

3 Essential Revenue Growth Strategies for Your Beauty & Wellness Business

You got into the beauty and wellness business to fuel your passion for making others feel good so they can find their greatness.

A recent Zenoti survey shows that **increasing your revenue** is the number one priority for **76% of salon, spa, or medspa owners** like you.

Within that, your fellow beauty and wellness business owners say their top concerns are wanting to **increase guest spending, get more appointments booked, and eliminate friction from the booking process.**

That's where the right software can be a great partner—helping you harness growth, build upon the successes you accomplish every day, and attract more guests.

This is your complete guide to the strategies you need to boost your revenue.

Ready to dive in? Us too!

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Increase Guest Spending

What is revenue and why does it matter?

This seems like a rhetorical question but it's important to define before we dive deeper. Revenue is the amount of money that your business brings in from products and services.



The top three ways to boost revenue are:



Growing sales



Adding other sources of income



Increasing the amount of money that each transaction makes

How you go about achieving these goals can vary, so we'll break down each of the top ways to increase revenue and provide you with actionable steps you can take to achieve your goals.

In 2020, the U.S. spa industry reported **\$19.83 billion dollars in revenue.**

The wellness market grew to **\$4.9 trillion dollars** in 2019 and is predicted to **grow 10% annually** through 2025.

1 Know Where You're Growing – the Power of Analytics

Growth looks different for every business. Here we answer, “what is growth”, “where growth can be lacking (areas of opportunity)”, and “which analytics truly matter”.



Growth

From managing multiple locations, growing your team, the types of treatments and products you offer, and more, there are many ways to grow your business. Knowing data on key metrics can help you easily spot your growth to target where you want to keep moving forward and where you can pivot.



Areas of opportunity

Optimize your time (and sales) by looking for wasted inventory, inefficient treatments or scheduling, pricing, and more.



Reports

Use your report dashboards to measure the effectiveness of your marketing campaigns, products, and services and see what is working and what isn't.



Analytics

You already understand all the moving parts behind your business. Analytics takes that understanding and helps deliver insights that give you decision-making power that you might otherwise lack. Like taking your natural hair color and adding face-framing highlights, analytics accentuates what's already there. Using analytics won't put more money in your bank account. But it can show what part of your business is most profitable—and, armed with that insight; you'll be able to make smarter business decisions.

Having analytics at your fingertips is a fantastic way to find the insights that you can then turn into action, helping to grow your business.

Analytics you need:

01 Why guests are visiting



02 What guests are buying



03 How guests are spending



04 What inventory you have on hand



For a deeper dive into analytics, consider:

01 New visits



02 Visit revenue



03 Staff utilization



04 Retail sales



05 Feedback responses and ratings



06 Social media following, engagement, & website traffic



07 Email open rate



08 And more!



Dublin Nails drives strategic decisions with
[Zenoti's Reports and Analytics](#)

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In 2020, the U.S. spa industry reported **124 million U.S. visitors**, despite a global pandemic.

2 Automate Your Marketing – Attract More Guests

Welcome guests back and invite new ones in by standing out from the crowd and ensuring they know you're the choice for their next appointment.

Do it with marketing automation that lets you:

- Create lists and tailor offers that will get you noticed
- Target specific customer types
- Segment to certain locations



Lists

It's not about sending personal emails to 1,000 people—it's about finding the right people to have your system send targeted emails to. By sending the right offer to the right customer in the right location, you can find new individuals that can turn into recurring guests and help keep you on your growth trajectory.



Target specific guest types

With marketing AI solutions, your system looks at your past appointments, guests, treatments and services, appointment times, locations, and other criteria to match up specific guests and appointments with the open spots you have in your calendar. It then sends custom offers and marketing campaigns to specific guests. Armed with special offers, these guests are then invited to come back to see you.



Send at the optimum time

The right software will know your schedule and send promotions that are based on service and employee utilization in order to fill any empty slots. This ensures your appointment book stays full by sending out emails only when there's availability. It also creates a better booking rate and experience for guests as they will only receive promotional emails if there's appointment availability. There's nothing worse than getting an email that encourages you to book an appointment only to find there's no availability for the next month!



Segment to certain locations

Suppose your business is fortunate enough to have multiple locations. In that case, you may want to only attract guests at specific centers. With the right software you can simply set your target parameters and send out marketing campaigns to audience members within the target location.

The best news? This is that it's all happening in the background—even while you sleep. Once you tell the system what deals to offer, AI does the rest.

Zenoti customers have seen **32% revenue growth from Smart Marketing.**

3 Growth is Yours for the Taking – Rating and Reviews

Boost your reputation and credibility with ratings and reviews. Remember – you don't get what you don't ask for. Here we share the benefits of rating and reviews, the “right” number of stars, the anatomy of the review, and the power of your response.



Pro Tip

Increase your revenue with social proof. Guest expectations are changing *[“Customer journeys that combine the online world with the offline are here to stay.”](#)* says CB Insights. Even if you don't sell retail on your site, this matters.

[60% of the Google page one](#) rankings for beauty product keywords are for informational sites, not retail sites. What that says is that reviews matter. Your guests are first searching for social proof (reviews and feedback from peers, friends, and like-minded individuals) of a product, service, and your business before they ever search for your site.

