



THE 2025 BEAUTY AND WELLNESS BENCHMARK REPORT

THE DATA, INSIGHTS, AND GROWTH TRENDS
DEFINING THE INDUSTRY

INTRODUCTION

The beauty and wellness industry has experienced a shift in growth, with a modest 2% increase this year compared to 5% last year, signaling changes in market dynamics and consumer spending trends.

Digital touchpoints, such as online booking and virtual consultations continue to enhance customer experiences. Service businesses that embrace these trends blend convenience with care to meet evolving customer preferences.

Three key trends highlight strategies that beauty and wellness businesses can leverage to drive growth in 2025 and beyond.

1. Membership revenue models continue to hold their own as the steadiest source of growth.
2. Fostering customer loyalty is crucial, what with a fraction of repeat clients driving a significant portion of total revenue.
3. Center expansion drove revenue growth, continuing a trend noted in last year's report. Although the industry grew by 2%, brands that focused on adding locations saw a 5% increase, reinforcing the ongoing impact of expansion on revenue growth.

This report serves as a key resource for beauty and wellness brands, helping them understand consumer trends, check business performance against benchmarks, and identify tactics and technologies to drive success and support overall growth.



ABOUT THIS REPORT

In January 2025, Zenoti reviewed performance metrics gathered from our technology platform for the year 2024. Given that Zenoti powers over 30,000 businesses worldwide, this data serves as an authoritative standard for identifying trends and uncovering key insights.

This report delivers the most comprehensive and current industry benchmarks for the United States and Canada, featuring data across three tiers: top earners, high achievers, and average brands.

WHAT'S INSIDE

Notes from the CEO

Key findings and trends

2024 recap: What drove revenue growth?

2025 industry benchmark and trend data

To provide accurate data for a variety of business categories, the Beauty and Wellness Benchmark Report covers these seven business segments:

Salons

- Includes full-service salons, brow and lash salons, and other specialty salons

Nail salons

Barbershops

Waxing centers

Membership-based spas

- At least 30% of revenue comes from memberships

Non-membership spas

Medical spas (medspas)





NOTES FROM THE CEO

What sets today's leading beauty and wellness brands apart? Their secret isn't just talent or dedication – it's access to data. With the right insights, business owners and managers gain a powerful advantage. They can pinpoint what works, identify areas for improvement, and focus their efforts where they'll make the biggest impact.

However, raw numbers only tell part of the story. To unlock their true value, you need context – industry-wide benchmarks to compare against. That's where Zenoti steps in. With over 14 years of expertise and a database spanning more than 30,000 businesses, Zenoti's benchmark report has become the go-to resource for understanding the trends driving the industry. Now in its fourth edition, this report offers clarity and guidance for businesses of all sizes.

Dive into the data, see how your business measures up, and discover strategies to fuel your success.

As always, we welcome your thoughts, questions, and feedback – because your input helps shape the future of this vibrant industry.

A handwritten signature in black ink, reading "Sudheer".

Sudheer Koneru
Zenoti CEO and Co-Founder



KEY FINDINGS AND TRENDS



The industry experienced an overall positive revenue growth of 2%.

Businesses that focus on selling memberships had 5% revenue growth. Brands that added locations also grew revenue by 5%, with medical spas and salons leading the way.



Pricing pressures significantly impacted medical spas, forcing them to balance profitability and affordability.

Even top performers saw a drop of 9% in their average ticket size.



Retaining customers is just as important as acquiring new ones.

42% of guests who visit more than once a year contribute 80% of sales. By contrast, 58% of single-visit customers contribute just 20%.



Businesses with high rates of online booking have higher rates of staff utilization.

This correlation highlights the importance of enhancing digital touchpoints for customers.



Gift card sales increased by 20% across the industry. Salons led the way with an impressive 93% sales growth followed by medical spas (23%).

With 24% of gift cards redeemed by new customers, this payment method doubles as a tool for guest acquisition.

2024 RECAP: WHAT DROVE GROWTH

Knowing which revenue channels drove the greatest growth gives insight into trends to leverage. The data on page 06 recaps how each business type performed in 2024, highlighting the revenue channel that drove the most growth.

WHICH BUSINESS TYPES ADDED THE MOST LOCATIONS?

The number of medical spa locations grew by 15%. Waxing centers increased their locations by 8%, and nail salons expanded their presence by 7%.



2024 beauty and wellness industry revenue **2% growth**

2024 revenue growth per category

	Same-location growth	When including newly opened locations in 2024	Location count growth
Salons 	3% ↑ Growth area: Memberships	3% ↑	4%
Nail salons 	3% ↑ Growth area: Services	7% ↑	7%
Barbershops 	1% ↓ Growth area: Memberships	2% ↓	1%
Waxing centers 	1% ↑ Growth area: Memberships	5% ↑	8%
Membership-focused spas 	5% ↑ Growth area: Memberships	7% ↑	6%
Non-membership spas 	2% ↑ Growth area: Gift cards	3% ↑	4%
Medspas 	1% ↑ Growth area: Memberships	10% ↑	15%

FAST FACTS



Ticket sizes went up 15% for both membership-based and non-membership spas.



