



## ***Keeping Clients***

Once you have the clients, you need to work hard to hang on to them!

- \* Customer loyalty cards – offer a free treatment after a number of paid for treatments – the free treatment should be a different/new treatment you are trying to promote.
- \* Special promotions on slow weekdays – for example a free brow shape with every facial or 15mins reflexology with every pedicure. By doing this you are giving something extra but at the same time introducing new treatments to your clients at minimal cost.
- \* ‘Introduce a friend’ promotions – encourage regular clients to recommend a friend – give her a reduced price treatment for this referral.
- \* Provide educational leaflets – many clients forget their aftercare advice and tips you may give them. A leaflet detailing some interesting facts and containing details of the products you have used on them is an extra service that could also result in product sales.
- \* Introduce new treatments and products – clients get bored with the same treatment menu and can sometimes be tempted to try elsewhere.

- \* If you're having a slow day, talk to your client about other relevant treatments e.g. if doing an eyebrow shape discuss how tinting could further enhance their brows. Ask the client "do you have time for that today?" – it gives the client the option to say no if they would prefer not to add to their treatment bill but is a great well to add-on sell without pressurising clients.
- \* Enter all your clients on a database. Send birthday and Christmas cards together with a promotion or voucher.
- \* Text your clients with promotional offers – this can be a personalised message and will increase your business significantly. Clients can be kept abreast of new products/ services and it is a very cheap way of gaining appointments.
- \* Seasonal specials – make up gift baskets available for sale for special seasonal events
- \* Give new clients a welcome bag – this could contain a price list, herbal tea sachet, private labelled chocolate and a selection of skin care samples, emery board with salon name printed on etc
- \* Offer regular promotions of courses of treatments
- \* Offer price reduction to clients purchasing several products together.
- \* Regularly run competitions or prize draws that you promote on social media and/or in your salon. These can help you to gain more followers on social media or encourage clients to leave email addresses which are great for further marketing such as a mail out. Often there needs to be an incentive for clients to part with their details beyond the required basics. Promote the winners treatment on social media to show off the services you offer and gain some positive publicity at minimal cost.



### ***Promoting products and services***

Promoting the services you provide and the products available for sale is **key to the success of your business**. Many therapists avoid this as they do not want to appear too pushy.

In order to successfully retail products, you must be very familiar with the product range you are selling. It is easy to sell effectively if you use it yourself and believe in the product and its benefits.

It is important to understand your client's needs and requirements, this will enable you to recommend relevant treatments and products to them. During treatment you can discuss the benefits of the products you are using. It is obviously very important to choose the right time to recommend products and services – during a facial massage is not one of them! When the treatment is finished, show the client the products you have used and remind them of the benefits of incorporating the product into their daily routine. Allow the client to hold and smell and try the product before indicating for them to hand it back.

Try and think of promoting products as HELPING, not selling.

Offer up a question, like “do you think you could imagine yourself using that at home?” or “would this product fit in with the facial routine you already have?” Make positive suggestions like “I really think this product would be fantastic for you, it is so quick and easy to use”. Soon you will find selling just becomes part of your everyday chatter with clients and your clients will be open to hearing your personal suggestions for them and recognising your wealth of knowledge. It will stop feeling like the hard sell when you realise that retail products are there to help the client get the best from their treatment and the salon to grow by boosting profits.

### ***Link selling***

Recommending other services to your client is really very easy. For example, you may be giving a client a facial and find she has a lot of neck and shoulder tension. You might choose to work on this area a little more than usual during the treatment just to demonstrate to the client how therapeutic a massage can feel. A client with tight shoulder muscles is bound to comment how good it feels to have this area worked upon. During aftercare advice you would really be helping her by recommending a back neck and shoulder massage for their next treatment. There you are, you have made a link sale!



### ***Dealing with Complaints***

Occasionally as a business, problems will arise where a client cannot be appeased. Clients may be angry or upset. They may be unhappy with their treatment or their expectations may not have been met. It is important to have a consistent complaints policy to deal with this. Dissatisfied customers are bad for business. You must remain calm, listen to the client's complaint, establish the facts (as not all claims may be genuine) and take action in line with your policy e.g. a refund, discount towards next service or where needed state that no action can be offered. Aim to repair the relationship where possible. Remain courteous & create a positive impression. It is best to avoid complaints through effective communication before, during and after treatments. Manage client expectation with a thorough consultation and treatment plan.