Top-rated beauty and wellness sites, Allure and Byrdie, attract between **5 – 7 million organic search hits** every month. And you don't need to be featured on those sites to get a piece of that search activity. By actively looking for and engaging with reviews on top review sites, including Yelp, your brand will get noticed.



Star rating sweet spot

Your ratings need to be believable and there is a benchmark for stars to consider. Too low of a score (under 4 stars), and people are skeptical of your quality. Too high of a score (only 5-star ratings without a single negative review) and people are skeptical that reviews you have are fake.



4.2-4.5 stars is the target star rating



The review

Make it easy for your guests to share their positive experiences with your brand and providers. Potential guests are reading the reviews and want to hear from a real person about their experience.



Your responses

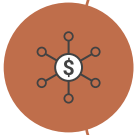
Positive reviews level up your brand's reputation and the ability to get ahead of a negative review before it's posted or engaged with is priceless.

85% of consumers look for negative reviews to make an informed purchase decision.

Bad reviews give potential customers a look into the worst-case scenario. Seeing how you handle negative feedback and experiences says a lot about your brand and puts trust in your guest service.

Save yourself time and get more reviews with [Zenoti-powered feedback request](#) automation which automatically sends your guests a post-service feedback request so they can share (glowing!) testimonials about your business.





Look for New Revenue Opportunities

1 Elevate Your Guests' Experience with Memberships and Loyalty Programs

Membership sales improved as much as 55% for Zenoti customers in 2021!

The benefits of memberships and loyalty programs when it comes to growing your revenue can be summed up in two words: **Recurring Revenue.**



Membership

With a membership model, you home in on your ideal guests and create a deeper relationship that translates to brand loyalty and increased lifetime sales. You also cut down on marketing costs, create predictable cash flow from month to month, and generate more revenue with less effort while rewarding your loyal guests.



Loyalty

A loyalty program is a set or tiered program where guests earn points, or other incentives when they book a service, buy a product, and more. These incentives keep them coming back and encourage them to try something new at your center.

Learn more about the benefits of membership with our whitepaper: [5 Reasons Why You Should Move to a Membership Model.](#)



2 New Ways to Pay

Average ticket size increases by 22% for Zenoti customers with integrated payments and auto-pay.

Whether it's providing an easy check-in and booking process or chairside upgrades that are automatically added to the bill, auto-payment lets your guests walk out after their appointment is done. In today's world, the brand that provides the best experience is the one we want to give our business to again and again.



Boost Average Ticket Price

1 Friction is Bad for Your Hair and Your Business – Elevate Appointment Booking

Before you can upsell products or service add-ons, you need to first make it easy for the guest to book and show up for their appointment.



Showcase your retail

In a world where ordering just about anything your heart desires is never more than a click away, it's not surprising that the ability to turn your website and mobile app into an eCommerce platform is a great way to continue to grow your business. Spas and salons that couple their eCommerce with their online bookings routinely see **10-15% more revenue** come into their business.



Send appointment reminders

A recent Zenoti survey showed that over 38% of beauty and wellness businesses don't send appointment reminders. No one likes to get ghosted, and no-shows are not good for business. Often a missed appointment means an open space in your schedule, a provider sitting idle (this could also lead to employee disengagement and turnover), and lost revenue. Avoid these negative consequences with a solution that automatically sends your guests emails or text messages reminding them about their appointment.



Dear Linda, this is a reminder from Newyou hair Salon about your appointment on Friday, February 7 from 11:00 AM till 1:10PM. If you need to reschedule, please call at (917) 478-3387.

Today 12:01 PM

Thanks for reminding me. I totally forgot about it. :)

Now



2 The Secret's in the Service - Service Add-Ons

Like going on a short walk each day or replacing one soda a day with water, small changes have the most significant impact over time. Small and simple service add-ons can still make a large difference to revenue growth.



Increase spend per visit

Your guest is already in the chair so boost their spend per visit by recommending the add-on services that would best suit their beauty and wellness needs. But make sure to keep it authentic! While almost anyone getting a color will benefit from a [gloss treatment](#), it won't always make sense to suggest this service add-on (say they came in for a full buzzcut – a gloss is going to seem like a misguided recommendation).

Zenoti customer, [Gene Juarez Salons & Spas](#) offers a treatment menu with add-ons ranging in price from [\\$41-\\$107](#) per treatment. If 10 guests a day got even the lowest cost add-on service, that's an **extra \$2870 in sales each week** (\$410 a day).

GENE JUAREZ
SALONS & SPAS



Create an elevated experience

Consider incorporating add-ons that are low cost to you and free for them. Services like adding essential oils (peppermint or lavender work wonders!) to your shampoo rinse water or offering a 5-minute scalp massage during conditioning treatments go a long way to creating an immersive experience rather than just “going to get a haircut”.

For more ways to level up your hair washing experience (and more) check out our blog: [Six Tip and Tricks for Your Hair Salon to Follow in 2022.](#)

In today's spa and salon environment, you're not alone.
The right technology and software partner can work with you to grow
your revenue and give you the tools you need to work smarter not harder.
Let us help.

[Chat with us today](#)

Additional Resources:

<https://www.zenoti.com/e-books/managing-your-membership-program>

[Automated Membership Solutions that Drive Business Growth](#)

<https://www.zenoti.com/appointment-bookings>

<https://www.zenoti.com/billing-payments>



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