

Business unit essay

Business



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I have excellent communication skills I am trustworthy I have a smart appearance Weaknesses: Nervous when speaking in front of groups I am sometimes shy when I meet people for the first time sometimes a problem My punctuality is When starting your own business there are many advantages, these vary from being your own boss, which means you are able to make your own decisions which is very convenient because everything you say goes.

You are also able to work at a place that suits you, whether it being a location that is close to your home or a place that has more attractions_ This also means that you are able to combine work and family together. You can spend more time with your family because you being your own boss means you are able to go to work when it suits you. Starting your own business also means all the profit that is made within the business is all yours. With every business although there are advantages there are also disadvantages. It could be that you work very hard and still not make any profit.

If this happens it could be a big downer on the business and you yourself as the owner. It is also possible that you could make a loss. It can also be very stressful running your own business because all the pressure will be on you as the owner and manager of the business. Regulations and laws for business When starting a business one of the most important law is to obtain a license to operate a business Marketing and sales and here we use direct selling and distance selling. At his and hers we sell our products directly to our customers from our store.

Which gives us direct contact with our customers which with great customer service helps us to build a relationship with our customers. We also have our own online website where customers can place their order and we send them their products via delivery or shipping. Financial issues UP (LEAFLET) Legal status The business I have chosen is a sole trader business. A sole trader has the freedom to do things the way you want. Being a sole trader also means On the other hand being a sole trader could be quite lonely if you work alone and you will need to have wide range of skills such as marketing, finance, etc.

Process for starting a business legally When starting up your own sole trader business you have to inform the HM Revenue and Customs with the first three months of starting the business and you also have to complete a self-assessment x return and pay income tax on their profit. Businesses pay a fixed rate National Insurance contribution called and class 2 another contribution called class 4. Sole traders their own name for their business do not need to register this, but other businesses that trade under a different business name must include their own name on the business information.

Formal records for example leasing arrangement, tax returns, health and safety. Every business needs to keep records. All records usually fall into two main categories, records required by the law and records to help run the business. Being that my chosen business is a sole trader I will not need to register with the tax office. Customer care Customer service is key to maintaining good customer relations and growing a successful business. Customer care means trying to make the customers experience as good as possible.

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At His and Hers we ensure that customers get their moneys worth, we make sure the product and our service matches the customer needs, we also complaints are dealt with promptly, courteously and thoroughly. Market research At his and hers we like to find out information about existing and potential personal factors, such as their age, gender, culture, occupation, income, the products they currently use and location. There are two main ways to carry out market research, primary research and secondary research. Primary research is where we get information straight from the customers.

These could include interviews, questionnaires, analyzing purchase records and feedback. Secondary research uses published information such as yellow pages, newspaper reports and articles in trade journals. Promoting and advertising your product or service Promoting and advertising your business is quite important because it helps make the business more recognizable. We usually promote advertise to give people information on products and services, we explain about changes and improvement, publicizing special offers and sales and building a positive image of the business.

At His and Hers we use a variety of ways to promote and advertise our business. We have posters around the local area, we hand out leaflets, we advertise in the local newspaper and many more. We also promote our business by giving out key holders and pens with our logo and address on it. Unique selling point My business His and Hers sell pure virgin hair, they vary from different lengths to different textures. We also have appealing packaging and outstanding customer service. We also sell at very reasonable prices compared to other high street cosmetic stores. Competition

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My business has many competitors such as Pass cosmetics, Shabby, beauty depot and many more. All of these hair and cosmetics shops are located all around London. Pass are very similar to my business because we both sell a variety of hair. Although Pass do sell a vary of hair whether itbeing humanhair, virgin hair or synthetic hair His and Hers sell unprocessed virgin hair with a variety of different textures. Sources of finance When starting a business you need some form of finance to get the business started and for the running cost for the first few months. There are many different sources of instances out there.

You could look into your own savings, this could be yourmoneythat you've saved, money you've inherited or money from family or friends. You could take out a bank loan which is borrowing money from the bank for a fixed period and is paid back monthly including interest, or you could get a bank overdraft which is an agreement with the bank where you withdraw more money from a current account than there is in the account. Businesses always need money to get them started, this is called a start-up cost. There are two basic costs when starting a business, this is called capital costs and tart-up working capital.

Capital costs and items that will last long term such as the purchase of a building or rental deposit, refitting of a building such as installing shop displays or a shelf, equipment such as a computer or any vehicles required. Start-up working capital is needed to buy stock for production such as stationary and cleaning products. Cash flow forecasting Cash flow is the total amount of money that goes in and out of the bank account of a business.

The most important factor is the closing balance, which tells you're the final amount of money in the bank at the end of month.

If it's a loss, the business could be at risk because they may not have enough money to pay the bills. It is important for businesses to forecast cash flow to see if there may be a problem. Measure financial success for example, profit, income and costs. The financial success of a business can be measured in many different ways such as cash flow which is the closing bank balance of a business' ability to pay its debts on time, cost and income which is when businesses aim to minimize they're costs and maximize their income and profit which is this figure after costs are subtracted from income.