

Business Plan

OWNERS

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II. Executive Summary

Hair So Lovely by Tina (HSL) is a beauty salon and spa owned by a professional licensed hair stylist named Tina McElveen. She specializes in hair systems for customers with alopecia or customers who have lost their hair due to illness such as cancer (see Figure 1). Some customers purchase these systems just to enhance their beauty with natural looking hair. Customers also receive eyelash / eyebrow extensions and even men enhance their beards and mustaches. My site will provide wholesale prices to full service beauty salons and beauty supply stores in need of these items, 100 % human hair for hair replacement systems and glamour eyelashes or eyebrows replacement.

III. Products and Services

HSL Cosmetic Beauty will sell only 100 % human Remy hair products. No synthetic products will be used due to our core products will be pure quality. We will guarantee our customer that our hair is 100% human Remy hair by allowing them to purchase the product so they can feel the texture of our hair and recognize the quality. Displays of our products will also be shown throughout International Hair Shows, Retail Stores and Beauty Salons. Returns are permitted within thirty days if ordered online. The product must be unused, meaning no application has been applied to the hair and the protective base is still on the inside of the hair to protect all clients, we will refund 100% of their money back guaranteed.

HSL Cosmetic Beauty hair products will transform clients no matter why they desire Remy hair. We are aware customers of all ages and nationalities purchase these items due to illness, hormonal changes, stress, or just simply for glamour. For a custom fit, our products will include a range of natural looking hair in a variety of sizes (providing measurement of head radius and etc), styles, textures and colors in order to supply products to clients of all race, gender and age. We will offer consultation to our customers to guide them in their purchase to fit their personal needs or whatever the case may be.

This industry of Remy hair has proven that no matter what the economic status, high to middle class suburbanites or urban dwellers, everyone purchases these products. Celebrities, health care organizations, nonprofit organizations and even low income citizens are a few among others that are big spenders on these products.

I have asked fifteen beauticians ranging from the states of North Carolina, South Carolina, Georgia, Florida, California and New York what is the income base of most customers that purchase Remy hair. Studies have shown, through the survey and from hair show seminars, that no matter the income, low income to high income, clients will purchase Remy hair because it is so close to their natural God given hair. HSL hair systems will also gear towards clients ranging from heavily sports oriented to brides on their wedding day. As you can see, Remy hair products demographics involves a wide range which it is not limited to a respectable person or group. The only people that will not be interested are those with naturally thick, full, long flowing hair or full facial hair.

HSL product brand will set apart from most competition due to we will only sell 100% Virgin Indian or European Remy hair. This type of hair actually comes from humans verses animals such as horses, other synthetic hair or a mixture. Most beauticians or retail stores cannot afford to purchase the 100% Virgin Remy human hair due to it is more expense and mainly purchased wholesale from Florida, California and Hollywood, which means less profit. The key is to purchase this hair wholesale out of the country which is where it comes from verses buying in America. My sister Tina, licensed beautician and owner of HSL salon and beauty spa, has previously purchased this type of hair from a private corporation in China which her order was delivered within one to two business days. It actually took her three years after spending thousands of dollars, attending shows, seminars and networking to find this business located in China which is unknown to many other retailers and beauticians. She even learned how to purchase the hair in bulk in order to make these systems herself which can bring an even bigger profit by cutting out the middle man that makes these systems. Since she really doesn't have the

time to make these systems, this can be an option for me due to she has taught me how to make them also. Being that I am more into graphics, I prefer spending the extra cash for the middle man so that I can spend my time on marketing and promoting HSL Cosmetic Beauty products. It is always good to know other options just in case time permits in the future to make the systems.

In the past, cancer survivors and other people with hair loss have worn hair that was detectable as wigs or unnatural looking hair. HSL brand will relate to people with hair loss due to it looks so natural and it gives clients a natural looking hairline allowing them to swim with confidence knowing that the hair system or facial hair is secured. The brand will also relate to others who want to glam up their appearance due to the product is guaranteed to hold up at any dance party and offer flexible styling for any event such as a ponytail.

The HSL brand will conduct business ethically and render a high standard in excellent customer service by treating every customer as a very important person (V.I.P.) and provide excellence in our products. We will bring awareness to our customer that their purchase(s) will be safeguard through our site by a Stronghold secure server.

IV. Marketing Plan

I have several beauty salons as customers being that I am a freelance graphic artist. I have seen many advertisements, business cards and pamphlets advertising 100% human Indian Remy Hair for hair replacement systems or eyebrows / eyelashes systems. I will create an E-Commerce selling these products whole sale to licensed professionals. The products are also available to non-licensed customers at a higher price. I will create a competitive analysis comparing my site to at least three competitor E-Commerce sites.