## RECAP ACTIVITY

It is important to carefully plan your ideas for your new business before you invest any money. It is usually helpful to write down your ideas and this initial planning will help you to write your business plan (which you will begin to complete later in this course). You might be certain of the direction your business will take but once you begin thinking about the logistics and practicalities of running a business in that way, you may entirely change your business plan. Remember it is easier to change your ideas at this early stage than 6 months into running your business when you may have committed to premises or products etc.

### Activity 1

**Answer the following questions to begin planning your business. Give your first thoughts below, it is ok to change your mind or your business plan at a later stage.**

I intend to primarily work:

- ☐ From home in my own treatment room
- ☐ On a mobile basis visiting client's homes
- ☐ From a space/chair rented in a salon
- ☐ To set up my own business premises

I intend to usually work:

- ☐ Part time – evenings and weekends
- ☐ Part time – particular days during the week only
- ☐ Full time – working at least 5 days/evenings per week
- ☐ Entirely self-employed as my sole form of income
- ☐ Alongside my current employment, as additional earnings

I have researched online/in person/by calling salons. My nearest direct competitors are:

My nearest competitors do the following particularly well or are well known for:

My nearest competitors do not offer the following or could improve upon:

I will do/offer the following so that I can set myself apart from my competitors:

I have researched prices charged by competitors locally. I will offer the following treatments at the following prices:

| Treatment | Price (£) | Treatment | Price (£) |
|-----------|-----------|-----------|-----------|
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The one treatment which I feel I offer to a particularly high standard and so consider my unique selling point as a therapist is what? The treatment I will specialise in as my 'signature treatment' will be...?

I have thought about promotional packages of treatments I could offer to encourage clients to make block bookings or book treatments together to boost my profits. Packages I would like to offer are:

I have researched suppliers for my starter kits, equipment and/or retail products. I intend to use the following supplier(s):

My budget for purchasing my initial starter kits/equipment is: (£)

I have researched the possibility of retail products with local suppliers and decided that:

- ☐ I will offer a small range of retail products that will be kept in stock
- ☐ I will offer a small range of retail products that will be ordered in specially for clients
- ☐ I won't offer retail products at this time
- ☐ My business model does not fit with selling retail products

I have decided the best way I can market my business launch is by:

I have researched local media (such as local newspapers, magazines or parish council press). If I place an advert, it will cost: (£)

I will use the following social media to build a business presence or to advertise:

- ☐ Facebook
- ☐ Twitter
- ☐ Instagram

The other online sites I will use for advertising are:

I will approach the following local organisations, clubs or charity events to help promote my business:

Special days of the year that I will focus on promotional activities will be (e.g. Mother's Day, Valentines, and Christmas etc.):

I have considered how I will retain my client base and encourage client loyalty best by looking to offer (e.g. loyalty cards, referral scheme, discount vouchers, competitions etc.):

Examples of products or services that I can link sell to help boost my profits are:

## Activity 2

**Begin thinking about a name for your business and what your brand identity (colour scheme, logo, company policies etc.) will be. Brainstorm your ideas below by filling each box given with your ideas.**

Initial ideas for the company colour scheme to be used for uniform, towels, accessories etc. are:

Initial ideas for our company slogan are (e.g. "bringing luxury home...")

The 'signature' treatment we specialise in will be:

Initial ideas for my company name are:

The policy for dealing with 'complaints' if they arise will be:

Ideas I like for the company logo include (e.g. flowers, make up brushes, particular lettering font etc.):



## **PART TWO – Succeeding in Business**

### ***Suitability***

A new business will be both challenging as well as exciting. You must not underestimate the amount of time and commitment required.

You must be honest with yourself in relation to your skills, financial status and support from your family and friends.

Some people coming into their own business after working for someone else fail to anticipate the long hours, isolation, sacrifices and that little bit of good luck vital to drive the business towards success.

A typical business minded person will have the following qualities:

- Self confidence – a belief, a passion for the service or product
- Enthusiasm – to sell your ideas, service to others
- Determination – a belief and a will to win
- Commitment – Sacrifices and total involvement from the start
- Perseverance – take the knocks and still keep going
- Initiative – be resourceful and proactive, do not wait and see
- Judgement – listen to others but decide for yourself

A typical business minded person will have the following skills:

- Sales – without sales you cannot succeed. Every business sells.
- Marketing – the ability to find and keep customers
- Financial – good sense of money, do not bury your head
- Planning – see strengths and weaknesses and plan accordingly
- Management – ability to control people and business services

So have you got what it takes?

