



Snapshot Survey Results Report

— *Quarterly Performance* —

April 2014

Quarterly Performance Survey Results

ISPA Snapshot Survey | April 2014

Monthly Snapshot Surveys provide ISPA members with a valuable look into the state of the spa industry, spa industry trends and also help to identify the needs of spa professionals. Snapshot Surveys are conducted on the third Friday of each month, with full results provided only to respondents two weeks from the release date of the survey. Knowledge is a valuable tool and these quick surveys provide a wealth of information shared by ISPA's members. The April Snapshot Survey requested information on quarterly performance for the first quarter of 2014 (January 1 through March 31, 2014).

When asked to compare gross revenue in the first quarter of 2014 and 2013, nearly 80 percent (79 percent) of spa members reported some level of positive change. The largest group (34 percent) of spas fell in the up by one to nine percent range. Seventy-two percent of spa respondents said their quarterly profit had increased in the first quarter of 2014 compared to the same time in 2013. One-third of spa members said their profit increase fell in the one to nine percent range.

The majority of spa respondents (72 percent) said their spa visits were up in the first quarter of 2014 versus the same period in 2013. In regards to workforce changes during the first three months of 2014, 39 percent of spas said they filled vacant positions only. In terms of average retail revenue per treatment in the first part of 2014, the largest group of spa respondents fell in the \$11 - \$15 range. When comparing day spas and resort/hotels in the average retail revenue per treatment area, there is a noticeable difference in the \$5 - \$10 range, with only four percent of day spas falling within this range compared to 30 percent of resort/hotel spas.

ISPA resource partner members also offered insight into their quarterly performance. In regards to change in gross revenue for the first quarter of 2014 compared to the same quarter of 2013, 28 percent said they saw no change. More than half of the resource partner respondents (57 percent) experienced a positive increase in gross revenue. Twenty-nine percent of resource partner members said they experienced a positive profit change of 10 – 19 percent in the first quarter of 2014 compared to the same timeframe in 2013. Another 29 percent said they experienced no change in profit when looking at the first three months of 2014 versus the same time in 2013. Nearly half (47 percent) the resource partner respondents said they added new positions during 2014's first quarter. When asked about the change in the number of new accounts picked up in the first part of 2014 versus 2013, 49 percent experienced an increase. Half of the respondents said their repeat clients increased in the first quarter of the current year compared to the same timeframe in 2013.

The results analysis includes answers from all respondents who took the Snapshot Survey in an eight-day period from Friday, April 18, 2014 to Friday, April 25, 2014. During this time, 247 ISPA members responded to the survey. The categories "all spas" and "ISPA Spa Members" referred to within this report include data from all spa respondents (day, resort/hotel, medical and destination spas). Only one set of the various financial performance question responses per company are included in the results. If more than one individual per company submitted information, the primary member's data was used. The data gathered from previous quarterly ISPA Snapshot Surveys is also included within the following charts to allow for easy comparison.

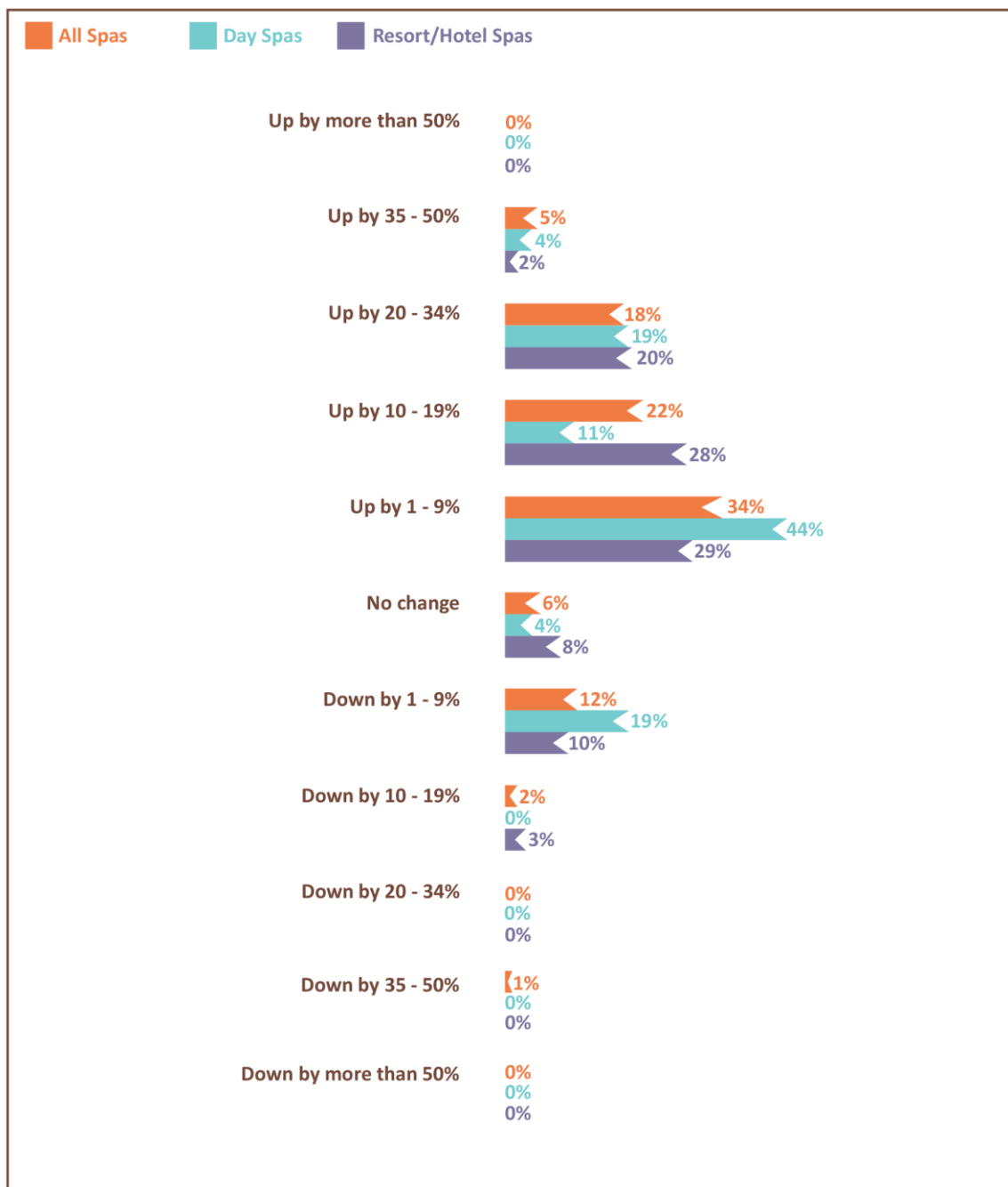
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ISPA SPA MEMBERS

