

DECEMBER 2019

Grow Your Revenue

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GROW YOUR REVENUE



In 2018, the U.S. spa industry reported revenues of 18.3 billion dollars



6.4%

From 2015-2017, the wellness economy grew 6.4% annually, nearly twice as fast as global economic growth (3.6%)

For any business, growth means profit.

You may have gotten into this business to fuel your passion for making others feel good so they can go out and be their best. But that doesn't mean that you don't want to make a buck or two along the way. And as your salon and spa continues to grow in popularity, as the owner and manager it's your job to manage that growth and ensure you're meeting the goals you set out to achieve when you started this journey.

That's where great software can be a great partner—helping you to harness that growth, find new ways of achieving it, and building upon the successes you achieve every day. Let's take a look at how all this is possible.

Know where you're growing

It may be very apparent where things are going well and where they aren't. If it's just you and a few chairs or tables and you're involved with all the appointments, that's a red flag on growth. But if you're managing multiple locations, employees, types of treatments and products, figuring out what's driving your increasing revenue so that you can do more of it can be difficult, if not downright impossible.

Conversely, there may be things you or your employees are doing which are actually robbing you of growth. Maybe it's wasted inventory, maybe it's inefficient treatments or scheduling, or maybe it's pricing—whatever it may be, you need to understand it to keep growing.

That's where analytics come into play today. By diagnosing your business and pinpointing the components that are adding to your growth and those that are detracting from it, you're able to pivot and ensure that you do more of the former, and less of the latter. Sometimes the answer is staring you right in the face—like if all of your customers are upgrading to a new treatment or product that has great margins. But other times the answer is not quite as clear. That's where analytics are different than plain old reports. Reports will tell you what is happening. Analytics will help tell you why something is happening. You'll be able to connect the dots so you can make smarter decisions.



190m

In 2018, the U.S. spa industry reported 190 million U.S. visitors

You don't need a PhD to use analytics, you only need to know your business. You already understand all the moving parts behind what makes your business tick. Analytics takes that understanding and helps deliver you insights that give you decision making power that you might otherwise lack.

Using analytics won't automatically put more money in your bank account. But it can certainly let you know what part of your business is—and, armed with that insight, you'll be able to make more good decisions to keep your feet on the growth pedal.

Automate your marketing

There are few things more time consuming—or as important to your business—as finding new customers. And in the cutthroat retail environment in which you compete, where choices for your customers abound, you need to stand out from the crowd and ensure they know you're an option for their next appointment. That's why marketing is such an integral component of growing a business. Your ability to help potential customers understand why you're a great alternative for their next haircut, massage, wax—you name it—is core to your ability to be successful.

Having analytics at your fingertips is a great way to find the insights that you can then turn around and use to attract more customers like the ones that are already helping to grow your business. And once you know why people are visiting, and what people are buying, you're armed with the intelligence to put together a killer marketing campaign. Speak to the reason that people love you! Offer a discount to get them to try you out! Showcase the amazing reviews from your business! Based on the insights you have that can set you apart, marketing automation is the next step to fuel your growth.



Leading salons and spas today have a growth mindset--they take care of their guests and customers first and foremost. But they also know what their customers want and are ready to meet them in the moment so that sales is not pushy or misleading, but a value-added component of the treatment and appointment.

Sudheer Koneru
CEO, Zenoti



5.7%

The global spa market is projected to grow at the rate of 5.7% during the forecast period 2018 to 2023

With marketing automation you can create lists, target specific customer types, geographies, and tailor offers that will get you noticed. It's not about sending personal emails to 1,000 people—it's about finding the right people to have your system send 1,000 targeted emails to. You don't have time to do that anyway. Your software does. By sending the right offer to the right customer in the right location, you can find new clients that can turn into recurring clients and help keep you on your growth trajectory.

The fastest growing salons and spas today use marketing as an asset—they actually build teams to focus on profitable customer groups or segments, and ensure that they match the best message and offering to what the customer is most likely to respond to. By doing that, they give themselves the best chance to succeed and the best chance to grow.

Let's go one step further—how about you automate your automation?

Even businesses that use marketing automation often find themselves with open slots in the appointment book, which can kill your margins and growth. While there's nothing worse than an empty waiting room, there's also nothing worse than having employees who are being paid to wait for customers to come into your salon or spa. That's not a great experience for anyone.

Fortunately, there's now a way to find elusive past customers when your outbound marketing efforts may be falling short. And believe it or not, it involves artificial intelligence!

No longer just the domain of big businesses and technology, AI is increasingly being used in practical ways every day for everyday people and businesses. And one of those practical applications is in helping you to fill that appointment book.

