



Finger Art Nail Studio


Fall in Love with the Art of Nails


Business Plan

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Prepared By

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1.

Executive Summary

Mission statement

Vision statement

Customer Focus

Management Team

Success Factors

Financial Summary



REMEMBER

Before you think about how to start a Nail salon service, you must create a detailed Nail salon business plan. It will not only guide you in the initial phases of your startup but will also help you later on.

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TIP

Finger Art Nail Studio is a classy nail salon that will be opened in New York City, United States. We have chosen New York because we think that it would be an amazing opportunity to have the crème de la crème in society and in showbiz visit our nail hub.

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Mission statement



TIP

Our mission is to provide professional and creative service to our clients- thereby meeting their beauty needs at all times.

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Vision statement



TIP

Our vision is to provide our teeming clients with the best of nail services, such that is hard to experience in New York. We strive to achieve this with our overly trained nail attendants and the ambiance which our salon has to offer.

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Customer Focus



TIP

Finger Art will primarily serve the residents within a 5-mile radius of our location. The demographics of these customers are as follows:

- 27,827 residents
- The average income of \$74,700

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Management Team



TIP

Finger Art is led by John Moore who has been in the nail care business for 20 years. While Mr. Moore has never run a nail salon himself, he has been doing nails since age 15 and spent most of his adult life working at several major salons. As such Mr. Moore has an in-depth knowledge of the salon business including the operations side (e.g., running day-to-day operations) &

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Success Factors



TIP

Finger Art is uniquely qualified to succeed due to the following reasons:

- The Company will fill a specific market niche in the growing community we are entering. In addition, we have surveyed the local population and received extremely positive feedback saying that they explicitly

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Financial Summary



TIP

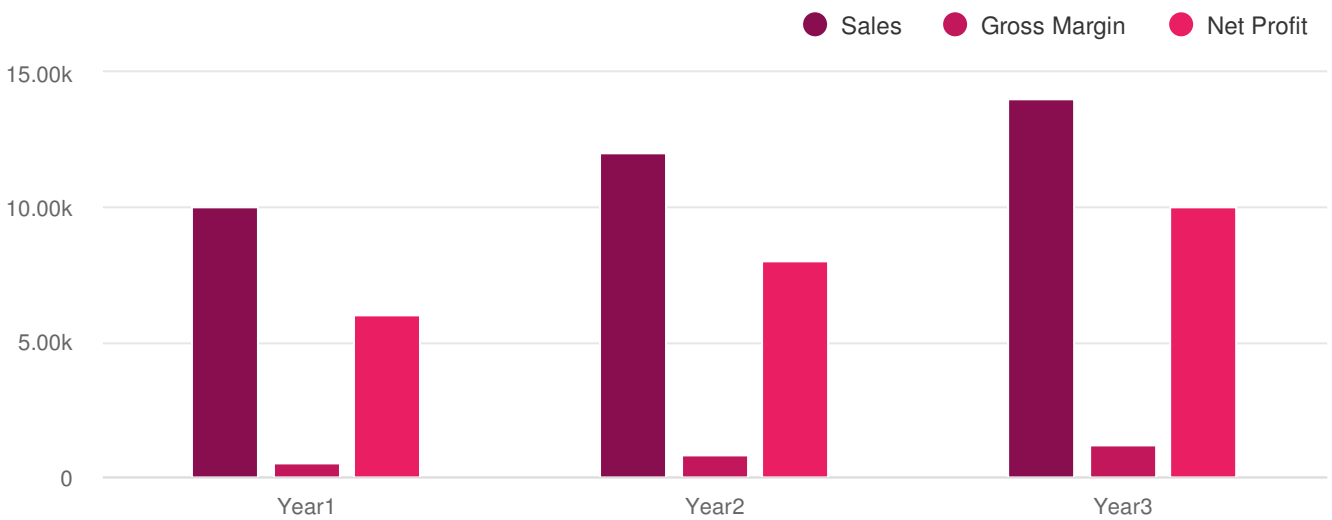
Finger Art is currently seeking \$260,000 to launch. Specifically, these funds will be used as follows:

- Store design/build: \$140,000
- Working capital: \$120,000 to pay for Marketing, salaries, and

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Start Writing here..

