



**SURVIVE
& THRIVE!**

WITH THE **NHBF**

PREPARING FOR SUCCESS GUIDE





INTRODUCTION

Planning for Hair, Beauty & Aesthetic Businesses - Preparing for Success

This guide covers:

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PLEASE NOTE: This guide offers general information only. It is correct at the time of writing.
It should not be used as a substitute for legal or professional advice.
NHBF Members have access to our **free 24/7 legal helpline**.



FINANCIAL HEALTH CHECK

Regular financial health checks are essential for maintaining and improving your business's profitability. Follow these steps to review your numbers and assess the impact of upcoming changes on your budget.

REVIEW YOUR NUMBERS

1. Annual Revenue Analysis by Service Category

- **Break down your revenue by service type** (e.g., haircuts, colouring, beauty treatments).
- Identify which services contribute most to your income.

2. Most/Least Profitable Services Assessment

- Compare costs and revenue for each service.
- **Focus on services with high margins and assess if less profitable services can be improved or removed.**

3. Peak Trading Periods Identification

- Analyse monthly revenue to spot peak trading periods.
- Use this data to plan staffing and promotions during busy times.

4. Client Spending Patterns Review

- Examine average spend per client and frequency of visits.
- Identify opportunities for upselling or loyalty schemes.

5. Product Inventory Performance

- Review product sales data to identify best and worst sellers.
- Adjust stock levels and discontinue underperforming items.

6. Equipment Maintenance Costs

- Record maintenance expenses for all equipment.
- Determine if repairs or replacements are more cost-effective.

7. Utility and Overhead Expenses

- List all overheads, including **rent**, utilities, and subscriptions.
- Identify areas for cost-saving measures, such as **energy efficiency improvements**.





BUDGET IMPACT ASSESSMENT

1. Calculate Impact of National Living Wage Increase

- **New rate: £12.21/hour.**
- Multiply this by the number of staff hours worked to determine the additional wage costs.

2. Project Additional NICs Costs

- NICs increase to 15% from April.
- Calculate the new NICs contributions based on staff wages.

2. Review Business Rates Changes

- **Check eligibility for 40% business rates relief.**
- Calculate savings and adjust your budget accordingly.

3. Assess Current Pricing Structure

- **Review if pricing covers increased costs while remaining competitive.**
- Consider incremental price adjustments.

4. Evaluate Staff Costs and Structure

- Assess staff efficiency and productivity.
- Ensure your team structure meets business needs without overstaffing.

By completing these steps, you can ensure your business stays financially healthy and prepared for upcoming challenges.

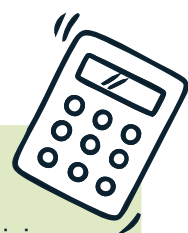


NEW! NHBF BUDGET CALCULATOR

This calculator provides instant clarity on the upcoming Minimum & Living Wage increases, National Insurance rate increases, National Insurance threshold decreases, and the Employment Allowance increase. It transforms complex calculations into clear, actionable information that business owners can use immediately.

Budget calculator for groups

Budget calculator 1-20 employees.





SERVICE PORTFOLIO REVIEW

SERVICE PERFORMANCE REVIEW

Conducting a service portfolio review helps you assess your current offerings and align them with client needs and market trends. Here's how to get started:

1. **List All Services:** Document every treatment, service, or procedure you currently offer.
2. **Evaluate Popularity:** Identify the most frequently booked services over the past year.
3. **Analyse Profitability:** Determine which services generate the highest profit margins.
4. **Assess Resource Use:** Examine the time, products, and staff expertise required for each service.
5. **Client Demand:** Use client feedback and booking patterns to identify services with high or low demand.
6. **Competitor Comparison:** Research competitor offerings to identify gaps or opportunities in your portfolio.





SERVICE PERFORMANCE ANALYSIS

This analysis provides insights into the success and efficiency of your services. Key areas to review include:

1. Top-Performing Treatments/Services/Procedures

- Identify the services that contribute most to revenue.
- Consider factors like frequency of bookings, repeat clients, and upselling potential.

