

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: **11th May 2024**

Business Reference: **36438**

About the Business:

Hair & Skin Beauty Salon

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Sector: **Services**

Asking Price:

R **1,500,000**

Monthly Profit:

R **39,324**

Asset Value:

R **100,000**

Stock Value:

R **450,000**

Yearly Net Profit :

R **471,883**



Business Report

Fully describe the business's activities?

The Hair salon offers a higher standard of hairdressing, satisfied clients and passionate stylists with a complete range of hair salon treatments and affordable blow-dry's in a relaxed, upmarket environment. The range of specialized treatments include gorgeous locks, Cuts, Colour, Brazilians, Braiding not to mention the more targeted treatments like Brazilian blowouts. The company also has a team of nail technicians and trained skin therapists that offer some of the best beauty treatments in Johannesburg.

How does the business operate on a daily basis?

Mon-Fri: 07:00 – 18:00 | Sat: 08:00 – 17:00 | Sun: 09:00 – 15:00

What Advertising/Marketing is carried out?

Via social media and in signage

What competition exists?

None in the existing centre

How could the profitability of the business be improved?

Appointing additional stylists
Online marketing spend increase

Give a breakdown of staff/ functions/ length of service?

Will be disclosed in detail during DD - however the staff are highly trained and we have enjoyed low turnover and very loyal staff.

Do any have management potential?

Yes

How involved is the Owner in running the business?

3-5 days a week

When does the current lease end?

2024

What are the main assets of the business?

Furniture and fittings

Strengths?

Experienced and skilled staff: Have a team of talented hair stylists, beauticians.

Prime location: Convenient and easily accessible location that attract more customers and increase foot traffic.

Quality products and services: Offering high-quality haircare, skincare, and beauty products helps build customer loyalty and satisfaction.

Strong brand reputation: Positive word-of-mouth, online reviews, and customer testimonials.

Diverse range of services: Providing a wide variety of services such as haircuts, styling, colouring, facials, massages, and manicures/pedicures in order to appeal to a broader customer base.

Weaknesses?

High overhead costs: Rent, utilities, staff wages, and inventory expenses can significantly impact profitability, especially during slow periods.

Limited scalability: Expansion opportunities may be constrained by factors such as space availability, staffing challenges, and financial resources.

Opportunities?

Expanding services: Introducing new services or packages such as bridal packages, spa treatments, or men's grooming services can attract new clientele and increase revenue.

Online presence: Leveraging social media platforms, the website, and online booking systems can enhance visibility, engage with customers, and streamline operations.

Threats?

Competition: Competing salons, spas, and beauty clinics in the area can pose a threat to market share and customer acquisition.

Economic downturns: Economic recessions or downturns can lead to reduced consumer spending on discretionary services like hair and beauty treatments.

What is the reason for the sale?

The shareholders wish to pursue different business opportunities