

Unit 4

LET'S TALK BUSINESS

In this unit you will

- ▶ learn and practice some business vocabulary related to wholesale, retailing, and entrepreneurship
- ▶ learn how to price, promote, and sell products



Part 1: Ordering Supplies

1a Class Discussion

- ▶ Where do Beauty salons buy their supplies (products and tools)?
- ▶ How do they order them?



1b Check your understanding

Ageless Beauty Limited is a cosmetics wholesale company. Study the order form and the one on the next page. Also look at the explanations, and use your glossary if necessary. Then answer the following questions.

1. How are the company's wholesale prices?
2. How can you order products from this company?
3. Does the company deliver to Cyprus and Turkey?
4. If you send your order on a Saturday when will it be dispatched?
5. Thinking of the time difference between Cyprus and England, what time during the week should you call this company the latest?

1c True or False

Look at the following Rimmel brand products available from Ageless Beauty Limited. Decide if the statements are True (T) or False (F) according to the given information. If False, explain why.

product	min order	code	unit	unit price
shampoos and conditioners (6 in a pack)				
Enriching shampoo 250 ml	1	KEBA 101	1 pk	£6.48
Enriching conditioner 250 ml	1	KEBA 201	1 pk	£6.98
permanent colour products				
ammonia free dye	5		ea	£7.95
• chocolate brown		LGL004		
• deep burgundy		LGL013		
• caramel blonde		LGL018		
• jet black		LGL001		
ammonia free highlighting cream	-	IHC001	ea	£5.95
accessories				
hair pins black (100 in a pack)	3	146604	1 pk	£2.69
thick hair bands (12 in a pack)	3	145932	1 pk	£1.59
gown	-	118556	ea	£14.09
water spray bottle	-	014807	ea	£1.99
highlighting foil (1mX12cm)	-	145927	ea	£8.29
tinting bowl	5	014805	ea	£1
towels (a dozen)				
black hair towel 85X50cm	1	ST03	1 pk	£26.21
white hair towel 85X50cm	1	ST04	1 pk	£21.84
hair extensions				
Pink Lust 18" Human Hair Clip in Sets (8 pieces) black	-	PLC18D	ea	£59.99
Pink Lust 12" wide Human Hair Clip-in Strip golden brown	1	PLI01	ea	£18
Harland Grade AAA Remy Hair Extensions Weft - #2 Darkest Brown	-	P7691	ea	£49.99

- ☆ min order (minimum order): the minimum number you can order
- ☆ unit: ea (each): 1
dz (dozen): 12
- ☆ pk (pack): 1 pack
unit price: price for one unit

1. If you want to order product LGL004, you should order at least 5.
2. You pay £39.75 for the minimum order of ammonia free dye.
3. There are two different shades of the ammonia free dye.
4. The highlighting cream has no ammonia in it.
5. You get 100 hair pins with your minimum order of the product 146604.
6. The minimum order for hair bands is 3 packs.
7. The highlighting foil is 1 metre long.
8. When you buy product ST03, you get 12 towels.
9. The towels are all the same price.
10. There are three different types of hair extensions on the list.
11. The clip-in hair extensions come in two different shades of brown.

1d Check your understanding

How much would you pay for the following?

1. 4 packs of shampoo and 4 packs of conditioner
2. 60 hair bands
3. 12 black and 12 white towels
4. all shades of the hair dye (5 each)
5. minimum order of tinting bowls



Ageless Beauty Limited, England

- Thank you for your interest. We stock lots of branded products at affordable prices.
- We welcome orders by e-mail, phone, fax or post. Orders are dispatched usually within 2 working days. We can arrange deliveries to UK, Europe and Worldwide.
- We are open MON – FRI 09.00 – 17.30. SAT 09.00 – 14.00.

ORDER FORM

Ordered by Name: Address: Tel: Mob: e-mail:	Date: <u>Delivery address (if different)</u> Name: Address: Tel: Mob:
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code	description	quantity	unit (ea, dz, pk)	unit price	value

Explanations

- code:** for example, EW24
description: what is this product?, what is the name?
quantity: how many?
value: total price for the product (quantity X unit price)

total	
VAT 20%	
grand total	

1e Group work

Imagine that as a group you have a salon. Look at the products list on the previous page and choose 8 products to order for your salon.

1. First fill in the **ordered by** information (*this is your salon's information*) and the date.
2. Decide on 8 products to order and also decide how many you want to order. Then fill in the form.
3. Calculate the value (total price) for each product.
4. Calculate the total of the order.
5. Add 20% VAT.
6. How much do you have to pay the company?