The Primary marketing research is the type of marketing research I have and will continue to use to gather my own data from beauticians, hair show workshops and internet research. Being that marketing tools and professionals are expensive, this method will be cost efficient for a business just starting out. Professional market research can be very costly, but there are many books that show small business owners how to do effective research themselves.

Strategies and Methods

Since HSL Cosmetic Beauty has a large target customer base, this product will be market as a B2B as well as a B2C. We can sell the product to retail businesses and salons at a discounted rate as well as to customers at a competitive retail price. We can promote our products via broadcast such as television or radio, print ads, online, text messages and on other hand held gadgets through applications such as the ones offered on ITUNES and Facebook. Banner ads, banner exchange, referrer sites and search engines are great options for online promotions for HSL Cosmetic Beauty products.

Banner ads online have been tested for many years and studies shows that they have brought awareness greater than television ads. We will hope our banner ads will increase traffic to our site leading to increasing sales. Our banner should be intriguing with an overall attractive feel encouraging customers to check out our products and what we have to offer. Standard sizing, effective animation and placing the banner at the top of the page to render the highest clickthrough rate, should also be considered when creating an online banner. To reduce cost of advertising, we can use banner ad exchange networks with hospitals and other organizations that will benefit by offering their customers our products. We can also look into using a business such as Amazon as a referrer site being that Amazon has such a large customer base. Adding meta tags during the site development stage using terms / phrases such as “hair loss solution, hair systems, 100% Virgin human Remy hair, eyelash, eyebrows, beards, mustache” to name a few will assist with spiders for search engines.

HSL Cosmetic Beauty can use tracking tools to evaluate the performance of our banner ads and other promotional tactics. A visitor counter will not be effective to measure our performance but a tracking tool that reports what the client purchase, how long the user visited the site, location, age and which promotional tactic brought the customer to our site is a more productive tracking tool. We can also compare the number of impressions against the number of clickthroughs. Choosing to use these types of tools can help track the process of our promotional ads which we can evaluate and decide if revisions are in order.

The three tracking tools I prefer to use for HSL Cosmetic Beauty products are pay-per-click, pay-per-lead and pay-per-sale. Pay-per-click (PPC) will be a good choice for our product due to we will only pay PPC providers on a fixed cost only if our ad is clicked. Microsoft,

Google and other large providers would not be a good choice for this option during the startup due to they are based on a bidding systems meaning it depends on the competition level for a keyword which will determine the cost per click. This is my least favorite even though it will generate new visitors due to you pay even if it does not generate a sale.

Pay-per-lead involves paying for sales generated from a lead. Companies such as ClearLead can be considered for pay-per-lead to track users' activities. ClearLead will charge us a fix rate and will help us generate traffic to our site which they focus on creating sales. They are also experts on site development and hosting advice. Also, ClearLead sends forms with information for prospective customers and sends the leads to us for marketing and promotional purposes. There are no charges for the leads if they do not generate sales, no extra charges for clickthroughs from search engines and no long-term contracts. Online dashboards for reviews are also available.

Pay-per-sale is also an option due to we will only pay for sales generated from a clickthrough. This will benefit my product due to I will only pay the publisher or provider for sales via clickthroughs which some are commission rates. This payment method is most favorable to my product as an advertiser. This means the provider or publisher has the burden to focus on the audience, the quality and creativeness as well as the location of my banner to draw new and repeated clients for sales in order to receive payment from sales.

Competitive Analysis

Garland Beauty Supply, My Indian Hair and DeNovo Hair are just a few major competitors but this is a large industry. The main features of Garland and My Indian Hair are front lace hair systems catering mainly to women just as Hair Club for Men only advertise to men. Garland mainly markets facial hair systems such as eyelashes, mustaches, beards and eyebrows. They do have wigs but not front lace.

Front lace 100% Remy Hair is a thin layer under the hair which allows customers to part their hair anywhere for a natural looking scalp, flexibility for hair styling like ponytails for sports and customers can go swimming with no worries. My site will be different from these competitors due to I will have products for facial hair, front laces to enhance a head full of natural looking hair and I will cater to both men and women. Below is a table analysis of criteria listings for the competitors Garland Beauty Supply, My Indian Hair and DeNovo Hair.

