



## Nails Spa Business Plan

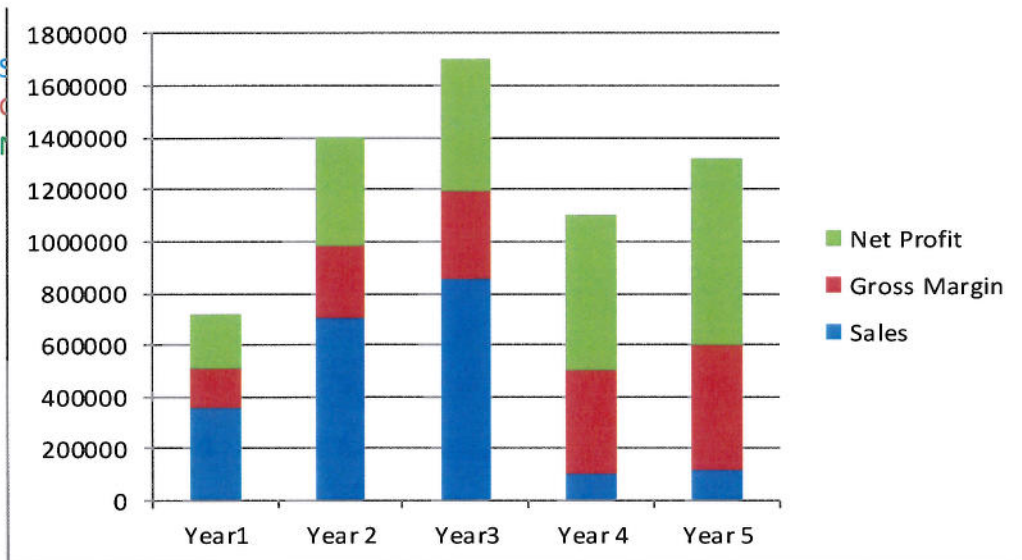


# E.C.A Nails Spa Business Plan

## Executive Summary

E.C.A Nails Spa is a new upscale salon in Falls Church Virginia, offering a complete Nails spa experience. We offer full service for women, men and children, including pedicure, manicure, and waxing service. We offer facial, like Vitamin C Antioxidant Facial, skin brightening Facial and men's skin care. We also offer body massage in a variety of styles- traditional Swedish massage, Deep Tissue work, Hot Stone massage, Reflexology, Pregnancy and others.

This business plan has been developed to track progress and following through with a five year projection.



### 1. Objectives

- Achieve \$36,000 in sales the third month after opening by performing 21 service per day.
- Achieve \$52,000 in sales the six month after opening by performing 40 services per day.
- Have a local client return rate of 90% by the end of the first six months.
- Become an established Spa destination by the end of the first 12 months.

- By the end of the first year the Spa could perform 54 services per day.

## 2. Mission

Our mission is to run a profitable business by providing high-end pedicure, manicure, massage and aesthetician services in a caring, upscale and professional environment.

Our goal is to customize the client's needs, as well as feedback during the treatment, to ensure the client's comfort and satisfaction, and to increase repeat business. We emphasize on the sanitation to protect client's health.

## 3. Key to Success

- Marketing- Owner is a proven, 15 years in this business. Marketing will be the first strength to our success and huge competitive edge.
- Professionalism- which includes everything from hiring the best technicians, to maintaining confidentiality.
- Individual Attention\_ Each client's experience will be tailored to his or her preference.
- Repeat business/ Recommendation- giving the excellent services that people will use words of mouth, to recommend us to their friends or relatives.
- Unique treatments- We have the latest techniques with the best products in the cosmetology industry.
- Fantastic Location- located on the main road in Falls Church City.

## Company Summary

E.C.A Nails Spa is offering customers the combination of Nails service, massage, facial, waxing and teeth whitening treatments. The settings are upscale, beautiful and serene.

Broadale Shopping center, where the Spa is located, has a daily traffic count 72,000 cars. Its demographic has average \$85,000 income.

