

## What ISPA Resource Partner Members Are Doing

The current state of the economy is keeping everyone on their toes. The ISPA three question "Snapshot" Survey conducted earlier this month provided a wealth of feedback from resource partners on how they are adjusting to the economic climate. The survey respondents included 15% of ISPA primary resource partners and the results are shared below.

When asked "What are you doing to increase revenue?", two common themes were consistently emphasized: marketing and expanding distribution channels. Resource partners are thinking outside of the box, creating new promotions and filling their schedule with spa industry events. E-mails, direct mail pieces, Web site promotions and radio advertisements are still very prevalent; however, spas are cross-marketing and networking within their community and the spa industry to identify cost effective ways to promote their products and services. Now is the time to send press releases highlighting community event participation, new product packages and holiday gift ideas.

Another tip comes as a sneak peek at our 2008 ISPA Global Consumer Study findings, scheduled to be released in November, more than 60% of U.S. spa-goers visit a spa to relieve or reduce stress. With the increased stress resulting from the state of the economy, everyone could use a spa experience to rejuvenate themselves. Resource partners are the fuel for creating this experience.

Below are some ISPA resource partner ideas on how to increase revenue.

- Expand current product offerings, either by developing an entirely new product/service or bundling existing products into packages.
- Distribute press releases to the media to highlight achievements, products/services and community involvement.
- Place a significant emphasis on customer service. Treat all clients with care, no matter how large or small their account may be.
- Increase the number of face to face meetings with customers.
- Attend more tradeshows and stay connected. BE VISIBLE!
- Focus on brand awareness at all times.
- Adjust job description for various departments to include more sales support and consider expanding sales territories.
- Expand distribution channels by tapping into international markets and pursuing new global contracts.
- Networking with industry suppliers, spas and colleagues.
- Roll-out new promotions including free gift with purchase offers.