Part 2 Retailing

2a Class Discussion

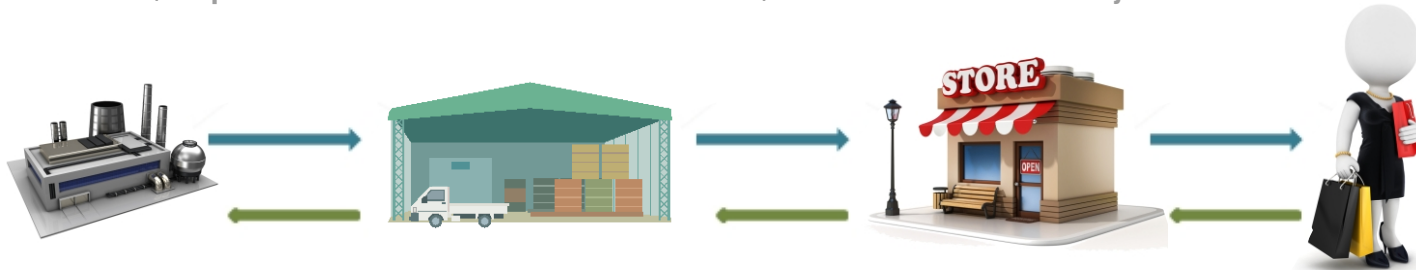
- ▶ Hairdressing and Beauty salon owners also sell products to their customers. What kind of products do they sell?
- ▶ What do you think about their prices?
- ▶ If you were a salon owner, how much would you ask for a lipstick you buy for 5 TRY?



2b Label

The following diagram shows how a product reaches a customer. Place the following words and phrases in the diagram.

retailer/shop manufacturer customer distributor/wholesaler sells to buys from orders from



2c Check the meaning

Use your glossary to check the meanings of the following words and phrases.

wholesale price retail price cover cost make a profit 50 percent markup
 selling price expenses rent tax insurance employee salaries

Retailing and Pricing your Products

Retailing means selling products to your customers for their personal use. The products you buy for your salon are wholesale products which you buy from a wholesaler at wholesale prices. If you sell them to your customers you become a retailer, and the products become retail products. Of course, you don't sell them at the price you buy them because you want to cover your cost and make a profit. So how do you decide on the retail price?

Most retailers use a 50 percent markup. This means doubling (x2) your cost to find the retail price. For example, if your cost on an item is 5 TRY, your selling price will be 10 TRY. Fifty percent of 10 TRY is 5 TRY, which is your markup. Although doubling the price may sound too much, it really is not when you think about your salon's expenses such as rent, taxes, insurance, supplies, employee salaries, etc.

2d Check your understanding

Read the following paragraph and answer the questions. Use your glossary if necessary.

1. What is the difference between a wholesale product and a retail product?
2. What are you if you sell products to your customers?
3. Which price is higher - wholesale or retail?
4. What does markup mean?
5. What percentage of markup should you use when pricing your products?
6. Why should you double your cost?

How to Sell Salon Products

Salons can **make good profit** from the services they offer but this is only one way to make money. Selling **personal care products** can **increase your salon revenue**. You can sell salon products such as shampoos and conditioners, skincare products, nail polish, and accessories. This is much more than just **putting the products on display**. You must also **make an effort to interact with your clients**.

Instructions

1) Know your clients and their needs. Talk to them and find out what kind of beauty products they buy from shops. Ask the clients questions about their **product needs**. For example, if you want to sell hair care products, ask a client getting a haircut what problems she has with her hair.

2) Learn everything you can about the products you will sell. Know the manufacturer, ingredients, and **purpose and use of each product**.

3) Put the salon products in an **easily accessible location** of the salon for clients to see. The display location ideally should be near the **waiting area** so clients can check your selection as they wait.

4) Use the products on the clients while they are receiving services. Tell the clients about the products and why you think the products would be a **good fit** for them.

5) **Offer to sell the product** to the clients after you show it to them.

