THE
Nail Salon Management Solution Guide

How to choose technology that helps your nail salon grow

Get Back to What Matters Most—Spending Time With Clients

Dear reader,

Using technology to help grow and manage your business is nothing new for you. Us either. We've worked with thousands of salons and spas across the world in the last nine years, and we've noticed a common theme: owners just like you can be overwhelmed by the sheer number of choices in software. I know, because I used to work in a salon. I spent hours upon hours working on scheduling, marketing, inventory, and operations. I saw first hand the lack of technology in the industry.

We know that thinking about technology is not the reason you got into business. You got into business because you have a passion for helping people look and feel their best, so that they can go back out into the world with confidence and conviction. That may be an interview they need to ace the next day, a first date that night, or just the need for a new look and attitude on life. Whatever their greatness is, your customers depend on you to help them bring it out while they're in your salon.

But those same customers also come with an expectation of a simple, modern experience everywhere they go—including your nail salon. It's how they order their morning coffee, download movie tickets for the weekend, or book a weekend getaway. And that's where the right technology can make all the difference.

We've created this Solution Guide to help you navigate the sometimes confusing world of nail salon software and ensure you're thinking about the right questions to ask, and the right technology to buy to continue to fuel your salon's growth, all while you continue to provide a great experience for your guests—and employees.

We hope you're able to use this to continue to find ways to bring the incredible gifts you possess to more and more people in your communities. We're with you all the way in the quest to help people feel good so that they can find their own greatness.

Sincerely,

Sudheer Koneru

CEO, Zenoti

As every nail salon owner knows, the top-line figures don't tell the whole story. The nail salon business may be growing, but it's also highly competitive and profit margins can be a challenge. Customers constantly demand more, and rivals are innovating to meet those needs. Given that competitive landscape, it makes sense that you're searching for ways to innovate and maintain tight cost control.

Investing in technology can help you achieve that. After all, as the mantra goes "every company is a software company," and the nail salon sector is no exception. Every day, smarter solutions are introduced for managing appointments, ordering supplies and improving marketing in ways that improve the loyalty of existing customers and reduce the costs of acquiring new ones.

This transition has been happening for nearly two decades, as nail salon owners and service providers have reduced their reliance on pen and paper business management and embraced software innovation—first via desktop programs, and now with the cloud and mobile apps.

But staying on top of technology trends and customer expectations is difficult. How do you know which new platforms to invest in and which to avoid? And what features will let you maximize your time on the salon floor and minimize time spent in a back room with the books? You're a salon owner, not an IT professional, after all.

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Navigating Software Options

This Solutions Guide is designed to answer exactly those questions, by digging into some of the most important features that nail salon owners should look for when evaluating new software for their operations. These features enhance the guest experience and improve the health of the underlying business.

Consumers want ever more fluid services, such as the ability to schedule an appointment at any time—day or night. They want to interact in the way that's most convenient for them, whether it's a phone call, SMS, email, app or voice assistant.

You, meanwhile, want better insights into how your business works, and a platform that can create efficiencies for your salon in everything from scheduling to inventory management. Most of all, you want it to be utterly reliable and easy to use, with as little downtime as possible.

Consider the Cloud

Desktop applications have been around for decades. But they often feature clunky user interfaces or fail to encapsulate all aspects of the business. The latest cloud-based nail salon management applications can cost-effectively deliver business-management insights at your fingertips—wherever you are. And most of all, they make it simple, giving you access to constantly updated, cutting-edge software features so that you don't have to worry about when an upgrade is going to happen or if your platform is in danger of obsolescence.

Nail salon management applications give you the freedom to do what you do best: deliver first class service to your clientele.

EVALUATION

Are you ready for a cloud-based salon-management solution that helps you:

Navigate Software Options

☒ Cloud-based salon-management applications help you deliver first-class service to clients

Elevate the Guest Experience

☒ Cloud-based solutions enable salons to keep pace with the desires of modern customers

Grow Your Business

☒ Invest in a platform that brings the power of artificial intelligence and machine learning to your business

Manage Your Business Better

☒ The right platform puts all of the data you need to run your business at your fingertips

Redefine How You Run and Grow Your Business

☒ Choose the right software partner to help your salon get ahead of the competition—and stay there

Elevate the Guest Experience

As a nail salon owner, you already know that excellence in customer service is one of the key differentiating factors for your business. Visits to the nail salon serve more than a practical need; they're a mental pick-me-up as much as a physical one.

