# Creating an eCommerce Business

**The Prestigious Beauty Salon**

**Business Idea**

Are you looking for your personal care, development, and beautify yourself with a wide variety of Beauty Salon Services along with Cosmetic Products to choose from? The Prestigious Beauty Salon is the place for you. It’s mostly unreceptive to the movement toward e-commerce since the beauty salon provides the hyper- contained personalized services. At reasonable and affordable prices, our beauty salon offers the best services and cosmetics products to its customers with amazing results like never before. Our Beauty Salon provides services such as Nail Polish and Facial/Skin, Hairstyling, Hairdressing, Hair Removal, Lid sticks, Care products, etc. which are commonly used in all over the world. Our superiority in the beauty salon range has developed concrete relationship with our clients and they are all over interested to get them at their doorstep even if they are sitting far from our studio as we have complete range of product varieties in the catalogs on our website and the app which we have specially designed for our customers to reach the easiest way to get them at their doorstep without any delay and obstacle. The online delivery structure will be equipped with a client relationship management system, which will allow the salon store to get responses and preferences of customers and also evaluate their service delivery. ( Lange, 1)

**Competitors**

The success of the Prestigious Beauty Salon is affected by multiple economic factors; the major one is its competitors. Competitors are very important in each business, and they play a significant role in a business flow. A company can be ready for success or failure; it depends on how they compete with other businesses around. Businesses should analyze their competitors to make sure that they offer unique services that competitors do not provide. In this way, a business can take advantage of it and get more business to its company. Since the Prestigious Beauty Salon is a new entrant in the Beauty Salon business, it faces stiff competition from all other proceeding beauty salons that are engaged in the same services. As a result, the Prestigious Beauty Salon must outdo the competition in order to get customers. The main competitors of the Prestigious Beauty Salon are the Ballaqua Salon Spa, Les Grandeur, and Blome Dry. These Beauty Salons are serving for years now and have a large customer base.

**Strengths**

The Ballaqua Salon Spa has several strengths, which make it superior over most other Beauty Salons. First, this salon has been around for a longer time compared to other salons in its vicinity. Therefore, it has many loyal customers. Secondly, the salon offers customers loyalty cards. It also offers a discount on its different packages, which are completely available on the premises as well as on the company’s operated online website catalogs. These attributes make many beauty salon consumers prefer to avail of the services of the Ballaqua Salon Spa. The salon is having a good number of branches which are offering services on the premises as well as on its online store booking a good number of queries to provide the goods and services promptly. It ensures that the beauty salon serves consumers from various cities and towns in the US.

**Weaknesses**

The beauty salon also has several weaknesses that can be used by competitors to gain a competitive advantage. The Ballaqua Salon Spa is running its branches within the vicinity of the US. In contrast, its competitor Blome Dry has almost 130+ locations to satisfy customers across the US, Canada, and the Philippines with more to open. The Ballaqua Salon Spa brand awareness is limited as compared to its competitors who are operating in different countries with more targeted and robust brand awareness. The Ballaqua Salon Spa is limited to beauty and spa services. In contrast, the Blome Dry offering the same services and additionally providing complete range like Executive Sweet, Pillow Talk, CoolSculpting. Consumers who prefer various services will, therefore, prefer other beauty salons.

**Mission Statement**

The Prestigious Beauty Salon is determined to attain the profit on the strong basis of customers' satisfaction and building enthusiastic team members and leading the business by providing extraordinary services to our clients, along with the reasonable prices and professional staff. Keeping our company highly flexible and adaptive to changes in the situation according to the market. We are careful about our community and business. With the aim of providing high-class Beauty Salon services, the Prestigious Beauty Salon is focused on capturing customers and delivering services of high excellence to grab a reasonable market share in the future.

**Form of Business**

The business will be in the form of a Limited Liability Company (LLC). The Prestigious Beauty Salon Company will be a single owner company, and it will start its operation from owner contribution and the debt availed for operating the business. The owner will have limited liabilities at part of the company and will handle specific duties such as controlling the monetary portion of things where they will handle the balancing of checks, purchases of raw materials related to the Salon, rents, licenses, paychecks to employees, overall and day to day business activities and debt servicing. The LLCs have speedily become one of the most accepted business structures for small businesses, mainly because they are supposed to be more flexible than a corporation form. The ownership of the Prestigious Beauty Salon will be a single owner. However, the Salon has the right to add members required running the business, as the taxation based on Sole Proprietorship and the business debts will be the personal debts. Forming an LLC based Beauty salon has advantages for the small business like a Beauty Salon as personal assets such as house and bank accounts cannot be used to collect company debts, the personal assets are also protected. The owners will not be apprehended personally accountable for the business liabilities and debts.

A Beauty Salon business based on LLC has a good advantage of “Pass-through Taxation” as the LLC business will not give any LLC taxes or corporate taxes at the entity level. LLC based business earnings and expenses exceed through to the owner’s personal tax returns, and the owner pays personal tax on any earnings (Audretsch, 2).

Another advantage of doing the business in LLC is that the managerial roles of the Prestigious Beauty Salon will be limited to the business only. The creditors will not peruse the owners for their house, saving accounts, etc. in order to pay the debt availed for the company. In this way, owners of LLC will have a competitive edge over Sole Proprietors and general Partners where they can be pushed for their personal holdings for paying off the bank’s debt.

The cost of formation LLC is slightly high as compared to Sole Proprietorship, but LLC has the advantage of a tax rebate, and the liabilities under LLC are limited, and it does not impact personal holdings (Mancuso, 3). **The initial cost to form an LLC is the state filing fee, which varies between $40 and $500, depending on the state where the business is.**

**Conclusion**

The Prestigious Beauty Salon will be a successful business and a great competitor for other companies offering various services available, reasonable pricing, and professional staff. It also will bring benefits to its owner as it is a new business that has no limits of being better and better with investments into services, products, marketing, and employees.

**Sources**

1. Lange. J. E. 2007. Pre-start-up formal business plans and post-start-up performance: A study of 116 new ventures. Venture Capital. 9(4). 237-256.
2. Audretsch. D. B. 2011. Handbook of research on innovation and entrepreneurship. Edward Elgar Publishing.

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