3 Year profit forecast



Financial Year	Sales	Gross Margin	Net Profit
Year1	10000	500	6000
Year2	12000	800	8000
Year3	14000	1200	10000



TIP

In addition to providing these services, Finger Art will also be a retailer of exclusive nail care products. Customers will find products at Finger Art that they won't find in grocery stores. Our prices would also be very affordable; we do not want to scare our new clients away with our pricing. As a matter of fact we plan to lower our pricing so that we can gain good ground within

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2.

Company Summary

History

Products and Services

Salon Design



TIP

Finger Art, located at the heart of New York is a new, upscale nail salon focusing on providing professional nail services in an enjoyable environment. It will showcase a well-designed interior as well as a full-featured waiting area equipped with television screens and at-request refreshments. Finger Art also sells a variety of premium nail care products which will be on display.

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History



TIP

Upon returning from Fort Lauderdale, surveying the local customer base, and finding a potential retail location, John incorporated Finger Art as an S-Corporation in 2021.

The business is currently being run out of Mr. Moore's home office,

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Products and Services



TIP

Below are Finger Art's initial service offerings and in-store products sold.

Nail Technicians will be asked to perform the following services:

- Pedicures

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Salon Design



TIP

Finger Art will develop a 2,500 square foot store whose key elements will include the following:

- Stylist Booths
- Reception Desk

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3.

Market Analysis

Market Trends

Target Market



REMEMBER

The most important component of an effective Nail Salon business plan is its accurate marketing analysis. If you are starting on a smaller scale, you can do marketing analysis yourself by taking help from this Nail Salon business plan sample or other Nail Salon business plans available online.

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Market Trends



TIP

Quite a number of distinct trends have emerged in recent times in the nail beauty industry which is why nail salons are positioning their organizations to attract all and sundry. As a matter of fact, this is one of the things that makes most nail studios spruce up their creativity level so that they

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Target Market



TIP

The target market which we are all out to serve is primarily the female folks. This is because of the fact that they are the ones who will leave no stone unturned in seeing that they look their best. Whilst some may do this to continue to be attractive to their partners, yet others cannot just do without looking good.

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4.

Strategy & Implementations

Advertising Strategy

Pricing Strategy



REMEMBER

After identifying the market demand, market trends, and the potential customers of the startup, the next step is to define an effective strategy for attracting those customers. Like marketing analysis, sales strategy is also an important component of a nail salon business startup and must be properly planned before you think about starting your own nail salon business.

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TIP

We are mindful of the fact that there is stiff competition amongst nail salons in the United States of America; hence we have been able to hire some of the best business developers to handle our sales and marketing. Our sales and marketing team will be recruited based on their vast experience in the industry and they will be trained on a regular basis so as to be well equipped.

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Advertising Strategy



TIP

Finger Art expects its target market to be individuals working and/or living within a 5-mile radius of its location. Our promotions strategy to reach these individuals includes:

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TIP

Finger Art will announce its opening several weeks in advance through publicity pieces in multiple local newspapers and publications. Regular advertisements will run to maintain exposure to relevant markets. Community newspapers, school publications, youth sports programs, and similar channels will be a major promotion effort.

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Local Publications

Start writing here..



TIP

We will make careful use of advertising in selected larger publications. [Publication or newspaper name] has a circulation of XYZ and we can expect to reach a wider geographic region of customers on a limited basis. Advertisements with major publications will be used selectively, based on cost effectiveness. These ads will include discount coupons so that res

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Major Publications

Start writing here..



TIP

Finger Art will promote itself by distributing marketing materials and participating in local community events, such as school fairs, local festivals, homeowner associations, or sporting events. Since mothers are often heavily involved in such things, we will not only reach the lucrative audience of adult women but also potentially their families by extension.

