

## Case Study of a First-generation Woman Entrepreneur – Truly Cost effective & Sustainable Model

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### **Abstract:**

**Background:** This Case Study is of a Woman Entrepreneur who started her business without having any previous background of business in the family and more appropriately we may call her as a first-generation Woman Entrepreneur. She started her beauty studio in the year 2001 and is running very successfully with a clear vision and conviction. Her journey is certainly very inspiring for all those who are aspiring to start their own business and over a period of 20 years she has established her brand in the field of beauty parlour business. Sanskruta's Beauty Studio is a full-service beauty salon for ladies dedicated to consistently providing high customer satisfaction by rendering excellent service, quality products, and furnishing an enjoyable atmosphere at an acceptable price/value relationship. While achieving this she has also managed her business by applying cost management techniques in order to make her business completely debt free, profitable and sustainable.

**Materials & Methods:** While designing this case study series of interview were undertaken with the Woman Entrepreneur and for validation of the data and information interview of staff was also undertaken. Data was shown during the interview regarding the financial information but due to confidentiality the said data is put in percentages.

**Results:** Even though the proper entrepreneurial education was not taken the woman entrepreneur in the said case study could develop cost effective and sustainable model with the demonstration of passion, tenacity and conviction.

**Key Word:** Cost management, Woman entrepreneur, Sustainable, Brand

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Date of Submission: 13-08-2021

Date of Acceptance: 28-08-2021

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### I. Introduction

The present case study is of a dynamic woman entrepreneur who took a courageous decision of starting her entrepreneurial venture with the available resources and slowly but steadily converted into a sustainable business model by taking along the girls from lower income group with her and also through application of innovative strategies and following strict cost discipline in her business. This case study will enthuse the youngsters to start their entrepreneurial venture. The mission of her business is "To supply services and products those enhance client's physical appearance and mental relaxation; in other words: "TO MAKE ALL OUR CLIENTS LOOK AND FEEL BEAUTIFUL."

### II. Background & Driver of Business

She completed her graduation in the year 85-86 and within one year she also got married. She was living a typical life every married woman lives and taking care of her family completely. Right from childhood she was having inborn skills of doing threading, make-up and after words she even used to do hair cutting of fellow friends merely as a hobby. Even she was doing this as a hobby she was doing perfect job and her friends used to appreciate her skills. She never knew at that time that one day these skills in her are going to support her in starting her business. Her husband was also doing business but that was also in the premature stage and income was not consistent. So in order to support family she wanted to start a beauty parlour at home initially due to lack of funds availability but she also thought that it is necessary to acquire necessary qualification in this area before starting business. She acquired a degree of Professional Diploma in skin and hair from a reputed institute in this field in the year 2000 so before starting the business she was having this qualification.

Confidence level was very high as she was having the necessary skills developed right from childhood and in the year 2001 September, she started her beauty parlour at her residence. Initially friends & relatives started availing her services and also were telling others to go to her parlour. So, within a period of six months, she started looking for an appropriate location where she could rent a place where she can start her beauty studio.

### **III. Managing Work Life Balance**

For a initial period of 10 years this problem was very prominent as kids were small and during that time there was no option but to keep the kids at day care and managing house responsibilities was a challenge. But as kids grew up this problem became little and with the help of the house maid she could manage her house work and also focussed on her business. She was managing all responsibilities of her business covering parlour management, finance, marketing single handed.

### **IV. Building of Credentials**

Sanskruta Vernekar, the ‘Soul’ of Sanskruta’s Beauty Studio, built her credentials and the same are as follows