Salons, medspas, and waxing businesses saw a 24% improvement in membership sales.



Footfall data shows guest visits are down 1% overall, and new guest visits fell 9%. The good news: existing guest visits are up 1%.

2025 BENCHMARK DATA

Benchmark metrics featured in this report refer back to the most pivotal key performance indicator: annual revenue per location.

Using results from that metric, we identify three benchmark levels of performance:

Top earners

The top 10% in revenue collection for each business category

High achievers

The top 25%

Average

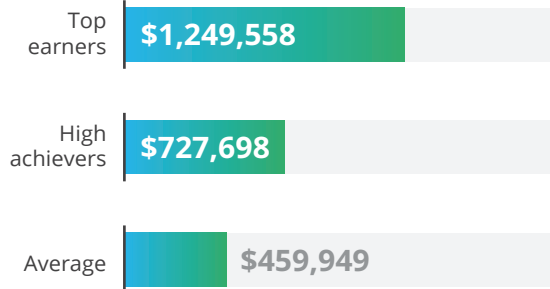
Revenue for the median business (50th percentile)

These three designations are referred to throughout the report, allowing for a quick check on how businesses at each of these revenue levels perform across other tactical KPIs.

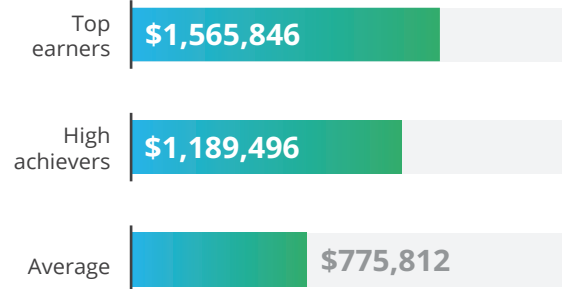


2024 revenue per location

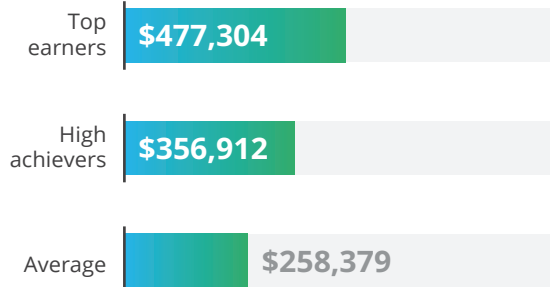
Salons



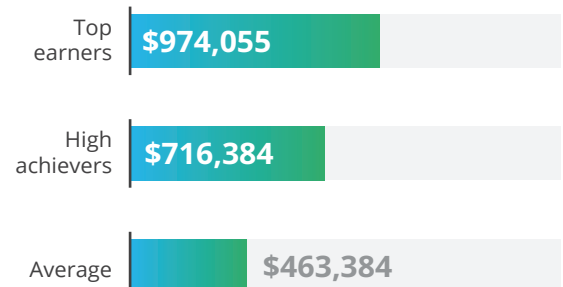
Nail salons



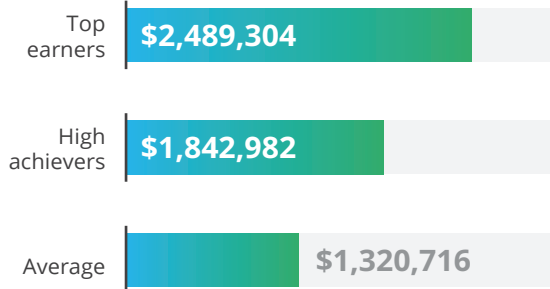
Barbershops



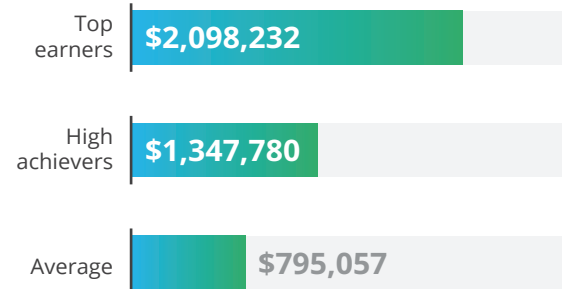
Waxing centers



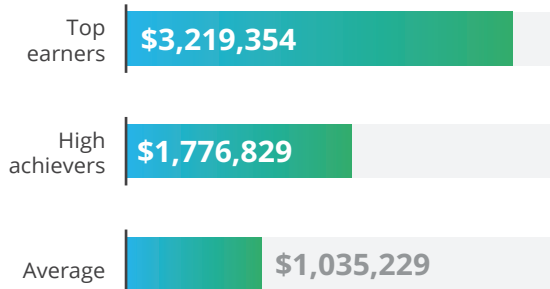
Membership-based spas



Non-membership spas



Medspas



2025 TREND: MEMBERSHIPS FUEL BUSINESS GROWTH

Helping beauty and wellness businesses create reliable recurring revenue, memberships stood out as the top growth area for these categories: salons, waxing centers, membership-based spas, and medspas. Data shows that salons, waxing centers, and medspas averaged a 24% boost in membership sales in 2024.

