

[Company Name]

[Logo]

**Barbershop Business Plan**

**Provided by NameSnack**

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# EXECUTIVE SUMMARY

Your executive summary should briefly explain the purpose of your business. The rest of the business plan will go into great detail, but the summary should give readers a quick idea of why you are form the business and what it will do. This can be accomplished in just a few paragraphs. You may even want to break your summary into sub-sections, like the ones below.

Product or Service

Here you can explain the primary products/services your business will offer. Even though other businesses may already be offering the same products or services in your area, you should be able to articulate why yours will be unique or superior.

Potential Customers

Generally, businesses target a certain demographic that aligns with their speciality. For example, if you are starting a luxury beauty salon in a busy metropolitan area, your potential customers will likely be female professionals that range in age from 20 to 50.

Company Ownership
Investors will be very curious about who is at the helm of your business. Include a name and brief bio for each owner. The bio should include details that help to show why he/she is a good fit for the business.

Your company ownership section can also include a breakdown of ownership – i.e. How much will be owned by the founders, how much will belong to private investors, etc.

Company Future and Projections

Briefly mention long term plans and anticipated benchmarks for the business.

Financing Needed

More financial details will be provided in the financial section, but for the purposes of your executive summary you can briefly state what funds are needed to open your business. If you are using your business plan as supporting documentation for a business loan application, a quick explanation of the purpose of the loan can be helpful.

COMPANY DESCRIPTION

Mission Statement

Your mission statement should explain in just one or two sentences what the mission of your company is. For example:

*“To inspire and nurture the human spirit – one person, one cup and one neighborhood at a time.*”

* Starbucks

Company Philosophy

A company philosophy is a statement or set of statements that highlights your guiding principles. For example, here is Google’s company philosophy:

1. *Focus on the user and all else will follow*
2. *It’s best to do one thing really, really well*
3. *Fast is better than slow*
4. *Democracy on the web works*
5. *You don’t need to be at your desk to need an answer*
6. *You can make money without doing evil*
7. *There’s always more information out there*
8. *The need for information crosses all borders*
9. *You can be serious without a suit*
10. *Great just isn’t good enough*

Company Goals and Objectives

List your primary goals and objectives. These may include annual revenue targets, a certain number of customers, etc. Include any numbers that can be used later as a metric for your success.

Founders, Formation History and Legal Entity

Share information about the founders of the business, including their professional backgrounds. You can also write up a brief history of the business if it is already in operation or explain what led to the formation of the business.

By the time you write your business plan, you should have created a legal entity for your business. Explain if this is a sole proprietorship, LLC, corporation or partnership and include additional details like the legal name.

If your company has already earned profits, include a brief statement of earnings by quarter or year.

Target Market

Your business may appeal to a wide range of people, but you need to define a target market – a group of people that is most likely to be interested in your product or service based on their age, interests, occupations, etc. Defining the target market will help you to create a purposeful marketing strategy that maximizes your budget.

Competitors

Describe your competitors in both general and specific terms. First, explain what kinds of businesses will be in direct competition with yours. Second, make note of any specific businesses in your region that are likely to compete for the attention of your customers.

Finally, describe your business’s competitive advantage and how your plan to maintain an edge over the competition.

Achievements to Date

This is your opportunity to list company accomplishments, such as sales records, business awards, major acquisitions, etc. These can be listed in point form and will help to bolster your pitch to investors.

PRODUCTS AND SERVICES

Core Product or Service

Use several paragraphs to explain your product or service. This explanation should include why your business is uniquely positioned to make this offering. You can speak in broad terms, and even define the manner in which your product or service will be delivered to customers.

Pricing

Outline your pricing structure by listing rates for services or prices for items. You should also explain your pricing model by defining the difference between your costs and your markup.

# MARKETING PLAN

Target Market Research

Whether you’ve hired a consultant to research your target market for you, or you are doing the research yourself, you should summarize your findings here. Include relevant statistics that further elucidate the need for a business like yours.

SWOT Analysis

|  |  |
| --- | --- |
| Strengths | Weaknesses |
| Opportunities | Threats |

Marketing Strategy

Summarize your marketing strategy by saying something like, “The elements of our marketing strategy are, (1) Build business relationships, (2)….”

You can go into more detail in this section if necessary, but the purpose is to communicate your overall strategy in general terms.

Marketing Channels to be Used

It is important to define what marketing channels your business will use to reach customers. A marketing channel is a point of distribution that allows you to introduce more people to your business. Possible marketing channels include:

* Social media (Twitter, Facebook, Instagram, etc.)
* Company Website
* Email Marketing
* Search Engine Optimization
* Pay-Per-Click Advertising

Marketing Budget

Here you can declare a total dollar value that will be budgeted for all of your marketing efforts in the first year. You can also share a marketing budget spreadsheet that shows how the money will be divided.

