



SPAS/GROUP PRACTICES



SALONS



SOLO/SMALL PRACTICES



AVEDA

WHY DO HEALTH & BEAUTY BUSINESSES FAIL?

It's not because the business owner doesn't work hard enough. It's because they don't have the right knowledge and tools to grow their business. In this ebooklet, we explain the 3 Marketing Musts cultivated from the most successful spas, salons and massage therapists. We're going to take you into your left-brain and apply the analytics to make your business successful, so you can enjoy the right-brain experience of caring for your clients.

SpaBoom is the health & beauty industry leader in digital marketing, helping thousands of the best local and independent spas, salons and massage therapists attract, retain and upsell their clientele.

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The 3 Marketing Musts

Why do spa, salon and massage therapy businesses fail? It's certainly not because the business owner doesn't work hard enough - it's because all that energy isn't directed at the right focal points.

Their focus was not on the 3 Marketing Musts. In this ebooklet, you will find the principles to understanding the 3 Marketing Musts, developing an analytic approach to fine tune and run your business day to day.

Right-brain vs. left-brain

People are often described as being either right-brain or left-brain dominant. According to this scientific theory, each side of the brain controls different types of thinking, and most people are observed to prefer one type of thinking over the other. For example, a person who is "left-brained" is often said to be driven by logic, analytics, and objectivity; while a person who is "right-brained" is said to be driven more by intuition, creativity and subjectivity.



More often than not, we all have one side that is dominant and guides us day-to-day. Understanding and identifying strengths and weaknesses associated with the left/right brain dominance theory will help develop the best path to a successful business.

If we view the business of running a spa/salon from the creative and analytical perspectives we can see that typically a spa fails because the "right" pieces of the business were not focused on or changed in time to drive the marketing of the business.

> **ff** As a spa, salon, or massage therapy practice owner, you are a passionate, creative and intuitive individual with an amazing propensity for success 55

As a spa, salon, or massage therapy practice owner, you are a passionate, creative and intuitive individual with an amazing propensity for success. By adding the 3 Marketing Musts that are discussed in this ebooklet, you will add analytical strength and resources to your business enabling you to focus your attention on the passionate experiences that you deliver and love.



This ebooklet is designed to provide you with a step by step analytical approach to achieve success and create an unlimited marketing budget for your spa, salon or massage therapy practice.

Let's start our analytic process by building the Revenue Calculator, which determines the amount of revenue your business brings in:

Revenue Calculator: Starting Point				
Audience Size	2000			
Conversion Rate	17%			
Number of Customers	340			
Average Visits Per Year	3			
Average Transaction \$	\$100			
Revenue	\$102,000			

Revenue Calculator Legend

Audience Size - the target demographic to whom you send your message without paying someone (email subscriber database plus social networking audience)

Conversion Rate – the percentage of your audience that becomes a customer during the year

Number of Customers – people with whom you have done business at least once during the year

Average Visits Per Year – the number of times a customer returns per year

Average Transactions \$ - the average dollar amount spent per visit

Revenue – Number of Customers x Average Visits Per Year x Average Transaction \$

It's natural to jump to revenue and only focus on that number. However, with our analytical approach, we're going to focus on the underlying elements that drive revenue - the 3 Marketing Musts:

- Low hanging fruit: increasing the number of transactions
- Online presence: driving conversion
- Being your own publisher: increasing the size of your audience

We're going to demonstrate that modest improvement in the 3 Marketing Musts will drive dramatic business results.

Marketing Must #1 Increasing Transactions

How do you increase transactions?

Increasing repeat business from your existing clientele is the easiest improvement for a business owner to make — in other words the low hanging fruit, ripe for picking.

Keep repeat clients coming in

Create and implement a loyalty program for your clients. The most effective loyalty programs are:

- easy to understand (example: 1:1 point to dollar ratio)
- offer points for actions taken (buy a gift certificate get points)
- provide reward vouchers to be used toward services from your existing menu (500 points = \$25 gift from the spa good toward products or service purchases)
- tracked FOR your client without any additional cards, numbers or responsibility placed on the client.
- · encourage additional visits by rewarding a gift certificate every time the point threshold is reached

Loyalty programs give your existing clients substantial value to return more frequently. By pricing the reward correctly, you drive more frequent visits and more frequent upsell opportunities.

Staying top-of-mind

Email newsletters are designed to build relationships and generate transactions. Put together a year's worth of email campaigns that touch on relationship building topics.