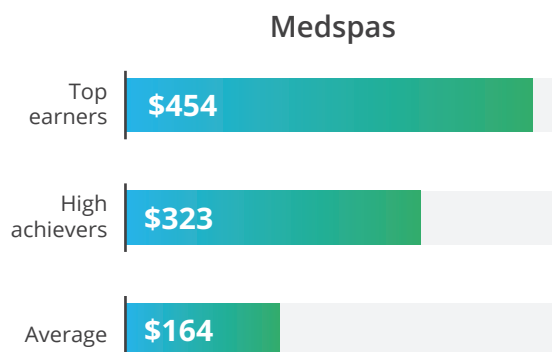
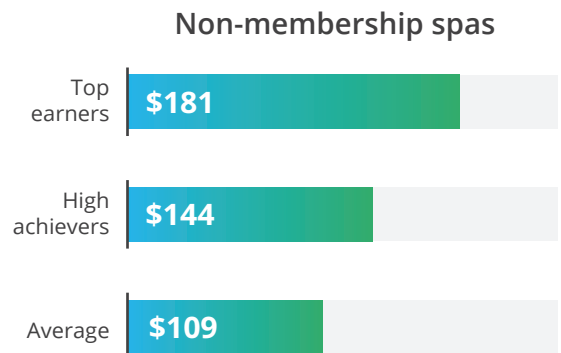
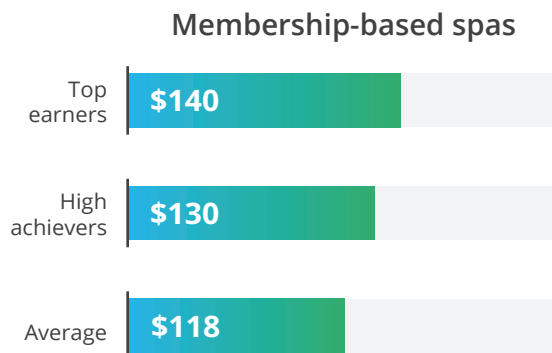
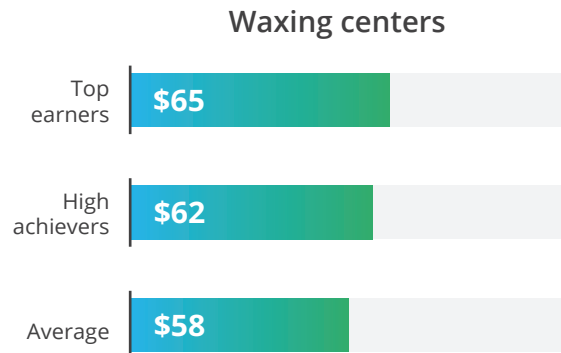
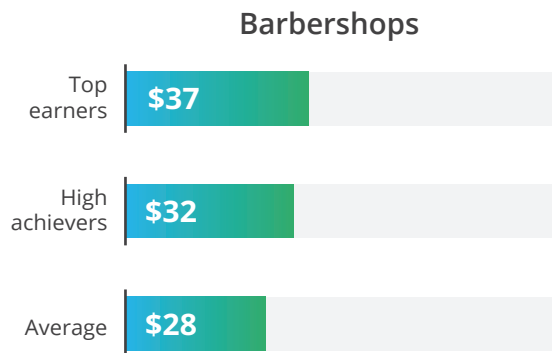
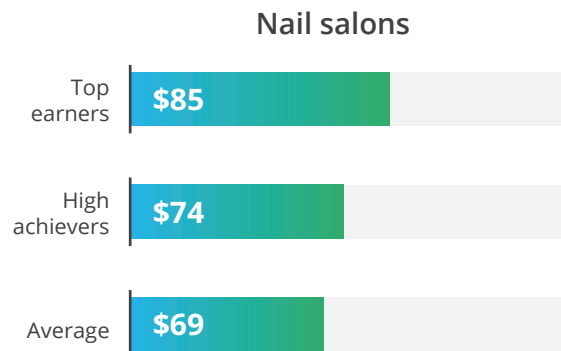
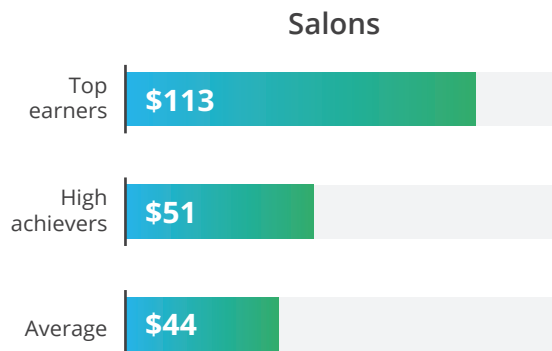
Memberships foster customer loyalty, encouraging clients to return regularly. This consistency helps smooth out fluctuations in bookings, providing a steadier workflow and added revenue from repeat visits.