What was your gross revenue change for the first quarter of 2014 compared to the first quarter of 2013?

Gross Revenue Change | ISPA Spa Members

1st Quarter 2014 vs. 2013



The following tables provide gross revenue change data from previous quarterly ISPA Snapshot Surveys. To allow for easy comparison, the results are displayed using the original response options.

Gross Revenue Change | All Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	3%	2%	1%	2%	3%	2%	2%	2%	0%
Up by 20-50%	14%	15%	10%	15%	15%	11%	22%	20%	23%
Up by 1-19%	55%	50%	55%	53%	48%	63%	58%	55%	46%
No change	9%	11%	9%	7%	12%	6%	5%	8%	6%
Down by 1-19%	18%	19%	23%	20%	22%	18%	13%	14%	14%
Down by 20-50%	1%	2%	2%	2%	0%	1%	1%	1%	1%
Down by more than 50%	1%	1%	0%	1%	0%	0%	0%	0%	0%

Gross Revenue Change | Day Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	2%	5%	2%	2%	6%	6%	4%	3%	0%
Up by 20-50%	17%	16%	9%	14%	10%	10%	15%	31%	23%
Up by 1-19%	66%	52%	57%	52%	63%	63%	64%	46%	55%
No change	9%	11%	13%	14%	6%	6%	4%	5%	4%
Down by 1-19%	6%	14%	19%	20%	14%	14%	13%	15%	19%
Down by 20-50%	0%	2%	0%	0%	0%	0%	0%	0%	0%
Down by more than 50%	0%	0%	0%	0%	0%	0%	0%	0%	0%

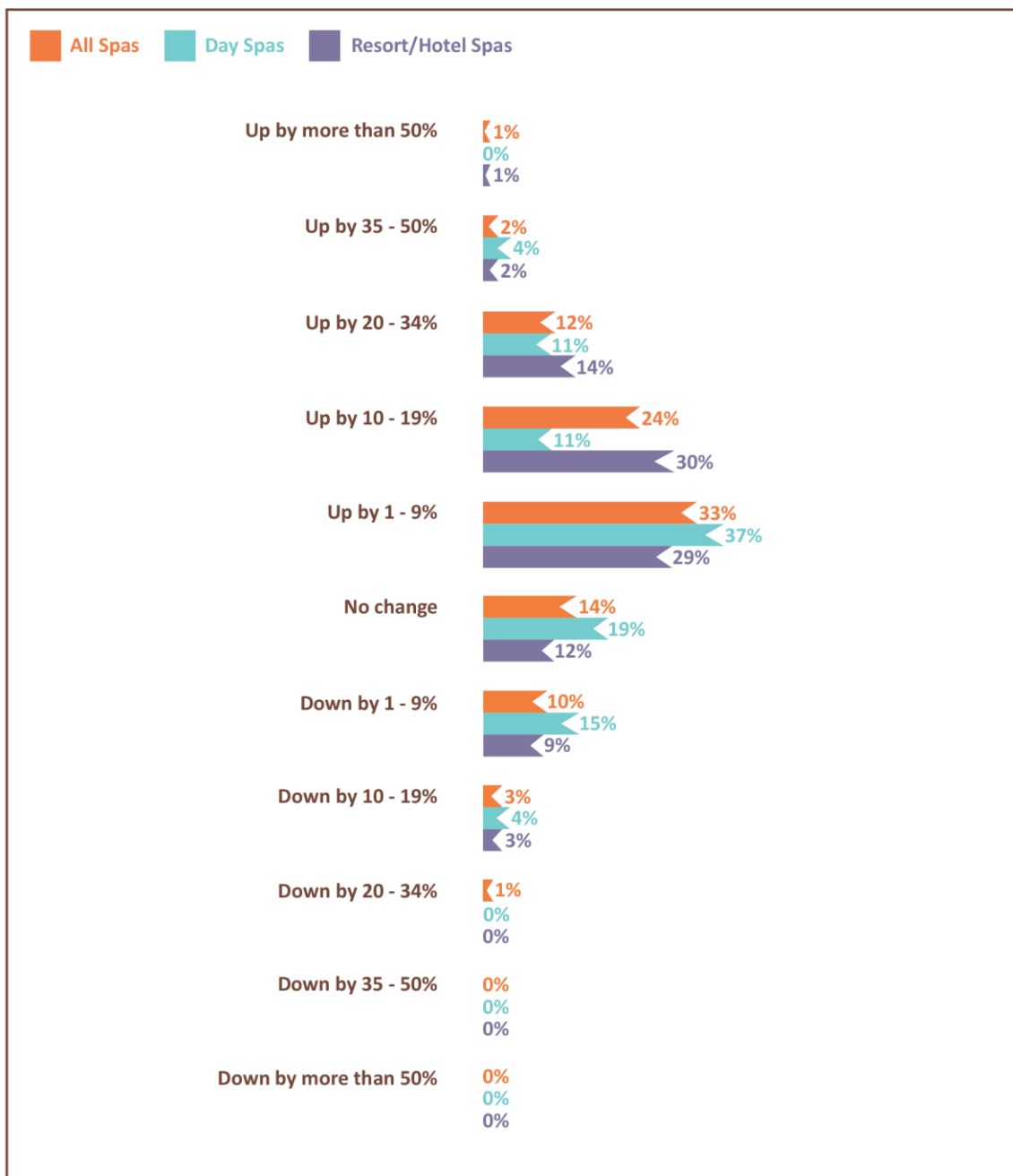
Gross Revenue Change | Resort/Hotel Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	4%	0%	1%	1%	3%	1%	1%	2%	0%
Up by 20-50%	13%	15%	10%	15%	13%	9%	22%	19%	22%
Up by 1-19%	52%	49%	56%	51%	49%	63%	58%	55%	57%
No change	10%	12%	9%	6%	13%	5%	4%	10%	8%
Down by 1-19%	10%	21%	24%	24%	22%	21%	15%	13%	13%
Down by 20-50%	1%	3%	3%	4%	0%	1%	2%	1%	0%
Down by more than 50%	1%	1%	0%	0%	0%	0%	0%	0%	0%

