

# SELF ASSESSMENT

## Is starting a beauty and self-care business right for you?

This self-assessment is meant to help you think about the various components of starting and sustaining a successful beauty or self-care business. There are both personal and professional considerations for you to think about as you start your journey. Consider each of these in turn and check **green if you agree**, **yellow if you are not sure**, and **red if you disagree**.

I am confident in my technical skills. Very few services make me nervous.	Red	Orange	Yellow	Light Green	Green
I am good with my money. I know how to budget and save for the things I really want or need.	Red	Orange	Yellow	Light Green	Green
I have already planned and priced out what tools and products I need to get started.	Red	Orange	Yellow	Light Green	Green
I have start-up costs saved or, alternatively, I know I can get a loan and pay it back.	Red	Orange	Yellow	Light Green	Green
I am confident about recruiting my own clients. I feel comfortable talking to strangers.	Red	Orange	Yellow	Light Green	Green
I currently have enough clients to fill my monthly minimum bookings to pay my basic bills.	Red	Orange	Yellow	Light Green	Green
I am comfortable with variability in my income. I understand that I will have times that are busier than others. I have enough savings to go two weeks or more without clients.	Red	Orange	Yellow	Light Green	Green
I am self-motivated and really good at time management. I can take care of logistics like maintaining supplies, daily cleaning, client communication, keeping records, and paying bills.	Red	Orange	Yellow	Light Green	Green
I understand my preferences for operating a business, what my policies are, and my non-negotiables. I know when to say "no" and when to bend my rules .	Red	Orange	Yellow	Light Green	Green
I have a certain style and understanding of what direction I'd like my brand to go, including what products I'd use.	Red	Orange	Yellow	Light Green	Green
I am confident in making decisions for myself and putting in the extra hours it takes to get a business off the ground.	Red	Orange	Yellow	Light Green	Green
I am good at communicating with clients and can talk about pricing and money with confidence	Red	Orange	Yellow	Light Green	Green
I know where my educational resources are, and I have a plan to keep up on new styles and processes.	Red	Orange	Yellow	Light Green	Green
Someone else providing stability and financial security is not my main concern in life right now.	Red	Orange	Yellow	Light Green	Green

If you checked **green** for all of the above items, then you are ready to plan and launch a business in the beauty and self-care industry. If you checked any items in **red** or **yellow**, you may need to spend more time thinking about whether this decision is right for you. The Bay Area Entrepreneur Center is here to help you with your business plan and make sure you launch the best business for you.

# START-UP CHECKLIST: BEAUTY & BARBER BUSINESS

## OBTAIN YOUR COSMETOLOGY, ESTHETICS, OR BARBERING LICENSE FROM THE STATE OF CALIFORNIA

[CA DEPARTMENT OF CONSUMER AFFAIRS ONLINE SERVICES](#)



## CREATE A BUSINESS PLAN



A business plan is an outline of realistic goals and growth milestones for the next 5 years, including strategy, finances, and market research to support your plans. This will be your roadmap for success and growth. Attend the BAEC workshop series to create a realistic business plan for success, or try LivePlan for a low-cost online business plan generator.

## LOOK FOR SPACE TO RENT

Choose which option is best for you: a chair or station in a salon or spa, a solo suite, or your own entire space. Finding a space can actually be challenging many small businesses may just advertise a chair or station in their window or locally. A lot of connections happen through word of mouth, so start asking around and reaching out to your network online. LinkedIn or Indeed may have some listings; for instance, property management companies advertise solo suites on Indeed.



## NAME YOUR BUSINESS

You will need to register the name of your business. If you plan on creating a website for your new business, check for **domain availability** before registering a business name to make sure your business name is not already claimed as a website.

Once you have decided on the name, register it within the **county** your business will be operating in.

## REGISTER YOUR BUSINESS

In addition to your board license, you need to register as a business. Depending on what type of legal entity you choose to form your business as, you may only need to register with your local city, or possibly with the state as well. This **table** and **video** give some simple overviews of the different business **entity options**, and how to choose what is best for you.



If you are starting as a sole proprietor, you will need to register your business with the city where your business is located. Go to that city's website where there is usually a business license portal where you can apply.

You will also need to register your business with the **Board of Barbering and Cosmetology**.

