

11/26/2014

LADEE-DA KIDS SPA, INC.

BUSINESS PLAN



Owner | Wendy Long

EXECUTIVE SUMMARY

LaDee-Da Kids Spa, Inc.

LaDee-Da Kids Spa is a children's party, spa and dress-up center that offers a variety of packages to host events. We specialize in events for children from 3 months to thirteen years.

Mission Statement – To become the number one party center by forming a solid reputation as the ideal location for igniting childhood imagination whilst seizing the memories for a lifetime.

Owner Name and Title:	Wendy Long, Owner
FEIN:	47-1725431
Date the business began:	September 2014
Business structure:	S-Corp.
Website name:	www.ladeedakidsspa.com
Company email:	ladeedakidsspa@gmail.com
Owner credit rating:	778
Banking:	Business Account with Bank of America
Owner's financial goals:	Year 1; \$100,000
	Year 2; \$180,000
	Year 3-5; \$200,000+ ; Based on evaluation of franchise opportunities in year 3.

List of services to include:

- Birthday Parties
- Tea Parties
- Princesses at spa and on-location
- Gift shop to include dresses and accessories
- Spa services such as: Manicure, pedicure, facial, hair and make-up
- Photography services to capture the event
- Children activities – sing and play, laugh and learn...etc.

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Market Analysis

Marketing Objectives

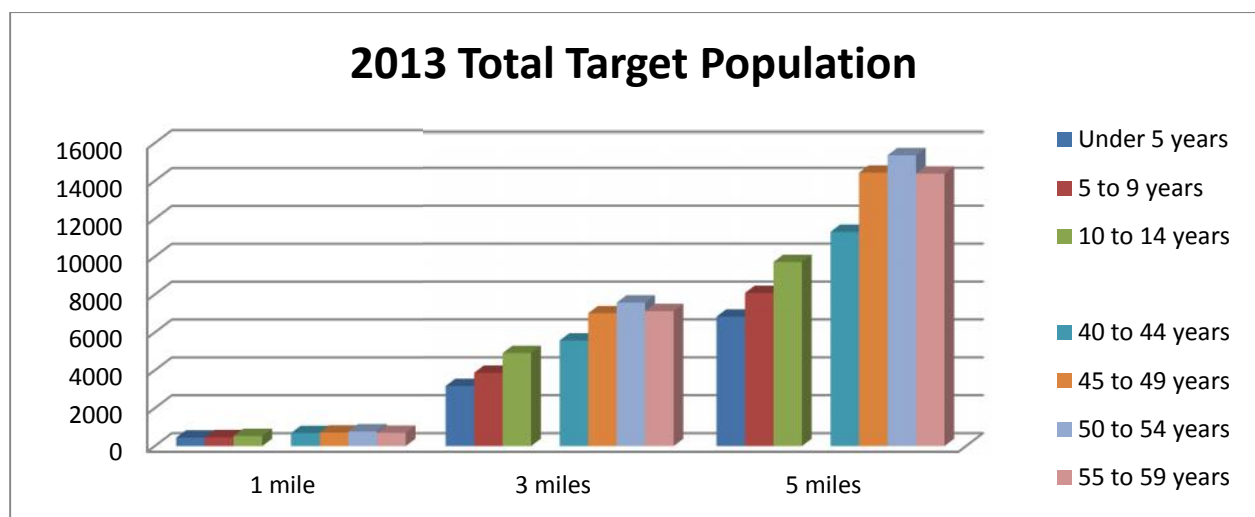
- Increase repeat customers by 7% per quarter by implementing a customer loyalty program.
- Decrease customer acquisition costs by 8% per year.
- Maintain positive, steady growth each month.
- Focused SEO Website to gain attention for internet customers.