The digital age means that nail salons are no longer competing just with each other for the best customer experience, however. The entire service industry, from banking to supermarkets, is teaching customers the standards that they should expect when interacting with a business, and everyone has to keep up or lose out.

The modern customer demands more, and you have to aim to provide a premier experience from the moment someone decides that they want to make a booking to the second they leave your premises and decide whether to come back. So how can a cloud-based platform help?

Scheduling

Guests value the ability to schedule appointments at their convenience. They want to be able to act the moment that they decide they need a treatment, rather than being restricted to scheduling appointments via a phone call during regular business hours.

Today's cloud-based salon management suites put customers' needs first, by allowing them to interact seamlessly across a variety of platforms. And when software takes care of scheduling, customers and service providers are always fully coordinated, too. Technicians are prepared for each client's appointment with preferences, past treatments, etc., at their fingertips. This reduces the amount of time clients spend waiting during their appointment.

**Because the cloud is "always on," so is your business.**

Wait-List Management

No matter how convenient the process of booking, sometimes the ideal slot with the right service provider just isn't available—Wait-list automation means that your schedule stays full—and clients feel valued when offered a second shot at their preferred appointment time.

WHAT IS GEOFENCING AND HOW DOES IT APPLY TO THE NAIL SALON ENVIRONMENT?

A fully integrated nail salon management salon system creates opportunities to embrace innovation. For example, the ability to identify customers who have an app installed on the phone in their pocket enables managers to streamline the front of house experience even further through "geofencing."

Geofencing involves using GPS or Bluetooth beacons to trigger actions based on the location of a mobile device. So, the minute your customer walks through the door, you know that they have arrived. Check-in is automatic, so the client can take a seat and enjoy a complimentary beverage without even queueing at reception.
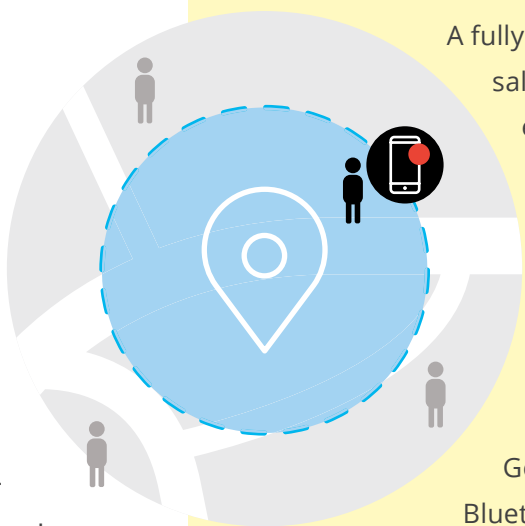
Elevate the Guest Experience

FIVE QUESTIONS TO ASK
PROSPECTIVE BUSINESS MANAGEMENT SOFTWARE VENDORS

1 Can customers self-schedule via website and mobile app?

2 Do you automate wait-list management?

3 Which payment methods do you support?

4 Do you plan to integrate new payment methods as they're developed?

5 Are there personalized marketing options?

Personalized Marketing Campaigns

Digitally capturing every aspect of the customer journey enables nail salon owners to get to know their clients even better by helping them craft marketing campaigns that they know will resonate with consumers.

For clients, this means an end to repetitive and irrelevant marketing that can drive dissatisfaction with a brand. Instead, intelligent marketing solutions mean that customers will only receive offers and incentives that answer their needs.

Automated Payment

The revolution of payments is one of the most important trends for the service industry. A universe of alternatives to "cards or cash" has sprung up in the last few years, from contactless payment terminals to apps, mobile money and peer-to-peer transfers.

Staying up to date with the terminology is one thing, but the important question for nail salon owners is: Can your clients pay you using the mechanism that's most convenient for them? And will you be able to record and account for all of these transactions?

Or, flipping that scenario: Do your nail technicians struggle to seamlessly transition guests from chair to checkout? What if they didn't have to go through that process at all—and guests could make automated payments through an app instead?