Criteria	Garland Beauty Supply	My Indian Hair	DeNovo Hair
Products	Homepage have all links uniquely listed. Everything is right there on the homepage without scrolling down	Home page features tons of products but the page is not that professional	The main categories for the hair systems are placed on the left side of the page. I also like the way they list the in-stock items.
Search box	No search box	No search box	Upper-right-hand corner, above navigation menus
Navigation	Primary navigation is at the very top of the page with an Order form button below the navigation	Very unorganized. Primary navigation on the left side of the site with too many links.	Primary navigation is at the top of the page. Other navigations exist

	system on every page		on the left and right side of the page
Contact information	Available link on the far left of the navigation	Very hard to find a way to contact company. There is a customer service link in the middle of the navigation located on the left. As you scroll down there is also a Contact us Link mid-way to the bottom. Very unprofessional site	Second link at the very top of the page after the home link
Shopping functions	Order form available and request for quote. The link is on every page at the top	You have to actually go through and pick a front lance and then you will see add to the cart button. A shopping cart link is not available.	A neat shopping bag icon with a link at the very top (last link) after the my account link

Goals

Three main goals will be to market through existing clients and at international hair shows, increase new customers and maintain repeated customers. The goals for marketing will be to advertise through HSL beauty salon & Spa located in South Carolina, very popular in the Carolinas and Georgia, and my other present clientele. I can create pamphlets and postcards advertising the site which HSL and my other clients can advertise at hair shows which they attend frequently such as Bronner Bros. International Hair Show. Retail stores, Salons, Spas as well as customers seeking new beauty tips attends these types of show which will allow marketing to new customers.

Usually, my present clients take 5,000 business cards and 5,000 rack or post cards to these types of events. I can do the same and even pass these flyers out at malls and other ventures due to my objective is to make at least 5,000 new customers aware of the new site and products with the goal of making more than \$100,000 the first year. This means I will have to

intrigue customers by placing before and after pictures on the website as well as a good slogan to increase visitors on the web site.

It will be important to have an overall professional feel on the site as well as easy navigation to maintain repeated customers. I like the navigation systems on DeNovo site due to it is well organized. Therefore, my navigation systems will be similar but will probably have less links. I can also give a discount towards the next purchase to entice the customer to come back and visit again. Another discount will be given to first time purchasing and to customers that refer a friend to purchase through my site. The customer will be given a discount code which will apply while submitting shopping cart. This will also help meet the goal of having at least fifteen new visitors to the site every week or at least sixty per month for the first year.

To see if my goals of visitors are measurable, I will compare the number of hits to my page per week for the first month. If I have not reached my goal, then I will see how I can increase visitors through search engines and word of mouth. It is amazing how customers can spread the word about a new business as well as Twitter, Facebook and MySpace. I can design advertisement for my business on these sites as well as adding Meta tags such as 100% hair.

Growth Drivers and Barriers

It is important that I am aware of growth drivers as well as barriers when trying to enter into a new business due to drivers and barriers both affect profits.

The drivers that will stimulate growth for my business are around-the clock service, standardized data interchange formats, ease of access, critical mass, diversifications of offerings and centralizations. These drivers will allow services 24 hours/ 7 days per week/ 365 days per

year, a central location for global customers to purchase a variety of products at a competitive price.

The barriers will consist of fear of change, large segmentation, increased competition and cost. There are tons of businesses offering hair replacement solutions. I may have to purchase a booth at one of the international shows so that customers can feel the product and see it close hand. I can use someone like my sister who is a licensed professional hair designer to illustrate how to use the different types of hair systems. This way customers can see the before and after results. Word spreads about these hair shows which usually takes place in Atlanta, GA, Los Angeles, California, Miami, FL and New York, NY which my sister already have connections in this industry. The cost of these products is usually expensive so we definitely have to make it look like a life changing experience.

V. E-Commerce Site Plan

For a successful site design, Hair So Lovely by Tina (HSL) Cosmetic Beauty's E-Commerce must be planned. Usability refers to the effectiveness of a site's design. Just because a site uses the latest technology, it does not mean the site is user friendly or designed effectively.

Creating user personae, scenarios, site maps and site diagrams will assist in the site planning stage for developing an E-Commerce.