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Community Events/Organizations

Start writing here..



TIP

We will drive attention toward Finger Art by hiring workers to hold signs alongside [route or highway]. Advertising on heavily traveled commute routes is an opportunity to alert large numbers of working individuals with disposable income of our opening.

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Commute Advertising

Start writing here..



TIP

Finger Art will blanket neighborhoods surrounding its locations with direct mail pieces. These pieces will provide general information on Finger Art, offer discounts, and/or provide other inducements for people to visit the salon.

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Customer Loyalty Programs

Start writing here..



TIP

Finger Art will maintain a website and publish a monthly email newsletter to tell customers about new events, products, and more.

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Direct Mail

Start writing here..



TIP

Before opening the store, Finger Art will organize pre-opening events designed for prospective customers, local merchants, and press contacts. These events will create buzz and awareness for Finger Art in the area.

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Ongoing Customer Communications

Start writing here..



TIP

Finger Art will create a winning customer loyalty program to keep its best clients coming back again and again. When not actively providing services to customers in the store, our professionals and other employees will make periodic, regular phone calls to customers. These phone calls will (a) ensure that customers are satisfied with their nail treatment, and (b) remind

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Pre-Opening Events

Start writing here..

Pricing Strategy



TIP

One of the ways through which we know that we will be able to get more clients within a short period of time is when our pricing is on a moderate level. Being on the moderate level means that we are able to maximize profit in a way that doesn't put holes in the pocket of our clients.

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5.

Management Summary

Management Team Members

Hiring Plan



REMEMBER

The management plan is also an important component of a nail salon business plan since it gives you an estimate of the staff required for your startup as well as the costs incurred on their salaries. So, make sure to duly consider it before thinking about how to start a nail salon business. The management plan of the nail salon is as follows.

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Management Team Members



TIP

Finger Art is led by John Moore who has been in the nail salon business for 20 years.

While Mr. has never run a nail salon himself, he has extensive at major salons for the past 20 years. He began his career in 1990 when he received

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Hiring Plan



TIP

John Moore will serve as the store manager. In order to launch our salon, we need to hire the following personnel:

- Nail Technicians (5)

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6.

Operations Plan

Functional Roles

Service Functions

Administrative Functions

Milestones

Functional Roles



TIP

Finger Art will carry out its day-to-day operations primarily on an appointment basis. Walk-in clients will be served by the earliest available technicians, but priority will be given to clients who called ahead. In the meantime, waiting for customers can divert themselves to the lounge, which features television and current popular magazines. The Company intends to employ 15 technicians.

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Service Functions



TIP

1. Manicures
2. Pedicures
3. Massages
4. Waxing



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Start Writing here..

Administrative Functions



TIP

- General & administrative functions including legal, marketing, bookkeeping, etc.
- Sourcing and storing products

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Milestones



TIP

Finger Art's long-term goal is to become the dominant provider of nail care and related services and products in the area. We seek to the standard by which other providers are judged.

The following are a series of steps that lead to our vision of long-te [Read More](#) 

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7.

Financial Plan

Important Assumptions

Break-even Analysis

Projected Profit and Loss

Projected Cash Flow

Projected Balance Sheet

Business Ratios



REMEMBER

The last component of a nail salon business plan is an in-depth financial plan. The financial plan crafts a detailed map of all the expenses needed for the startup and how these expenses will be met by the earned profits. It is recommended that you use [our financial planning tool](#) for guiding you through all financial aspects needed to be considered for starting a nail salon [Read More](#)



TIP

The company will be financed by John himself and he will control the direction of the business to make sure that it is expanding at the forecasted rate. As for the nail salon business start-up, no equity funding or outside loans will be required. With the help of financial experts, John has developed the following financial plan for his nail salon start-up business, which outlines the [financial](#) [Read More](#)

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Important Assumptions

The financial projections of the company are forecast on the basis of the following assumptions. These assumptions are quite conservative and are expected to show deviation but to a limited level such that the company's major financial strategy will not be affected.