Additionally, memberships help build long-term relationships with clients, turning one-time visits into ongoing commitments, helping sustain growth in a competitive industry.



Average ticket size / guest spend per visit

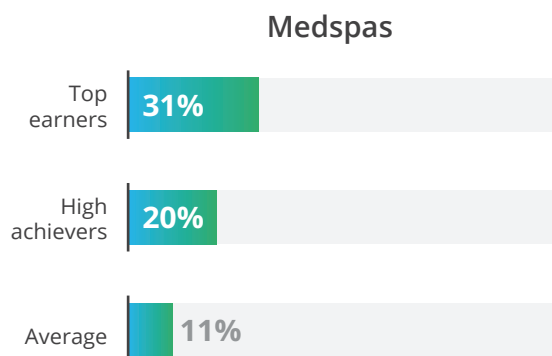
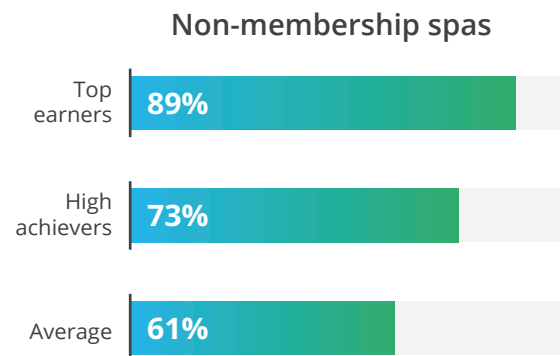
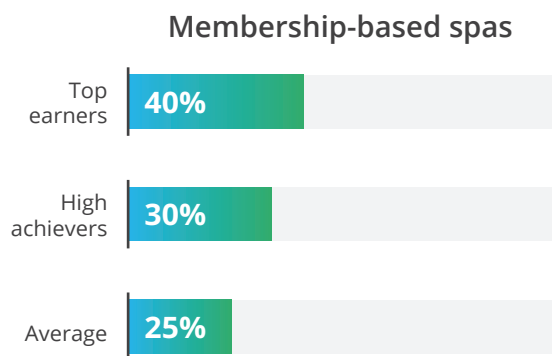
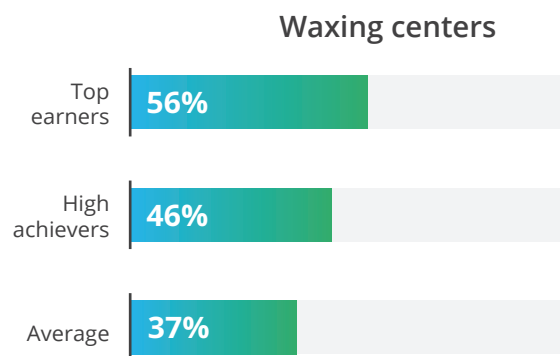
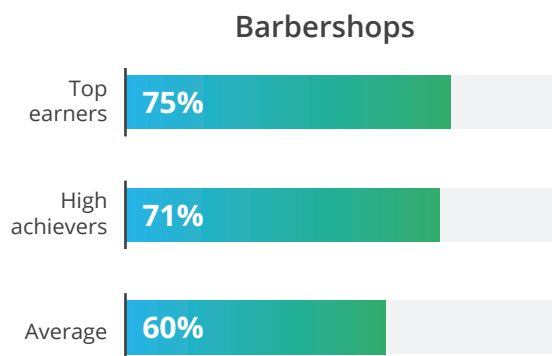
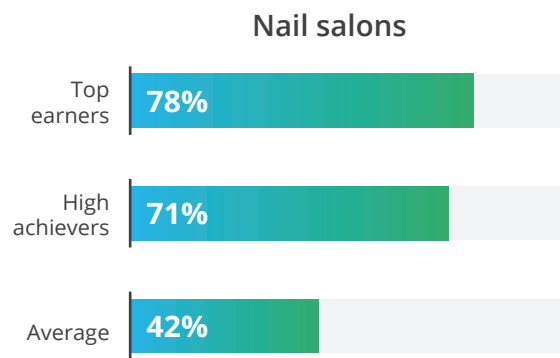
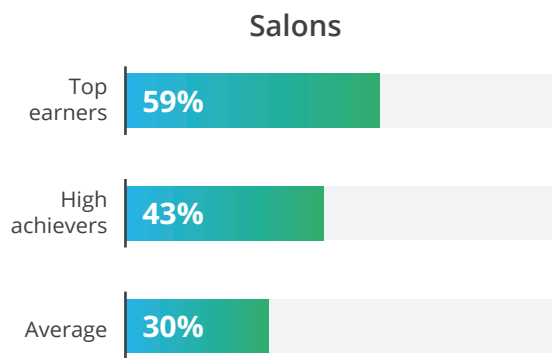
For medspas, the drop in average ticket size from \$500 in 2023 to \$454 for top-earners reflects the pricing pressures for this business category. On the other hand, top-earning membership-based spas enjoyed a 23% increase in their average ticket size, up from \$114 in 2023 to \$140 in 2024.



