

A01	A02	A03	A04	A05
Demonstrate knowledge and understanding	Apply knowledge and understanding	Analyse and evaluate knowledge and understanding	Demonstrate and apply relevant skills and techniques	Evaluate and draw conclusions to inform development

LO1

Understand the structure and concept of hair and beauty businesses

The purpose of a Business: 'A business is an organisation which produces and sells goods, or which provides a service.'

Advantages	Disadvantages
Choose your hours.	Hours may be determined by customer need.
Take holidays when you want.	You will not get paid for time off, lack of employee benefits.
Choose how much to pay yourself.	Pay is dependent on income to the business.
You can choose to take on more work to increase earning potential.	More work will mean less free time.
Greater control over the type of work you do.	Not guaranteed work will always be available.
Some self-employed roles allow you to work from home and travel less.	You will need to have separate space at home to accommodate your business.
Manage your own finances.	You will be responsible for completing your own tax returns.
You are your own boss and have greater control on what tasks you take on and the decisions you make.	You will need to be self-motivated and manage time effectively.

Opportunities for hair and beauty businesses: Beauty salons, hair salons, barbershops, spas, nail bars, brow bars, complementary therapy centres, freelance hairdressers/barbers/ beauty therapists, aesthetic clinics.

Career progression levels: Junior therapist/stylist, senior therapist/stylist, consultant, salon manager, salon owner.

The common hair and beauty services and treatments:

Hairdressing - shampooing, cutting, colouring, perming, styling, thermal styling, extensions, braiding

Barbering - shampooing, cutting, fading, patterns, beard shaping and trimming, shaving, colouring, styling

Beauty therapy - facials, eye treatments, hair removal, tanning, make-up

Spa therapy - massage therapies, body wraps, hydrotherapy

Nails - manicure, pedicure, gel polish, nail enhancements, nail art

Make-up artistry - fashion and photographic make-up, camouflage make-up, occasion/bridal makeup, theatrical and media make-up, prosthetics

The environmental influences on hair and beauty businesses: Sustainability, social, ecological and economic, short- and long-term environmental effects, social cost, renewable and non-renewable sources, ethical businesses, environmental laws.

LO2

Understand enterprise and entrepreneurship in the hair and beauty sector

Entrepreneurship: 'A person who sets up a business or businesses, taking on financial risks in the hope of profit.'

The characteristics an entrepreneur: be their own boss, oversee their own destiny, take risks, work flexibly, to pursue an interest, earn more money for personal profit, identify a gap in the market that could help expand a personal vision, job and personal satisfaction.

Identifying a business opportunity: Identifying gaps in the market, identifying consumer needs, initiating ideas, following an interest or a hobby, fulfilling a social or ethical goal, identifying supply and demand from competition in the area/industry, improving current products and services

Market research - identify what competitors offer, identify supply and demand requirements, pricing, quality, availability, unique selling points (USP)

Business planning: The purpose of and methods for setting objectives - how finances are raised. How to develop and write a business plan - business idea, business aims and objectives, target market, resources, sources of finance, simple cash budget (estimated revenue and costs). Marketing mix - the four Ps (product, price, place, promotion).

LO3

Understand marketing and its role in the promotion of hair and beauty products and services

The principles of marketing: 'The activity or business of promoting and selling products or services, including market research and advertising.'

Role of marketing in achieving customer retention and satisfaction.
Market segmentation (how segmentations works - gender, age, race, location, income), marketing mix, marketing communication methods.

Internal and external factors influencing marketing objectives:

Internal factors - financial, human resources, technology, company strategies.

External factors - competitors, economy, market dynamics, legal factors, ethical factors, social demographics.

The marketing mix: The 4 P's

Product - nature of the product or service, unique selling points, key features and benefits
Price - pricing strategies (discounted launch, competitor pricing/undercutting and seasonality).

Place - location (in-store, outlets, internet, exhibitions).

Promotion - methods (direct and indirect marketing, advertising, public relations, sales promotions, joint activities), materials (brochures, adverts, signs and displays, press releases).

Market research: Purpose of market research - used to identify competition in the market, business opportunities, gaps in the market, level of demand for products/services, clients' needs and preferences.

The market types and their characteristics: Mass market - high number of sales, large number of competitors, wide customer base, low profit margins.
Niche market - sales volume low, small number of customers, specialised products, high profit margins.