	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10,00%	11,00%	12,00%
Long-term Interest Rate	10,00%	10,00%	10,00%
Tax Rate	26,42%	27,76%	28,12%
Other	0	0	0

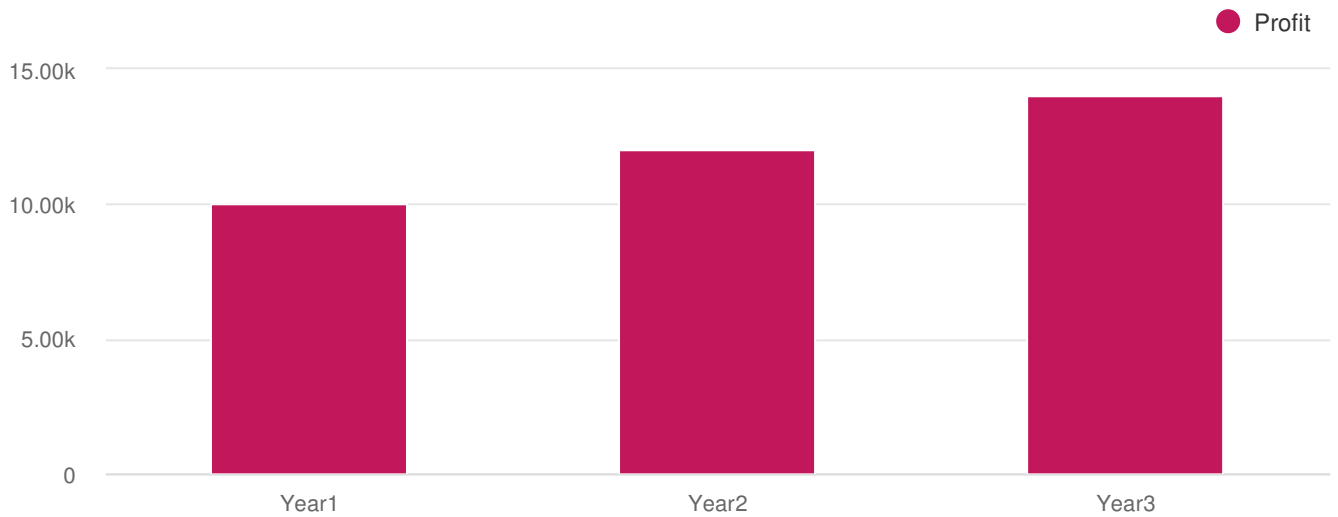
Brake-even Analysis

Monthly Units Break-even	5530
Monthly Revenue Break-even	\$159 740
Assumptions:	
Average Per-Unit Revenue	\$260,87
Average Per-Unit Variable Cost	\$0,89
Estimated Monthly Fixed Cost	\$196 410

Projected Profit and Loss

	Year 1	Year 2	Year 3
Sales	\$309 069	\$385 934	\$462 799
Direct Cost of Sales	\$15 100	\$19 153	\$23 206
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$15 100	\$19 153	\$23 206
Gross Margin	\$293 969	\$366 781	\$439 593
Gross Margin %	94,98%	94,72%	94,46%
Expenses			
Payroll	\$138 036	\$162 898	\$187 760
Sales and Marketing and Other Expenses	\$1 850	\$2 000	\$2 150
Depreciation	\$2 070	\$2 070	\$2 070
Leased Equipment	\$0	\$0	\$0
Utilities	\$4 000	\$4 250	\$4 500
Insurance	\$1 800	\$1 800	\$1 800
Rent	\$6 500	\$7 000	\$7 500
Payroll Taxes	\$34 510	\$40 726	\$46 942
Other	\$0	\$0	\$0
Total Operating Expenses	\$188 766	\$220 744	\$252 722
Profit Before Interest and Taxes	\$105 205	\$146 040	\$186 875
EBITDA	\$107 275	\$148 110	\$188 945
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$26 838	\$37 315	\$47 792
Net Profit	\$78 367	\$108 725	\$139 083
Net Profit/Sales	30,00%	39,32%	48,64%