What was your profit change for the first quarter of 2014 compared to the first quarter of 2013?

Quarterly Profit Change | ISPA Spa Members

1st Quarter 2014 vs. 2013



The following tables provide profit change data from previous quarterly ISPA Snapshot Surveys. To allow for easy comparison, the results are displayed using the original response options.

Quarterly Profit Change | All Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	7%	3%	0%	5%	3%	7%	4%	5%	1%
Up by 20-50%	12%	11%	7%	14%	12%	9%	16%	16%	14%
Up by 1-19%	47%	52%	63%	52%	51%	58%	58%	54%	57%
No change	14%	12%	12%	10%	15%	8%	10%	13%	14%
Down by 1-19%	16%	20%	16%	15%	18%	15%	11%	11%	13%
Down by 20-50%	2%	2%	3%	4%	1%	3%	1%	1%	1%
Down by more than 50%	1%	1%	0%	1%	0%	0%	0%	0%	0%

Quarterly Profit Change | Day Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	6%	3%	0%	4%	2%	8%	2%	5%	0%
Up by 20-50%	13%	14%	2%	12%	9%	10%	15%	21%	15%
Up by 1-19%	58%	51%	62%	61%	52%	58%	60%	46%	48%
No change	14%	13%	16%	8%	19%	8%	11%	15%	19%
Down by 1-19%	8%	19%	20%	16%	19%	12%	13%	13%	19%
Down by 20-50%	2%	0%	0%	0%	0%	4%	0%	0%	0%
Down by more than 50%	0%	0%	0%	0%	0%	0%	0%	0%	0%

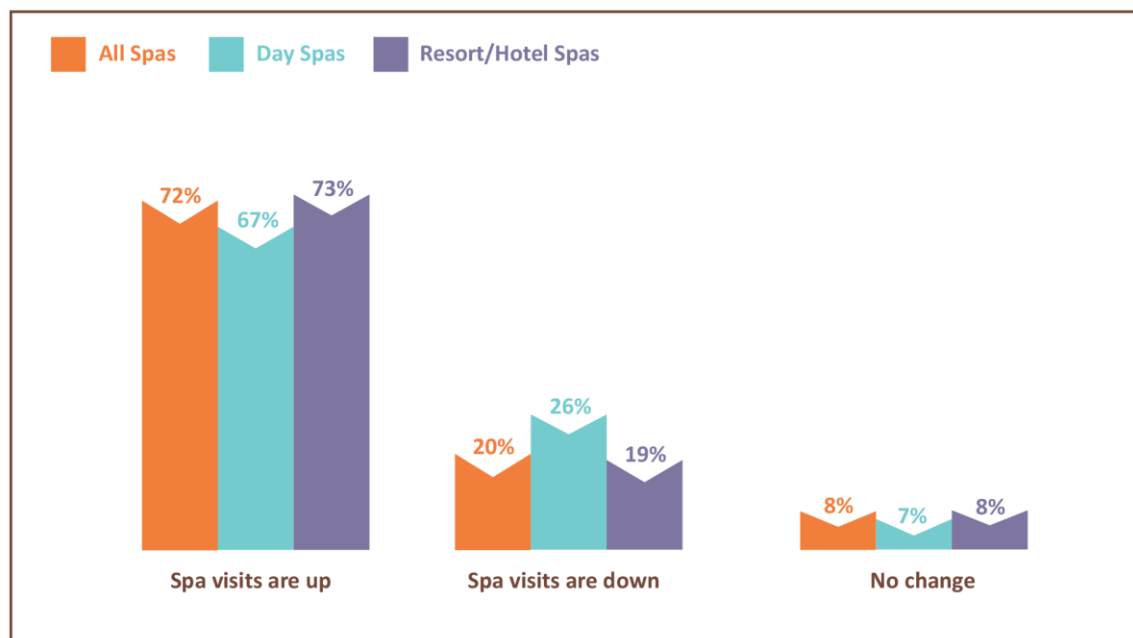
Quarterly Profit Change | Resort/Hotel Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	10%	3%	0%	4%	3%	6%	5%	6%	1%
Up by 20-50%	12%	7%	7%	15%	12%	7%	16%	17%	16%
Up by 1-19%	44%	56%	64%	46%	50%	60%	60%	57%	59%
No change	14%	13%	9%	13%	16%	9%	8%	11%	12%
Down by 1-19%	17%	18%	16%	16%	18%	14%	11%	9%	12%
Down by 20-50%	2%	3%	4%	5%	1%	3%	1%	1%	0%
Down by more than 50%	2%	1%	0%	1%	0%	0%	0%	0%	0%