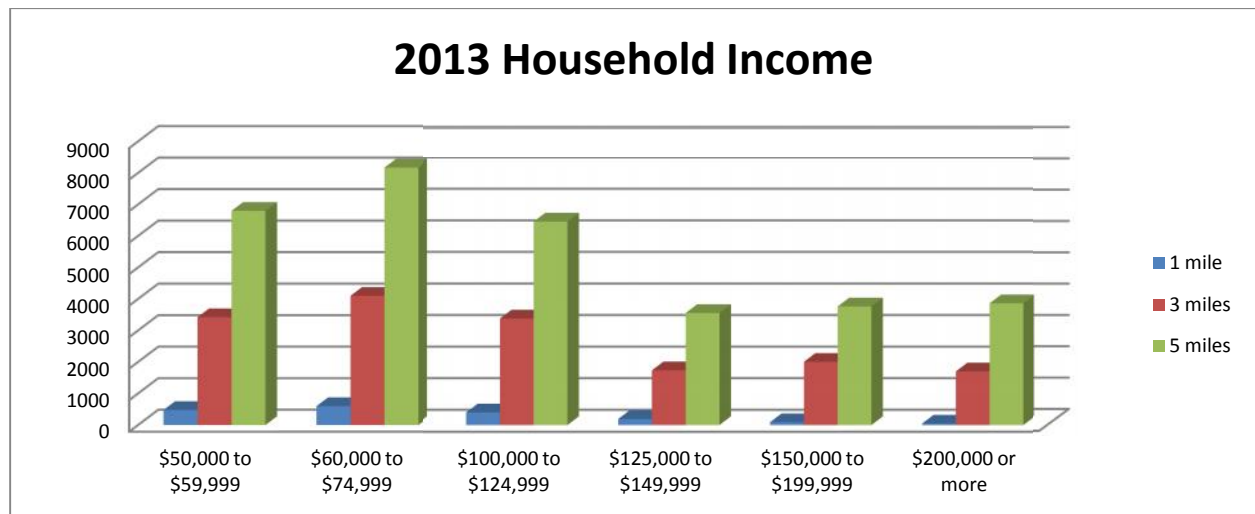
Target Marketing

Mothers with Children: Most young children are notoriously difficult when it comes to getting haircuts. A family style salon is a more laid back place that allows the children to play while they are waiting and then will work with the parents in calming the kids' nerves when they are ready for their shearing. We will offer kids toys to play with while they wait and child-friendly hair stylists. Additionally, children receive a special rate reflecting the fact that children's hair grows so fast that it can be expensive to keep up with regular cuts as well as the recognition that it generally takes a lot less time to cut a child's hair so it should be inherently less expensive.

Tourists: We will advertise with the Clearwater chamber and distribute information and discount brochures to Clearwater Beach resorts. Our mission is to be on visitors travel agendas through receiving high ratings on travel sites as a place to visit when coming to the Tampa Bay area and surrounding beach communities. By offering discount flyers for day-time appointments to the beach resorts, our day-time lull caused by local children being in school could be filled.

Families with Incomes of \$50,000+: For most families to spend a day at the spa with their children, they would need to be financially comfortable. We will also receive customers who only come in for their child's haircut, but we will target the customers who will spend more time within the facility.





Positioning

LaDee-Da Kids Spa will position itself as a convenient, full service destination spot to provide a day of pampering and entertainment for children. We will garnish a competitive edge to achieve our desired positioning by:

Offering superior customer service. LaDee-Da recognizes that the hair cutting/styling market is crowded so it is difficult to stand out. This is particularly important in the kid's salon space that we operate in because margins are lower and the goal of a kid's salon is to sell multiple services to all customers who walk through the door.

LaDee-Da will carry a large variety of retail items so we will also be considered a destination shop for children clothing and accessories.

We will invest time and money into training to ensure that clients receive the best experience possible making it is easier to turn them into a long-term customer.

By offering ancillary services such as photography and video, we will stand out from our competition.

Marketing Mix

LaDee-Da's marketing mix is comprised of the following approaches to pricing, advertising and promotion, and customer service.