2. Seasonal Service Patterns

- Analyse booking trends by month or season to determine demand fluctuations.
- Highlight popular services for holidays, summer, or other key times.

2. Service Completion Times

- Measure how long each service takes compared to the scheduled time.
- Identify inefficiencies and explore ways to optimise workflows.

3. Product Usage per Service

- Track product consumption for each service.
- Compare usage to product costs to determine cost-effectiveness.

4. Client Feedback Scores

- Review ratings and comments from clients.
- Identify patterns in satisfaction or complaints for specific services.

6. Booking Patterns

- Assess peak booking times, days, and client demographics.
- Determine which services are consistently popular or under-booked.

5. Cancellation Rates

- Monitor how often and why clients cancel services.
- Develop strategies to reduce cancellations, such as clearer policies or improved client communication.





2025 SERVICE PLANNING

Use the insights from your review and analysis to make informed decisions for the coming year.

1. Treatments/Services/Procedures to Promote

- Focus on top-performing or trending services.
- Plan marketing campaigns and promotions to boost visibility.

2. Treatments/Services/Procedures to Phase Out

- Identify underperforming or unprofitable services.
- Gradually remove these from your portfolio and inform clients of changes.

3. New Treatments/Services/Procedures to Introduce

- Research emerging trends and client preferences.
- Plan trial runs for new offerings before a full launch.

4. Required Training/Certifications

- Identify any skills or certifications staff need for new or improved services.
- Schedule training sessions or enrol staff in **relevant courses**.
- Check our **NHBF Assured Trade Members** who may be able to support you with your **training needs**.

5. Equipment Needs

- Audit existing equipment to ensure functionality.
- Invest in new tools or technology for upcoming services.

5. Product Requirements

- Stock up on products required for popular or new services.
- **Negotiate** with suppliers for better pricing or bulk discounts.

7. Pricing Structure Updates

- Review your **pricing strategy** based on costs, market rates, and client feedback.
- Clearly communicate any changes to clients in advance.

By regularly evaluating and planning your services, you can stay competitive, meet client expectations, and boost your business performance.



FINAL TIPS

1. Schedule regular reviews to keep your service portfolio up to date.
2. Involve your team in the process for diverse insights and better implementation.
3. Use data from booking systems, client feedback, and financial reports to make data-driven decisions.





STAFF ASSESSMENT AND STAFFING PLAN

TEAM REVIEW

Use the insights from your review and analysis to make informed decisions for the coming year.

1. Performance Evaluations

- Schedule one-on-one reviews with each team member.
- Use objective criteria such as client feedback, sales metrics, and adherence to salon standards.
- **Document achievements and areas needing improvement.**

2. Training Needs

- Analyse individual performance and identify skill gaps.
- Gather input from team members about training they feel would benefit them.
- Prioritise training sessions that align with business goals.

3. Career Development Plans

- Collaborate with staff to map out their career goals.
- Offer mentorship opportunities or external courses to support their ambitions.
- Regularly revisit plans to track progress.

4. Working Hours Optimisation

- Review schedules to ensure they align with peak client demand times.
- Consider **flexible working arrangements** to support team well-being.
- Use digital scheduling tools to minimise errors and improve efficiency.

5. Contract Reviews

- Verify all **staff contracts are up-to-date** and compliant with employment laws.
- **Clearly define roles, responsibilities, and benefits in the contracts.**
- Address any discrepancies during review meetings.

6. Commission Structures

- Evaluate the current commission structure's effectiveness in motivating staff.
- Benchmark against industry standards.
- Adjust to ensure fairness, transparency, and alignment with business profitability.

7. Team Satisfaction Survey

- Distribute an anonymous survey to gauge team morale and satisfaction.
- Include questions about workload, management support, and workplace culture.
- Use results to inform action plans for improvement.





2025 STAFFING PLAN

Planning for 2025 ensures your business is prepared to meet future challenges and growth. Consider the following steps:

1. Recruitment Needs

- Identify gaps in the current team based on projected client demand.
- Create detailed job descriptions for new roles.
- Use diverse recruitment channels to attract talent.