How did your number of spa visits change for the first quarter of 2014 compared to the first quarter of 2013?

Change in Spa Visits | ISPA Spa Members

1st Quarter 2014 vs. 2013



The following tables provide change in spa visits data from previous quarterly ISPA Snapshot Surveys. To allow for easy comparison, the results are displayed using the original response options.

Change in Spa Visits | All Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Spa visits are up	65%	59%	56%	57%	60%	66%	73%	71%	72%
Spa visits are down	23%	28%	30%	30%	24%	21%	19%	17%	20%
No change	12%	12%	14%	13%	16%	13%	9%	12%	8%

Change in Spa Visits | Day Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Spa visits are up	75%	66%	52%	52%	59%	71%	74%	67%	67%
Spa visits are down	12%	24%	26%	33%	23%	18%	22%	21%	26%
No change	14%	10%	22%	15%	19%	12%	4%	13%	7%

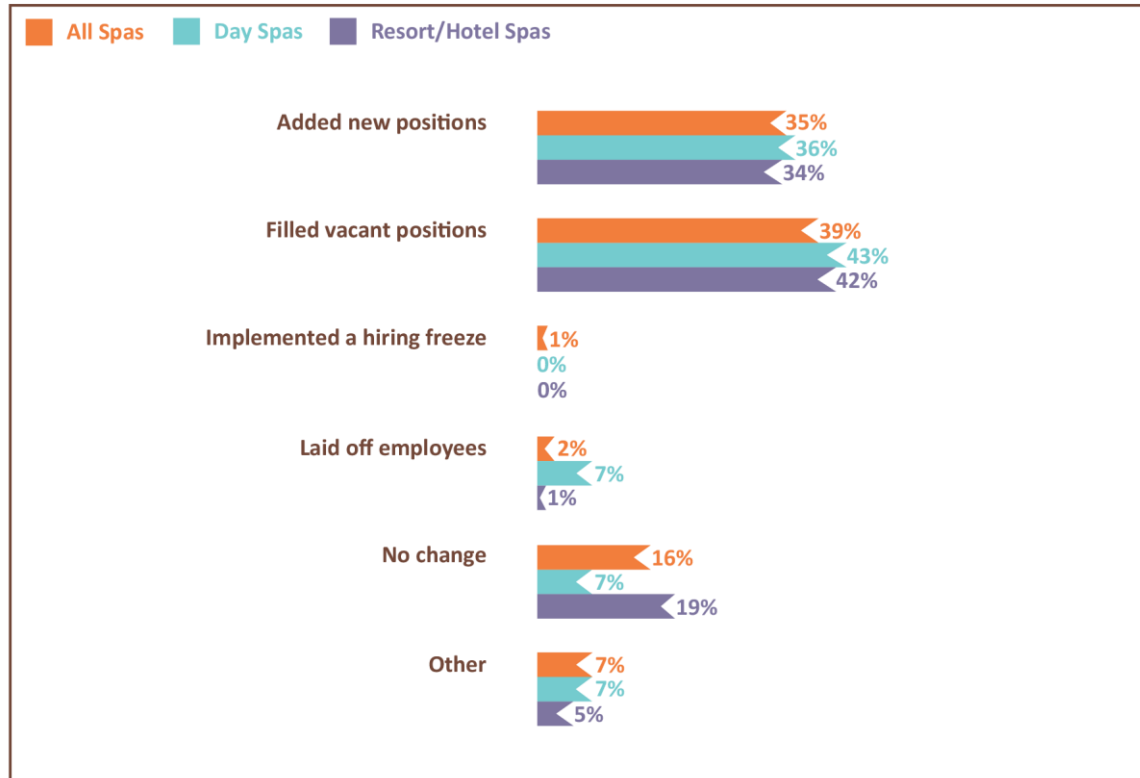
Change in Spa Visits | Resort/Hotel Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Spa visits are up	66%	55%	57%	57%	56%	64%	73%	72%	73%
Spa visits are down	24%	30%	32%	31%	27%	24%	17%	17%	19%
No change	10%	14%	11%	12%	17%	12%	10%	11%	8%

Which of the following best describes your workforce changes for the first quarter of 2014?

Workforce Changes | ISPA Spa Members

1st Quarter 2014



The following table provides change in workforce data from previous quarterly ISPA Snapshot Surveys. To allow for easy comparison, the results are displayed using the original response options.