- Engaging herself in constantly upgrading her skills
- Training under veterans in the industry like Maya Paranjape
- Post-graduate qualification from Cidesco International for Beauty Therapies and Body Therapies
- Done several courses with L’Oréal
- Obtained extensive training in Spa Treatments and Massages
- Completed Diploma in Panchakarma and Ayurvedic Cosmetics from renowned Ayurvedic college in Pune (Tilak Ayurveda College)
- Done advanced courses in Haircut from Jawed Habib and Jabir Arora
- Done Kryolan Maphisto International Diploma in editorial, runway, and theatrical make-up
- TONI&GUY certified hair stylist. To ensure she is in sync with the latest international trends in hair styling, she devoted three weeks of her time to upgrade her knowledge (in early 2015) to be able to provide top class service to our clients
- Advanced make-up courses from award-winning film make-up artist Vikram Gaikwad
- To be in constant touch with Vikram Sir to upgrade her makeup knowledge. In the year 2009 she appeared for an examination conducted by Cidesco from Zurich and got the professional qualification and more over she stood first on all India basis in 2009. This examination was very tough and needed study of nearly 14 hours a day and during those days her husband helped her by taking care of house and kids which was very remarkable and the assistants whom she trained were taking care of the business.

### **V. Formation of a Beauty Parlour**

She identified good location in the city and rented a place with 350 sqft and in order to procure the necessary furniture and equipment needed for her Beauty Parlour she took a gold loan. It was a courageous decision to start a beauty parlour at that time because of lack of spread of this concept of getting the make-up done at regular interval. Only during the occasions of marriage or birthday party young girls and women used to avail the services of beauty parlour. Further only certain class in the society could afford the cost of the services hence in the initial period she visited their residences and discussed their issues and created a confidence level in their minds.

She realised that in order to expand the business it is necessary to hire the staff for providing various services hence she hired young girls from the lower income strata as a strategy and groomed them for providing various services with the skills. She even encouraged those girls to appear for examination conducted by Association of Beauty therapy and cosmetology (ABTC) and girls got both the skills as well as the required qualification for this business. She was so confident that these girls even after getting the necessary qualification and skills will remain with her beauty parlour because she was treating her staff as family members by understanding their needs and problems. Hence those girls also developed bonding with her.

After having spent 6 years in the business and in view of the above innovative measures taken by her very soon she started feeling that her present space of 350 sqft was proving inadequate and considering the inflow of the customers and she started looking for increased space in another location which she got in the year 2007 on the Karve Road area in a very good locality on the ground floor an apartment of 1000 sqft.

### **VI. Innovative Business Expansion Strategies**

At new place she doubled her staff to 9 girls from 5 girls earlier. To build confidence in the minds of the customers she provided quality service with good hygiene which was the necessity for this business. Her customers were the ambassadors of her business as they used to recommend her services to their friends. In the initial period staff was hired with a fixed salary but over a period it was proved to be a fixed burden and therefore she came up with an idea of variable pay based on the quantum of work handled by each assistant and that proved very successful as the assistants were trying to serve as many customers as they could in order to earn higher income in the form of commission.

Ms.Sanskruta being a woman, she could understand the problems faced by ladies at their home and therefore she had a strategy of treating the customer lady with a dignity and like a Queen by which the

customers were getting overwhelmed and were very satisfied. By looking at the satisfied customers she also was feeling very contented.

### **VII. Branding of Business**

She developed the brand through various ways. The first being putting up a hoarding of a size 20 ft by 20 ft at a very prominent spot in the city for a quite long period of time of 5 years. Slowly she put up her hoarding at four strategically important locations and this helped a lot in building her brand. Apart from this the service provided by her to the customers and their satisfaction level also contributed a lot in building a brand.

### **VIII. Further Expansion of Business**

There were plans of increasing the sections capacity e.g. for Haircut earlier were 2 stations but it was proving as inadequate, for waxing there was only one station, pedicure also there was one section, make up stations were two only and facials & head massage was only for one person. In short considering the response from the customers these sections were inadequate hence she was looking for a place where she could increase the number of each section and in 2011 i.e., within 2 years she could get a very good area of 1500 sqft in the prominent location at Erandawane. Staff strength increased to 20 and in addition to existing sections one section of body spa was made available at this new location. Makeup at a time for 6 customers, haircuts and colouring for 5 customers at a time, nail stations two, pedicure stations two, shampoo stations two, body spa for one customer, four facials and four head massage, waxing for four customers at a time.