2. Training Schedule

- Develop a calendar of training sessions based on identified needs.
- Incorporate ongoing development, such as customer service skills or new techniques.
- Partner with industry educators for specialist training.

3. Certification Renewals

- Maintain a record of team certifications and their expiration dates.
- Schedule renewals well in advance to avoid lapses.
- Support team members financially or logistically with required renewals.

4. Wage Structure Updates

- Review wages to ensure they remain competitive within the industry.
- Factor in inflation, market trends, and team feedback.
- Communicate changes clearly and fairly to staff.

5. Team Development Goals

- Set specific, measurable, achievable, relevant, and time-bound (SMART) goals for individual and team growth.
- Align goals with the salon's strategic objectives.
- Recognise and celebrate achievements to motivate staff.

6. Performance Targets

- Establish clear targets for revenue, client retention, and service quality.
- Share these targets with the team to foster a sense of shared responsibility.
- Monitor progress regularly and adjust as needed.

7. Bonus Scheme Review

- Assess whether the current bonus scheme rewards high performance effectively.
- Explore new incentives such as team-based bonuses or additional leave days.
- Ensure the scheme remains transparent and achievable.

By following these guidelines, you can support your team's growth while positioning your salon for continued success in 2025.



Download our business finances, prices, wages & profits guide which covers everything you need to know, from business accounts, wages and workplace pensions to dealing with no-shows and top tips for making a profit.

[DOWNLOAD NOW >](#)





CLIENT RELATIONS AND CLIENT BASE ANALYSIS

CLIENT RELATIONS

Strong client relationships are the foundation of a successful business. Focus on understanding your clients' needs, exceeding their expectations, and fostering loyalty.

KEY STEPS:

1. Communication:

- Use personalised messages for promotions, updates, and reminders.
- Maintain professionalism while being approachable.

2. Feedback:

- Regularly seek feedback through surveys or informal conversations.
- Act promptly on constructive criticism.

3. Client Experience:

- Ensure a seamless booking process.
- Create a welcoming environment.
- Provide consistent service quality.

4. Appreciation:

- Recognise loyal clients with thank-you notes, exclusive offers, or discounts.
- Celebrate client milestones such as anniversaries.



Read our blog on the importance of client consultation in your salon, clinic or barbershop

[READ NOW >](#)



Download our Member only free guide to delivering an outstanding client experience

[DOWNLOAD NOW >](#)



Download our consultation and industry tests guides to ensure you are protecting your clients

[HAIR >](#)

[BEAUTY >](#)



CLIENT BASE ANALYSIS

Understanding your client base enables you to make informed decisions and optimise your services.

METRICS TO MONITOR:

1. Active Client Numbers:

- Count how many clients have visited in the past 6-12 months.
- Use this data to assess business growth and identify potential lapsed clients.

2. Average Client Value:

- Calculate the average spend per visit or per client.
- Focus on strategies to increase this value through upselling or premium services.

3. Retention Rates:

- Measure how many clients return over a set period.
- Aim for a retention rate of at least 60-70%.

4. Referral Sources:

- Track how new clients find your business (e.g., referrals, social media, ads).
- Invest in the most effective channels.

5. Rebooking Rates:

- Analyse how often clients book their next appointment during their visit.
- Introduce incentives for rebooking.

6. Client Demographics:

- Understand age, gender, location, and other key traits.
- Tailor your marketing and services to your main audience.

7. Service Preferences:

- Identify the most and least popular services.
- Adjust offerings based on demand.





LOYALTY PROGRAMME REVIEW

Loyalty programmes should incentivise repeat visits, increase spend, and foster long-term relationships.

EVALUATE THE FOLLOWING:

1. Programme Performance:

- Assess overall client engagement and retention.
- Compare costs of running the programme to the revenue it generates.

2. Member Benefits Assessment:

- Review the perks offered (e.g., discounts, exclusive services).
- Ensure they align with client preferences and business goals.

3. Points/Rewards Structure:

- Confirm the system is simple and appealing.
- Evaluate if rewards encourage higher spend or more frequent visits.