Adapted from <http://www.ehow.com/how_7457422_sell-salon-products.html>

2g Fill in the blanks

The following dialogue between a nail technician and a client is based on the instructions in the above text. Read through the dialogue and fill in the blanks with the following words.

nail file - removing - recommend - moisturise - homecare - dry manicure - acetone free - hand lotion - soft - cracked - shade

- Good morning. Are we having a (1) today?
- Yes, and I'd like to have a red (2) polish.
- OK, let's start by (3) your nail polish.
- Do you see how (4) my hands are?
- Oh yes, and also your nails are very dry and (5). What kind of (6) do you use at home?
- I have a metal file.
- Oh no! Those can easily damage dry nails. I'm first going to use an (7) nail polish remover on your nails. This is very gentle on dry nails. Now I'm going to use an emery board nail file which doesn't crack your nails like a metal one.
(after filing the nails and polishing them)
- OK, now let's (8) these hands. I'll massage in this lovely (9) with natural oils.
- Oh, this feels so (10) and smells so fresh.
- So, what do you think?
- Are these my hands? They look so healthy now.
- I'm glad you're satisfied. We also sell all these products I've used with you. I (11) that you use similar products for (12).

2e Match

Read through the text and match the highlighted phrases with the following Turkish ones. Use your glossary if necessary.

1. ürün ihtiyaçları
2. bekleme alanı
3. müşterilerle iletişim kurmak için çaba göstermek
4. her ürünün amaç ve kullanımı
5. kolay ulaşılır yer
6. ürünleri teşhir için yerleştirmek
7. ürünü satmayı teklif et
8. iyi uymak
9. salon kazancını artırmak
10. iyi kar elde etmek
11. kişisel bakım ürünleri

2f Check your understanding

Answer the following questions according to the text.

1. How can a salon increase its revenue?
2. What kind of products can a salon sell?
3. What are the two important things to do in order to sell salon products?
4. How do you know about your clients' product needs?
5. What should you know about the products which you sell?
6. Where should you display the products?
7. How can you sell a product to your clients?



2h Write and act out

Work with your partner and write a similar dialogue with a client who is receiving a makeup treatment. Try to sell the client some products.

Part 3: Entrepreneurship

3a Class Discussion

1. Which successful entrepreneurs do you know?
2. What does it take to be an entrepreneur?
3. What ideas do you have which you can put into action (do)?

3b Check the meaning

Use your glossary to check the meanings of the following words.

chain financial difficulty analysis
 market research demand invest
 set up innovative key to success

Mehmet Eziç



Mehmet Eziç, owner and Director of Eziç chain of restaurants, started working when he was a student. His family had financial difficulties and he had to work to make his pocket money. His early experiences made him the successful businessman he is now.

In 1988 he worked at the Comar Research Company where he became strong in analysis and market research. He learned to see what was missing, and he did new things. In 1990, he invested 5,000 TL, the only money he had, to set up his small roasted chicken shop in Kyrenia. At that time, there was no such business in Kyrenia, but the demand was there.

Mr. Eziç prepared all the menus for his restaurant. He is not a chef but he is innovative and is a real entrepreneur. He formed his menus by traveling, researching and trying different tastes. He wanted to create something different.

Mr. Eziç thinks that the key to success is hard work, taking risks and being different. Today he owns 6 restaurants in three cities. In 2008 he was selected as the Entrepreneur of the Year.

Translated and adapted from <<http://www.kibrispostasi.com/print.php?int=4816>>

"A lot of people have ideas, but there are few who decide to do something about them now. Not tomorrow. Not next week. But, today. The true entrepreneur is a doer, not a dreamer."

Nolan Bushnell, founder of Atari



3c Fill in the gaps

Fill the gaps in the following sentences with the words.

1. Apple is very They always come up with new products.
2. He had because he lost his job.
3. Companies do to find out information about the customers and the market.
4. You don't have to work for someone; you can your own business.
5. An accountant must have strong skills.
6. The product did not sell well because there was no for it.
7. Lemar is a supermarket
8. You can your money in a house or a business.



3d Answer the questions

Answer the following questions as you read the text.

1. When did Mehmet Eziç start working?
2. What was Mehmet Eziç's start-up idea?
3. Why did he go into this business?
4. Who created his restaurant menus?
5. What do the following two pictures tell you?
6. Why do you think Mr. Eziç has become so successful?

3e Class Discussion

1. Do you know the Dragon's Den (Ejderha'nın Magarası) TV programme?
2. Who do you think are the above people?



3f Find the phrases

Read the text and find the phrases (deyişler) which mean the following:

ürün için pazar bir hisse karşılığında teklifte bulunmak
'Ben varım' 'Ben yokum' bir işe yatırım yapmak müşteriye fayda

Dragons' Den is originally a Japanese TV series which was sold around the world including Türkiye. There are 5 Dragons (rich investors) in the programme. Entrepreneurs apply to come to the programme. If they are selected, they come to the studio to talk about their business ideas and ask for investment from the dragons in return for a share. If a dragon likes the idea he/she says 'I'm in' and then make an offer. If they don't, they say 'I'm out'.