With marketing AI solutions, your system actually combs through your past appointments, customers, treatments and services, appointment times, locations, and other criteria to match up these customers and appointments with the open spots you have in your calendar. It then (based on how you program it) can send custom offers and marketing campaigns to those customers who may not have visited you in awhile, lapsed in their treatments, or missed their last appointment. Armed with special offers, these customers are then incentivized to come back to you and make an appointment.

What's amazing about this is that it's all happening in the background—or even while you sleep. Once you tell the system what deals to offer, AI does the rest. You're freed up to meet more customers or work on another part of your business, while your growth continues!

Online booking for the win

In a world where ordering just about anything your heart desires is never more than a click away, it's probably not surprising that the ability to turn your business website and mobile app into an ecommerce site is a great way to continue to grow your business. After all, meeting your customers in the moment is a hallmark of great businesses, and often when customers are in your app or on your website, that's a great opportunity to sell to them beyond the appointment. Maybe it's a membership offer they'd like to



In 2018, the U.S. spa industry reported 22,160 open spa locations.

take advantage of. Maybe it's a discount on a product that they may not have otherwise purchased. The more personal you can make the interaction, and the more you're able to link the appointment to the sale of products and merchandise, the more your business is going to grow.

It's often said that the six most impactful words in business ever spoken were "do you want fries with that?" (Hint—the answer is almost always "yes!") Spas and salons that are able to couple their ecommerce with their online bookings routinely see 10-15% more revenue come into their businesses—and people who book online tend to come MORE frequently than people who book their appointments in person or over the phone. That's the type of growth you can get behind!

Use your network to grow

If your business is fortunate enough to have multiple locations to service your customers and guests, not only do you want to provide a seamless and consistent experience for them at each location, but you want to ensure you have the software and systems that recognize them wherever they visit. Unfortunately, a lot of software today is limited to working at one location—which means growth is going to be limited, too—not to mention giving the customer a bad experience and increasing the chances that they'll return.

But growing businesses with multiple locations are increasingly ensuring that they have one system that works across all of their locations—whether it's nine or 900 different stores and salons. This ensures that the customer has the freedom and choice to go where and when it's convenient for them, not just for you. Lowering the barrier to getting the customer in the door is an important component of growing your revenue. Make sure the solution you have in place can track memberships, loyalty program credit, treatment history, and preferences anywhere. That makes for a happy customer which will keep coming back, which leads to growth for your business.

Elevate the guest experience to grow your business

We've talked in a previous book about "Elevating the Guest Experience" and the impact on how your customers view you and your business. We'll leave the details of how you do that to you to read! But whether it's providing an easy check-in and booking process, chair-side upgrades that are automatically added to the bill, or auto-payment in the app that lets your guests just walk out after their appointment is concluded, in today's world, the brand that provides us with the best experience is the one we want to give our business to again and again. It's the one that commands a premium in the market. The one that we tell our friends about. The one we pay full-price for, not wait for the Groupon™ to come in the inbox before we make an appointment. Investing in your guest experience may not have a direct line to growing your revenue, but it's not exactly indirect either. And either way, it's a critical component.

Growth is yours for the taking

As we said at the beginning, there's rarely a silver bullet that holds all the keys to growing a business. It's a lot of little things, done over and over again, with often miniscule improvements at one time, that lead to success. Often it's right when you don't think you have it in you to succeed and be great that you need to put your foot down and accelerate and race past the competition.

Importantly, in today's spa and salon environment, you're not alone in this quest for growth. Technology being used today all around you is helping other businesses grow their revenue. Whether it is finding a silver bullet through analysis of the business, crafting a great marketing campaign (or having the system craft it for you), or making sure your guests have a great experience—online and at the appointment, the spas and salons who are finding great results are able to align the systems and technology with their passion—all with tremendous results.

better than anyone else. And in the early days, it's often that passion that's enough to attract a loyal clientele and to start a business. But to be truly great, you need to do great things—again and again. Do this by providing a tremendous experience for your guests, one that's elevated and above and beyond what they're normally used to receiving. Find new and innovative ways to grow your revenue, whether you or the "bots" are in charge of finding the customers, and manage your operations like a ninja, armed with the right data at the right time to make the right decision. With these initiatives in mind, you too can achieve the sustained greatness that has built so many amazing businesses in this industry.

We're so privileged to be partnered with so many of them, and are inspired every day by their desire to make the world—and their customers' lives—a little better. We'd appreciate the chance to see how we can help you achieve this goal as well.

About Zenoti

Zenoti is the most advanced cloud-based, business software for spas, salons, and medi-spas. Trusted by 5000+ spas and salons across the world.

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