A modern management suite should be able to receive payments in any shape or digital format, now and for years to come.

Grow Your Business

We live in an era in which we can monitor, gather, analyze and interpret more data about our businesses than ever before. How can nail salon owners use this information to improve their bottom line?

The answer is "with help." And that means investing in a platform that brings the power of AI and machine learning to your business.

Customer Loyalty and Retention

Can you tell at a glance how many "lost" customers you have on your books? In other words, how many people in your database haven't been in for an appointment in the last six months? Could you say, with any amount of honesty, why they haven't returned?

Intelligent platforms mine customer data to answer those questions—and help owners craft the right incentives and campaigns to keep customers coming back. Some may be looking for lower prices, others seek appointments at more convenient times of the day and still others want a membership program that offers specific benefits.

It's not a one-off exercise either. By fully integrating marketing and nail salon management into a single platform, business owners can take instant snapshots to understand their most important customer segments, gaining insights into the best messaging to use to improve retention and frequency of visit.

The same platform should be able to canvas and record customer opinion and feedback, strengthening the relationship even when the client is not in store and enriching data for future analysis.

DOES ARTIFICIAL INTELLIGENCE REALLY FIT INTO THE NAIL SALON BUSINESS?

The key to managing any modern business is optimization. In a nail salon, for example, four service providers might be busy with manicures and pedicures, with one ready to assist in an unanticipated rush.

We call this an 80% utilization rate—and it's a good number to aim for.

The challenge is calculating the anticipated number of staff hours required at any given time. Most owners use a mix of intuition and experience. If they have three bookings for Monday mid-morning, they might expect few walk-ins and call in four staff. For the same number of bookings on a Friday lunchtime, however, it might be a good idea to have three or four extra pairs of hands, ready for a pre-weekend rush.

The problem is, intuition and experience are rarely as good as salon owners think they are. As a result, they may miss out on revenue by under- or over-provisioning staff at key times.

AI and machine learning excel at optimizing these kinds of tasks by examining years of historical data to undercover patterns that humans simply can't see. By doing so, an AI-based solution can recommend periods where more or fewer staff will be needed, and how these patterns have changed over time as guest behaviors change.

The results can be instant and dramatic, with an increase in utilization rates and a direct impact on the bottom line.

Grow Your Business

Managing a Growing Business

A key differentiator for any management platform should be its ability to scale. Whether yours is a small, family owned business or a chain with dozens of storefronts, you should have the same service and features, and ability to see into your business processes.

Expansion and managing multiple locations are among the biggest challenges for nail salon administrators. A well-organized chain may have common systems and platforms, but each branch could still be running a local application for its own accounts, requiring the creation of a separate set of reports to upload to a separate application for group oversight. Not only is this time consuming, but it also increases the chance that mistakes are made when transferring data from one application to another.

Today's leading cloud platforms address this problem by providing a single point of entry for scheduling, CRM, inventory and business process management for the entire business. This reduces complexity and overhead by automating the process of group level reporting.

It's also vital for bringing together different types of data for decision making, such as automation of inventory levels ahead of guaranteed bookings for particular services.

Ultimately, what you want as a nail salon owner is not to get stuck in the details, but to see at a glance what is and isn't working in your business.

Using Data to Manage Multiple Locations

Nail salon owners are no longer tethered to the office when working with business data. Instead, cloud solutions provide secure access to data at any time or from anywhere. For owners of multiple locations, this provides a global view of business health that just isn't possible with desktop solutions.

AI and machine learning are also key to managing multiple locations. For example, by combining staff schedules, bookings, and guest data, options in addition to reducing or raising headcount are uncovered.

Instead of cutting back on staff during quiet hours, a platform with intelligent marketing features can customize a campaign specifically designed to bring in customers during those times. You set your business goals and the AI will work hard to try and achieve them.

It's also important to remember that no two outlets experience exactly the same customer behaviors. One location might be typically quiet a certain time of the day while another is packed. Machine learning can help understand what works on a store-by-store basis, comparing that to behaviors analyzed across the industry as a whole.

