

EXECUTIVE SUMMARY

Personal grooming for male has become one of the basic needs nowadays. In this Business Plan, we are aiming for our current business “Z Barbershop” to be able to grow. Z Barbershop brand is owned by Z Corporation which was established in 2017. Z Barbershop is currently operating 4 branches in Jakarta-Depok-Tangerang-Bekasi area and surviving the pandemic with still making profit. In fact, our 4th branch was opened during pandemic in 2020. Z Barbershop provides grooming service for men and little men with modern industrialist concept and emphasizing on customer-oriented service, barber standardization, end to end service, area coverage and private label.

As this business is quite common, therefore, the overall strategy chosen to grow Z Barbershop business is Differentiation so Z Barbershop can be outstanding in the market, grab more customers and finally grow. Looking at the market prospect for the next 5 years, Z Barbershop aims to grow by opening 40 more new branches on top of the existing 4 branches in operations and making profit. This takes around 30% of the total projected market. We took this number by taking into account our capital strength over the next 5 years.

The growth in the number of branches is important. The number of customers per branch is also important to generate the expected profit. This is strongly related to the capacity of the barbershop whereas we plan for 4 barbers per branch targeting 900 customers per day per branch. Another differentiation that we push forward is barber standardization. We recognized customers has preference for Barber. But in Z Barbershop, we standardize our barbers' skills both technically and also soft skill so every customer will have equal satisfaction whichever barber they have.

Market wise, as we aim for middle-upper market, our pricing strategy is categorized as “High Value” where the service given is considered to be high quality, but with the price of a medium level. Through the 7P concept (Product, Price, Place, Promotion, People, Process dan Physical Evidence) and with proper positioning will be able to contribute significant operating income.

It its growth, the organization of Z Corporation is focused into two division; Operations and also Finance & Business Development divisions. Where all the barbers will be trained and certified to support their technical skill as well as their soft skill.

The investment need for the targeted growth of Z Barbershop is estimated to be around Rp. 6.5 billion, which comes from bank loan of around Rp. 1.6 billion (interest rate

10%/year for 5 years) and equity of Rp. 5 billion. The expected Net Profit cumulative in the end of year-5 is around Rp. 36 billion.

Based on the evaluation, this growth projection of Z Barbershop will have positive NPV of Rp. 8.9 billion, IRR 34%, with payback period of 4.22 years and Profitability index of 2.37.