- Do you have the above qualities?
- Do you have the above skills?
- Do you see things positively?
- Can you handle uncertainty?
- Are you prepared to plan properly?
- Are you absolutely determined to succeed?



Your self esteem, energy, finances, and family are at stake here so make sure you are ready, willing and able to make your business a success.

## **Goal Setting**

Goal setting is an important part of any business. Having a clear idea of what is important to you will enable you to remain focused on a long term objective, therefore you are more likely to 'keep on track' and achieve your goal.

Goals are not always about material things, they will be different for everyone. You should think carefully about what is important to you. Common goals may include one or more of the following:

- \* Being able to spend more time with your children
- \* Having more leisure time
- \* To make a difference to your community
- \* Buying your own home or a larger house
- \* Designer clothes
- \* More holidays
- \* New Car
- \* To have the most successful salon in the town
- \* To open 10 salons
- \* To earn £1000 per week.

As you can see, there are no rules ... it is up to you.

## **Dare to dream!**

When you have decided on your personal goals, write them down and sign your name on the document. Find a photograph of the house of your dreams, a top quality salon, exotic holiday destination, expensive car etc. Place a mirror near your phone and stick your picture to it – look in the mirror when you take calls from clients – it is surprising how much more cheerful you will sound with your goal in sight!! Additionally, place a photo on the inside of your wardrobe door – this will liven you up on those dark mornings when you really don't want to go out and do that leg wax!

## **Achieving your Goals**

'Success comes from taking action based upon where you are going versus where you are'.

Now you have set your goals, you need to think about how you are going to achieve them. To put an effective marketing plan in place you first have to ask yourself:

- \* Where am I now?
- \* Where do I want to be in 6 months?
- \* Where do I want to be in 1 year?
- \* Where do I want to be in 5 or 10 years from now?

At the outset, achieving your long-term goal can seem impossible and although it is important to keep this in mind, you should break your progress into achievable steps.

If your goal is financial, take the figure you would like to earn each year and start by dividing it by the number of months you want to work per year. Divide the figure by the number of days you work per week – and finally the number of hours you want to work each day. You now have your hourly rate which is based upon where you are going versus where you are.



### ***Effective diary management***

Many new therapists do not appreciate the importance of effective diary management. Without this, you can feel you are working full time but only earning a very part-time wage.

It is very easy, when you first start to get really excited when a new client calls. Due to your enthusiasm, it is easy to take a booking for an eyebrow wax, 10 miles away on a day that you have no other bookings. This is obviously not good time leverage. You will be travelling for 30 minutes, treating the client for 15 minutes and earning less than it costs you to get there!

Take your diary and mark in it the hours you are prepared to work. It may be that Monday is your day off, Tuesday you work in the morning, Wednesday you start at 12:30pm and work until 8pm etc.

When clients phone, try to book them in at a time to suit you so that you have a whole morning working rather than clients scattered all over the week.

Have a clear policy regarding how far you will travel and how much you will charge for your mileage. Try and visit specific areas on certain days so that your travelling is minimised.

It is a good idea if clients can get together in one house to save you time unloading, packing up and travelling. Perhaps you could offer them a discount if they are prepared to do this.

It is far more positive to tell a client you are fully booked on the day they request rather than 'sorry, I have to take the kids to the zoo that day'.



## ***Personal Security***

Whether you are mobile or home-based you should carefully consider your personal security.

The following suggestions may help:

- \* Never accept a mobile appointment for a gentleman client.
- \* Only treat gentlemen at home if their wife is an existing client and you know she will be in the house for the duration of the treatment.
- \* Mobile therapists should call into their answer phone to confirm they have arrived (where and time).

This leaves a record of your whereabouts in the unlikely event of a problem and the client realises this.

- \* Keep the money and valuables you take into a client's house to a minimum.
- \* If friends wish to book appointments together – ensure they are both in your treatment room. Do not allow one client to sit in your lounge and wait while the other has a treatment – what a great way of gaining access to your personal belongings!
- \* To avoid interruptions during treatments when working from home, keep your door locked at all times. To ensure the quality of your treatments you could send your clients a code: outside light on during treatments, outside light off when you are free. Although this is not perfect, we find this worked quite well!

