

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash can.

BUSINESS REPORT

Date: **19th May 2024**

Business Reference: **35392**

About the Business:

Hairdressing salon with large client base.

This hair salon is based in Centurion and been established for nearly 2 decades. The owner runs a successful incentive and commission structure for the stylists ensuring good turnover growth. This is a great investor opportunity - salon is manager run.

Hairdressing salon with large client base.



Sector: **Services**

Asking Price:

R **1,700,000**

Monthly Profit:

R **61,873**

Asset Value:

R **613,016**

Stock Value:

R **300,000**

Yearly Net Profit :

R **680,602**



Business Report

Fully describe the business's activities?

The salon consists of hair and beauty. It is 142m² and they have a beauty section(room) to do the beauty services separately. The beauty section is run by another beautician. The salon is branded and falls under Schwarzkopf Professional. They have permanent staff and get apprentices from Centurion academy and Serwalo academy.

They do charity events also and get involved with the old age community and schools in their area. Their salon services from very young to very old people , male and female. They have an excellent relationship with the co owners of the shops in the centre and the centre management. The staff wear uniform to look professional and work as a team.

How does the business operate on a daily basis?

Standard hair dressing operation.

What Advertising/Marketing is carried out?

Website
Facebook
Instagram

What competition exists?

Other hairdressers.

How could the profitability of the business be improved?

There are chairs available for more stylists in this well run hair salon.

When does the current lease end?

March 2023 with option to renew

What are the trading hours?

8am to 5pm

What are the main assets of the business?

Asset list will be provided.

Strengths?

They have a strong market position and are very professional. Affordable prices for excellent services. They only use the top products in the salon. They have a very good reputation in the area. They give a lot back to the community. There is a large amount of development in the area with many flats and townhouses being built around them in a 2 km radius.

A good staff commission structure ensuring good turnovers.

Weaknesses?

Keeping up with the competition.
Competition from house salons.

Opportunities?

Increase staff compliment.
The owner has recently setup a complete offering - providing nail and beauty treatments.

Threats?

None perceived other than general salons in the area.

What is the reason for the sale?

The seller is selling due to health reasons.