Smart scheduling algorithms are just one way that AI can optimize on the supply side of nail salon economics. Other opportunities, such as applying machine learning to marketing techniques, can help drive demand. The beauty is that once the data is in the cloud and available for the whole business, there's no limit on the number of new AI insights that can be applied over time.
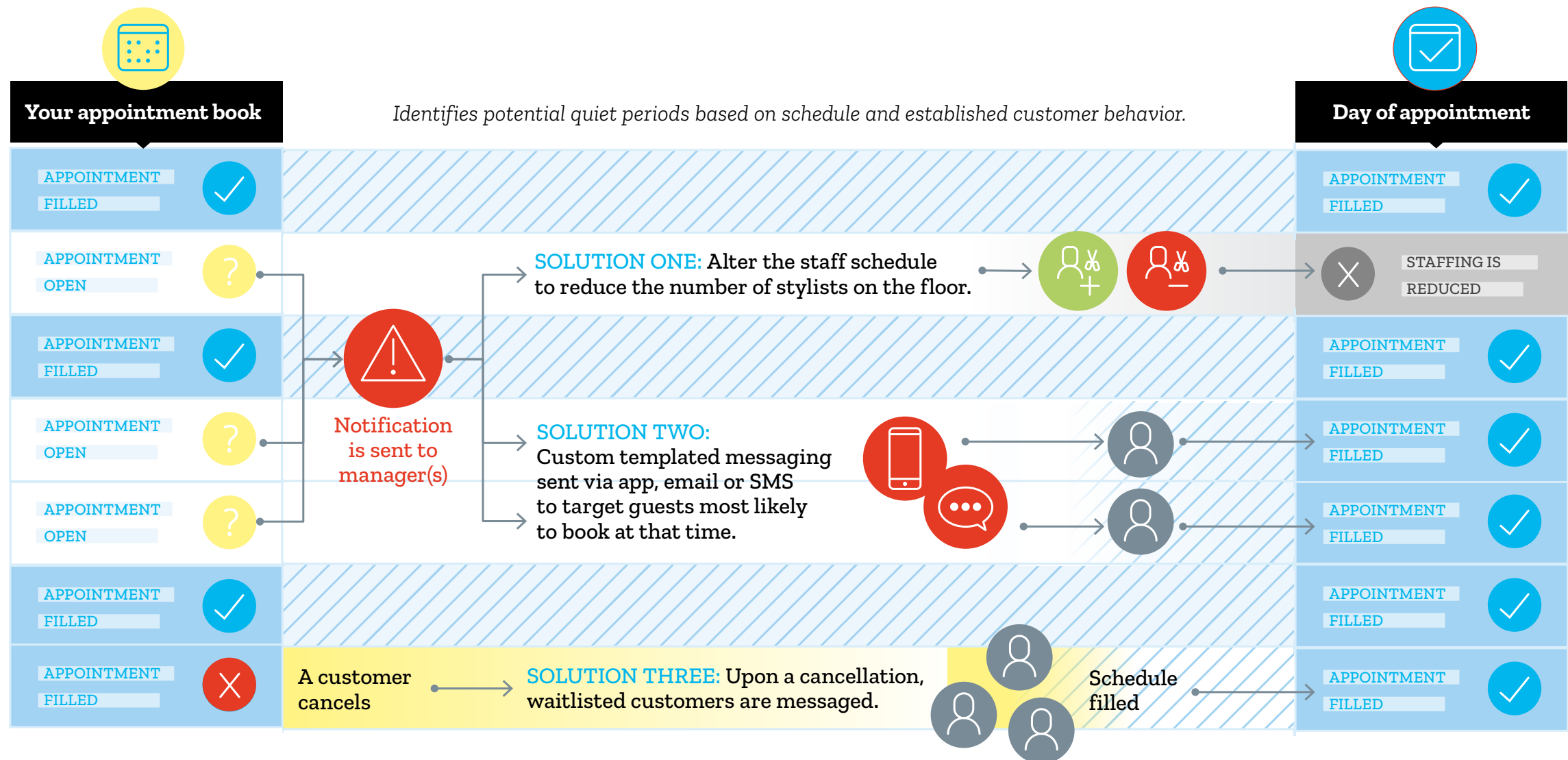
HOW DO YOU FILL EMPTY APPOINTMENT SLOTS?