Online booking rate

Percentage of appointments booked by the guest online,
via mobile app, or at an in-person kiosk

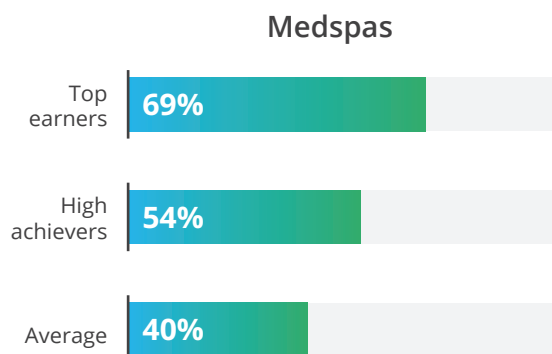
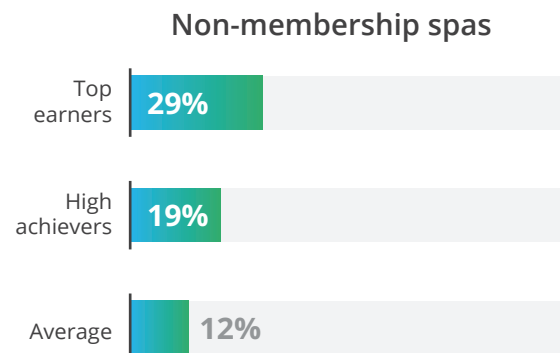
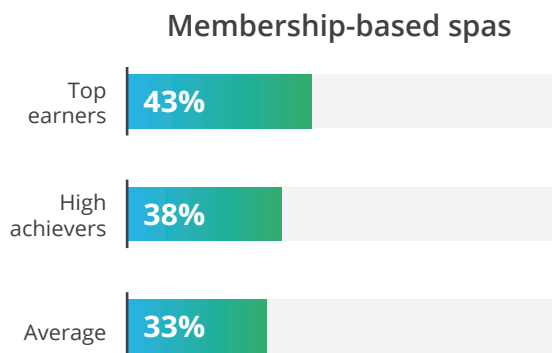
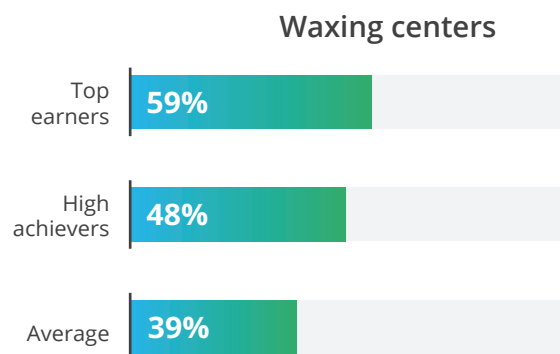
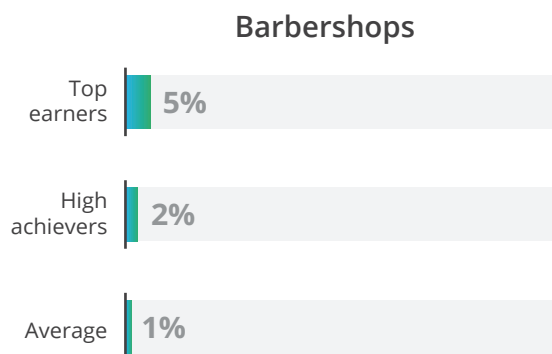
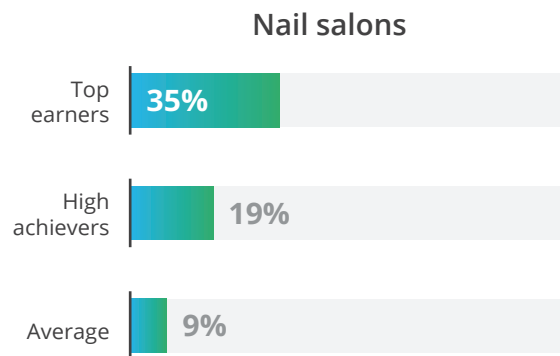
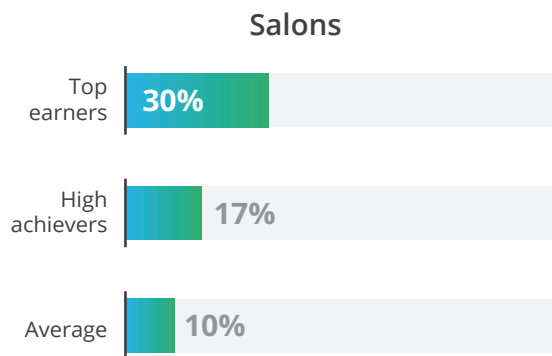
Data shows strong customer preference for digital convenience: 97% of medical spa clients
and 80% of salon and spa guests want mobile appointment booking, according to our
2024 beauty and wellness consumer surveys.