### ***Personal Professionalism***

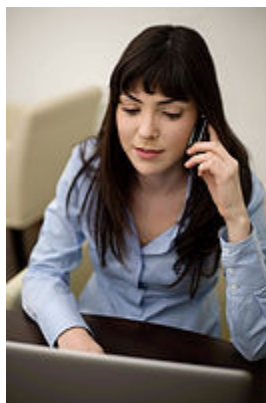
The appearance of the therapist reflects her professional skills and knowledge. Clients will have confidence in you if you always look smart, clean and well groomed. Personal hygiene is paramount in a profession that brings you into such close contact with clients.

I am sure, as professional therapists, you are all aware of the standards required. To reinforce the importance of high standards, below is a short check list:

- \* Smokers - try to avoid smoking between clients. A non-smoker will smell smoking immediately – a sure way to lose a client.
- \* Avoid eating strong smelling food between clients and carry mints or mouth spray to keep your breath fresh. Never eat in your treatment area – eating your sandwiches at your nail desk is an absolute industry no-no!
- \* Overall – this should be professional, clean and smart. Don't wear an overall that is a size too small, too short, low cut or stained.
- \* Jewellery – small earrings and a flat wedding band are acceptable. Bracelets, necklaces, watch straps can harbour bacteria, scratch the client and rattle.
- \* Invest in a stylish fob watch. It will allow you to keep an eye on the time in a subtle fashion and also looks incredibly smart.
- \* Nails – these should be short and well manicured. Nail polish is not recommended when working closely with clients such as with facials or massage as some clients may have an allergic reaction.
- \* The only exception to this may be if you work solely as a nail technician. Many nail technicians use their own nails as important self-promotion and a chance to show off their skills. It is a great way of showing some new nail art that you can then offer as an add-on

service to clients for example. Just ensure your nails are a safe, practical length and are clean at all times.

- \* Feet – clean, comfortable, low-heeled shoes are most appropriate.
- \* Always wear clean socks if you are working mobile – many clients will ask you to remove your shoes when entering their home and there is nothing worse than cold feet or dirty socks.
- \* Hair – tied back from the face.
- \* Make-up – light application to project a professional image is usually recommended day to day. If you are working as a make-up artist however, you may be more creative with your make up. Stylish eyeliner applied in the right way or clever contouring to define your features can all showcase your talents as a skilled artist.
- \* Clean hands – always wash your hands before and after each treatment. This is particularly important if you work mobile and you may have been commuting between clients.
- \* Always make sure you are appropriately dressed when dealing with clients – ensure you have a suitable uniform which is freshly laundered and pressed.
- \* Professional presentation is not just visual – ensure your body language, communication style and language are all appropriate and professional. This also applies when speaking with clients on the telephone; where your tone can be misconstrued by clients so always ensure you smile while on the telephone (it comes across in your voice). Go above and beyond to come across as happy and positive as this is hard to convey when a client cannot see your facial expression.



Apart from your appearance, if you are mobile, the client will see your carrying equipment – this should also be immaculate. Your car should be washed and clean as this too will be visible to the client when it is parked in her driveway! You may consider having a magnetic banner or sign writing on your car to advertise your business – another reason to keep it clean. When working mobile, always make sure you take any waste items with you such as used cotton pads or couch roll. This is to comply with your health and safety obligations regarding safe disposal of waste and is

also common courtesy. Make sure you take all tools and equipment with you before you leave a client's house as it is often difficult if something then gets damaged or goes missing, or if you get to your next client unequipped. Your personal professionalism and standards will be the lasting impression you leave with your client.

## RECAP ACTIVITY

The activities in this section are intended to get you thinking about what personal attributes you have that may help you to succeed in business and whether there are considerations you need to make to improve your personal skills or ability to succeed in business.

Think about what is driving you to want to establish your own business and to become your own boss. These goals are important to ensure you stay motivated and track to achieve your business aims and personal targets.

An important part of your success is creating a good impression with clients and building rapport. You need to set yourself apart from the competition by knowing what other therapists or salons are offering in your area and how you can offer something different or indeed better than them to your clients.

