

Business Overview

Ruby Nails is a family owned nail salon that has been open since 2004. It's well known for its great prices and skilled staff with over 20 years of experience. This is a partnership business run by Nhung Tran and her older sister Dung Tran. Ruby Nails is known for its wide range of services such as serving customers manicures, pedicures, and waxing, but they're especially popular for their pedicures.

The nail salon was able to build a strong customer base by being one of the first establishments and having the same employees. Over the years the employees were able to build a strong customer relationship and gain regulars. This has caused customers to recommend Ruby Nails to friends and family through word of mouth, eliminating the need to have a website or online presence, while still being able to maintain a strong customer base. They keep things simple by only offering services from a menu inside the salon.

The salon targets several target demographics including women who want to enjoy a girls' day out with their friends, elderly people who can't reach their feet to clean them or have foot diseases, and people who want to relax and enjoy the atmosphere of the salon, among others. Ruby Nails avoids the typical, loud salon by not having background music, allowing customers to enjoy having conversations at a reasonable volume.

In the most recent year, there has been a new competing nail salon that has opened nearby which has caused a decrease in customers. However, as the new salon has been open for longer, Ruby Nails has seen many customers come back to their great prices and skilled workers. Nonetheless, the main returning customers are older people who were regulars, and they still find themselves missing out on the younger generation who may be more regular customers at other salons.

Within the coming years, the owner of Ruby nails has plans to sell the salon and work part time after her youngest daughter graduates from college. Nhung Tran hopes that the nail salon still maintains its reputation even after all its hardships and decrease in employees.

Theoretical Framework

Concepts from **Chapter 3.7: The Cultural and Social Environment** were relevant in the interview as it became apparent that the target demographic of Ruby Nails were **Baby Boomers** and **Gen X**. Many of the customers maintained loyalty to Ruby Nails over the two decades it has been open, spreading the recommendation through word of mouth to their friends and children in younger generations. While other nail salons in Lagrange targeted **Millennials** and **Gen Z**, Ruby Nails has captured much of the elderly market, who tend to have more disposable income to spend on non-essential products and services. This marketing strategy has been successful for the last two decades.

Concepts from **Chapter 3.4: Analyzing Competitors and the Competitive Market** also helped to gain insight during the interview, as Tran mentioned that new nail salons are opening in Lagrange, which are capturing many of the once loyal customers. However, Ruby Nails has the **competitive advantage** of being cheaper than other nail salons since the business is matured and provides services from more experienced nail technicians.

SWOT Analysis

- **Strengths**

- Experienced nail technicians
- Comparatively low prices
- Fast and efficient
- Ability to book appointments through the phone (except on Fridays and Saturdays)
- Loyal customers

- **Weaknesses**

- Do not specialize in trendier, intricate designs that younger people want
- Nail technicians are becoming elderly
- Lack of social media/online presence
- Basic, lackluster decor

- **Opportunities**

- Located in a shopping plaza with other stores and services that customers enjoy
- Located close to neighborhoods
- Located next to a retirement home
- Currently distant from other competing nail salons

- **Threats**

- New nail salons opening in the area
- Loyal elderly customers are passing away
- Evolving nail styles/trends can be difficult to adapt to

Current Marketing Mix Review

- **Price**

- Comparatively cheap
- Only credit or cash, no Apple Pay or online payment methods
- Gift certificates
- No current discounts

- **Product**

- Manicures and pedicures
- Waxing (eyebrows, lip, chin, full face, under arm)
- Gel paint, acrylic nails, ombre, SNS dip powder
- Nail designs, stickers

- **Place**

- Located in a shopping plaza with other busy stores
- Located closer to neighborhoods
- Located next to a retirement home
- Currently the only nail salon in the area

- **Promotion**

- Word of mouth
- Gift certificates
- Business cards
- Lacks social media/ online presence

- Lacks other forms of advertising
- Little to no mass selling and sales promotion
- Personal selling

Marketing Outreach

● **Digital Strategies**

- Website where customers can see services, prices, reviews, and book appointments
- Social media advertisements on Facebook to capture more of the older target audience
- To advertise to a younger demographic, they can advertise on TikTok and Instagram
- Collecting emails to send out promotions

● **Traditional Strategy**

- Printed flyers posted in nearby plazas and in Lagrange mall
- Brochures with detailed information places on people's cars in the parking lot
- Advertise by putting flyers in retirement homes

Implementation Roadmap

- Step 1: Train nail technicians to create more intricate designs
 - Research current nail design trends
 - Acquire new design tools and supplies
 - Practice creating new designs
- Step 2: Improve decor
 - Consult with an interior designer for a cost-effective redesign
 - Phase renovations to minimize business disruption
- Step 3: Advertising
 - Launch a website with service details, reviews, and booking capabilities
 - Create Facebook profiles for community engagement and promotions
 - Create Instagram and TikTok profiles to advertise to younger demographics
 - Initiate email marketing for specials and salon updates
- Step 4: Expand payments accepted
 - Begin to accept Apple Pay/other tap options
 - Offer discounts to first-time customers

Reflection

- We interviewed the owner of Ruby Nails and learned about the hard work and effort needed to run a business. This project revealed the challenges of owning a business, especially during the market **maturity phase**, when competition grows and the business stops thriving.
- The **fashion** and **fad** trends in the nail industry stood out as an important factor, showing the need for businesses to quickly adapt to maintain relevance. Ruby Nails' ability to stay in business for two decades, despite having few **advertising** efforts, shows the importance of **differentiation**. Their **distinction** is lower prices, which has been a significant factor in keeping **customer loyalty** and establishing a strong position within their **target market**. Their **marketing mix** focuses mainly on price and place.
- **Marketing analytics** have been a major factor for identifying peak seasons which are during holidays and summer. This helped them find out how many workers were needed to accommodate increased demand. The **cultural and social environment** of Lagrange, with its limited recreational options, makes nail salons a main location for social interaction and relaxation. Ruby Nails also has the advantage of currently being the only nail salon in the area.
- Ruby Nails works in a **product market**, serving customers with similar needs by providing a variety of services as **close substitutes**. Although its main **target market** is women, the salon has also attracted male customers by treating manicure and pedicure services as a **homogeneous shopping product**. This ability to attract a broad customer base demonstrates Ruby Nails' strong **brand preference**, which has been built on consistently good experiences and familiarity.
- Ruby Nails has reached **brand evangelism**, a point where its satisfied customers actively recommend the salon to other people around them. This strong support from customers shows how well the salon has been able to offer a service that caters to its **target market**. The story of Ruby Nails provides important lessons about how businesses navigate through **market maturity**, the impact of **fashion** and **fad** trends on service **differentiation**, and the significant role that **brand preference** and **evangelism** play in keeping a business growing.