Profit Yearly



Financial Year

Profit

Year1

10000

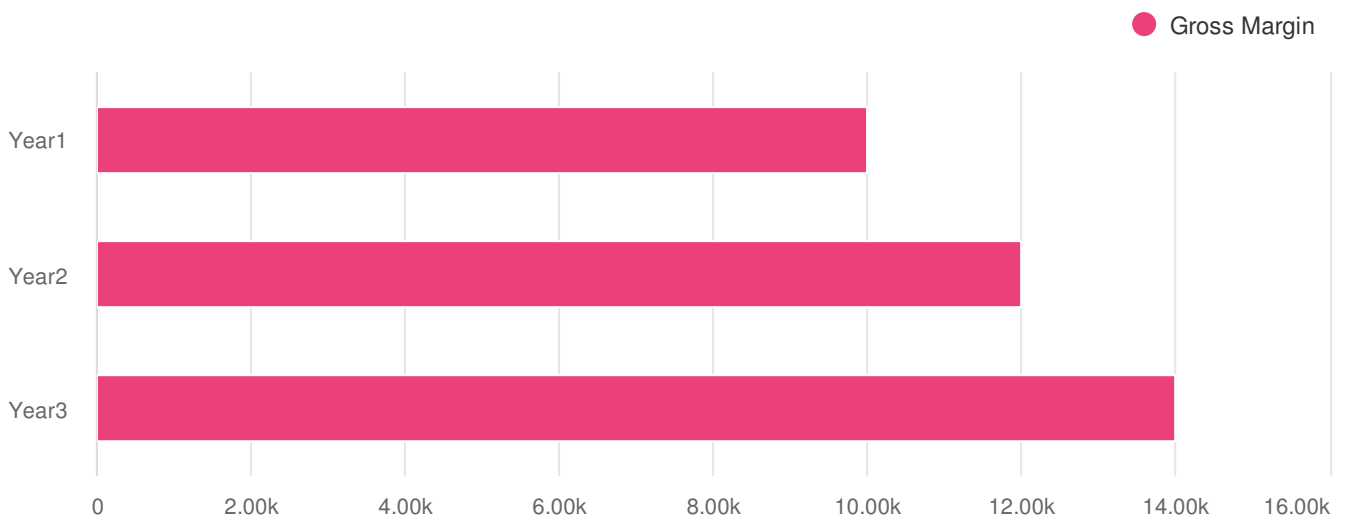
Year2

12000

Year3

14000

Gross Margin Yearly



Financial Year

Gross Margin

Year1

10000

Year2

12000

Year3

14000

Projected Cash Flow

Cash Received	Year 1	Year 2	Year 3
Cash from Operations			
Cash Sales	\$40 124	\$45 046	\$50 068
Cash from Receivables	\$7 023	\$8 610	\$9 297
SUBTOTAL CASH FROM OPERATIONS	\$47 143	\$53 651	\$59 359
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
SUBTOTAL CASH RECEIVED	\$47 143	\$53 651	\$55 359
Expenditures from Operations			
Cash Spending	\$21 647	\$24 204	\$26 951
Bill Payments	\$13 539	\$15 385	\$170 631
SUBTOTAL SPENT ON OPERATIONS	\$35 296	\$39 549	\$43 582
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
SUBTOTAL CASH SPENT	\$35 296	\$35 489	\$43 882
Net Cash Flow	\$11 551	\$13 167	\$15 683
Cash Balance	\$21 823	\$22 381	\$28 239