Rebooking rate

Percentage of appointments booked within 24 hours of the latest visit

The easiest way to keep your appointment book buzzing is by encouraging your clients to rebook right away. It helps to plan ahead while they're still enjoying the results of their service and looking forward to doing it again.



2025 TREND: REPEAT GUESTS KEY TO DRIVING SALES

Data shows the critical role returning guests play in the success of beauty and wellness businesses. With 42% of loyal clients driving a whopping 80% of sales, it's clear that focusing on customer retention can yield greater returns. By contrast, one-time visits from 58% of clients contribute only 20% of revenue.

With repeat visits driving a significant portion of sales, retaining loyal guests should be a top priority.

Memberships top our list of customer retention strategies because they were the strongest growth area for salons, waxing centers, membership spas, and medspas in 2024.

TOP 4 CUSTOMER RETENTION STRATEGIES FOR BEAUTY AND WELLNESS BUSINESSES



Offer membership programs

They increase the number of customers who visit 5 or more times a year by 10%.



Add digital touchpoints

When businesses add a mobile app for customers, the number of guests visiting 5 or more times a year goes up 12%.



Tailor every aspect of the guest experience

Hyper-personalization increases retention rates by 30%.



Introduce loyalty rewards

Programs that incentivize repeat visits increase the number of guests visiting 5 or more times a year by 9%.



Cancellations and no-shows

When guests book appointments and cancel too late to fill the slot or don't show up at all, the revenue impact is real.



Salons

8%
Cancellation rate

3%
No-show rate



Nail salons

16%
Cancellation rate

1%
No-show rate



Barbershops

2%
Cancellation rate

4%
No-show rate



Waxing centers

14%
Cancellation rate

3%
No-show rate



Membership-based spas

14%
Cancellation rate

1%
No-show rate



Non-membership spas

11%
Cancellation rate

1%
No-show rate



Medspas

16%
Cancellation rate

5%
No-show rate

TIPS TO AVOID NO-SHOWS AND CANCELLATIONS



Send automated reminders

Use scheduling tools to remind clients about appointments and allow easy rescheduling.



Set clear policies

Communicate cancellation rules and consider no-show fees to encourage accountability.



Require prepaid bookings

Partial or full deposits collected in advance commit guests to keeping their appointments.



Use online booking systems

Enable clients to self-manage appointments effortlessly.