Types of relational newsletters that develop engagement and information sharing with clients:

- · ways to care for skin, body and soul during the various seasons
- wellness and body care tips
- new treatments and the specifics behind their design informational driven

Transactional newsletters - 35% - 45% of a year's campaign - create transactional emails that promote gift giving options, reach last minute purchasers and offer a solution for large gift giving occasions as well as life cycle events such as birthdays, anniversaries and special celebrations.



Types of Transactional newsletters that are critical to your email marketing success:

- specials
- current events
- facilitating more online booking
- package purchases
- last minute buying options and reminders for the perfect gift for each unique occasion

Email campaigns are still the most effective way to reach large audiences with deliberate, branded information while providing consistent, top of mind consciousness for your spa, salon or massage therapy practice.

Intelligent offers

Offers should be given throughout a marketing campaign so that they maximize reach for existing clients and increase visits and purchases as well as develop stronger relationships and sharing capabilities to your clients' familial and friend network.

Simple offers create a big pay-off in developing relationships and increasing the number of visits:

- send thank you notes after first time visits, including a token of appreciation for the next visit
- newsletter signup offers incentives for sharing their email address
- comment follow-ups responding and increasing dialog between you & your clients
- miss you follow-ups select a range of retention follow-up dates and offers to bring them back; the longer the time span, the sweeter the offer
- slow time offers drive clients to come in by offering a unique value or add-on experience and make it shareable
- celebrate life cycle events for your clients send out birthday and anniversary offers
- celebrate your business's life cycle events business opening or anniversary gifts

ff Email campaigns are still the most effective way to reach large audiences



Example offers:

- Come back in the next 60 days and receive \$10 off any 1 hour service booked in advance
- Get \$5 off of any retail purchase over \$20
- Get 15% off of any one hour service
- Get \$20 off your next visit
- Get x when you book a service anytime between 2pm 6pm
- Happy Anniversary Jane Smith come in this month and celebrate your anniversary with \$10 or 10% off any of these select services
- X Spa is turning 15 this week! Come in any afternoon this week and get 15 mins added onto any one hour massage service for Free

By implementing the Must #1, Increasing Transactions, you can expect a minimum of 10% increase in the Average Vists Per Year.

Revenue Calculator: Increasing Transactions					
Audience Size	2000		2000		
Conversion Rate	17%		17%		
Number of Customers	340		340		
Average Visits Per Year	3	10%	3.3		
Average Transaction \$	\$100		\$100		
Revenue	\$102,000	10%	\$112,200		

ff Increasing repeat business from your existing clientele is low hanging fruit, ripe for the picking 55

Marketing Must #2 Driving Conversion

Increasing conversions leverages the value of your audience. The first impression of your spa/salon is now more likely to take place online than in person. Creating a great online presence will turn prospects into clients.

Draw In and Keep The Eyes On You

In the digital age, eyeballs are no longer rented by businesses. They are free roaming agents in search of exact information, specific details, and genuine experiences being delivered immediately to our fingertips.

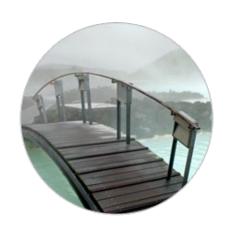
If ...the first impression of your business determines whether or not you ever have the chance to see the body behind the eyes **55**

First impressions

The first impression of your spa, salon or massage therapy practice for the vast majority of prospective clientele is now being made before anyone comes through your front door.

People are looking at your website, your menu of services, and of course reading what other people are saying about your location, your services, your staff, and whether or not someone would recommend your business over the competition's.

Being digitally aware and constantly in-touch means that the first impression of your business determines whether or not you ever have the chance to see the body behind the eyes.



Conversion is the direct link between what you have and what you want, so let's look at business operations that will increase your conversion rate.

Building trust online

The backbone to great conversions is trust. The easiest way to gain trust with your audience is through a constant, consistent level of peer reviews.

- · develop quality and trust through one-to-one communication
- reach out to your clients and ask them to rate their experience
- ranking of experience ask for feedback & comments
- for high rankings, ask for review on Google Places
- · those with low ratings, request comments and respond

ff ... the instant reaction that your website creates in the mind of your prospective client **75**

Online experience of your website

Each area of your website has a specific focus designed to resonate your brand and experience for the user.