Projected Balance Sheet

Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$184 666	\$218 525	\$252 384
Accounts Receivable	\$12 613	\$14 493	\$16 373
Inventory	\$2 980	\$3 450	\$3 920
Other Current Assets	\$1 000	\$1 000	\$1 000
TOTAL CURRENT ASSETS	\$201 259	\$237 468	\$273 677
Long-term Assets			
Long-term Assets	\$10 000	\$10 000	\$10 000
Accumulated Depreciation	\$12 420	\$14 490	\$16 560
TOTAL LONG-TERM ASSETS	\$980	\$610	\$240
TOTAL ASSETS	\$198 839	\$232 978	\$267 117
Current Liabilities			
Accounts Payable	\$9 482	\$10 792	\$12 102
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$9 482	\$10 792	\$12 102
Long-term Liabilities	\$0	\$0	\$0
TOTAL LIABILITIES	\$9 482	\$10 792	\$12 102
Paid-in Capital	\$30 000	\$30 000	\$30 000
Retained Earnings	\$48 651	\$72 636	\$96 621
Earnings	\$100 709	\$119 555	\$138 401
TOTAL CAPITAL	\$189 360	\$222 190	\$255 020
TOTAL LIABILITIES AND CAPITAL	\$198 839	\$232 978	\$267 117
Net Worth	\$182 060	\$226 240	\$270 420

Business Ratios

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	4,35%	30,82%	63,29%	4,00%
Percent of Total Assets				
Accounts Receivable	5,61%	4,71%	3,81%	9,70%
Inventory	1,85%	1,82%	1,79%	9,80%
Other Current Assets	1,75%	2,02%	2,29%	27,40%
Total Current Assets	138,53%	150,99%	163,45%	54,60%
Long-term Assets	-9,47%	-21,01%	-32,55%	58,40%
TOTAL ASSETS	100,00%	100,00%	100,00%	100,00%
Current Liabilities	4,68%	3,04%	2,76%	27,30%
Long-term Liabilities	0,00%	0,00%	0,00%	25,80%
Total Liabilities	4,68%	3,04%	2,76%	54,10%
NET WORTH	99,32%	101,04%	102,76%	44,90%
Percent of Sales				
Sales	100,00%	100,00%	100,00%	100,00%
Gross Margin	94,18%	93,85%	93,52%	0,00%
Selling, General & Administrative Expenses	74,29%	71,83%	69,37%	65,20%
Advertising Expenses	2,06%	1,11%	0,28%	1,40%
Profit Before Interest and Taxes	26,47%	29,30%	32,13%	2,86%
Main Ratios				
Current	25,86	29,39	32,92	1,63
Quick	25,4	28,88	32,36	0,84
Total Debt to Total Assets	2,68%	1,04%	0,76%	67,10%
Pre-tax Return on Net Worth	66,83%	71,26%	75,69%	4,40%
Pre-tax Return on Assets	64,88%	69,75%	74,62%	9,00%
Additional Ratios				
Net Profit Margin	19,20%	21,16%	23,12%	N.A.
Return on Equity	47,79%	50,53%	53,27%	N.A.
Activity Ratios				

	Year 1	Year 2	Year 3	Industry Profile
Accounts Receivable Turnover	4,56	4,56	4,56	N.A.
Collection Days	92	99	106	N.A.
Inventory Turnover	19,7	22,55	25,4	N.A.
Accounts Payable Turnover	14,17	14,67	15,17	N.A.
Payment Days	27	27	27	N.A.
Total Asset Turnover	1,84	1,55	1,26	N.A.
Debt Ratios				
Debt to Net Worth	0	-0,02	-0,04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
Liquidity Ratios				
Net Working Capital	\$120 943	\$140 664	\$160 385	N.A.
Interest Coverage	0	0	0	N.A.
Additional Ratios				
Assets to Sales	0,45	0,48	0,51	N.A.
Current Debt/Total Assets	4%	3%	2%	N.A.
Acid Test	23,66	27,01	30,36	N.A.
Sales/Net Worth	1,68	1,29	0,9	N.A.
Dividend Payout	0	0	0	N.A.