4. Special Offers Impact:

- Analyse the uptake and financial impact of promotions.
- Use insights to fine-tune future offers.

5. Member Feedback:

- Survey members about the programme's value.
- Adjust based on feedback.

6. Digital Engagement:

- Check participation via digital platforms (e.g., app usage, online bookings).
- Increase digital rewards or reminders to enhance engagement.

7. Improvement Opportunities:

- Identify gaps in the current programme.
- Introduce new features such as tiered rewards or birthday bonuses



FINAL TIPS FOR SUCCESS

1. Regularly review your client data and loyalty programme.
2. Adapt to changing client preferences and industry trends.
3. Invest in client relationship management tools to streamline processes.

By focusing on these areas, you can strengthen client relationships, improve retention, and boost business growth.





MARKETING ASSESSMENT

MARKETING ASSESSMENT

Conducting a marketing assessment helps you identify what's working and where improvements are needed. Follow these steps:.

1. Analyse Current Position:

- Review your branding. Is it consistent across all platforms?
- Assess your current marketing channels.

2. Identify Goals:

- Set SMART (Specific, Measurable, Achievable, Relevant, Time-bound) goals for growth.

3. Evaluate Resources:

- Review your marketing budget.
- Assess available tools and staff expertise.

4. Benchmark Against Competitors:

- Compare your online presence and services with local competitors.

5. Collect Client Feedback:

- Use surveys or informal chats to understand client satisfaction and preferences.





CAMPAIGN REVIEW

A campaign review ensures you're making informed decisions based on past performance. Evaluate these areas:

1. Most Successful Promotions:

- Identify which offers brought the highest Return on Investment (ROI).
- Analyse timing, audience, and promotion methods.

2. Social Media Performance:

- Measure engagement (likes, shares, comments).
- Track follower growth and interaction trends.
- Identify which content types performed best.

3. Email Marketing Results:

- Review open rates, click-through rates, and conversions.
- Identify high-performing email campaigns and subject lines.

4. Client Acquisition Costs:

- Calculate the cost per new client.
- Assess whether acquisition costs align with client lifetime value.



Download our in-depth Member only **guide to marketing your salon or barbershop**



5. Website Traffic Analysis:

Use tools like Google Analytics to review:

- Total visits
- Bounce rate.
- Conversion rate (e.g., bookings, inquiries).

6. Booking System Efficiency:

- Check if your booking system is user-friendly and mobile-optimised.
- Identify any missed opportunities (e.g., uncompleted bookings).

7. Local Marketing Impact:

- Assess the success of flyers, events, or partnerships.
- Track new client numbers linked to local efforts.





2025 MARKETING PLAN

Use your assessment and review findings to build a focused plan for 2025. Include these key areas:

1. Digital Presence Goals:

- Improve website SEO.
- Enhance mobile usability.
- Aim for consistent branding across platforms.

2. Social Media Strategy:

- Set monthly content themes.
- Plan a mix of promotional, educational, and engaging posts.
- Schedule regular posting using tools like Hootsuite.

3. Email Marketing Schedule:

- Plan seasonal campaigns and monthly newsletters.
- Segment your client list for personalised messages.

4. Local Advertising Plan:

- Allocate budget for local ads (print, online, or in-store).
- Partner with nearby businesses for joint promotions.

5. Client Referral Program:

- Offer incentives for referrals (e.g., discounts, free treatments).
- Promote the program through email, social media, and in-store.

6. Seasonal Promotions:

- Plan offers around key dates (Valentine's Day, Christmas).
- Align promotions with client needs (e.g., back-to-school haircuts).

7. Budget Allocation:

- Allocate funds to high-performing channels.
- Reserve a portion of your budget for testing new strategies.



REGULAR MONITORING AND ADJUSTMENTS

- Track progress monthly using KPIs.
- Adjust strategies based on data.
- Stay flexible to respond to market changes.

By thoroughly assessing your current efforts and building a clear, actionable plan, you can maximise your marketing success in 2025.





Achieving operational excellence in your business involves maintaining a high standard of organisation, efficiency, and service.

