

**Open your own nail salon!**

FabJob Guide to  
**Become a  
Nail Salon  
Owner**



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## 1. Introduction

Congratulations on taking the first step towards owning your own nail salon! Imagine spending your days in a comfortable, friendly atmosphere where you get to meet lots of interesting people. Nail salons are busy social centers, so if you love people, are passionate about nails, and enjoy making others look and feel beautiful, owning a nail salon could be your dream job.

Owning a nail salon, part of the ever-growing cosmetology industry, allows you to be your own boss, explore your creativity, and socialize with people throughout the day. Dorothy McKinley-Soressi, Vice-President of Industry Relations for Empire Beauty Schools, adds that, “aside from an optimistic job landscape, a career in cosmetology is a great option for people who would like to strike a better work-family balance

because it is such a good path to self-employment. In fact, almost half the people in the field are self-employed, which is an impressive figure.” Best of all, you can make great money, too!

While nail technicians and manicurists earn salaries of \$25,000-\$40,000 or more, for nail salon owners the potential earnings are even greater. The earnings for a nail salon owner range from about \$15,000 (for a very small or part-time nail practice) to \$150,000 or more, depending on the size and location of your salon. In fact, according to Payscale.com, the median annual salary for a “nail salon/small business operator” is \$132,000.

Unlike many businesses, you can start a nail salon with relatively small upfront costs. For example, you can choose to start a mobile salon business, or even open a nail salon in your own home, which means you don't have to pay rent or other costs associated with a storefront operation. On the other hand, maybe you envision yourself opening an upscale salon with all the fancy bells and whistles. The choice is yours. Whatever your dream salon looks like, you can make it happen. If a career as a nail salon owner sounds good to you, read on, and we'll show you how to get started.

## 1.1 Owning a Nail Salon Business

Nail salons come in a variety of sizes and types. Salons range from large, upscale full-service salons where appointments are encouraged, to busy walk-in salons with rows of technicians. They include specialty salons that focus on particular types of nail services, such as “green” services, men's services, nail art, or artificial nails. (We'll discuss types of salons in greater detail below in section 2.1).

Some nail salons stick with the basic services, such as manicures, pedicures, polish changes, acrylics, wraps, and basic nail art. Some salons will have one or two nail techs or manicurists while some may have several. Many salons combine retail sales of nail and other beauty-related products with nail services to increase income and provide products their customers purchase and use. Still other salons provide additional services beyond nail services. These services most often include traditional spa services, such as waxing, facials, and massage. Some even include more unusual services like ear piercing, microdermabrasion,

tanning, and permanent makeup. While we focus on nails-only salons, the information contained in this guide is largely the same information you will need to start a nails-only or full-service nail salon.

Nail salons are also found in a wide variety of settings, from busy shopping malls, storefront locations, office buildings, and even inside retail or discount department stores (e.g., Regal Nails Salon and Spa). They can be in a commercial location or in someone's private home, or even be a mobile nail service that comes to the client's home or workplace, or to movie or television sets. Keep in mind that nail salons tend to do best in well populated places such as cities and suburbs, as these businesses rely on a steady supply of daily clients to be profitable, so it's usually a good idea to concentrate on opening a business in these types of areas.

Women make up a vast majority of nail professionals. While there are also strong ethnic trends (38% of nail professionals in the U.S. are Vietnamese, and in California this figure jumps to 80%), the nail industry is one of the few industries where people of any ethnic or cultural background, and even those with relatively limited education or limited English skills, can operate a very profitable enterprise.

Although the majority of nail salon clients are also women, this trend has begun to change significantly in recent years. Increasingly, men are realizing the value and pleasures of nail grooming and other salon services. According to Nails Magazine's 2007-2008 Big Book, 89% of European and American men feel that good grooming is key to professional success. Thus, it's best not to overlook this growing segment of the nail industry by offering nail grooming services for both men and women.

## 1.2 A Growth Industry

Nail salons are a booming business. In the last decade alone, the number of nail salons in the U.S. has increased by 66 percent. In the past thirty years, the number of manicurists (called nail technicians in many states) in the U.S. has grown from 35,000 in 1997 to more than 78,000 today. By 2005, nail salons in the U.S. represented a \$6.43 billion a year business. It also appears that the industry is far from its peak, as the economic outlook for the nail industry is one of continued, steady growth.

“According to the US Department of Labor estimates, the nail salon business is expected to see a 28% rate of growth between 2006 and 2016,” says Dorothy McKinley-Soressi, Vice-President of Industry Relations for Empire Beauty Schools. “There were 78,000 manicurists and pedicurists in 2006, and the Department of Labor expects that number to grow to 100,000 by 2016. Moreover, a December 2007 ‘Job Demand in the Cosmetology Industry’ report by The National Accrediting Commission of Cosmetology Arts & Sciences (NACCAS), reported 218,427 full service salons in the US and 59,234 nail salons.” Clearly, the demand for nail services in the U.S. is huge.

While the faltering economy has slowed this growth somewhat in recent months, the nail industry has proven through past economic slowdowns to be both resilient and relatively recession-proof. While people tend to cut spending on luxuries such as vacations, dining out and big ticket items such as cars or homes in tough times, taking care of themselves, which includes grooming services like nail and hair services, is considered a necessity (or at least an affordable luxury).

The reasons for this are simple. Many people do not have the skills to do their own nails or keep their nails looking good. Couple this with the fact that most nail services are very affordable and you’ve got a recipe for a desirable service most people can afford even when times are tough. Another aspect is that for someone hunting for a new job, good grooming can be an essential component in their success.