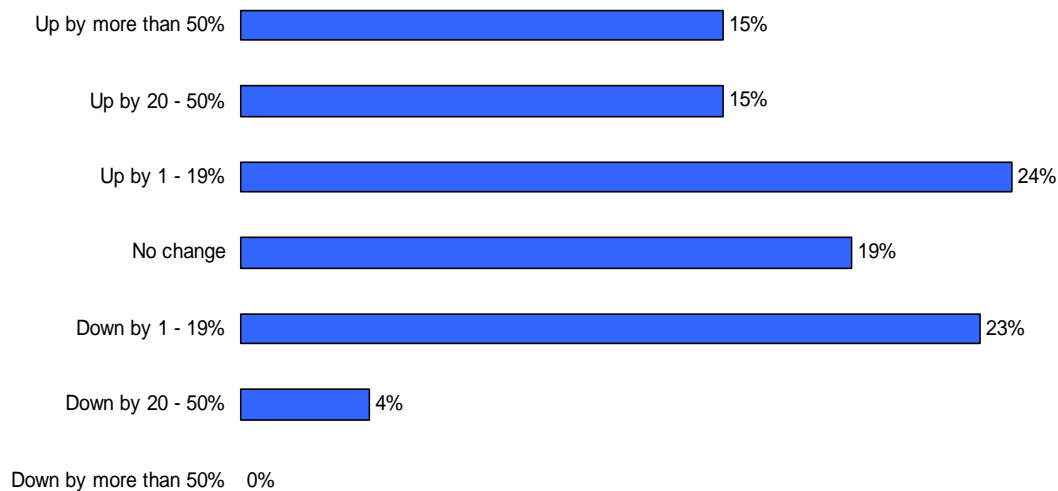


# ISPA RESOURCE PARTNER MEMBER SNAPSHOT SURVEY RESULTS

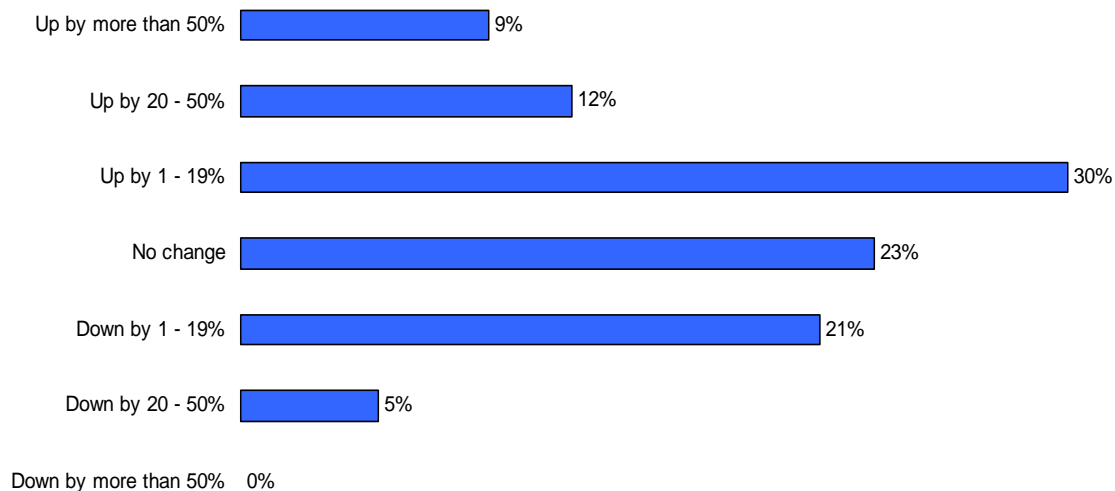
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- When budgets are tight and travel is limited, pick up the phone and call potential customers to introduce yourself and your product line(s).

## YTD Gross Revenue Change ISPA Resource Partners



## YTD Profit Change ISPA Resource Partners



## What are ISPA spas doing to increase Revenue?

As a resource partner, it is also important for you to know what spas are doing to increase revenue. A few of the highlights from the spa member survey responses are listed below. More than 28% of ISPA primary spa members participated in the ISPA "Snapshot" Survey.

### Menu/Services

- Develop an add-on service menu for guests. Display the menu on the service table, allowing the client time to review the add-on menu before their service starts.
- As people tighten their belts and reduce discretionary spending, consider offering a variety of shorter, less-expensive, treatments.
- Add value to treatments offered. Offer a small takeaway with certain treatments. Provide a new skin care product to a customer when they purchase two or more treatments from the menu or offer a second service at a discount rate.

### Community

- Participate in philanthropic community events and give back to the community. BE VISIBLE!
- Prepare and send press releases to local media highlighting special events, community promotions and new services offered.
- Develop strong partnerships with local organizations (visitors bureau, chamber of commerce, tourism center) which may lead to marketing opportunities with little or no cost.
- Create a grassroots "thank you" campaign to thank the clients within your community.
- Focus on local marketing by bringing in speakers and offering classes.
- Offer special mid-week or non-peak hour incentives to members of the local community.
- Roll-out a new menu or service and invite members of the local media to visit your spa and offer a sample of the treatments or products offered.

### Hotel/Resort Spa Promotions

- A resort/hotel spa may have the ability to bend and flex to accommodate day business when there is a lower overnight occupancy. Spas are finding that the local market is responding to local promotions sent via e-mail. Consider coupling spa services with other venues (such as dining, recreational activities, etc.) within the property.
- Check-in arrival invitation for value added services to entice resort guests to reserve services in the spa.
- Creative packaging with room nights. Promote off peak discounts to drive demand when business is down.
- Running specials and packages, offering hotel employees (i.e. concierge, front desk staff) deeper discounts with the intent of cross promotion. An employee that has experienced your spa is more likely to encourage a guest to visit the spa.
- Target hotel groups, add corporate discounts to local businesses offerings or create newsletter promoting monthly/weekly specials.
- Attend all hotel group sales meetings to drive business.

## Promotions

- Offer a spa “Happy Hour” or “Spa Bar” and invite customers to sample spa products. Have a therapist on hand to provide an overview of treatments offered and the benefits of each and demonstrate techniques used through mini-treatments.
- Offer more flexible programs for corporate guests, such as breakfast at the spa or cocktail parties at the spa.
- Time is valuable to those on the go. Offer more "spa on the go" off-site options- chair massages, arms massages, stretching classes, etc. at nearby offices or meeting venues. Great for those who don't have the time to visit the spa.
- Provide seasonal services to maintain a fresh menu for avid spa-goers.
- Create enticing specials to attract new customers. A free welcome massage or welcome packages can help get new clients in the door.
- Market deeper discounts midweek, free midweek upgrades and economical price point packages (20% discount on second service or bundle additional products with retail purchases).
- Recognize and reward your loyal clientele. Provide loyal customer cards (purchase six services get the seventh free), special invitations with preferred pricing or exclusive sneak peeks at new services or products.
- Implement new marketing initiatives to attract international travelers.
- Offer discounts or complimentary samples to employees.
- Schedule local sales call, allowing the Spa Director to go out and meet with potential customers.