Aim to uphold professional standards and follow the good practice guidelines set out in the following NHBF codes of conduct - **Hair & beauty business owners** and **self-employed**.

Showcase you are a Member by placing your NHBF window sticker in an appropriate place and on your website/material. Utilise any **digital credits** you have gained to ensure your business stands out from the rest.

This guide outlines how to conduct a facility assessment and systems review, ensuring your business runs smoothly and meets all necessary requirements.

FACILITY ASSESSMENT

Maintaining detailed records is essential to evaluate and improve your facility's operations. Use the following checklist to ensure all areas are covered:

Equipment Condition Audit

- Inspect all equipment regularly for wear and tear.
- Document the current condition of each item.
- Schedule repairs or replacements as necessary.

Maintenance Schedule

- Create a calendar for routine checks (e.g., HVAC, plumbing, electrical systems).
- Record completed maintenance tasks.
- Track costs associated with repairs and upkeep.

Renovation Needs

- Assess areas requiring upgrades or refurbishment.
- Prioritise projects based on client impact and budget.
- Keep records of quotations, timelines, and completed work.

Storage Optimisation

- Evaluate storage areas for organisation and accessibility.
- Implement systems to reduce clutter and maximise space.
- Maintain an inventory of stored items.

Health & Safety Review

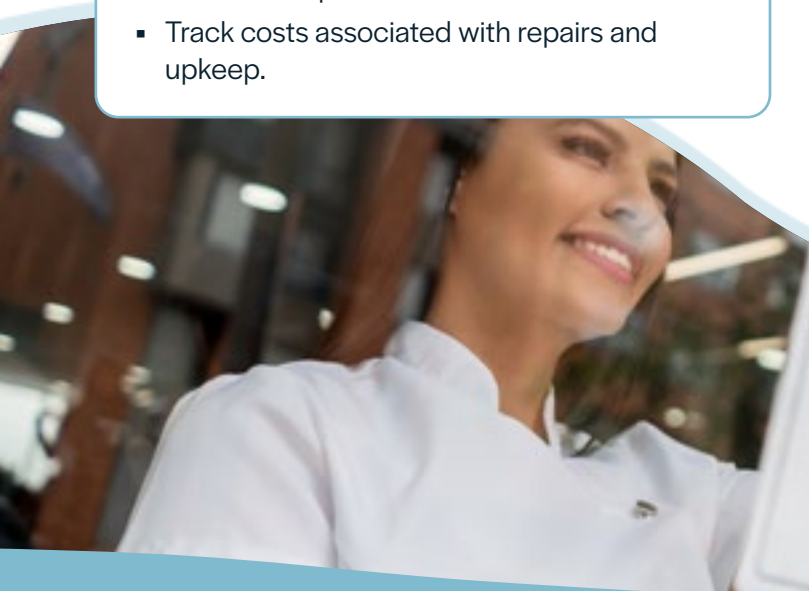
- Conduct regular health and safety checks.
- Address any hazards immediately.
- Keep a log of incidents and preventive measures.
- Follow expert advice and guidance with our **Business in a Box - Health & safety toolkits** for hair and beauty which is assured by the NHBF and local authorities.

Sustainability Measures

- Monitor energy and water usage.
- Record recycling and waste management practices.
- Identify opportunities to reduce environmental impact.

Accessibility Check

- Ensure compliance with accessibility standards.
- Review entryways, signage, and facilities for inclusivity.
- Document improvements made to accommodate all clients.





SYSTEMS REVIEW

Regularly reviewing your systems ensures they are efficient, reliable, and aligned with your business goals.

Focus on these areas:

Booking System Performance

- Test for ease of use and functionality.
- Track client feedback on the booking process.
- Record any downtime or issues and resolutions.

Payment Processing

- Verify secure and efficient payment methods.
- Monitor transaction times and error rates.
- Document refunds, disputes, and resolutions.

Inventory Management

- Maintain an up-to-date inventory of products and supplies.
- Track usage rates to avoid overstocking or shortages.
- Record reorder levels and supplier details.

Client Communications

- Audit communication channels (email, SMS, social media).
- Ensure response times meet client expectations.
- Log client feedback and actions taken.