Workforce Changes | All Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Added new positions	31%	27%	25%	28%	30%	38%	35%	31%	35%
Filled vacant positions only	44%	42%	45%	35%	37%	38%	38%	34%	39%
Implemented a hiring freeze	1%	2%	5%	3%	4%	2%	3%	3%	1%
Laid off employees	2%	2%	3%	3%	1%	0%	2%	1%	2%
No change	20%	18%	17%	28%	25%	18%	18%	26%	16%
Other	3%	9%	5%	4%	5%	4%	5%	5%	7%

Workforce Changes | Day Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Added new positions	39%	36%	36%	39%	36%	44%	36%	45%	36%
Filled vacant positions only	42%	25%	38%	35%	28%	34%	45%	21%	43%
Implemented a hiring freeze	0%	0%	2%	0%	0%	0%	2%	0%	0%
Laid off employees	0%	2%	2%	2%	0%	0%	0%	0%	7%
No change	15%	23%	17%	20%	26%	18%	13%	26%	7%
Other	4%	14%	4%	4%	9%	4%	4%	7%	7%

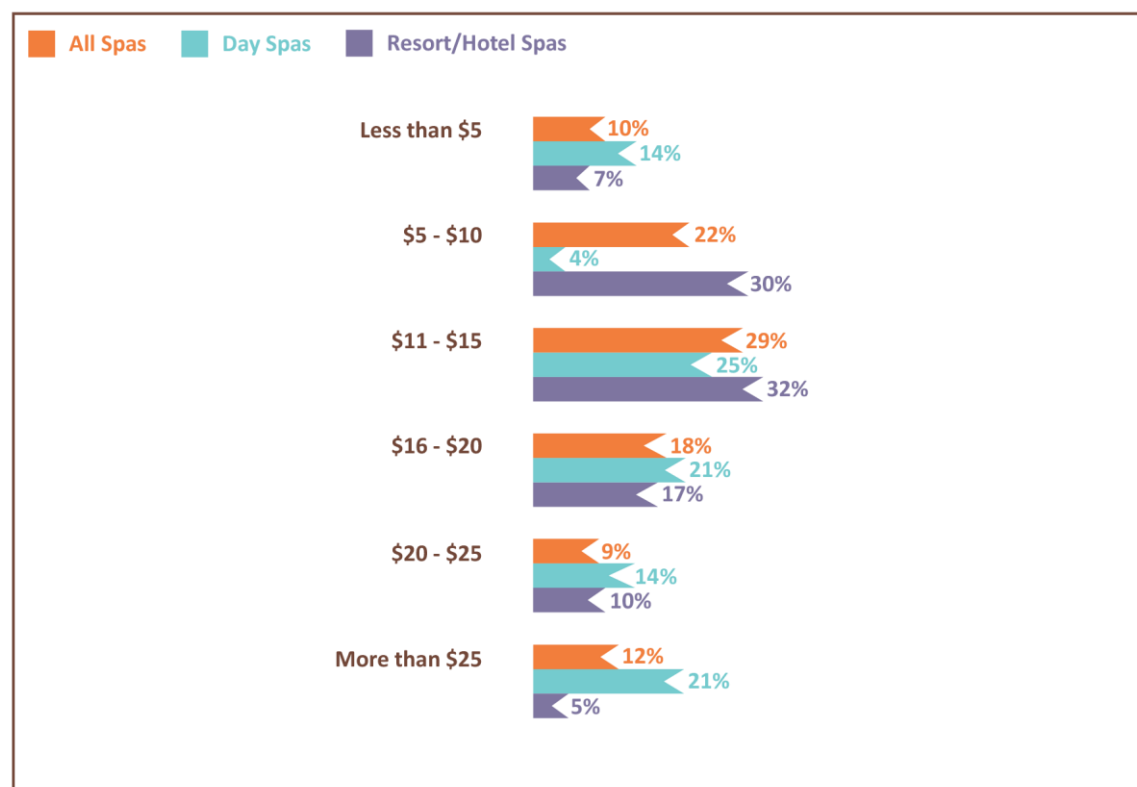
Workforce Changes | Resort/Hotel Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Added new positions	24%	22%	19%	23%	26%	37%	33%	27%	34%
Filled vacant positions only	46%	50%	48%	34%	41%	41%	36%	42%	42%
Implemented a hiring freeze	1%	4%	7%	4%	6%	3%	4%	4%	0%
Laid off employees	2%	2%	2%	3%	2%	0%	2%	2%	1%
No change	25%	16%	18%	31%	22%	16%	20%	20%	19%
Other	2%	7%	7%	4%	3%	4%	5%	4%	5%

What was your spa's average retail revenue per treatment for the first quarter of 2014?

Average Retail Revenue Per Treatment | ISPA Spa Members

1st Quarter 2014



The following table provides average retail revenue per treatment data from previous quarterly ISPA Snapshot Surveys. To allow for easy comparison, the results are displayed using the original response options.

Average Retail Revenue Per Treatment | All Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Less than \$5	14%	14%	12%	13%	12%	10%	12%	11%	10%
\$5 - \$10	31%	26%	26%	23%	22%	23%	23%	29%	22%
\$11 - \$15	22%	25%	31%	30%	31%	30%	25%	23%	29%
\$16 - \$20	10%	15%	15%	13%	13%	14%	15%	15%	18%
\$21 - \$25	10%	13%	7%	9%	12%	10%	12%	11%	9%
More than \$25	13%	9%	10%	12%	12%	14%	13%	12%	12%

Average Retail Revenue Per Treatment | Day Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Less than \$5	16%	10%	11%	12%	6%	2%	9%	8%	14%
\$5 - \$10	29%	19%	23%	18%	21%	22%	20%	30%	4%
\$11 - \$15	22%	21%	36%	29%	25%	24%	28%	13%	25%
\$16 - \$20	8%	14%	15%	18%	21%	20%	9%	15%	21%
\$21 - \$25	14%	22%	4%	10%	19%	18%	15%	10%	14%
More than \$25	12%	14%	11%	14%	9%	16%	20%	25%	21%