Finally think about how you want to work – do you need to consider travel, childcare or other personal commitments. Establishing business opening hours will help you to plan your time effectively and allow you to maximise profit in the hours you work. Once you have decided your opening hours, it makes it easier to plan appointments so that you can see clients in a consecutive order and so that you don't feel overworked - without large unproductive gaps or days of the week that do not get booked up but other days where you turn clients away due to no availability.

### Activity 3

#### Answer the questions below

**What 5 personal strengths do I possess that will help me to be successful in running my own business?** (Think about your practical skills, previous work experience, knowledge of your local area and local connections, your personality and personal attributes such as organisation skills):

|    |  |
|----|--|
| 1. |  |
| 2. |  |
| 3. |  |
| 4. |  |
| 5. |  |

**What 3 areas do I feel I need to work upon to have the best chance of success in running my own business?**

(Think about further training or qualifications you want to undertake, product training you need, management abilities or personal attributes like managing your time that you may need to work on and what you will specifically do to develop?):

|    |
|----|
| 1. |
| 2. |
| 3. |

**What are my top 5 personal goals that I would like to achieve in the next year?**

(These should be personal to you e.g. more time with my children, to earn £1000, to buy my own car, to afford a holiday to America etc.).

|    |
|----|
| 1. |
| 2. |
| 3. |
| 4. |
| 5. |

**What are my top 5 personal goals for my business over the next 2 years?**

(Again, these are specific to you and your business plan e.g. to open my own salon, to hire a junior therapist, to be fully booked 3 days out of 5, to make £10,000 in profit etc.).

|    |
|----|
| 1. |
| 2. |
| 3. |
| 4. |
| 5. |

**Activity 4**

**Research your nearest direct competitor.**

Visit a local salon or book an appointment with a therapist who works from home or mobile (ideally choose the option which matches your chosen working style). This will require a small investment by having a treatment but the information gathered will be invaluable.

Take in the experience right from booking the appointment (whether that's by telephone, online or in person) right up to your treatment. Consider the therapist's personal presentation, how they present their treatment area, their style of communication with you as a client and how you feel experiencing the treatment – do you feel relaxed, welcomed or rushed? If they are coming to your home (mobile therapists), look at what equipment they bring with them and how they set up the treatment area within your home.

Speak with the therapist about what their most popular treatments are, how they find working in the industry and if they have any tips. Don't be afraid to mention to the therapist that you are thinking of establishing your own business in the future. Any competent therapist running a successful business will not be afraid of competition.

**Note down any observations from your research below.**

Therapist's presentation, treatment area set up, level of communication etc....

What did you take from the experience that you might like to introduce in your own business/treatments?

What did you take from the experience that you were not keen on, how might you offer something different?

### Activity 5

**Diary Management** – think about what hours you would like to make yourself available to work. Consider other commitments such as childcare, other work you do or travel costs at peak times etc. Complete the table below stating what your opening hours will be for each day of the week or simply write CLOSED.

| Day of the WEEK | Times you will be open from - until  |
|-----------------|--------------------------------------|
| e.g. Monday     | 8.00am – 5.30pm                      |
| e.g. Tuesday    | 8.00am – 12.00pm and 5.00pm – 9.00pm |
| SUNDAY          |                                      |
| MONDAY          |                                      |
| TUESDAY         |                                      |
| WEDNESDAY       |                                      |
| THURSDAY        |                                      |
| FRIDAY          |                                      |
| SATURDAY        |                                      |

## **PART THREE – Taxes, legal and money**

In this final chapter you will find some important information which will help you to get started and run your business with as little stress as possible.

### ***Business planning***

Why do I need a business plan and how will it help my business? There is a very old saying:

**‘Fail to plan and you plan to fail’.**

Starting and managing a business takes motivation and talent, it also takes research and planning. Take time to explore and evaluate your business and personal ambitions, then use this information to build a business plan which will help you reach your objectives.

A business plan will force you to think about some important questions that you may not have otherwise considered. Additionally your plan will become a valuable tool as you set out to possibly raise money for your business, and it will also provide targets to gauge the success of your business.

The business plan also acts as your template, your map. If you go off course and start to struggle; refer to your map, see where you went wrong and make the necessary changes.

### **The Business Plan**

Good business planning is about looking where you are now what you want to achieve. This will include a written statement and documentation of the financial aspects involved in the setting up and the running of your business.

Many people think that it is very complicated and involves mounds of complicated paper work, but for small businesses it is quite reasonably simple, unless you require financial support.