Staff Scheduling

- Use software to optimise shift planning.
- Track changes and staff availability.
- Keep records of hours worked and adjustments.

Training Records

- Document completed training sessions for each staff member.
- Monitor compliance with mandatory certifications.
- Track ongoing professional development efforts.

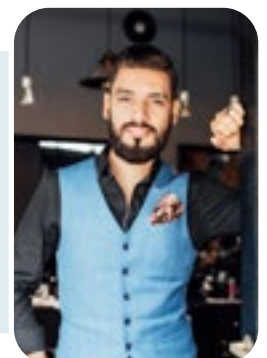
Compliance Documentation

- Maintain up-to-date records of licences, permits, and certifications.
- Track renewal dates to avoid lapses.
- Document compliance with industry regulations and inspections.

Tips for Maintaining Excellence

- Schedule periodic reviews of both facility and systems operations.
- Use digital tools to streamline record-keeping.
- Involve your team in assessments to identify overlooked areas.
- Set clear goals for continuous improvement.

By following this guide, NHBF members can ensure their business remains efficient, safe, and client-focused while meeting the high standards in the sector.





SUCCESS METRICS

OBJECTIVES AND KEY RESULTS (OKRS)

1. Revenue Targets

- **Set specific revenue goals** for a defined period (monthly, quarterly, yearly).
- **Break down revenue** by service category (e.g., treatments, products) for better insights.
- **Track performance** regularly to identify trends or areas for improvement.

2. Client Retention Goals

- **Aim for a high retention rate**, typically over 70% for a sustainable business.
- **Identify and reward loyal clients** with loyalty programmes or special offers.
- **Monitor churn**: track when clients stop returning, and implement strategies to win them back.

3. New Client Targets

- **Set a clear number of new clients** to target each month or quarter.
- **Track the sources of new clients** (social media, referrals, etc.) to optimise marketing efforts.
- **Focus on marketing and promotions** to increase visibility and attract new clients.

4. Average Bill Value

- **Track your average bill per customer**: the total revenue divided by the number of clients.
- **Increase bill value** by suggesting additional services or upselling.
- **Monitor trends** to see if changes in pricing or promotions affect the average bill.

5. Rebooking Rates

- **Set a rebooking goal** for clients (e.g., 60-70% of clients should rebook their next visit before leaving).
- **Encourage clients to rebook** by offering discounts or incentives for future appointments.
- **Track monthly rebooking performance** to see if any strategies need adjusting.

6. Staff Retention

- **Aim for low turnover**: a staff retention rate of 85% or higher is ideal.
- **Engage staff** by providing development opportunities, clear career paths, and competitive benefits.
- **Monitor satisfaction levels** through regular staff feedback and surveys.

7. Profit Margins

- **Track the profit margins** for each service or product.
- **Set clear profit margin goals** (e.g., 20-25%).
- **Identify areas to improve**: whether that's reducing costs, improving efficiency, or increasing prices without losing clients.





MONITORING SYSTEM

1. Weekly Reviews

- **Track immediate performance:** Review weekly revenue, appointments, and staff performance.
- Identify short-term trends and adjust as needed.

2. Monthly Assessments

- **Conduct more detailed reviews:** Evaluate progress against revenue, client retention, and other OKRs.
- **Assess marketing effectiveness:** Are promotions or campaigns meeting expectations?

3. Quarterly Evaluations

- **Review broader trends:** Assess performance over the last three months.
- **Adjust goals and strategies:** Based on performance, update your approach to stay on track.

4. Annual Comparisons

- **Evaluate long-term trends:** Compare the current year's results against the previous one.
- **Make strategic decisions:** Should you invest in new services or reduce overhead costs?

5. Team Feedback

- **Encourage open communication:** Regularly ask for team input on business performance.
- **Address challenges and ideas:** Use feedback to make improvements or changes.