Keep an automated waitlist

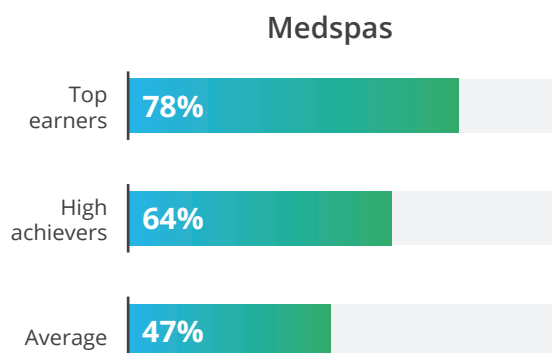
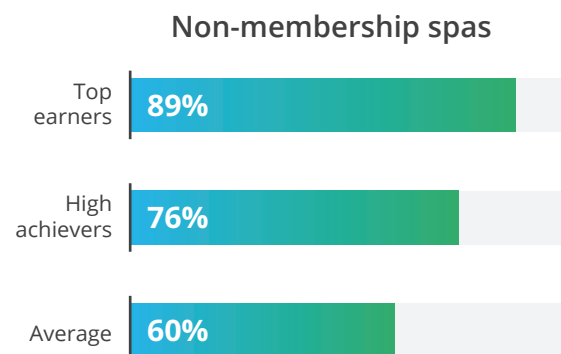
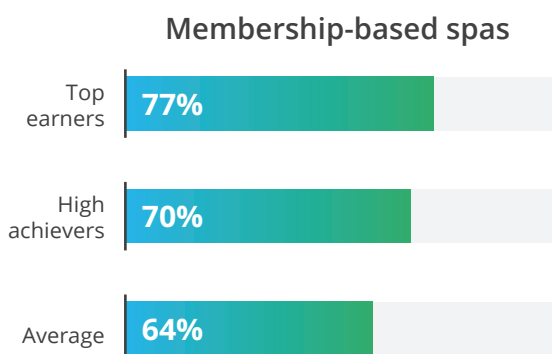
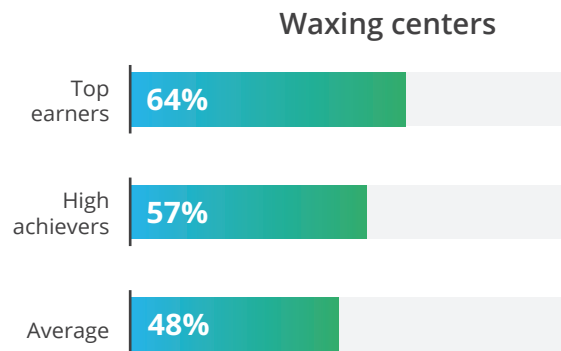
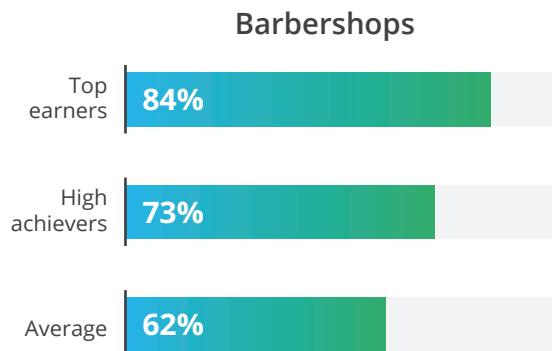
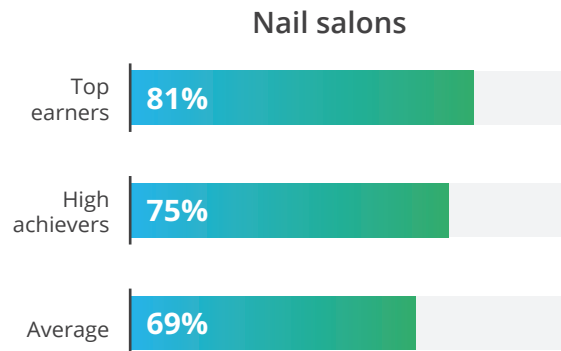
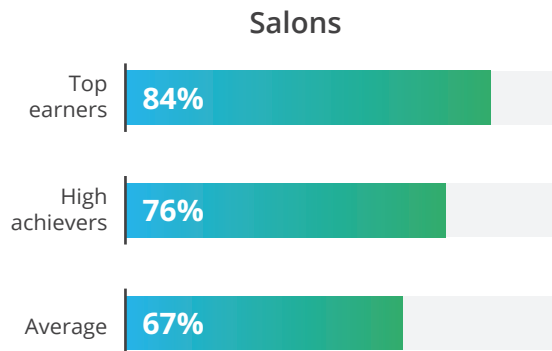
Fill sudden openings to reduce lost revenue, with no staff time lost to manual list management.

Life happens! Cancellations and no-shows can't be avoided, but streamlining processes, staying proactive, and fostering accountability can minimize their impact on your appointment book and bottom line.

Staff utilization

Percentage of available time in which services are delivered

The sign of a healthy appointment book, high utilization means your service providers are busy, with more guests serviced and fewer unfilled slots in your schedule.





2025 TREND: SALONS SEE SHARP UPTICK IN GIFT CARD SALES

Gift card sales saw year-over-year growth industrywide, with salons and medspas benefiting the most.