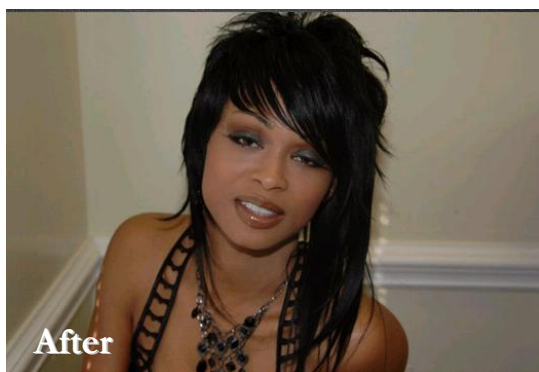
Three User Personae

Our main target users will be customers with illness such as cancer and alopecia. After figuring out the main target audience, I have discussed typical users within this category with several beauticians. I have created three user personae for HSL Cosmetic Beauty Supply. The three personae follow:



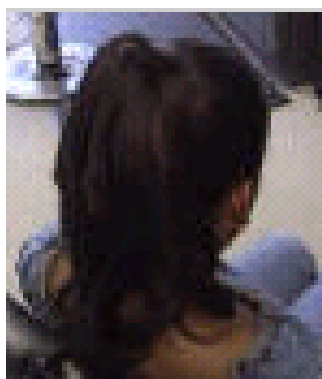
- CAREER ORIENTED
 - Age: Thirties
 - Gender: Woman

- Occupation / Hobbies: Occupations involves going into an office verses work from home and brings in an annual income of at least \$35, 000 which this group hobbies involve networking and attending business functions.
- Motivation: Along with their business appearance, the success in their career is what motivates this category. These systems boost their confidence helping them accomplish daily missions.



- HOUSEWIFE
 - Age: Mid-Thirties to Early Forties
 - Gender: Woman

- Occupation / Hobbies: Stay at home mom is this woman's occupations she is very active in her kids extracurricular activities and sports. She is involved in her community and serves on several boards such as the school PTA.
- Motivation: Looking beautiful and glamorous at all times mainly for her family while multi-tasking to keep her house a happy home. She shows the world that you can stay beautiful as an overactive housewife.



- Elementary Child
 - Age: Elementary School (up to 6 grade)
 - Gender: Little Girls
 - Occupation / Hobbies: Very bright young ladies who need the boost of confidence so that kids can recognize them for their inner beauty verse their outer appearance. Money is donated by several organizations such as “Wigs

for Kids” to support little girls with cancer such as leukemia so that can concentrate on school. The kids are allowed to continue competing with swim teams and other sports without the worries of someone noticing they are wearing one of HSL’s systems.

- Motivation: Their families, schools and will to reach for the stars are their motivation. These targeted kids are active kids in sports and in beauty pageants representing for cancer survivors.

Developing a Scenario for a User Personae

Brief scenarios for user personae are created to demonstrate why the visitor is at your site and what they may purchase.

A scenario for the career woman - she is currently wearing a system but in three weeks it will be time to purchase another frontal lace system. She may order a new one by first going to the search engine and typing in the product number due to she has ordered the item previously. After adding this item to the cart, she realizes that it only takes two business days for arrival of the product so she purchase the shampoo and conditioner for upkeep of her present system so it will continue to look healthy until the scheduled hair appointment in three weeks.

The housewife has seen a system on a friend who has referred her to HSL’s site. She enters the homepage and reviews the hair gallery to see the before and after photos. She is impressed by her friend’s system and the testimonies on the site. She then enters the Product page and skim through the full lace hair system and straight hair line. She finds the one she likes and adds to her cart. She is then is then directed to a page with her subtotal and she has the option to continue shopping or checkout. She checks out which she is then taken to a secure site asking her to sign up with a username / id, full address, contact number and email address. She has a choice on the next page of selecting the shipping she prefers and payment option. After

everything is confirmed, a confirmation page will appear thanking the customer for their time with an order number, total and information to contact us for questions.

The elementary princesses little girl may look at the site with her mother. Her mother may take her to the kids' photo gallery to see if she likes the system. After she sees she could swim, put the hair in a ponytail and part the hair to display a natural hairline. Then the mother may go to the biography page to see which stylist they are comfortable with by reading credentials and job history. Then she may navigate to the contact page to make a consultation appointment and to get directions or ask for a recommendation for a salon rendering the same services located close to her.