### 1. Company Ownership

E.C.A Nails Spa is a S-Corporation owned by Trinh Tran who has been in the business for 15 years, and this one would be her 5<sup>th</sup> salon.

### 2. Start-up Summary

The bulk of the start-up costs will be invested by the owner and the remainder will be funded through short-term financing.

## Start-up Requirements

### Start-up Expense

Legal	500
Leasing Deposit	6500
Rent	6800
Advertising and Webpage design	2500
Insurance	1200
Construction & Design	72000
<b>Total Start-up Expenses</b>	<b>89500</b>
Start-up Assets	
Cash required	35000
Start-up Inventory	9000
Other current Assets	65000
Long-term Assets	0
<b>Total Assets</b>	<b>109000</b>

**Total Requirements** 198500

## Market Analysis Summary

There are several Nails spa in 5 miles radius in Falls Church City, Virginia. But our location is surrounding by many retails, restaurant shops and apartments. Next to our spa is a hotel which has lots of tourists every day coming in.

E.C.A Nails Spa will target 3 different market segments:

- Men will typically make up 35-40% of the clientele. Men need to get their feet and hand done about twice a month.
- Female who works at the office jobs and needs to get their manicure and pedicure done regularly for their look.
- Young girls who are in high school, usually get their Nails done on special occasion like Prompt or Home coming. Or elderly who cannot take care of their own feet and nails, they will come to the shop and get the services done.

## Marketing Strategy

**Local Advertising** - Local newspaper advertising, local fliers, grand opening party kick-Off and promotion for first 30 days. Continue regular advertising and plan for seasonal events like Christmas, Valentine's Day, Mother's Day, Prom and New Year's.

**Hotel Referrals** – Hotel that do not offer their own spa services will send their guests to our spa. Prior to opening, I will make contacts with managers and concierges at local hotels to ensure they are aware of services available.

**Online Website** – our spa will show up on every major search engine and in the phone directory. The website will have a full menu of services and eventually have the ability to schedule appointment on-line.

**Local Traffic** – our location is right on the traffic lights where people will stop and see our shop at the first sign.

## **Financial Strategy**

The premier element to our financial plan is maintaining and improving the factors that increase our cash flow. Because of the commission structure of our contractor payments, our variable costs will exceed fixed costs for all year of this plan, which should help stabilize the cash flow- we only pay commission when we make a sale. We will surpass the break-even point by month four and the end of the first year the net profit margin will be almost 11%. The net income would pay back the loan by 36 months.

## **Conclusion**

The owner will be working full time at the E.C.A Nails spa full time. She will be handling all hiring and training, purchasing, and retails sales. She also will hire a full time receptionist who will manage all of the appointment as well as greeting the clients as they come in.

The Nails spa will emphasize mostly on sanitation to protect the client's health. And on client's birthday we will send out the gift certificate for them.

E.C.A Nails Spa is a Full sap service where the clients can get all the Nails, massage and skin care in one convenient visit.

## E.C.A Nails Spa Balance Sheet

Dec 31, 10

### ASSETS

#### Current Assets

##### Checking/Savings

Bank of America 250,802.23

CHEVY CHASE BANK 225,256.10

E.C.A Nails Spa -6,273.92

Total Checking/Savings 469,784.41

Total Current Assets 469,784.41

**TOTAL ASSETS 469,784.41**

### LIABILITIES & EQUITY

#### Liabilities

##### Current Liabilities

##### Other Current Liabilities

##### Payroll Liabilities

Federal Unemployment (940) -0.64

VA Income Tax 27.65

VA SUI Employer 37.93

Payroll Liabilities - Other 196.96

Total Payroll Liabilities 261.90

Total Other Current Liabilities 261.90

Total Current Liabilities 261.90

Total Liabilities 261.90

#### Equity

Opening Bal Equity 26,000.00

Retained Earnings 354,614.79

Net Income 88,907.72

Total Equity 469,522.51

**TOTAL LIABILITIES & EQUITY 469,784.41**