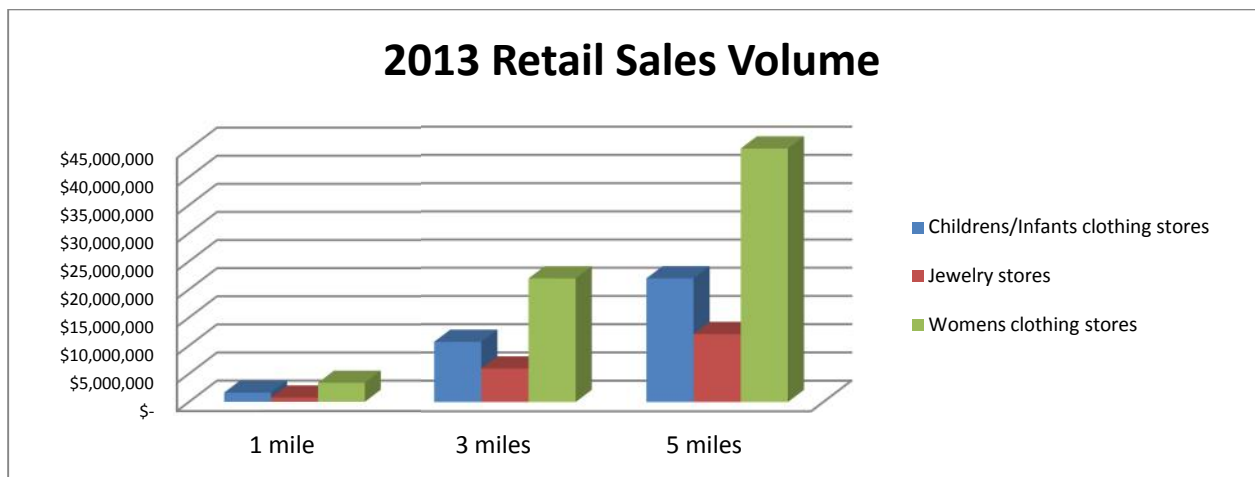
- **Pricing:** Our pricing scheme has been based on a competitive pricing model with other similar service providers.
- **Advertising and Promotion:** Locating the store in a centrally located plaza will promote visibility. A targeted advertising campaign will also communicate to our target client base who we are and what we can provide.

- **Customer Service:** All of our employees will be trained in exceptional customer service. All employees will review our company handbook and receive training on how to deal with difficult situations so all employees will understand our dedication to customer service.

Marketing Research

During the research phase, several focus groups were held to gain insight into the buying patterns of prospective customers. The focus groups drew a wide range of people from women to men to mothers to out of state visitors. The participants were asked what they thought about using these services and how many services they would typically purchase given the menu options. They were also asked where they currently go to receive similar types of service and if they would recommend any areas of improvement that could make their current provider better. The focus groups provided invaluable information and feedback. With this constructive feedback, we were able to improve, modify, remove and add a variety of services. I based the spa packages and products offered on these findings.

Retail sales in the Palm Harbor area indicate a large market for children. It also reflects women's spending patterns at a high.



Competitive Analysis

Sweet & Sassy

14361 N Dale Mabry Hwy, Tampa, FL 33618

Business start: 2007

Lil' Divas & Dudes

4200 4th St N, St Petersburg, FL 33703

Business start: 2014



	<i>LaDee-Da Kids Spa</i>	<i>Sweet & Sassy</i>	<i>Lil' Divas & Dudes</i>
Organic Products	X		X
Retail Shop	X	X	X
Mani/Pedi	X	X	X
Pirate Parties	X		
Princess Parties	X	X	X
Facials	X	X	X
Photography	X		
Hair cuts / Hairstyles	X	X	X
Venue for Women's Events	X		
Top-Grade Website/SEO	X		
Complimentary Wine	X		
Open Play and Craft Sessions	X		
Parent's Night Out	X		
Princesses for hire	X		
Tea Parties	X		

Company Description

As a mother of two girls; I found the lack of creative party outlets in the area to be frustrating. There are a number of bounce houses and indoor playgrounds, but there is a market gap which needs to be filled by a location for children to utilize their imagination.

I have been actively involved in party planning for the past 12 years and decided to make it easier for mothers to bring life to their child's dreams. Additionally, my background in fine art photography will serve as an instrument to capture their memories through photo packages.

LaDee-Da Kids Spa, Inc. is a salon and party center dedicated to children ages 3-13. We are centrally located in Palm Harbor serving North Pinellas and Western Hillsborough areas. To make LaDee-Da successful, we will focus on providing a variety of services which target a vast range of audiences. We will ignite children's imagination whilst seizing the memories of a lifetime!

Imagine.....