If you are selling retail products to customers, then you will need to get your **Sellers Permit** through the State of CA.

If you are incorporating as anything other than a sole proprietor, **LegalZoom** is helpful for figuring out the legal paperwork required, but it's not as good at helping you decide which entity to choose.

Your local **Small Business Development Center** can also coach you on which entity to form. Click here to apply for services with the San Mateo branch.



## GET LIABILITY INSURANCE

Liability insurance is a must-have. Clients can sue you for any issues with their service, and it is essential to protect yourself. Try **www.beautyinsuranceplus.com** or **www.simplybusiness.com** for policies. Attend a BAEC workshop to learn more about contracts and policies to protect yourself.





## PURCHASE EQUIPMENT AND TOOLS

If you are renting a space in a shop or a solo suite, major equipment like chairs, wash stations, and cabinets may be provided for you, making start-up costs lower. Check our start-up costs sheet to assess your budget.

## PURCHASE SUPPLIES

Supplies to deliver your services and sell retail are now your responsibility. If you are doing color, you may be able to start with a small palette and mix colors before investing in a large inventory. Some color companies offer a starter kit for a discount. Supply companies and point-of-sale services like Square offer lines of credit, but be sure to assess your finances to make sure you can make payments.

If renting a space, some supplies might be included. Check out **CosmoProf** both online and in person, as they have a vast selection and it is a good place to start looking at products and equipment, what might work for you, and research prices for your business plan.



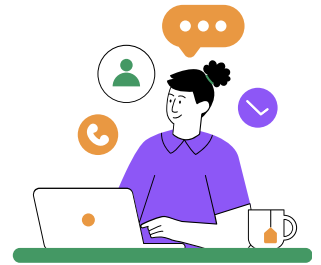
## FIND YOUR BOOKING SYSTEM



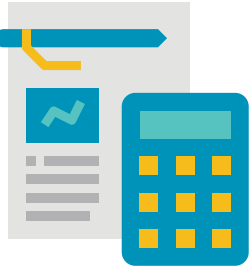
A booking system is essential to managing your customers and creating an easy system for them to book your services. For ease, choose one that can also be a point-of-sale service and has a good intake process for new clients. Try Gloss Genius, Fons, or Square for a start. Be sure to add links to your website and social media with a clear call to action to book with you. Some platforms such as Square also offer the ability to build mini websites.

## ESTABLISH A CUSTOMER-SERVICE PLAN

Develop policies for your business such as how to handle cancellations, customer complaints, and intake processes. Integrate with your booking system and media. Attend the BAEC workshop to get help with crafting your plan.



## SET UP AN ACCOUNTING SYSTEM



As a small business owner, you are now responsible for taxes and managing your cash flow. An accounting system is essential for taxes. Quickbooks, Sage, and NetSuite are good software systems to start with. If you start small you may not be able to afford a CPA, in which case you will need to learn how to report and file your own taxes. BAEC is here to help you get started. Attend our workshop on taxes and record-keeping.

## SET UP GOOGLEMYBUSINESS & YELP

Create accounts on Googlemybusiness and Yelp to become searchable and have a place for customers to leave reviews. If you do not set these up yourself, someone else might do it instead. You want control over how your business is presented, so don't leave a void for someone else to fill. **WikiHow** has a good tutorial on setting up your Google Business account:



## SET UP YOUR ADVERTISING PLAN



Your current customer base will determine how much you need to advertise. Do you already have a good base of returning customers and word-of-mouth referrals? If not, you may need to pay for ads or hire a marketing service to help you generate customers. Come to the BAEC workshop for more guidance on building your marketing plan.

## CREATE SOCIAL MEDIA ACCOUNTS

It is important to advertise and get your clients to promote you on social media. To start with, create separate accounts for your business on social media platforms. Do not try to repurpose your personal accounts as your business page! Create a clear brand, regularly post updates, and engage with your followers. Think about creating educational videos or posts that establish your specialty. Be sure to integrate your booking system into your media accounts. Think about how to encourage your happy customers to promote you through their social media, such as Instagram, Facebook and NextDoor.



## CREATE A WEBSITE



A website is not critical to business success, but it can be a good way to establish your professional presence. GoDaddy and Wix are low-cost options for creating websites. Mini websites can also be created through some booking and point-of-sale platforms such as Square.