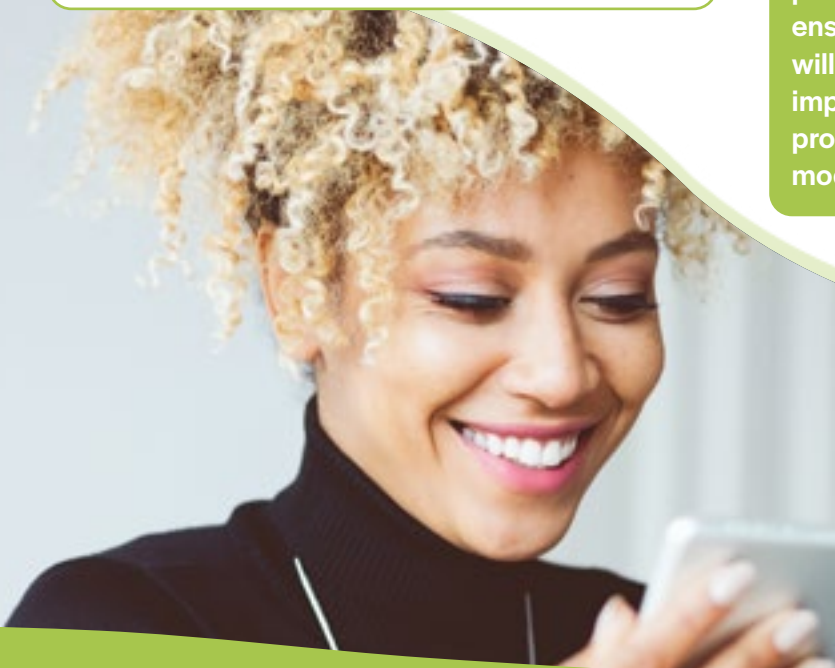
6. Client Surveys

- **Gather insights directly from clients:** Use simple surveys to understand satisfaction, areas for improvement, and expectations.
- **Use feedback to adjust:** Apply insights to improve client experience and retention strategies.

7. Market Analysis

- **Stay updated with industry trends:** Keep track of competitors and market shifts.
- **Adjust strategies:** Respond to changes in customer preferences, economic conditions, or new competitors entering the market.

By setting clear Objectives and Key Results and maintaining a robust Monitoring System, NHBF members can drive business performance, increase client satisfaction, and ensure steady growth. Regular assessments will keep goals on track and highlight areas for improvement, ultimately helping to increase profitability and build a sustainable business model.



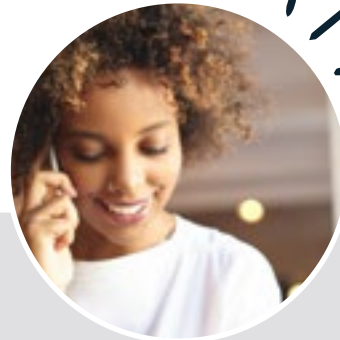


HOW THE NHBF CAN HELP

Check out our other guides on all aspects of running hair and beauty businesses at www.nhbf.co.uk/guides

GUIDES

- Absence management
- Advertising law
- Allergy alert testing
- Allergy alert testing & sensitivity checks
- Apprenticeships
- Becoming a training provider
- Business finance
- Card payment processing
- Chair renting
- Client experience
- Complaints
- Consumer law
- Franchising
- Health and safety (part of kit)
- Hiring a manager
- Managing performance
- Marketing your hair and beauty businesses
- National Minimum Wages
- No-shows and late cancellations
- Pensions
- Prices, wages and profit
- Recruiting and employing people
- Hair and beauty businesses fit-out
- Business software
- Self-employment
- Selling your business
- Start-up guides



REMEMBER

Your NHBF membership provides access to expert support, legal advice, and business templates to help implement these changes effectively.

This guide is part of the **NHBF Survive & Thrive campaign.**

Contact our friendly team **01234 831965** for implementation support.





THE NHBF IS HERE FOR YOU:

As a Member you'll always have someone to turn to for help, information and advice. This includes free practical support and guidance for managing people and running your business, crucial 24/7 legal lifeline, free chair, space and room renting agreements, valuable discounts on business essentials including insurance and free commercial law support.

Find out more: www.nhbf.co.uk

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