

Cranium filament reductions swot analysis

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The company that I decided to do a SWOT analysis on is Cranium Filament Reductions which is a hair salon. After reviewing their business plan, I thought that it was very well written and detail-oriented. Below you will find my swot analysis of the hair salon business plan: Strengths: This venture does have experienced, creative leaders and researchers since Susan Sever (the owner) has years of management under her belt. Ms. Sever has done all of her research about the hair salon industry. The industry is easy for anyone to start and end a business which makes for a competitive market.

Ms. Sever has realized that customers are looking for quality work and great customer service without paying an arm and a leg; so she has a plan to cater to all of her clients' needs. She also has a line of products that she will be selling in the salon. In my opinion I think that her market segments are targeted correctly. Her target market includes men, women who cannot afford the expensive upscale salons, and women with children. She has a plan of hiring six experienced hair dressers and an experienced receptionist.

Ms. Sever will be offering training to her employees so they can stay up to date on their skills. Weaknesses: There were a couple of weaknesses that I found in the business plan. The weaknesses that I could see were located within the business' target market segments. Cranium Filament Reductions thinks that young women with children would be a great target for the company. I can understand that their children need their hair done as well but having children in the salon may deter other customers from coming in.

Some people use "salon time" as a way to take time for their selves away from their children so why would they want to deal with other people's

children at a salon. Another weakness is the fact that Ms. Sever is depending on males to make up about seventy to seventy-five percent of their clientele. Depending on the atmosphere at the salon will determine whether or not men show up. If the salon seems to be too “feminine” then I highly doubt that men will be the majority of their clientele.

Opportunities: If Cranium Filament Reductions actually keeps to their plan about providing high end customer service at a low cost then they will have a strong opportunity to thrive. There are people out there that don't want to pay over \$100 for a haircut and some pampering so if they were to find a place that offered everything that they were looking for at a lower rate they would become regular customers. Regular customers would spread the word to their friends and family members and reviews about the salon would be all over town.

Having regular customers would give Cranium Filament Reductions the opportunity to become well known around the neighborhood and possibly even the state. If Cranium Filament Reductions can actually make their projected profit for the first year or double the profit, this may provide them with the opportunity to expand the business or the services that they offer. They would be able to buy newer equipment, send their employees for new training, or even expand the product line.

Threats: I believe that Cranium Filament Reductions has underestimated the reactions from their competitors. Ms. Sever does realize that the hair salon industry is a highly competitive industry but I don't think that she understands the lengths that someone will go to make sure your business is

not successful. Ms. Sever plans to do a lot of promotional things during the first couple months but that doesn't mean that another salon won't start to offer the same promotional items.

Cranium will need to stay on their toes to keep their business booming. A change in customer taste does occur rapidly within the hair industry so cranium will need to be up to date with all the new trends and their skills. Competitors may also try to compete with the product line that Cranium offers. Cranium will also need to be on the lookout for new up and coming salons. Everyone thinks that they have a passion for hair so this industry will always be increasing with competitors.