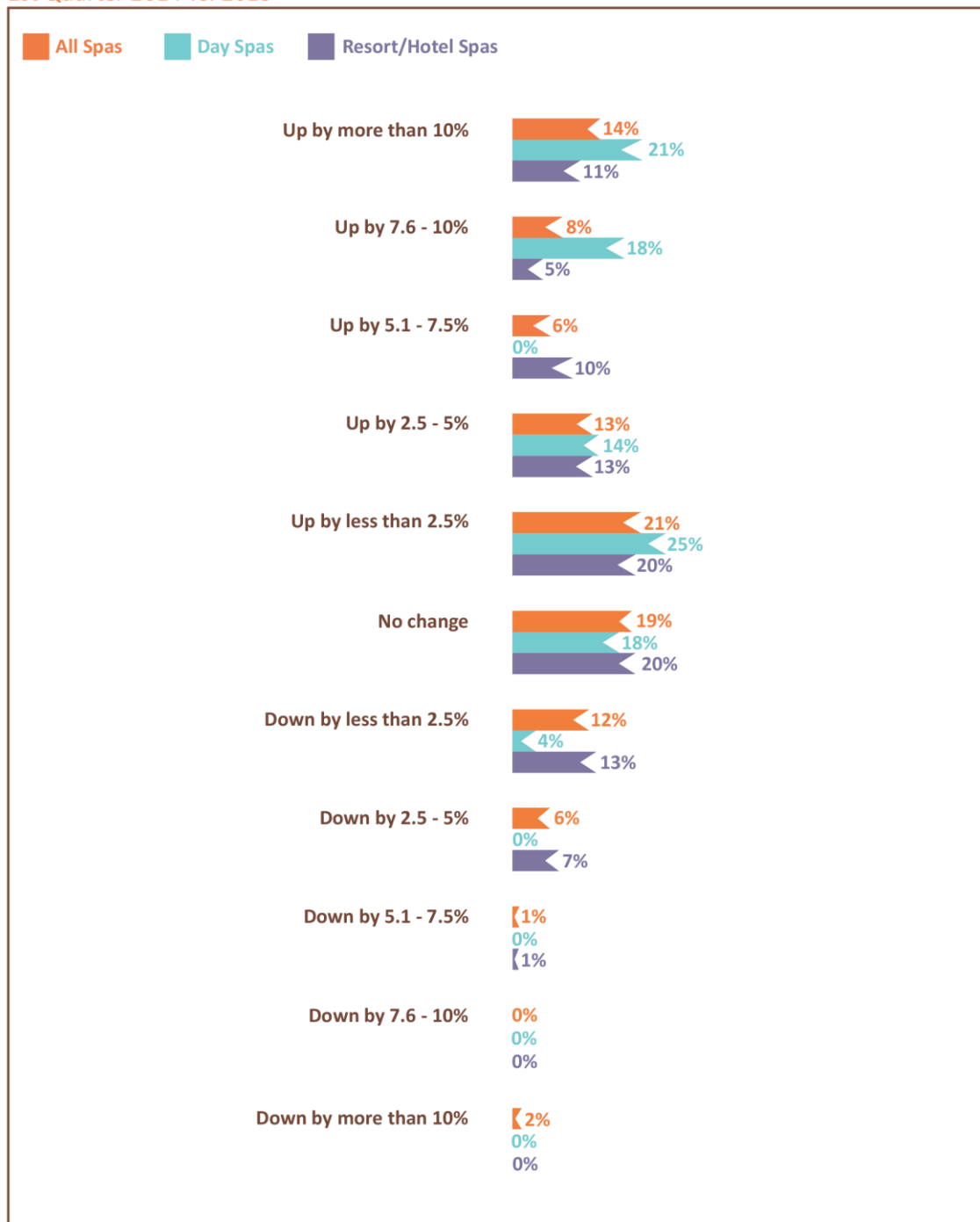
Average Retail Revenue Per Treatment | Resort/Hotel Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Less than \$5	12%	13%	12%	14%	13%	13%	14%	12%	7%
\$5 - \$10	36%	31%	29%	26%	20%	25%	26%	29%	30%
\$11 - \$15	24%	28%	29%	28%	37%	34%	25%	25%	32%
\$16 - \$20	11%	17%	14%	13%	11%	11%	16%	16%	17%
\$21 - \$25	8%	7%	9%	10%	9%	7%	11%	13%	10%
More than \$25	10%	6%	8%	9%	11%	10%	8%	4%	5%

What was your spa's change in retail revenue per treatment for the first quarter of 2014 in comparison to the first quarter of 2013?

Change in Retail Revenue Per Treatment | ISPA Spa Members

1st Quarter 2014 vs. 2013



The following tables provide the change in retail revenue per treatment data from previous quarterly ISPA Snapshot Surveys.