- aesthetic the instant reaction your website creates in the mind of your prospective client
- · overall experience of your services through description, visual imagery and treatment details
- optimized ecommerce to immediately turn prospects into clients
 - Instant Gift Certificates
 - · online booking
 - · reach after-hours audience
- · events and specials
- mobile optimized, with particular focus on contact, specials and ecommerce
- mobile apps iPhone & Android compatible
 - · enabling sharing from app
 - personalized spa gallery
 - · online booking
 - Instant Gift Certificates
 - experience through video
 - · brand identity development





Current content

Regularly updated online information gives your audience a reason to keep your spa, salon or massage therapy practice front and center. It communicates that your business is an active part of the community and constantly engaged with your clients.

- articles that highlight the benefit of specific services
- body/hair care for specific seasons
- product specific information aromatherapy oils, conditioners, lotions, sunscreen protection

A beautiful, functional website supported by an active, online presence and built on a well-tested ecommerce platform will increase at a minimum conversion by 10%.

Revenue Calculator: Driving Conversion					
Audience Size	2000		2000		
Conversion Rate	17%	10%	19%		
Number of Customers	340		374		
Average Visits Per Year	3	10%	3.3		
Average Transaction \$	\$100		\$100		
Revenue	\$102,000	21%	\$123,420		

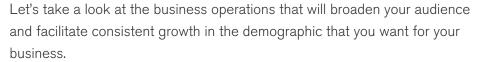
ff Creating a great online presence turns prospects into clients 55

Marketing Must #3 Building Audience

In the traditional marketing model, you paid someone else anytime you wanted to send out your message. In the digital marketing model, you are your own publisher, developing your own audience. You send your brand message any time you want, at no cost, driving business anytime you want.

Audience size matters

The size of your audience matters, especially when you talk about longevity and success. Attrition is at least 10% a year – people relocate, change any number of lifestyle associated markers (get married, have a baby, get a divorce, start a new career, change social economic brackets) which indirectly affects their relationship with your business.





Word of mouth

The referral loyalty that generates word of mouth is the best form of advertising you can get for your business. Cultivate referrals from your loyal clientele by building onto your loyalty program:

- · award points for your customers' friends that join your email newsletter
- · award points for friends' purchase of Instant Gift Certificates and booking
- use major gift-giving events to run referral marketing campaigns

Local search ranking

Search engine optimization for local businesses has completely changed in the last two years.

- old search engine optimization tricks (SEO) no longer work now it's all about local ranking
- online reviews are critical not only to attract potential clients, but for high quality ranking
- Google Places is the number one ranking tool that provides a trusted source and that is not familial or friend-based
- with Facebook Graph Search, Google is no longer the only knowledge directory in town. Your presence on Facebook not only sends social signals to Google, but drives Graph Search rankings

Facebook Sweepstakes

Use sweepstakes promotions on Facebook to encourage your existing fans to share with their friends. The average Facebook user has 140 friends. If 100 fans share with 10 friends, that's instant exposure to 1,000 people! By awarding gift certificates to both the winner and the person that invited them, you encourage maximum sharing.

Share and share some more please

People like to share information that they care about; making it easy for them to share the information you provide expands your reach instantly.

- provide links for sharing to Facebook and Twitter in blog articles on your website
- wish list is a great way for someone to give the hint to friends and
- provide links to your Facebook and Twitter for clients to share gift certificates they have received



Using the audience building techniques of Must #3, you can expect to increase your audience by at least 10%!

Revenue Calculator: Building Audience					
Audience Size	2000	10%	2200		
Conversion Rate	17%	10%	19%		
Number of Customers	340		411		
Average Visits Per Year	3	10%	3.3		
Average Transaction \$	\$100		\$100		
Revenue	\$102,000	33%	\$135,762		

Applying the Marketing Musts

The 3 Marketing Musts add a left-brain analytical approach to complement the holistic right-brain experience of your business, creating the secrets to long-term success for your spa, salon or massage therapy practice:

- Increase Transactions
- Drive Conversion
- Build Audience



SpaBoom Custom Marketing System

Get a free one hour consultation to discuss your marketing strategy. Our team of experts is ready to put the 3 Marketing Musts into place for your business, giving you the analytical strength to produce the revenue of the most successful spas, salons and massage therapy practices.

Call us at 800.940.0458 or email info@spaboom.com to schedule your free consultation with one of our marketing experts!

> **ff** The secrets to long-term success for your spa, salon or massage therapy practice ""