SCHEDULE SMARTER WITH AI

Leverage the data your nail salon already has to schedule the right number of technicians at the right times—maximizing your

Your appointment book

Identifies potential quiet periods based on schedule and established customer behavior.

Day of appointment

| APPOINTMENT FILLED ✔ |
| APPOINTMENT OPEN ? |
| APPOINTMENT FILLED ✔ |
| APPOINTMENT OPEN ? |
| APPOINTMENT OPEN ? |
| APPOINTMENT FILLED ✔ |
| APPOINTMENT FILLED ✘ |

Notification is sent to manager(s)

SOLUTION ONE: Alter the staff schedule to reduce the number of stylists on the floor.

STAFFING IS REDUCED

SOLUTION TWO: Custom templated messaging sent via app, email or SMS to target guests most likely to book at that time.

A customer cancels

SOLUTION THREE: Upon a cancellation, waitlisted customers are messaged.

Schedule filled

| APPOINTMENT FILLED ✔ |
| APPOINTMENT FILLED ✔ |
| APPOINTMENT FILLED ✔ |
| APPOINTMENT FILLED ✔ |
| APPOINTMENT FILLED ✔ |

Manage Your Business Better

Even in nail salons where customer data and business process platforms are already tightly integrated, gaps still exist that must be filled manually. For example, service providers often have to keep their own records separately, whether that's appointment books for regular clients, commission earnings or service and style preferences.

The right software platform can put all of that information at their fingertips. Empowering technicians to reach their business goals can help boost staff retention, too.

By creating separate access levels for different job roles, managers can give service providers a view of the business tailored to their particular needs. This might mean a personalized calendar, for example, and insight into future appointments. By allowing access to a personal dashboard which includes commission earned and customer feedback, for example, technicians can manage their own KPIs and workflows.

Inventory Tracking

Managing inventory levels is a vital part of maintaining profitability. A nail salon management platform that can accurately track stock levels can use that data to anticipate need and prevent over supply. The ability to compare future appointments with current availability of colors makes "just in time" ordering feasible for owners.

These systems are still in their infancy, however. Over time, the use of Internet of Things technology to track deliveries and

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usage directly from a centralized platform will enable orders to be placed automatically as stocks run low, helping combat shrinkage.

Reporting and Analytics

The most important feature of any nail salon management software is its ability to produce meaningful reports and analytics with the least amount of fuss. This gives managers and owners access to the information they need for decision making purposes in real-time, rather than in end of period summaries from accounts.

Good reporting means making data actionable through clean design and understanding what's pertinent for your business.

Does your current software do that?

Redefine How You Run and Grow Your Business

Excellence in customer service, real-time data analytics and AI-led decision making—combined with intelligent marketing and a steady eye on the bottom line—are vital for nail salons to remain competitive.

Choosing the right software partner will deliver on all these needs and more, providing depth and understanding while at the same time simplifying processes. The right cloud-based software platform can help increase customer bookings, reduce overheads and improve efficiencies to deliver where it counts.

Most of all, they'll carry on innovating and disrupting to ensure that they're at the cutting edge of technology, so that you can be just as creative and industry-leading for the core of your business.

CHECKLIST

Evaluate how well your software solutions provide the following:

☒ A seamless customer experience with the ability to book or change appointments via the platform of the customer's choice.

☒ A single point for customer interaction with compatibility to alternative payment gateways such as Apple Pay or Venmo.

☒ A mobile app for service providers, delivering a dashboard view of the information they need to organize their day and prepare for clients.

☒ Key performance indicator (KPI) management, so that employees and service providers can set their own goals and deliver outstanding service.

☒ Artificial intelligence (AI)-based data analysis, which can maximize available resources and produce targeted marketing based on prior customer behavior.

☒ Integrated business management with real-time views of stock levels and automated re-ordering of core products.

☒ Fully supported data migration from legacy products with a minimal downtime guarantee.

☒ A scalable solution that can handle large volumes of customers on a daily basis.

If you answered "no" to any of these items, consider a cloud-based solution.

zenoti

The right software solution can help you achieve great things in your business.

You deserve nothing less.

GET IN TOUCH AND LET'S TALK