Change in Retail Revenue Per Treatment | All Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 10%	18%	9%	7%	12%	10%	12%	9%	14%	13%
Up by 7.6 - 10%	5%	6%	6%	7%	8%	7%	7%	5%	8%
Up by 5.1 - 7.5%	5%	9%	9%	10%	8%	9%	7%	8%	6%
Up by 2.5 - 5%	13%	17%	15%	19%	13%	17%	24%	20%	13%
Up by less than 2.5%	19%	17%	20%	16%	16%	16%	15%	15%	21%
No change	18%	24%	22%	16%	27%	24%	27%	19%	19%
Down by less than 2.5%	10%	10%	9%	10%	9%	9%	5%	10%	12%
Down by 2.5 - 5%	7%	5%	5%	6%	5%	4%	5%	6%	6%
Down by 5.1 - 7.5%	1%	1%	5%	3%	2%	1%	1%	1%	1%
Down by 7.6 - 10%	1%	1%	1%	1%	1%	1%	0%	1%	0%
Down by more than 10%	3%	2%	2%	1%	3%	2%	1%	1%	2%

Change in Retail Revenue Per Treatment | Day Spas

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 10%	19%	11%	9%	6%	6%	16%	7%	11%	21%
Up by 7.6 - 10%	2%	10%	5%	14%	8%	16%	9%	11%	18%
Up by 5.1 - 7.5%	2%	8%	14%	10%	8%	12%	7%	8%	0%
Up by 2.5 - 5%	15%	18%	7%	21%	15%	12%	30%	18%	14%
Up by less than 2.5%	26%	10%	16%	19%	19%	10%	15%	16%	25%
No change	25%	30%	32%	15%	25%	22%	24%	26%	18%
Down by less than 2.5%	4%	11%	5%	6%	10%	8%	4%	5%	4%
Down by 2.5 - 5%	2%	3%	11%	6%	6%	4%	2%	5%	0%
Down by 5.1 - 7.5%	0%	0%	2%	2%	0%	0%	2%	0%	0%
Down by 7.6 - 10%	2%	0%	0%	2%	0%	0%	0%	0%	0%
Down by more than 10%	4%	0%	0%	0%	4%	2%	0%	0%	0%

Change in Retail Revenue Per Treatment | Resort/Hotel Spas

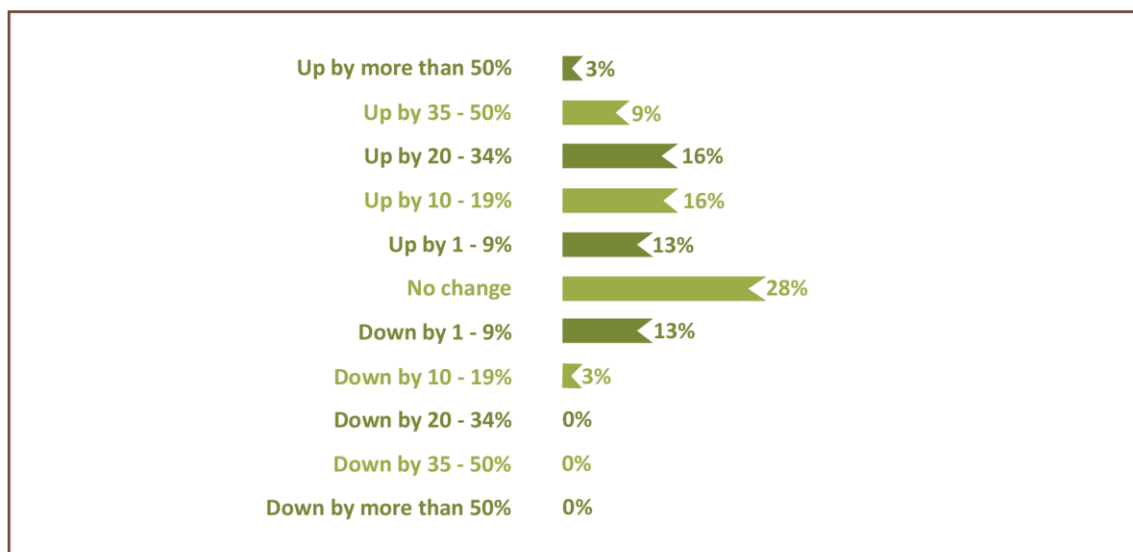
	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 10%	18%	8%	7%	12%	11%	11%	9%	16%	11%
Up by 7.6 - 10%	5%	5%	6%	6%	6%	3%	6%	3%	5%
Up by 5.1 - 7.5%	8%	9%	8%	11%	9%	6%	8%	6%	10%
Up by 2.5 - 5%	9%	19%	18%	18%	11%	17%	20%	24%	13%
Up by less than 2.5%	18%	19%	22%	15%	16%	20%	14%	13%	20%
No change	16%	21%	20%	18%	27%	25%	29%	16%	20%
Down by less than 2.5%	12%	10%	11%	11%	10%	11%	6%	11%	13%
Down by 2.5 - 5%	12%	4%	2%	5%	5%	5%	6%	7%	7%
Down by 5.1 - 7.5%	1%	2%	3%	3%	2%	1%	1%	2%	1%
Down by 7.6 - 10%	0%	1%	1%	1%	2%	2%	0%	1%	0%
Down by more than 10%	2%	2%	2%	2%	2%	1%	2%	1%	0%

ISPA RESOURCE PARTNERS

What was your gross revenue change for the first quarter of 2014 compared to the first quarter of 2013?

Gross Revenue Change | ISPA Resource Partners

1st Quarter 2014 vs. 2013



The following table provides gross revenue change data from previous quarterly ISPA Snapshot Surveys. To allow for easy comparison, the results are displayed using the original response options.