A business plan is a document that gives a complete description of your business and what you want to achieve over the next one, two or three years. You will need to give details of the services your business will provide, how you will provide the services and to whom. You then formulate the financial forecasts on start-up costs, marketing expenditure and anticipated income.



### **Do I really need a Business Plan?**

A business plan is not a legal requirement, but is a very worthwhile exercise. It helps you focus on the objectives of your business which in turn helps you to evaluate how much you need to invest and receive every month for at least the next year. After you have made your business plan, it is a good reference point to revisit and assess your business's progress. It will allow you to see if you are working to your plan and help you to set yourself realistic targets in the future.

If you require a loan or overdraft facility for your business, it is more than likely that you will be asked to produce a business plan for your creditor to look at (e.g. your bank manager). Some banks actually provide you with a business plan and leave sections for you to complete. It is essential for banks as they are looking to lend you money, they will want to know how you intend to use it, and whether your business is likely to get back enough profit in order to pay that money back.

### **Who should write the Business Plan?**

It is really down to YOU. For a small business it is relatively straight forward, and no one will know the nature of your business better than you. You can seek advice from your accountant or your local Business Link. You can find your local Business Link on line at: [www.businesslink.gov.uk](http://www.businesslink.gov.uk) - follow the link through to your local area. They are a good source of information no matter where you are in your business.

## ***Choosing a name for your business***

Choosing a name for your business is a very important decision.

While it may be tempting to try to stamp your individual personality on your business name, there are many other issues to consider. Being objective and choosing a name which reflects your business can be more valuable, especially as your business develops.

You will also need to find out whether your 'new' name already exists and is being used by another sole trader or partnership in your area, or by a Limited Company as a Company Name. To do this, simply check through local trade and telephone directories, and contact Companies House, giving them the name you intend to use. Companies House will be able to tell you whether a company is already registered under that name.

For help with protecting your name and various other business issues contact: [www.Companies-house.gov.uk](http://www.Companies-house.gov.uk)



When choosing a name for your business, don't forget to check whether the domain name is free to allow you to have a suitable website address that relates to your business. A domain name is an electronic address for a computer network. If there is a webpage you want to reach, you will get to it by typing the domain name into your computer. When creating a website, most people will choose a domain name that reflects the subject matter of the site. Check if a domain name is available by searching for it through any online domain registrar or web hosting platforms. By checking this first, it may influence the final business name you go for as you wouldn't want to find an unrelated business or even a competitor already has a similar name and website address to yours. It could lose business and lead to customer confusion in the long run.

### ***Legal status of your business***

Regardless of whether you are going to be mobile or home based, you need to decide upon the legal status of your business.

#### **What is a Sole Trader?**

The majority of small business will start off with sole trader status as it is the least formal way of establishing a business. A sole trader is a person who owns their business, and who can employ or hire others where necessary.

Your income as a sole trader would be treated as personal income, from which business expenses would be deducted to give a profit, this is then subject to income tax and national insurance.

This status can be the most rewarding to you if business goes well. If however the business does not do well, the onus is all on you, the 'Sole Trader'. This means your house and other personal assets could be at risk if the business collapses and you are left with unpaid debts.

#### **What is a Limited Company?**

The shareholders' (members') personal assets are protected if the business collapses. Limited liability means you can only lose what you have put into the business.

The main functions of Companies House are to:

- \* incorporate and dissolve limited companies



- \* examine and store company information delivered under the Companies Act and related legislation
- \* make this information available to the public

### **What is a Partnership?**

The Partnership Act in 1890 stated a partnership as being "the relation which subsists between persons carrying on a business in common with a view of profit" and still represents current law to this day.

A partner could mean a financial backer (you may have heard the phrase 'sleeping partner') who helps set up the business, but takes no active part. It could be someone who shares the workload by helping with additional training, or increasing the amount of treatments available to your clients.

### **There are pros and cons to a partnership as follows:**

| Pros                                                                                                                                                                                                                                                    | Cons                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>* You need not turn business away as there are two workers to fulfil the demand;</li><li>* Two heads are better than one!!</li><li>* Shared responsibility and finances</li><li>* Sharing the work load</li></ul> | <ul style="list-style-type: none"><li>* Sharing the profits</li><li>* Who is in control over what?</li><li>* You could have unlimited personal liability if the business gets into financial difficulty because of your partner, (even if you are unaware).</li><li>* One of the partners may want to leave or suddenly become incapable of working.</li></ul> |

Partners should have complete faith in each other. Even if you feel this may offend you partner suggest that a solicitor construct a legal document specifying detailed arrangements, and state of affairs.