The dragons ask some questions to the entrepreneurs before they decide. For example:

Is there a market for your product?

What is the benefit to the customer? Why would they buy your product?

Why should a businessman invest in your business?

3g What do you think?

1. Why do you think they named the programme Dragon's Den?
2. The following products actually entered Dragon's Den. Which ones do you think got investment?



A) Coffee bag

Coffee in bags. Put in a cup and add hot water.



C) Magic Whiteboard

These come in rolls. Cut out pieces, stick it anywhere you want, use it, clean it and reuse it.



B) Swimfin

a swimming aid for those who are learning to swim. Suitable both for children and adults.



D) Illoom balloons

illuminated balloons

3h Are you in or are you out?

Your teacher will assign you to groups to role play the entrepreneur for the above ideas, and the dragons.

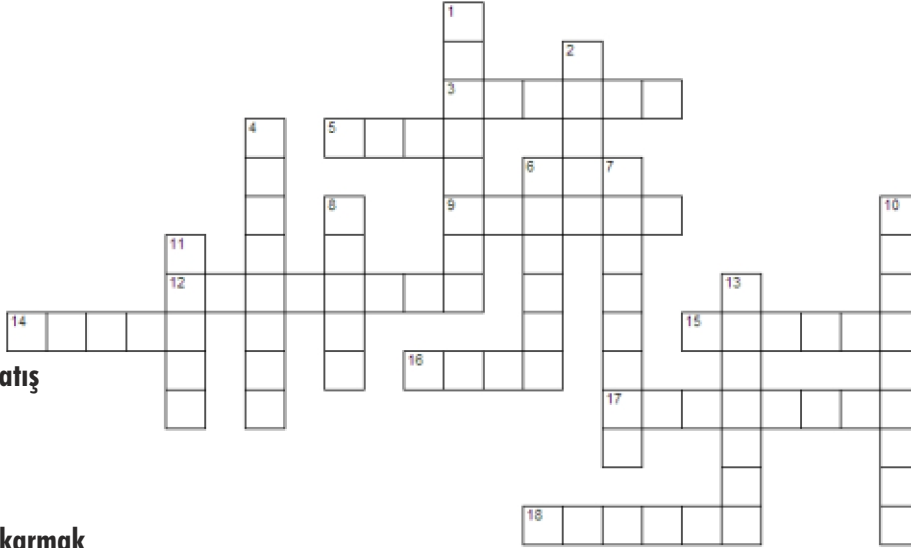
Part 4 Revision

4a Crossword puzzle

Complete the puzzle with the English equivalents of the following words.

Across

- 3. maaş
- 5. birim
- 9. kar yüzdesi
- 12. perakenteci
- 14. marka
- 15. perakente satış
- 16. kira
- 17. masraflar
- 18. iki katına çıkarmak



Down

- 1. müşteri
- 2. vergi
- 4. miktar
- 6. kar
- 7. erzak, malzeme
- 8. fiyat
- 10. toptan satış
- 11. sipariş
- 13. kazanç

4b Fill in the blanks

Complete the sentences with the following words.

- a) entrepreneur b) business c) dreamer d) ideas
- e) set up f) action g) innovative h) demand
- i) invest j) market research k) key to success

1. With the money her parents gave her, she decided to (1) into a beauty salon (2).
2. He is such a (3). He can talk all day long about his dreams.
3. At the age of 20 he decided to put his (4) into (5) and he (6) his own company.
4. A (7) shows that most women cannot afford to go to a beauty salon.
5. There is a lot of (8) from young women for nail art.
6. Working hard is the (9).
7. A real (10) does not only talk about his/her ideas but also does something about them.
8. My hairdresser is very (11). She creates new hair styles all the time.

4b Fill in the blanks

Match the following words to make phrases.

- | | |
|---------------|--------------------|
| 1. financial | a) the product |
| 2. pocket | b) in a business |
| 3. benefit | c) difficulty |
| 4. market for | d) price |
| 5. make an | e) risk |
| 6. business | f) work |
| 7. invest | g) to the customer |
| 8. delivery | h) order |
| 9. taking | i) your cost |
| 10. hard | j) money |
| 11. in return | k) for a share |
| 12. unit | l) offer |
| 13. minimum | m) address |
| 14. doubling | n) expenses |

4d Calculate

You are ordering supplies for your salon. Calculate the following.

1. You want to order 10 packs of blush. Each pack has 10 pieces. The unit price per pack is 100 TRY.
2. What would be your retail price for each blusher at a 50% markup?
3. If you sell a shampoo for 20TRY and your markup is 40% what is your cost?