Also, if your salon caters to celebrities or the very wealthy, this will even further recession-proof your nail salon business. This is hardly necessary for success, however. In fact, according to a recent article by the Federico Beauty Institute, some salon owners are actually reporting a recent increase in business, which may suggest people are making more of an effort to take care of themselves when things are down.

## **1.3 Benefits of Being a Nail Salon Owner**

### **Financial Rewards**

While salon owners go into business often for reasons other than just the financial rewards, you can’t ignore the fact that the financial rewards can be considerable. For example, PayScale.com lists the average salary for

a small business owner in the nail salon industry as \$132,000, and earnings of \$150,000 and above are possible. One Canadian-based nail salon franchise called the Nail Hut (see section 4.2.3 for more about nail salon franchises) states that the potential annual sales (gross revenues) for individual nail franchises range from \$85,000-\$600,000 a year. While the amount you will earn depends on many factors such as the size of your salon and the types of services offered, prices charged, and the amount of time you put into your business, the potential earnings as a nail salon owner are excellent.

## **Independence and Flexibility**

Chances are, you're reading this book because you have the desire to be your own boss instead of spending your life working for someone else. If so, here's some great news, because this is an industry that lends itself very well to being your own boss. According to the U.S. Department of Labor Statistics, 46% of individuals working in the nail industry are self-employed. This gives you the freedom to set your own hours, keep more of what you earn, and determine your own future.

While your salon hours will be dictated in large part by the needs of the clients you serve, when you are the owner (and if you have good, reliable employees to manage the salon during times you are not there), you can still set your hours and work the times that suit your temperament best. Sherrie McCarter, co-owner of The Nail Bar, says, "We enjoy not only being able to set our own hours, but also making all the decisions and not have anyone to report to, and providing the services that we want to provide."

An important factor in potential earnings is, of course, the amount of time you choose to put into it. However, statistics show a broad range in the number of hours worked within the industry. A recent survey by NAILS Magazine found that, while over 60% of those surveyed worked between 21 and 50 hours per week, the range fell from fewer than 10 hours to more than 50.

This means that you don't have to devote all your time to this business. You can have a part-time or full-time nail salon business—the choice is up to you. This flexibility is the main reason why this career is an excellent choice for people seeking to balance personal or family time with work.

## Pleasant and Comfortable Working Environment

Let's face it, most people spend more time at their jobs than they do at home. For better or worse, this has a great impact on people's lives and personal satisfaction. Nail salons provide a pleasant work environment, and affords many social opportunities. Having a pleasant working environment can increase not only job satisfaction, but overall satisfaction with your life.

## Helping Clients Feel Good About Themselves

"What I find most rewarding about being a salon owner is seeing the smile on my client's face after they've had an incredible service. Making people feel good about themselves is a great joy!"

— *Robbie Schaeffer, Owner,  
ROB|B Salon*

The beauty industry is based on making people feel good about themselves by helping look their best. Nails salons are all about beautifying the hands and feet. When people feel more attractive, they feel better.

Many owners we spoke with enthusiastically mentioned that seeing their clients leave the salon feeling great was an extremely rewarding part of owning a nail salon. Similarly, many salon owners, such as Lisa Ann Bowles of New Nail Creations, cited the good feeling they get from helping clients relax and enjoy a welcome respite from their busy lives. "The most rewarding thing is hearing how our clients feel when they are done getting their service," says Lisa. "Our clients continuously let us know just how much they appreciate the atmosphere we have created. Some say it is the only time they get to stop and relax. In such a hurry up society, my greatest pleasure is to help someone to be able to slow down and take time to breathe."

## 1.4 Inside This Guide

*The FabJob Guide to Become a Nail Salon Owner* is organized to help take you step-by-step through the basics you will need to open and operate your own salon. The chapters are organized as follows:

Chapter 2 (“*Nail Salon Basics*”) will help you decide what kind of salon you should open. This chapter discusses different types of salons and business niches within the industry, the range of services you can provide and products you can sell, and will explain what is involved in your role as owner and in the roles of your employees.

Chapter 3 (“*Getting Ready*”) explains how you can acquire the skills you will need as a nail salon owner. It covers ways of learning from experts and through observation. You will also discover how to get valuable experience and “earn while you learn” by getting a job in the salon industry. You’ll also find resources in this section for learning more about the beauty industry.

Chapter 4 (“*Starting Your Nail Salon Business*”) will help you decide whether to buy an existing salon, operate a franchise, or open a new salon. It also explains what you need to get started, including your business plan, start-up financing, salon name, and other important matters.

Chapter 5 (“*Setting Up Your Salon*”) offers the information you need to actually set up your salon. It gives advice on how to choose a location, get merchandise to sell, and arrange displays. You will also discover what equipment and supplies you will need.

Chapter 6 (“*Running Your Business*”) takes you into the day-to-day challenge of running your salon once it’s open. It explains how to develop a procedures manual, and covers inventory management, financial management and pricing, marketing your business, and working with staff and customers.

Chapter 7 (“*Getting and Keeping Clients*”) teaches you how to hit the ground running and grow your business by implementing an effective plan for promoting and marketing your business and by delivering memorable top-notch services and great customer service that will make your clients happy and keeping them coming back.

By following the steps laid out in this guide, you will be well on your way to living your dream of starting a nail salon business of your own.