Salon Business Plan for Funding: Sections Investors and Lenders Expect

By Bright Quill Team

If you need a salon business plan for funding, you need more than a good idea and a nice shop front. You need a document that shows a lender or an investor exactly how the salon will make money, pay its costs, and repay what it borrows.

This guide walks through the sections a funding reader checks first. You'll see where owners usually go vague, and how to stay specific without inventing figures you don't have. If you want help turning your own figures into a lender ready plan, our business plan writing service can build it around your salon, your prices, and your funding ask.

1. Start With a Clear Salon Story and a Real Location

Open with the salon in one clear picture. Say what kind of salon it is, who it serves, and where it will sit. A cut and colour salon for busy professionals reads very differently from a family salon near a school, and a lender wants to know which one you are from page one. Name the area and why that spot fits the clients you want. Foot traffic, parking, nearby shops, and rent shape how many clients you can serve in a week.

Don't write a life story here. Keep it short. Say what gap you saw, what you'll offer that nearby salons don't, and what stage you're at. Have you signed a lease? Have you fitted out the space? Are you still looking? A lender trusts a plan that states the stage plainly. If you're still at the looking stage, say so, and say what has to happen next. Honest timing beats a polished story that falls apart on the first question.

2. Show Who Will Sit in Your Chairs

This is the section where many salon plans go soft. They say everyone in town is a potential client. That tells a lender nothing. Narrow it down. Are your core clients women aged 25 to 45 who book colour every six weeks? Are they men who want a quick cut on a lunch break? Are they bridal clients who book months ahead? Pick the groups that'll actually pay your bills.

Use what you can observe and check. Walk the street at different times. Count nearby salons and note their prices and waiting times. Look at how clients find salons now, through search, social pages, maps, and word of mouth. You don't need a formal survey to write a useful market section. You need evidence that real people nearby already pay for the services you plan to sell, and a clear reason they'd choose your chairs over the ones down the road.

3. Explain Your Services, Prices, and How You Will Fill the Diary

List your services with prices, and show how the mix works. Cuts alone rarely carry a salon. Colour, treatments, styling, and retail sales usually lift the average spend per visit, and a lender will look for that mix. Say how long each service takes, how many chairs you have, and how many appointments a stylist can handle in a day without rushing clients.

Then explain how bookings will actually arrive. Will you rely on walk in trade, online booking, repeat bookings at the chair, or local partnerships? Say what you'll do in the first 90 days to fill empty chairs, and what it'll cost. A launch offer, a local opening event, and a rebooking habit at checkout

all help, but only if you price them honestly. If you discount too hard at the start, you train clients to wait for a deal. Our business plans page shows how a service mix and a booking plan sit inside a full funding plan.

4. Put the Funding Ask and the Forecast in Plain Numbers

This section decides most funding outcomes, so keep it plain and complete. State the total amount you need, what each part will pay for, and what you're putting in yourself. Fit out, chairs and equipment, initial stock, rent deposit, licences, marketing, and working capital all belong in the list. A lender gets nervous when a big cost is missing, because it usually means the salon will run short of cash in month three. Show your working, and don't round every figure to a neat number that looks guessed.

Next comes the forecast. Show monthly sales, costs, and cash for the first year, then yearly figures after that. Build it from your prices, your chair capacity, and a booking level you can defend. Start lower than full capacity and grow the diary over months, because a salon rarely fills on day one. Show the point where sales cover costs, and show how loan repayments fit inside the cash left over. If the forecast only works at full chairs from week one, a lender won't believe it. Don't believe it yourself either.

Illustrative startup cost mix: 80,000 dollars. Fit out 32,000 dollars. Chairs and equipment 20,000 dollars. Initial stock 8,000 dollars. Rent deposit and licences 10,000 dollars. Marketing and opening 4,000 dollars. Working capital 6,000 dollars. Illustrative figures only.

5. Prove the Team Can Run the Salon Day to Day

A lender funds people, not just premises. Say who runs the salon, what each person does, and what experience they bring. If you're the owner and the lead stylist, say how you'll split your time between clients and running the business. If you'll hire a manager, say what that role covers and when the hire starts. Gaps are fine if you name them and say how you'll fill them. A gap you hide looks far worse than a gap you plan for.

Cover the daily running in short, concrete terms. Who opens and closes? Who handles bookings, stock orders, and supplier payments? How will you pay stylists, by salary, by commission, or by chair rental, and what does each choice mean for your costs? Chair rental can look tidy on paper, but it changes who controls quality and bookings, so explain your choice. A funding reader wants to see that the salon will run well on a wet Tuesday, not just on opening day. If you need a second pair of eyes on this section, our business plan writing service can help you write it in a way a lender can check.

6. Close With Risks, Repayment, and What Happens Next

Every salon plan needs a risks section, and skipping it doesn't make the risks go away. Name the real ones. A slow start, a key stylist leaving, a rent rise, or a quiet season can all hurt cash flow. For each risk, say what you'll do. A cash buffer, a part time roster you can flex, and a rebooking push in quiet weeks all show a reader that you've thought past the good months. Keep each answer practical. A lender doesn't want brave words. They want a plan they can follow when things get tight.

End with repayment and next steps. Say how the loan will be repaid, over what period, and from what cash. If you're seeking investment rather than a loan, say what the investor gets. Then list the next steps in order: lease, fit out, hiring, stock, opening date. A clear ending leaves the reader with one feeling, that this owner knows what to do next. That's worth more than a long closing

paragraph.

A salon business plan for funding is not a sales brochure. It's proof. It proves you know your clients, your prices, your costs, and your team, and that the numbers hold together when a careful reader checks them. Build each section from your real figures, keep the language plain, and don't hide the hard parts. If you'd like help, our business plan writing service builds funding plans from real salon figures, and you can ask for a free quote through the contact page.