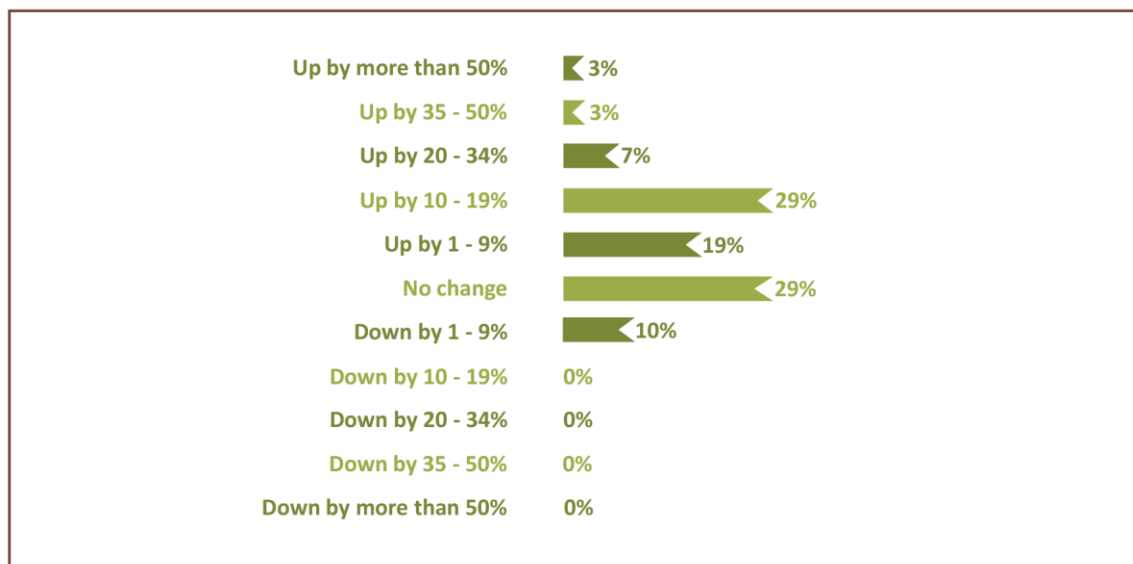
Gross Revenue Change | Resource Partners

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	11%	13%	4%	10%	15%	7%	14%	16%	3%
Up by 20-50%	14%	17%	19%	20%	21%	24%	25%	25%	25%
Up by 1-19%	60%	40%	44%	34%	27%	44%	45%	31%	29%
No change	11%	21%	19%	27%	23%	12%	3%	22%	28%
Down by 1-19%	3%	8%	12%	6%	11%	12%	14%	6%	16%
Down by 20-50%	0%	2%	0%	0%	4%	0%	0%	0%	0%
Down by more than 50%	0%	0%	2%	2%	0%	0%	0%	0%	0%

What was your profit change for the first quarter of 2014 compared to the first quarter of 2013?

Profit Change | ISPA Resource Partners

1st Quarter 2014 vs. 2013



The following table provides profit change data from previous quarterly ISPA Snapshot Surveys. To allow for easy comparison, the results are displayed using the original response options.

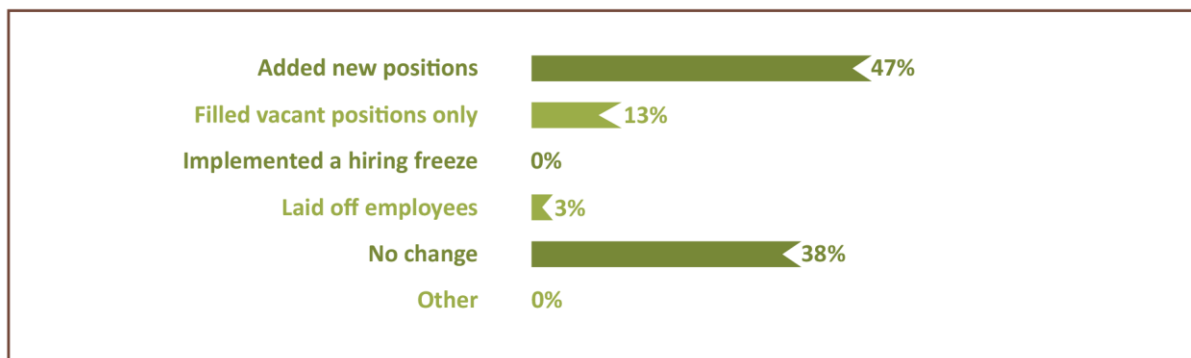
Profit Change | Resource Partners

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Up by more than 50%	6%	4%	2%	6%	9%	5%	11%	13%	3%
Up by 20-50%	6%	17%	15%	14%	22%	27%	17%	22%	10%
Up by 1-19%	54%	44%	40%	32%	28%	37%	47%	34%	48%
No change	26%	29%	19%	37%	26%	27%	22%	25%	29%
Down by 1-19%	9%	4%	17%	8%	13%	5%	3%	3%	10%
Down by 20-50%	0%	2%	4%	0%	2%	0%	0%	3%	0%
Down by more than 50%	0%	0%	2%	2%	0%	0%	0%	0%	0%

Which of the following best describes your workforce changes for the first quarter of 2014?

Workforce Changes | ISPA Resource Partners

1st Quarter 2014



The following table provides change in workforce data from previous quarterly ISPA Snapshot Surveys.

Workforce Changes | Resource Partners

	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014
Added new positions	31%	27%	25%	28%	47%	46%	44%	41%	47%
Filled vacant positions only	44%	42%	45%	35%	9%	10%	15%	3%	13%
Implemented a hiring freeze	1%	2%	5%	3%	0%	2%	3%	0%	0%
Laid off employees	2%	2%	3%	3%	2%	2%	0%	0%	3%
No change	20%	18%	17%	28%	36%	37%	32%	47%	38%
Other	3%	9%	5%	4%	6%	2%	6%	9%	0%

What percent increase or decrease did you see in your number of new accounts, repeat clients, account closures and international accounts for the first quarter of 2014 compared to the first quarter of 2013?

Change in Accounts | ISPA Resource Partners

1st Quarter 2014 vs. 2013

