



Is a Salon Right for Your Beauty Supply Store?

If you're thinking about expanding your beauty supply store, consider filling some of the extra square footage with providing professional services. After all, by placing a salon in your store, you become a true one-stop shop for all of your customers' beauty needs, from where they buy their relaxer or hair extensions to where they get their hair done.

However, adding a salon to your beauty supply store isn't as simple as installing a few chairs and hiring stylists. To get some "been there, done that" advice about how to add a salon component to an existing beauty supply store, OTC Beauty Magazine chatted with Peter Chi, owner of C&C Beauty & Beyond, a six-store chain in Atlanta that has salons at three of the locations; and Gwendolyn Neal, owner of Nefertiti Beauty Supply/Salon, a four-store chain in San Jose, CA, with a 14-chair salon at one location and three chairs at another.

How much does it cost to add a salon?

Chi: It depends. Whether you're repurposing space in your existing store or designating a portion of your new location, you need a minimum of 500-1,000 square feet to house the salon. The more chairs you add, the more expensive the project will become, as you will need to

install plumbing, fixtures, tile, countertops, and the list goes on.

It's really about how much space you can afford to lose. If you're limited by the space, I wouldn't put a salon in because I don't really think it's that beneficial dollar-wise. The profit margin is better on the professional products, but the number of sales is really less than 1% of our total sales. It's not really the money; it's image. It gives our customers a good image of our store being more professional and carrying everything they need.

Can the same person manage both the salon and the beauty supply sides of the business?

Neal: No. Managing people is much different than managing product. Not only does someone need to keep the salon side stocked with professional products, but he or she also needs to oversee the stylists, from collecting booth rent or commissions to resolving conflicts when personalities clash.

You can't do it alone. You'll be run ragged with the other things you have to take care of as a business owner. I have a salon manager and a retail manager. You have to have people that you can trust; that's what really makes it work.

Does adding a salon offer benefits beyond professional products?

Chi: Yes. If customers need advice on a hair care products, they can ask the stylist a question without leaving the building, increasing the likelihood of a sale. Plus, since it's convenient, both the salon's customers and the stylists themselves head to the beauty supply to purchase what they need to create the desired look, plus they often stock up on at-home maintenance products before they leave.

Knowing that they can rely on you for both their professional products and services will keep your customers coming back time and again.

Are you not quite ready to put in a full-service salon? Consider adding in a station or two where a professional can apply no-mess, no-fuss applications, such as hair extensions or fake eyelashes, on-site. Knowing that they can rely on you for both their professional products and services will keep your customers coming back time and time again. **JM**