Weigh up the pros and cons before embarking on a partnership with anyone - even if it's a spouse or your best friend. Sadly none of us know what the future may hold.

## ***Registering Your Business***

To set up as a 'Sole Trader' or a 'Partnership' you need to inform the HMRC that you are entering into a business.

With a Limited Company the set-up and running cost are quite high and you will need to produce annual returns for inspection.

However you can register with Companies House to protect your company name and leave the company dormant. To find out more information about this contact your accountant or Companies House directly.

## ***Accountants***

Most small business will put together their own accounts either manually in an accounts book or on an excel spreadsheet. Be sure to keep all your receipts for petrol, products, equipment and enter them into your accounts as outgoings. You will also enter your income. At the end of each year you will need to complete your own self-assessment form declaring your earnings for HMRC.

If you are not comfortable doing this you may wish to consider engaging the help of an Accountant. Although you will have to pay for this, it can save you a lot of time, worry and money in the long run. Find a good Accountant by referral, local business groups, chamber of commerce, or the internet.

## ***Local Council***

We have previously mentioned licensing laws. It is your responsibility as the business owner to check the licensing laws in the area you are working. An easy way to do this is to visit your local council's website and search environment health, special treatment license. If in doubt, speak to the Environmental Health Officer.

You will also need to contact the council if you require additional refuse collection or need to arrange specialist waste disposal to comply with your obligations regarding the safe use of chemicals and substances hazardous to health (COSHH) or for the disposal of biohazard waste (such as used waxing strips) or sharps if relevant to your business. Additional costs may apply for these services.

## ***Legal Obligations***

When starting your own business, there are a number of industry legislations and laws that you are obliged to familiarise yourself with and comply with when working. If you are providing treatments within a salon or treatment area from home, you may be required to complete a

risk assessment annually (and be updating this if any changes to your work environment change). You may need to consider health and safety aspects such as adequate ventilation. If providing nail treatments, you may need to have some form of extractor available to minimise dust and chemical vapours.

You will need to comply with regulations regarding chemicals and substances hazardous to health (COSHH) to ensure you are storing, transporting and disposing of such substances correctly (<http://www.hse.gov.uk/coshh>).

When working with the public, it may be advisable to undertake some form of first aid training and you will require an accident book for the reporting of all accidents or incidents, however minor under your legal obligations. You must ensure you are up to date on regulations regarding accidents (RIDDOR) and are familiar with how to escalate incidents to the Health and Safety Executive (<http://www.hse.gov.uk/riddor>).

If you are operating a treatment area from home or a salon, you must also ensure you have a clear fire evacuation policy in place and fire extinguishers that are serviced annually as appropriate. If operating electrical equipment that others may make use of or come into contact with (either as part of the treatment or visit to your facility), it is advisable to carry out PAT testing on all portable electrical appliances. It is not a compulsory requirement however could be beneficial in the event of an accident or claim against you (<http://www.hse.gov.uk/electricity/faq-portable-appliance-testing.htm>).

In relation to your standards of hygiene and treatment practices, you are advised to consider these standards for practice set by the governing body Habia. Take a look at the National Occupational Standards website and consider the guidance for every treatment you will be offering (<http://nos.ukces.org.uk/Pages/Search.aspx>).

## ***Banks***

All the banks have excellent web-sites with much information on starting a business and preparing a business plan. Book a couple of interviews and make your choice. There are some very good facilities for new business start-ups.



## RECAP ACTIVITY

You should by now be starting to narrow down your business idea, what you are going to offer and how. You should already have begun to piece together a business plan including your budget for the cost of setting up your business such as purchasing kit/equipment, overhead costs like rental of your premises; and your initial budget for marketing purposes when launching your business.

In order to create an idea of your earnings, you should by now have considered the treatment prices you will charge and the timings for these treatments. This will help you to establish your hourly rate for your time (with consideration for the proportionate overhead costs of delivering your services).

You should now begin to project what you can realistically expect to earn in your first month, first 6 months and first year onwards. These projections may change as you find your business begins to grow but should give you some indication of your performance and whether your business is viable in the short and long term versus your costs.