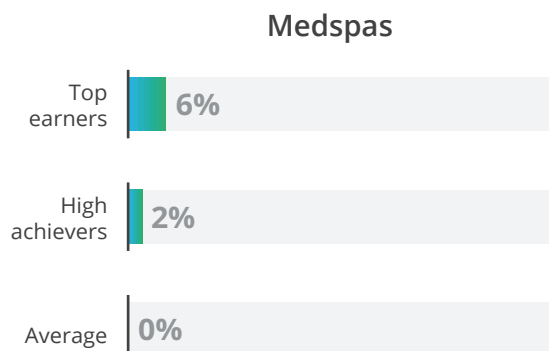
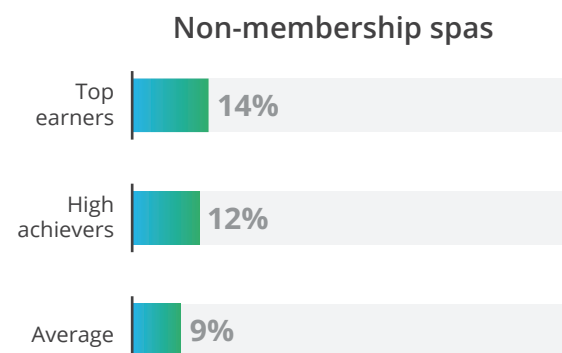
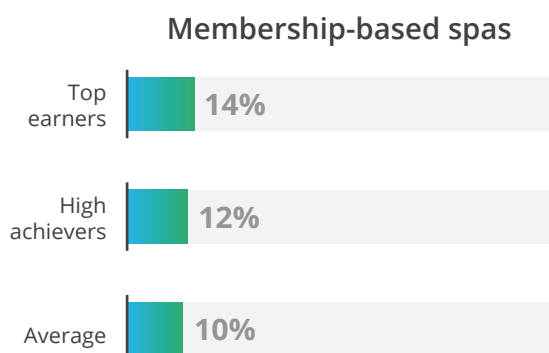
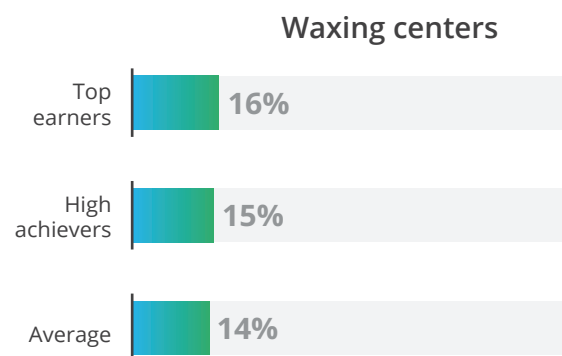
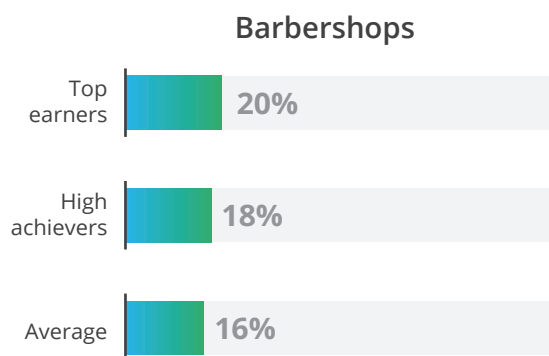
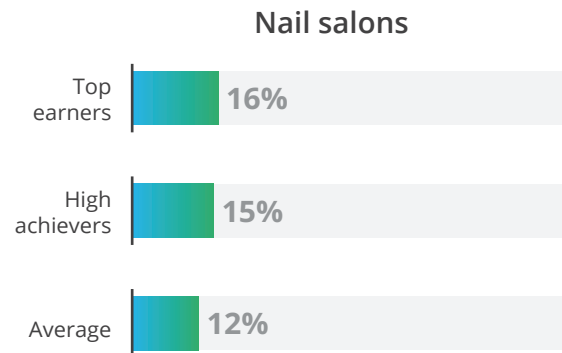
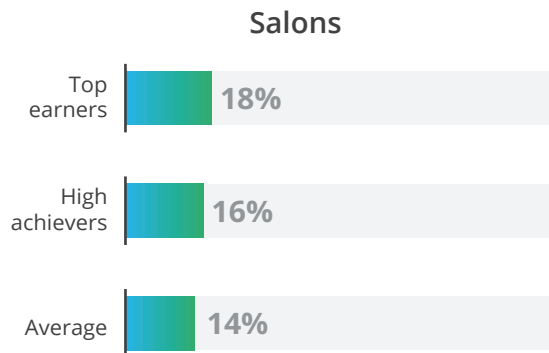
Salons nearly doubled gift card growth (up 93%), and medspas expanded gift card sales by 23%. Sales growth for gift cards touched 23% across all business types, up from 16% last year.

Non-membership spas saw the highest growth in online gift card sales (81%). It was 54% for medspas and 39% for waxing centers.

Tip rates

Percentage of transaction amount designated for tips

A generous tip often signifies outstanding service and a high level of customer satisfaction. The low tip rates at medspas is consistent with staffing norms at these businesses: Treatments are often performed by salaried medical professionals who don't work for tips.



WRAP-UP

Three primary growth drivers for beauty and wellness service businesses are membership revenue models, strong customer retention, and the addition of new locations.

Memberships are a key growth area for five out of seven business types, offering predictable, recurring revenue. At the same time, prioritizing retention strategies, such as boosting rebooking rates and offering loyalty programs, can transform occasional customers into long-term clients, fostering sustainable growth.

High online booking adoption is another critical factor, improving operational efficiency and maximizing revenue per hour worked. Besides, top-earning nail salons, barbershops, and non-membership spas see the majority of appointments booked online, showcasing the impact of integrated, tech-forward systems.

Some key recommendations:

The **rise in gift card sales provides an opportunity** not just for immediate cash flow but also for attracting new clients. Ensure flawless redemption to convert these recipients into loyal customers.

On the other hand, **addressing the 9% drop in new guest footfall requires proactive outreach**. Targeted marketing campaigns, social promotions, and revenue-enhancing software features such as automated follow-ups and abandoned cart recovery can help draw in new and existing guests.

To **capitalize on membership growth**, use digital, mobile-first membership, referral, and gift card programs to help your best brand advocates spread the love.

Finally, keep monitoring industry benchmarks to see where you stand and identify areas for improvement. You'll make better decisions, set clearer goals, and stay current on trends that matter.





ABOUT ZENOTI

As the leading cloud-based software solution for the beauty, wellness, and fitness industries, Zenoti offers an AI First all-in-one platform designed to deliver business growth for its customers. Trusted by more than [30,000 businesses worldwide](#), Zenoti is dedicated to helping clients succeed. Zenoti is also the force behind the industry's premier event, [Innergize](#), which hosted nearly 1,000 business leaders and innovators in 2024. For more information, see zenoti.com.