As you walk in the spa, you will notice kids' music and shows streaming on the big screens located throughout the facility. You will also notice a large tree slide and play area which serves as a waiting room for the princes and princesses to be. Don't worry Mom and Dad...we will also have a complimentary beverage bar and sitting area strategically located for you to be able to keep a keen eye on your pampered tot. We strive on the safety of our guests and offer a professional, yet fun environment for your child.

As you check into the desk area, you may either shop in the fully-stocked peddler's market or have a cup of tea and relax while your child begins their pampering.

Organization & Management

Owner's education and experience:

- From 2003 - 2014, I have been working in Human Resources for various large companies in the area. My most recent roles have been in **HR Management and Employee Relations**.
- From 2003 - 2014, I have **owned and self-managed various rental properties throughout Pinellas county**.
- In 2011, I received my **BS in Organizational Development and Leadership**.
- In 1997, I graduated from the Colorado Institute of Massage Therapy and have **successfully run my own company and worked for other high-end resorts and spas over the past 17 years**.
- In 1994, I attended various classes at the Art Institute of Philadelphia for fine art photography.

Lead Cosmetologist:

- Will employ a seasoned cosmetologist to oversee the salon and spa activities.

Staff Summary:

Position Titles	Monthly Salary	1Q	2Q	3Q	4Q	Hourly Rate	Annual Salary
Manager, Operations (Owner)	\$ 2,916.67	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 8,750.00	\$ 16.83	\$ 35,000.00
Lead Hair and Nail Tech (1 FT)	\$ 2,333.33	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 13.46	\$ 28,000.00
Hair/Make-Up/Nail Techs (3 PT)	\$ 1,583.33	\$ 4,750.00	\$ 4,750.00	\$ 4,750.00	\$ 4,750.00	\$ 9.13	\$ 19,000.00
Party Coordinator (3 PT)	\$ 1,473.33	\$ 4,420.00	\$ 4,420.00	\$ 4,420.00	\$ 4,420.00	\$ 8.50	\$ 17,680.00

Position Titles	Experience Requirements	Education Requirements
Manager, Operations (Owner)	Bookkeeping, management, scheduling, payroll	
Lead Hair and Nail Tech (1 FT)	Responsible. 5+ years experience with hair, nails and make-up.	Cosmetologist license required.
Hair/Make-Up/Nail Techs (3 PT)	Experience with hair, nails and make-up.	Cosmetologist license required.
Party Coordinator (2 PT)	Upbeat, fun attitude. Experience in kid environment preferred.	None

Marketing and Sales Strategies

The following marketing strategies will be utilized:

- Clearwater and Palm Harbor Chamber of Commerce ribbon cutting ceremonies.
- Direct targeting for group events to area sports groups such as Cheerleading, Soccer and Gymnastics.
- Partner with local Mommy groups to advertise: Children activities – sing and play, laugh and learn...etc.
- Face Book page and Face Book group advertising
- Brochures offering a discount of 10% off all services Monday – Friday will be distributed to resorts in Clearwater Beach, Safety Harbor and Tarpon Springs.
- Prioritized investment in website design and administration.
- Work with local daycares, preschools and grade schools to advertise via give back events.

Service or Product Line

LaDee-Da Kids Spa will offer a variety of products to cater to the discerning customer and parent. Our line of organic products will be available for anyone who requests it at no additional cost.



HAIR PRODUCTS:

Hot Tot produces safe and professional hair products for babies and children, giving them style from the start. We will lead by example, as we know that a key element to true beauty is a kind and giving heart. We will give a sizeable portion of our proceeds to well-deserving children's charities. We will implement eco-friendly practices to do our part in caring for our planet, as we want to pass the Earth to our children in the best possible state.



ORGANIC NAIL POLISH:

Ella+Mila continuously adds colors to their polish collection based on trends and social media feedback. They are currently developing the Love Collection, an array of dreamy colors that promises to spread pretty polishes to all those in love. In addition to their popular and trendy color choices and option of two different sized bottles, Ella+Mila polishes are also safer and cooler, and here's why. Not only are they long-lasting, chip-resistant, and quick-drying, all Ella+Mila polishes are also 100% vegan, never tested on innocent animals, certified by PeTA, made in the USA and most importantly "5-Free". 5-Free means that all ella+mila polishes are not only made without the 3 common chemicals found in nail polishes (Toluene, Dibutyl Phthalate (DBP), Formaldehyde), but also without 2 other very dangerous chemicals (Formaldehyde Resin and Camphor).