You may have set up a basic accounts system or enlisted the help of an accountant or bookkeeper to help you monitor your earnings and outgoings. This is vital to ensure you can accurately complete your self-assessment for tax purposes at the end of your first year. If you do not have accurate records, you could end up paying too much tax or even receive a fine if you are unable to provide clear records to HMRC if requested.

You should also have ensured you have suitable insurance in place to protect you and also your clients. This must be in place before you begin working with clients.

You should have considered what marketing and promotion you will enlist to launch your business. You may be underway with planning a launch event, be thinking of establishing an online presence with a social media account for your business or be considering taking part in local charity events or wedding fairs to promote your services.

This is the stage for making decisions and taking action to get the ball rolling with your new business.

### Activity 6

**State the name you have chosen for your business and how you decided upon this name:**



### Activity 7

**Produce a business card** that reflects your company name, logo, what you do (e.g. “beauty therapist” or “mobile beauty treatments” and include your contact details. You may wish to use the reverse of the business card to note appointment dates/times for your clients or have information about your client referral discount scheme etc. Don’t forget to include web addresses to any social media pages such as Facebook that you may have set up. Business cards can be professionally printed by a number of online printing companies or you may find a local printing store that can print all your marketing materials for a package price. Remember business cards and price lists are a worthwhile investment and worth spending a little more on as it will be a first impression but also a lasting impression to potential new clients as the card or pricelist will act as a reminder of your services to potential clients every time they come across the card or pricelist in their bag or at home. Remember your business card should be bright and eye catching to help your clients and potential clients find your card within their purse. Keep writing to a minimum, including only the important information and don’t forget to make your card bright and visual.

**Examples of business card layouts include:**



*Company name*  
*Slogan*

*Name*  
*Job title*

*Address, 1st line*  
*Address, 2nd line*  
*Phone*  
*Fax*  
*Mobile*  
*E-mail*  
*Web*



Scan a copy of your business card when created, or include a copy of your template for the business card by uploading this to the portal when prompted. Ensure it is saved as a Word, PDF or JPEG file ONLY.

## Activity 8

**Create a price list** for your business that reflects your company name, logo, what you offer (e.g. “Make up Artist” or “Mobile Beauty Therapist”, include contact details and give information about the treatments you provide. Ensure you include clear pricing and details on the timings of treatments (if relevant to the pricing structure e.g. it is recommended for massage treatments to state the treatment timing).

You might like to include some brief information about the product ranges you use within your treatments, retail products available or to use the logos of the brands you use on your price list. Ensure your price list is clearly designed, succinct, colourful and eye catching.

Your price list can be printed on a glossy postcard, one side of A5 paper or printed on A4 paper in a tri-fold style. Its size will depend on the number of treatments you are offering and the level of information you wish to provide. If you are offering a wide range of different treatments or treatments of different types such as massage, nails and make up it might be worth considering a tri-fold format so that you can have a different section for each type of treatment. This will help to organise the price list and make it clearer to potential clients.

You might like to include a small section on packages you offer or special offers/discounts but remember to avoid making these seasonal or time sensitive as otherwise you will have to regularly update and reprint your price lists. Linked to this, you might like to include a date on the price list of when valid until or when printed in case you update your price list in future (as you may come across a client still possessing an old price list in future and this will give you an opportunity to discuss the updated price list instead).

Some printing companies provide the option to have these printed by ordering them online or produced at home and printed by a local printing shop. Alternatively you can cheaply produce these on your home pc/printer as long as you have a good colour printer and quality printer paper.

**Attach a copy of your price list when created, or include a copy of your template for the price list by uploading this to the portal when prompted. Ensure it is saved as a Word, PDF or JPEG file ONLY.**

Examples of price list formats and templates:





Examples of formats you might like to use for your price list (see above)

We hope you have enjoyed this course and found the information and activities useful to help begin planning for your new business venture. There are no right and wrong answers to the activities in this course and we are simply looking to see you have considered all aspects of this course. Please submit your workbook, business card and price list when prompted through the student portal.

Once received, they will be checked for completion and you will receive your certificate to recognise your achievement on this course by email. If you require any specific guidance or advice however, please contact our Support team at [support@thebeautyacademy.org](mailto:support@thebeautyacademy.org)