In the year 2013 new branch at a very prominent location near Fergusson college was started by her sister who used to work with her Parlour for nearly one year and could develop a confidence level to handle a branch independently. The new branch was having an area of 1000 sqft and staff members five excluding her. Seema joined Sanskruta's Beauty Studio and Spa in the year 2012 with a vision to expand services. She brought in solid industry experience of 17+ years in marketing, IT operations and project management. She worked in countries like USA and UK, so has experienced different cultures, people giving her a global view that is unique and broad. She brings in fresh perspective which helps design studio's overall business strategies and implement and effect change in the daily work environment

### **IX. Business Promotion Strategies**

In the year 2009 she started her website with the URL [www.sanskritas.in](http://www.sanskritas.in) and in addition to this she also uses social media for promoting her business. Due to her page opened on Instagram as well as Facebook she has got tremendous response. Her 20 % business comes from mouth publicity and rest 80 % business through social media promotion.

### **X. Formation of an Academy**

Academy started in 2010 with an idea of creating entrepreneurs by providing them full-fledged education in this area. Till 2020 nearly 200 students have undergone the course and they have started their business or got employed. Her institute is Government recognised and the certificate is awarded by her institute and also from the Educational Board of Vocational Training and Research.

At Sanskruta's Beauty Studio and Spa, they offer high quality beauty courses focused on theory as well as practical learning. Sanskruta personally trains all her students. Understanding that each student has different learning pace, Sanskruta's focus is on personal attention. She believes in training her students until satisfactory result is achieved. A certificate is awarded after successful completion of the course. Outstanding students get an opportunity to work for Sanskruta's Beauty Studio and Spa. They provide placement assistance as well.

She has supported her students in starting their business right from selection of the location, equipment to be procured, proper layout of the parlour and any other skill related guidance required from time to time. So instead of keeping her skills and knowledge with her she has shared the same with her students and today those students are doing their business which is a great success of hers.

### **XI. Challenges faced being a Woman**

To maintain dignity in this business where unfortunately due to the bad character of some of the salon owners or beauticians working in the salon was a big challenge but she overcome this challenge by her ethical behaviour and complete transparency in the services provided to the client.

### **XII. Success Factors of Sustainable Model**

- Obtained knowledge in this area from time to time and upgrading skills according to the time.
- Following financial discipline and ethical practices
- Very low labour turnover rate.

- One-stop solution for all Hair Care, Skin Care, Make-up and Spa needs
  - Hygiene is two thirds of health! Wash, Wipe, Brush, Flush, Change, Use, Throw, Cover. believe in each word
  - Branded, Best Quality, Safe, Tried and Tested products.
  - Keeping multiple brands to offer wide choice to clients
  - Carefully designed treatments
  - As part of home care consultation, providing selective products from professional range
  - Transparent service. Product Display, Product Use and Mixing in front of clients
  - Well equipped facility to provide optimum result
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### **XIII. Growth of Business since Inception**

Annual turnover in the year 2001 was around Rs.6 lakhs and currently in the year 2020 it is 10 times . Profitability of the business in also in two digits due to the application of cost management techniques and due to the financial discipline followed from time to time her business at present is completely debt free.

### **XIV. Management of Business during Pandemic Period**

From march to July 2020 business was closed due to the government directive and restarted in July 20 but due to the fear of Corona customers were hesitant to come to parlour and volume of business got affected heavily. From Diwali month business picked up again but in the month of march 21 again there was a notable adverse impact on the business. She is supporting her staff during this difficult period by giving some token salary to take care of the necessities which is really a good gesture from her side as she treats her employees as family members. Her accumulated profits during the good period are helping her in this difficult period to take care of fixed expenses.

### **XV. Conclusion**

After having seen the journey of 20 years we can certainly say that Mrs. Sanskruta developed her sustainable business model from scratch, and she is truly a role model for the young girls who are aspiring to start their own business.

### **Acknowledgement**

The author is indebted to Mrs.Sanskrita Venrnekhar, Woman Entrepreneur for sparing her valuable time and also for providing all the information in order to write this case study.

Dr. Vikas Digambar Peshave. "Case Study of a First-generation Woman Entrepreneur – Truly Cost effective & Sustainable Model." *IOSR Journal of Business and Management (IOSR-JBM)*, 23(08), 2021, pp. 01-04