In addition to the products we use in our services, we will also offer a vast array of products for retail and a fully stocked boutique of clothing and accessories. Some examples are:



Prospective Financial Data – average sales are based on assumptions garnished from conversations with other spa owners.

Products & Services	Retail Price	Cost of Goods	Daily Average	Weekly Average	Enter number of sales for each quarter				Yearly
					1Q	2Q	3Q	4Q	
Mani/Pedi	30	1	6.00	42	504	504	504	554	2066
Out/Style	25	1	4.29	30	360	360	360	396	1476
Party Packages	350	10	1.00	7	84	84	84	92	344
Music Videos	50	2	1.43	10	120	120	120	132	492
Photography Sessions	100	2	0.29	2	24	24	24	26	98
Princess Dresses	30	15	2.86	20	240	240	240	264	984
Tiaras	5	2	2.86	20	240	240	240	264	984
Nail Polish	8	5	2.86	20	240	240	240	264	984
Hair Products	16	8	2.86	20	240	240	240	264	984
Manicure	15	1	1.43	10	120	120	120	132	492
Pedicure	20	1	1.43	10	120	120	120	132	492
Mini Facial	15	1	1.43	10	120	120	120	132	492
									0
									0
Total Income					82080	82080	82080	90288	336528
Less Cost of Goods					9180	9180	9180	10098	37638
Gross Margin					72900	72900	72900	80190	298890
Expenses									
Accounting/Legal					100	100	100	100	400
Advertising					100	100	100	100	400
Entertainment/Meals					100	100	100	100	400
Insurance					100	100	100	100	400
Internet/Website					1500	1500	1500	1500	6000
Leased Equipment					0	0	0	0	0
Loan (P & I)					600	600	600	600	2400
Office Supplies					100	100	100	100	400
Rent					15000	15000	15000	15000	60000
Salaries/Contract Labor					38648	38648	38648	38648	154591
Supplies (shampoo, conditioner, polish, glitter...etc)					60	60	60	60	240
Telecommunications (cell, land-line, clover, internet)					900	900	900	900	3600
Vehicle Mileage					150	150	150	150	600
Drycleaning					500	500	500	500	2000
Software (scheduling, payroll...etc)					200	200	200	200	800
									0
Total Expenses					58058	58058	58058	58058	232231
Profit before Taxes					14842	14842	14842	22132	66659

Cost of Services Breakdown

Service	Charge	Cost of Goods per Service	Labor Time	Service Minutes	Hourly Rate	Service Labor rate	Fully Burdened Rate	Profit
Just polish - Fingers	\$ 8.00	\$ 0.25	\$ 0.25	15	\$ 10.00	\$ 2.50	\$ 2.75	\$ 5.25
Just polish - Toes	\$ 8.00	\$ 0.25	\$ 0.25	15	\$ 10.00	\$ 2.50	\$ 2.75	\$ 5.25
Manicure	\$ 15.00	\$ 0.50	\$ 0.33	20	\$ 10.00	\$ 3.33	\$ 3.83	\$ 11.17
Pedicure	\$ 19.00	\$ 0.50	\$ 0.33	20	\$ 10.00	\$ 3.33	\$ 3.83	\$ 15.17
Mani/Pedi	\$ 25.00	\$ 1.00	\$ 0.67	40	\$ 10.00	\$ 6.67	\$ 7.67	\$ 17.33
Haircut (includes shampoo & condition, blow out and basic style)	\$ 23.00	\$ 2.00	\$ 0.50	30	\$ 10.00	\$ 5.00	\$ 7.00	\$ 16.00
Haircut (includes wet cut and basic style)	\$ 18.00	\$ 1.00	\$ 0.50	30	\$ 10.00	\$ 5.00	\$ 6.00	\$ 12.00
Haircut with party up do (includes shampoo, condition, blow out and basic up-do)	\$ 35.00	\$ 2.00	\$ 0.75	45	\$ 10.00	\$ 7.50	\$ 9.50	\$ 25.50
Party up-do (starts at \$15 for basic)	\$ 15.00	\$ 1.00	\$ 0.33	20	\$ 10.00	\$ 3.33	\$ 4.33	\$ 10.67
Make-up application	\$ 8.00	\$ 0.50	\$ 0.33	20	\$ 10.00	\$ 3.33	\$ 3.83	\$ 4.17
My 1st Haircut (includes wet cut, photo and lolli pop)	\$ 18.00	\$ 0.75	\$ 0.33	20	\$ 10.00	\$ 3.33	\$ 4.08	\$ 13.92
8x10 Photograph from Studio (with any service)	\$ 12.00	\$ 0.50	\$ 0.17	10	\$ 8.50	\$ 1.42	\$ 1.92	\$ 10.08
4x6 Photograph from Studio (with any service)	\$ 8.00	\$ 0.50	\$ 0.17	10	\$ 8.50	\$ 1.42	\$ 1.92	\$ 6.08
20 Minute photo session with digital images on memory stick	\$ 100.00	\$ 3.00	\$ 0.75	45	\$ 14.42	\$ 10.82	\$ 13.82	\$ 86.18