Site Outline

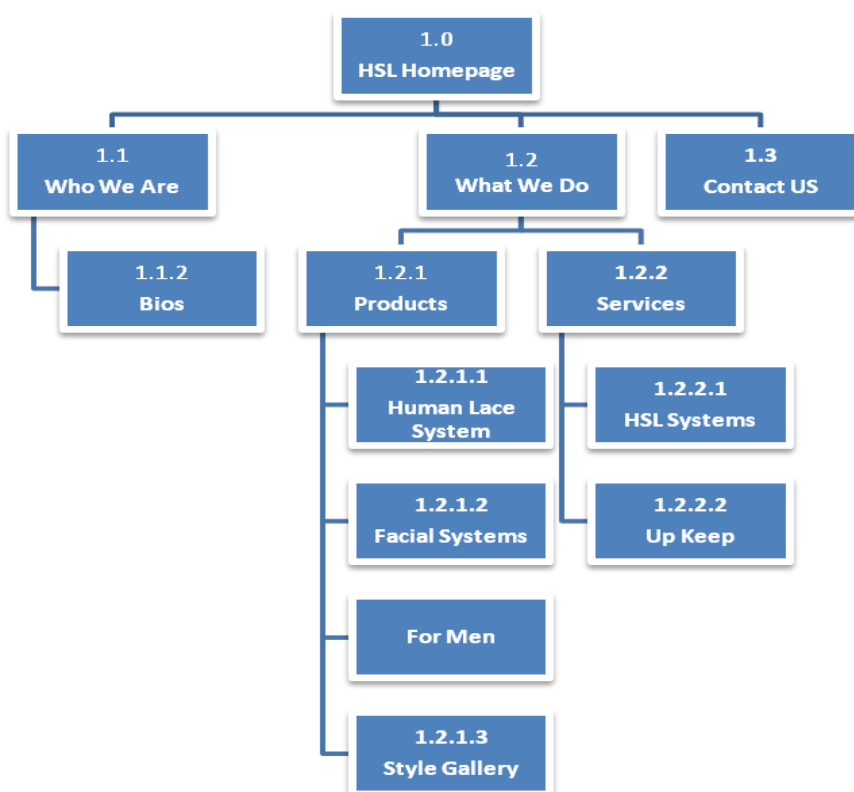
An outline is required during the E-Commerce Site Plan. HSL Cosmetic Beauty site outline pages are displayed below. There is only one-level page (Home) and Who We Are, What We Do and Contact Us are second-level pages.

- 1.0 HSL Home Page
 - 1.1 Who We Are
 - 1.1.1 HSL History
 - 1.1.2 Professional Hair Designer Staff
 - 1.1.2.1 Tina McElveen, *Owner/stylist*
 - 1.1.2.2 Edith Frazier, *Professional stylist*
 - 1.1.2.3 Cristy Gallishaw, *Professional stylist/barber*
 - 1.1.2.4 Denise Hickman, *Professional stylist*

- 1.2 What We Do
 - 1.2.1 Products
 - 1.2.1.1 Human Lace System
 - 1.2.1.1.1 Full Lace Systems
 - 1.2.1.1.2 Frontals Lace Systems
 - 1.2.1.1.3 Precision Cut Systems
 - 1.2.1.1.4 Hair Application
 - 1.2.1.2 Facial Systems
 - 1.2.1.2.1 Eyelash & Eyebrow
 - 1.2.1.2.2 Beard & Mustache
 - 1.2.1.2.3 Facial Application
 - 1.2.1.3 Style Gallery
 - 1.2.1.3.1 Women
 - 1.2.1.3.1 Men
 - 1.2.1.3.2 Children
 - 1.2.2 Services
 - 1.2.2.1 Invisible Hair Weaves
 - 1.2.2.2 Interlock Weaving
 - 1.2.2.3 Strand-by-Strand
 - 1.2.2.4 Training for System Upkeep
- 1.3 Contact US

Site Diagram

I have developed a site diagram for HSL Cosmetic Beauty site based on the above site outline. Please review the diagram below (please double click the diagram to enlarge):



VI. Appendices

Include details and studies used in your business plan; for example:

- Certification Partners, LLC. (2009). *eCommerce Strategies and Practices: Academic Student Guide – Volume 1*.
- De Novo Hair LLC. (n.p.). *Fashion & Hair Loss Solutions for Today's Woman*. Retrieved from DeNovo Hair: <http://www.denovohair.com/index.html>
- Garland Beauty Products INC. (2007). *LaCharme Eyelash Extensions*. Retrieved from Garland Beauty Products: http://www.garlandbty.com/eyelash_extension.htm
- Surveys and Interviews provided by:
 - Bronner Brothers 2010 Mid Summer International Hair & Beauty Show, Atlanta, GA
 - Hair So Lovely by Tina, 221 South Sixth Street, Hartsville, SC 29550
 - J. Rush, The Progressive Image, 628 W. Smith Street, Timmonsville, SC 29161
 - Trishenia Skidmore, Liscensed Professional Hair Stylist, Charlotte, NC
- My Indian Hair LLC. (n.p.). *European Beauty*. Retrieved from My Indian Hair: <http://www.myindianhair.com/europeanbeauty.html>