# ISPA SPA MEMBER SNAPSHOT SURVEY RESULTS

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## What ISPA Member Spas Are Doing

The current state of the economy is keeping everyone on their toes. The ISPA four question "Snapshot" Survey conducted earlier this month provided a wealth of feedback from spas on how they are adjusting to the economic climate. The survey respondents included 28% of ISPA primary spa members and the results are shared below.

When asked "What are you doing to increase revenue?" two common themes were consistently emphasized. The first theme focused on training and educating employees. Investing in an employee not only provides a better overall experience to your clients, it also helps build a positive relationships resulting in a more loyal staff with less turnover.

The second theme was marketing, but not just any type of marketing. Getting back to the basics of what has consistently made businesses successful - creative marketing. Spas are thinking outside of the box, creating new promotions and forming community partnerships. E-mails, direct mail pieces, Web site promotions and radio advertisements are still very prevalent; however, spas are cross-marketing and networking within their community to identify cost effective ways to promote their spa. Now is the time to send press releases highlighting community event participation, new services/menus and holiday gift ideas. There are ISPA member benefits already available that you may not be aware of, including easy-to-use [press release templates](#).

Another tip comes as a sneak peek at the 2008 ISPA Global Consumer Study findings, scheduled to be released in November, more than 25% of U.S. spa-goers used a gift certificate during their last visit to a spa. Now is the time to take advantage and promote spa gift cards as the ideal gift for that special someone. With the increase in stress levels resulting from the state of the economy, everyone could use a spa experience to rejuvenate themselves.

Below are some ISPA member ideas on how to increase revenue.

### Staff

- Spend time educating employees on available services and products. Product knowledge impacts sales!
- Provide training for all employees to help ensure a quality experience for each client.
- Hire a sales manager or agent whose primary focus is to get new business through the door.
- Encourage feedback by requesting employees talk to clients and make sure their needs are being met. Everyone has room to make improvements.
- Focus on identifying career paths for employees to help reduce turn-over. Knowledgeable and loyal staff help retain regular clientele.
- Provide incentives for staff members to become more involved in sales and promotions.

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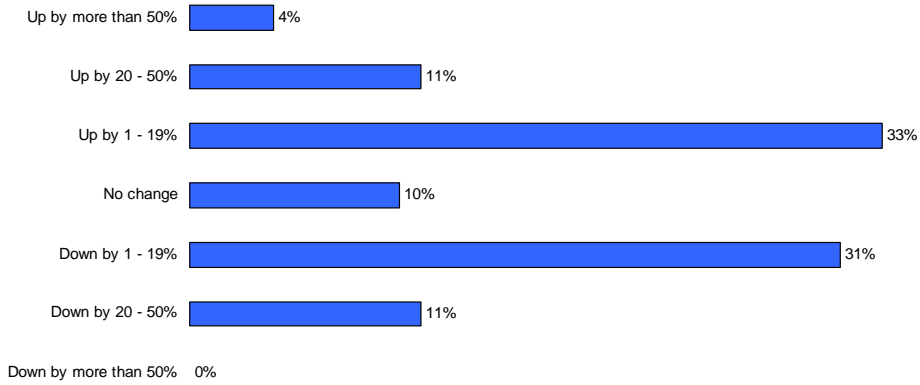
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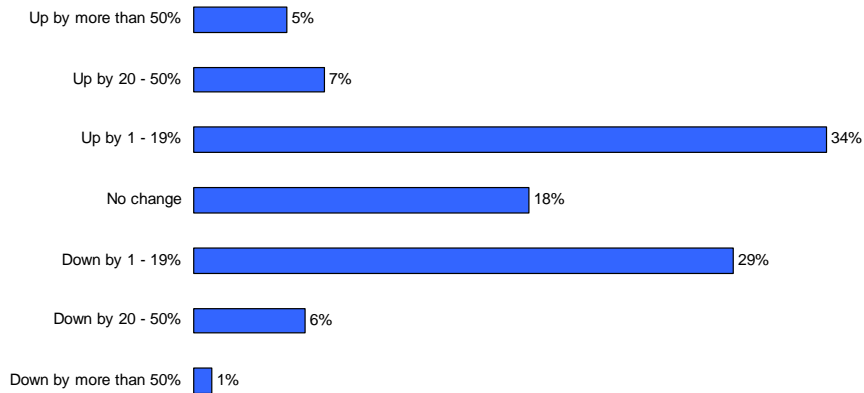
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## YTD Gross Revenue Change ISPA Spa Members



## YTD Profit Change ISPA Spa Members



## YTD Change in Spa Visits ISPA Spa Members