Queen Package (20% Discount)	Ala Cart	Burdened rate	Discount	Pkg Price		Price	\$ 140.80
Mani/Pedi	\$ 25.00	\$ 7.67	\$ 5.00	\$ 20.00		Cost	\$ 36.73
Haircut with Shampoo Basic Up-Do	\$ 35.00	\$ 9.50	\$ 7.00	\$ 28.00		Profit	\$ 104.07
Make-up Application	\$ 8.00	\$ 3.83	\$ 1.60	\$ 6.40			
20 minute photo session	\$ 100.00	\$ 13.82	\$ 20.00	\$ 80.00		Time:	2.67
4x6 Photograph	\$ 8.00	\$ 1.92	\$ 1.60	\$ 6.40			
	\$ 176.00	\$ 36.73	\$ 35.20	\$ 140.80			
Princess Package (10% Discount)	Ala-Cart	Burdened rate	Discount	Pkg Price		Price	\$ 68.40
Mani/Pedi	\$ 25.00	\$ 7.67	\$ 2.50	\$ 22.50		Cost	\$ 22.92
Haircut with Shampoo Basic Up Do	\$ 35.00	\$ 9.50	\$ 3.50	\$ 31.50		Profit	\$ 45.48
Make-up Application	\$ 8.00	\$ 3.83	\$ 0.80	\$ 7.20			
4x6 Photograph	\$ 8.00	\$ 1.92	\$ 0.80	\$ 7.20		Time:	1.92
	\$ 76.00	\$ 22.92	\$ 7.60	\$ 68.40			
Maiden Package (5% Discount)	Ala-Cart	Burdened rate	Discount	Pkg Price		Price	\$ 29.45
Basic Up-Do	\$ 15.00	\$ 4.33	\$ 0.75	\$ 14.25		Cost	\$ 10.08
Make-up Application	\$ 8.00	\$ 3.83	\$ 0.40	\$ 7.60		Profit	\$ 19.37
4x6 Photograph	\$ 8.00	\$ 1.92	\$ 0.40	\$ 7.60			
	\$ 31.00	\$ 10.08	\$ 1.55	\$ 29.45		Time:	0.83
Mommy and Me Package (20% Discount)	Ala-Cart	Burdened rate	Discount	Pkg Price		Price	\$ 161.00
Mani/Pedi	\$ 50.00	\$ 15.33	\$ 12.50	\$ 37.50		Cost	\$ 51.32
Basic Up-Do's or Style for 2	\$ 30.00	\$ 8.67	\$ 7.50	\$ 22.50		Profit	\$ 109.68
Make-up Application	\$ 16.00	\$ 7.67	\$ 4.00	\$ 12.00			
20 minute photo session	\$ 100.00	\$ 13.82	\$ 25.00	\$ 75.00		Time:	2.08
Fruity Drinks x 2	\$ 2.00	\$ 2.00		\$ 2.00			
4x6 Photograph	\$ 16.00	\$ 3.83	\$ 4.00	\$ 12.00			
	\$ 214.00	\$ 51.32	\$ 53.00	\$ 161.00			