[Use our template to get started.](https://www.thesmbguide.com/downloads/marketing-budget-download-20190821.xlsx)

OPERATIONAL PLAN

Premises Requirements

|  |  |
| --- | --- |
| Square Footage |  |
| Location (urban, suburban, industrial) |  |
| Parking Spaces |  |
| Heating/Cooling |  |
| Zoning |  |
| Other Features |  |

Legal and Accounting Requirements

Personnel Requirements

Make a comprehensive list of all of the employees that you will need to hire to operate your business, including managers.

Inventory Management

Explain how you will manage your inventory, whether you plan on having a manual method in place or you will be using inventory management software. This section may include details about the frequency of new orders, how you plan to move old inventory, and policies for inventory documentation.

Less information will be needed if your business offers a service rather than a product.

Equipment and Technology Needs

|  |  |
| --- | --- |
| **Item Description** | **Price** |
|  |  |
|  |  |
|  |  |
|  |  |
| **Total** | $ |

Logistics and Distribution

This section is applicable if you are selling goods that need to be distributed to retail locations, or directly to customers. You should answer questions like:

* Will you use a wholesaler?
* Will you work exclusively with one courier or several?
* How big will your distribution area be? (local, regional, national, international)
* How much will distribution cost?

Suppliers

Every business needs to work with suppliers in order to buy the raw materials for their product, purchase new inventory, or buy items/equipment that will allow them to perform a service.

If you have secured contractual agreements with suppliers, you can make brief mention of this and even include them with your supporting documentation if investors and or lenders ask for them.

Credit Policies

Your credit policy defines your company’s limits for accepting payments on goods sold or services rendered. In other words, the policy stipulates how long payees have before you start charging interest, and what the interest rate will be.

MANAGEMENT

Founders and Executive Team

List the founders of your business and provide a brief biography for each one. You should also include a list of people on your executive team. You can visualize your executive team using a diagram like the one below. The titles and organization of the hierarchy can be modified to reflect the structure of your business.

Owners and Shareholders

If you have not done so already, list all of the business owners and current shareholders, including what percentage of the company they own.

Board of Directors

If your company has formed a Board of Directors, list their names and titles.

Management

Your executive team oversees the big picture of your company operations, but the next tier of personnel, management, is involved in the day to day operations of the company and the management of all employees.

List the names and titles of each of your managers. If possible, include a brief description of what their role will be and why they are qualified for it.

If you have not yet hired managers, describe the type of people you are looking for and what roles they need to fill.

Advisors and Consultants

Many early-stage businesses hire advisors and consultants to help them enter the market successfully. If your business is working with an advisor or consultant in any capacity, make a note of who they are and why they have been brought on board. Professional expertise from a third party signals to investors that you are doing your due diligence and planning carefully in order to meet your goals.

FINANCIAL PLAN

Current Balance Sheet

A balance sheet lists all of the company’s current assets and liabilities.

[Use our balance sheet template](https://www.namesnack.com/downloads/balance-sheet-template-download-20200819.xlsx) to create your own balance sheet.

Financial Projections for 12 Months

There is no way to know for sure where your business will be in 12 months, but you can make some financial projections based on a set of assumptions. This is often done by using a Pro Forma Profit and Loss Statement. This is the same as a regular Profit and Loss Statement, except for the fact that it is a projection instead of an analysis from a prior fiscal period.

[Use our Pro Forma Profit and Loss Statement template](https://www.namesnack.com/downloads/pro-forma-profit-and-loss-statement-download-20200818.xlsx) to create a spreadsheet that details your financial projections.

Cash Flow Budget for One Year

A spreadsheet that outlines your cash flow budget will help you to establish reasonable spending limits.

[Use our Cash Flow Budget template](https://www.namesnack.com/downloads/cash-flow-budget-download-20200819.xlsx) to get started.

Break-even Analysis

A break-even analysis uses a simple formula to reveal the point at which your business will cover all of its expenses and have a net profit or loss of $0.00.

You can [conduct a break-even analysis](https://www.namesnack.com/downloads/break-even-analysis-template-20200819.xlsx) using our template.

Financing Needed

In order to summarize the financing that you need, what it is needed for, and how it will be spent, you should have a Statement of Sources and Uses. This statement lists total dollar amounts for each category in your budget, and corresponding sources for those dollar values.

[Use our template](https://www.namesnack.com/downloads/statement-of-sources-and-uses-download-20200818.xlsx) to create your own statement of sources and uses.

# APPENDICES

Additional information can be included in the appendices if necessary, such as documents that verify the contents of the business plan, or additional notes on any of the sections above.