Spa Packages:

Queen Spa Package:

Manicure & Pedicure

Haircut & Style or Up-do

Make-up Application

4x6 Photograph with Souvenir Frame

20 Minute Photo Session images on disc.

Only \$140

Princess Spa Package:

Manicure & Pedicure

Haircut & Style or Up-do

Make-up Application

4x6 Photograph with Souvenir Frame

Only \$68

Maiden Spa Package:

Basic Up-do

Make-up Application

4x6 Photograph with Souvenir Frame

Only \$30

The Ultimate Mother and Daughter Spa Experience

(a little over an hour with your special someone!)

Only \$110

Manicure and Pedicure for 2

Style or Up-Do for 2

Make-up Application for 2

"Special" drinks for 2

2 4x6 Photos in Souvenir Frame

Ala Carte Menu:

Spa Services		
Manicure \$15	Pedicure \$19	Mani/Pedi Combo \$25
Face Painting \$10	Make-up Application \$10	Polish Only (fingers or Toes) \$8

Hair Services	
Wet Hair Cut & Style \$18	Basic Hair Up-Do \$20
Shampoo Cut with Blow-out & Style \$23	Shampoo Cut with Blow-out & Basic Up-Do \$35

Photography
20 Minutes in the Photo Room with Pictures on a Disc - \$100

Party Packages:

Party Like a Princess (for you and 7 guests)



Nails and Toes Polished

Make-up Application

Runway fashion show

Hair Up-do

Photo Session

1-4x6 Solo Picture for the Princess

1-4x6 Group Picture for the Princess

- Start by choosing your 7 best friends to share your day with and invite them to your amazing party!
- You will then choose a glamour dress and tiara or hat of your choice from the Queen's wardrobe closet.
- You will all get your nails polished, your hair styled and have make-up and glitter applied.
- It's Picture Time!!! Everyone is invited into the Photography room for group shots (of course the Princess will stay behind for some solo shots!)
- You will all have a wonderful fashion show on the runway!

***Additional participants at \$20

***Optional: Purchase all party pictures on a disc for only \$39.99

Pirate and/or Fairy Adventure (for you and 7 guests)



Make-up Application or Face Painting

Hair Styling

Fairy headbands or Pirate Bandanas for All

Photo Session

Facilitated Treasure Hunt

1-4x6 Solo Picture for the Princess

1-4x6 Group Picture for the Princess

- Start by choosing your 7 best friends to share your day with and invite them to your amazing party!
- Everyone gets to choose to be either a Fairy or a Pirate!
- You can choose to have either your face painted or make up applied.
- You will then choose a fairy dress and flowered tiara or a pirate costume with a hat and sword (safe ones of course!)
- It's Picture Time!!! Everyone is invited into the Photography room for group shots (of course the Host/Hostess of the party will stay behind for some solo shots!)
- Partake in a treasure hunt to find the hidden treasure!
- And lastly, gather with all your friends to enjoy refreshments!

***Additional participants at \$20

***Optional: Purchase all party pictures on a disc for only \$39.99

Party like a Pop-Star (for you and 7 guests)



Nails and Toes Polished

Make-up Application or Face Painting

Hair style w/ Temp Color/Extensions/Glitter

Temp Tattoos

Photo Session

Make a Pop-Star Music Video

1 - USB Card with Photos and Music Video

1 - 4x6 Picture for all participants

- Start by choosing your 7 best friends to share your day with and invite them to your amazing party!
- You will start out by getting your toes and nails painted.
- You will then get your hair styled and choose crazy hair extensions, color spray and/or glitter!
- Then, you can choose to have either your face painted or make up applied.
- You will then choose a Pop-Star outfit to wear from the super-star wardrobe!
- It's Picture Time!!! Everyone is invited into the Photography room for group shots (of course the Host/Hostess of the party will stay behind for some solo shots!)
- Then, YOU are the star in your live rock performance and dance party!
- And lastly, gather with all your friends to enjoy refreshments!

***Additional participants at \$20

***Optional: Purchase all party pictures on a disc for only \$39.99

Draft Floor Plan:

