ISPA
SNAPSHOT SURVEY

Snapshot Survey Results Report

Quarterly Performance

January 2015

INTERNATIONAL SPA ASSOCIATION®
experienceispa.com

Quarterly Performance Survey Results

ISPA Snapshot Survey | January 2015

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 January Snapshot Survey requested information on quarterly performance for the fourth quarter of 2014 (October 1 through December 31, 2014).

When asked what the gross revenue change from fourth quarter of 2014 compared to the same period of 2013, 31 percent of all spas saw a 1 – 9 percent increase in revenue closely followed by 30 percent who saw 10 – 19 percent increase. In regard to quarterly profit change, a majority of ISPA spas (72 percent) saw an increase in the fourth quarter of 2014 when compared to the same period the previous year. Seventy-three percent of day spas experienced an increase in quarterly profit compared to 70 percent of resort/hotel spas.

Almost three out of every four spa members (72 percent) experienced an increase in spa visits during the fourth quarter when compared to the same period in 2013. Resort/hotel spas experienced a noticeable increase in spa visits (73 percent) as well as day spas (64 percent). Only 19 percent of spa members experienced a decrease in spa visits.

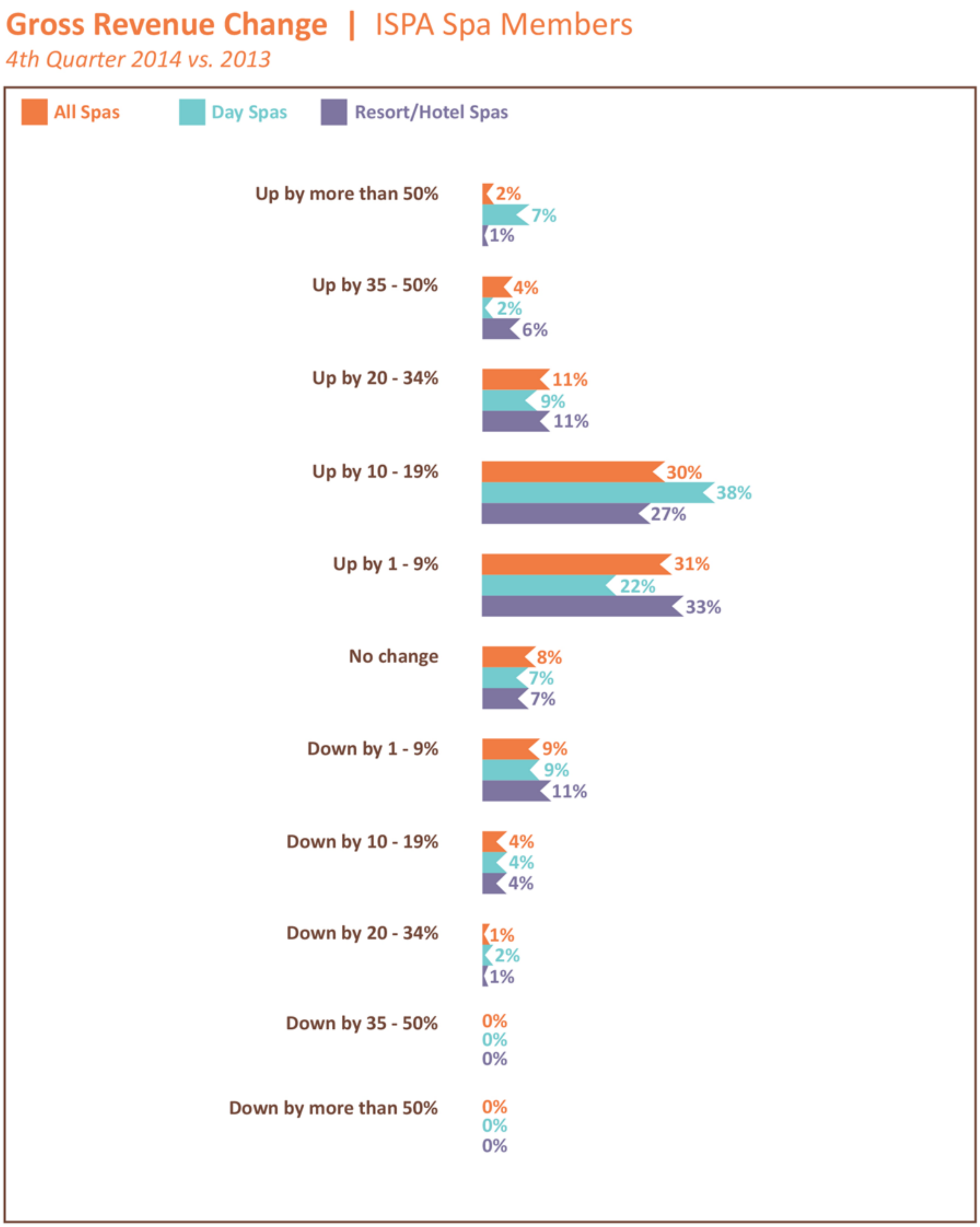
When asked about their fourth quarter workforce changes, the largest group of resort/hotel spas (39 percent) indicated they filled vacant positions only compared to 29 percent of day spas. Thirty eight percent of day spas added new positions comparable to resort/hotel spas at 32 percent. Respondents also shared insights into how far in advance guests are booking treatments. Six out of every ten spa members experienced an increase in last-minute appointment bookings (less than 24 hours in advance) in 2014.

When comparing the fourth quarter of 2014 to the same period in 2013, 63 percent of ISPA resource partner members experienced an increase in gross revenue, with the largest group (25 percent) falling in the 10 – 19 percent increase range. A majority (72 percent) of resource partner respondents saw an increase in profit in the final quarter of 2014 compared to 2013. Forty-five percent of resource partners made no workforce changes in the fourth quarter while 35 percent added new positions. A majority (79 percent) of resource partner members experienced an increase in new accounts during the fourth quarter of 2014 when compared to the same period in 2013. In regards to repeat clients, half (50 percent) saw an increase in the fourth quarter of 2014 versus the same time in 2013.

The results analysis includes answers from all respondents who took the Snapshot Survey in an eight-day period from Friday, January 16, 2015 to Friday, January 23, 2015. During this time, 315 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.

ISPA SPA MEMBERS

What was your gross revenue change for the fourth quarter of 2014 compared to the fourth quarter of 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

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Up by more than 50%	2%	3%	2%	2%	2%	0%	4%	3%	2%
Up by 20-50%	15%	15%	11%	22%	20%	23%	17%	15%	15%
Up by 1-19%	53%	48%	63%	58%	55%	46%	56%	55%	61%
No change	7%	12%	6%	5%	8%	6%	8%	10%	8%
Down by 1-19%	20%	22%	18%	13%	14%	14%	12%	17%	13%
Down by 20-50%	2%	0%	1%	1%	1%	1%	3%	1%	1%
Down by more than 50%	1%	0%	0%	0%	0%	0%	0%	0%	0%

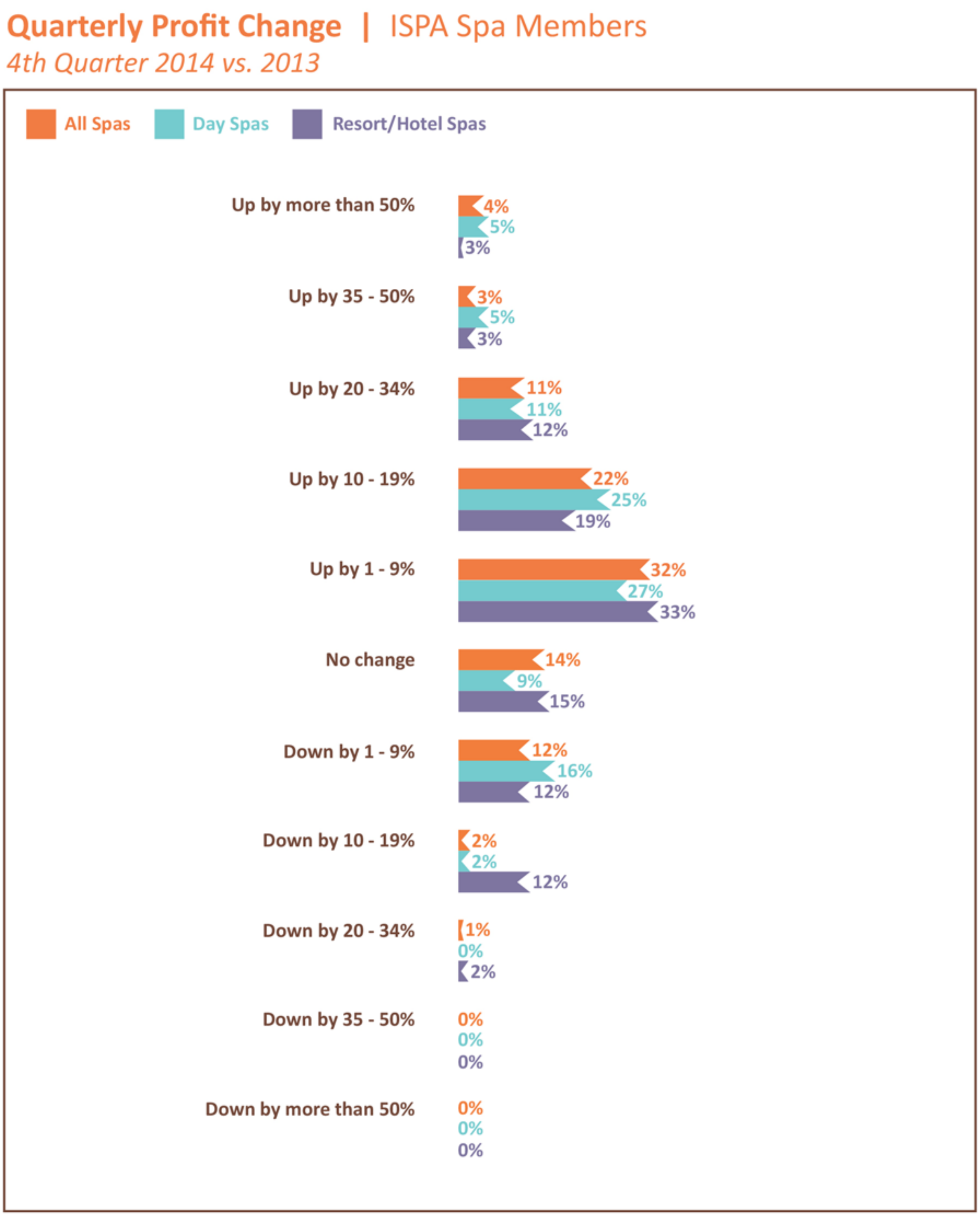
Gross Revenue Change | Day Spas

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Up by more than 50%	2%	6%	6%	4%	3%	0%	13%	4%	7%
Up by 20-50%	14%	10%	10%	15%	31%	23%	6%	8%	11%
Up by 1-19%	52%	63%	63%	64%	46%	55%	59%	62%	60%
No change	14%	6%	6%	4%	5%	4%	9%	14%	7%
Down by 1-19%	20%	14%	14%	13%	15%	19%	9%	14%	13%
Down by 20-50%	0%	0%	0%	0%	0%	0%	3%	0%	2%
Down by more than 50%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Gross Revenue Change | Resort/Hotel Spas

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Up by more than 50%	1%	3%	1%	1%	2%	0%	1%	2%	1%
Up by 20-50%	15%	13%	9%	22%	19%	22%	20%	15%	17%
Up by 1-19%	51%	49%	63%	58%	55%	57%	59%	54%	60%
No change	6%	13%	5%	4%	10%	8%	7%	8%	7%
Down by 1-19%	24%	22%	21%	15%	13%	13%	11%	20%	15%
Down by 20-50%	4%	0%	1%	2%	1%	0%	2%	1%	1%
Down by more than 50%	0%	0%	0%	0%	0%	0%	0%	0%	0%

What was your profit change for the fourth quarter of 2014 compared to the fourth quarter of 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

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Up by more than 50%	5%	3%	7%	4%	5%	1%	5%	2%	4%
Up by 20-50%	14%	12%	9%	16%	16%	14%	13%	16%	14%
Up by 1-19%	52%	51%	58%	58%	54%	57%	57%	49%	54%
No change	10%	15%	8%	10%	13%	14%	10%	15%	14%
Down by 1-19%	15%	18%	15%	11%	11%	13%	14%	17%	14%
Down by 20-50%	4%	1%	3%	1%	1%	1%	0%	1%	1%
Down by more than 50%	1%	0%	0%	0%	0%	0%	1%	0%	0%

Quarterly Profit Change | Day Spas

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Up by more than 50%	4%	2%	8%	2%	5%	0%	9%	2%	5%
Up by 20-50%	12%	9%	10%	15%	21%	15%	3%	13%	16%
Up by 1-19%	61%	52%	58%	60%	46%	48%	59%	56%	52%
No change	8%	19%	8%	11%	15%	19%	16%	14%	9%
Down by 1-19%	16%	19%	12%	13%	13%	19%	13%	14%	18%
Down by 20-50%	0%	0%	4%	0%	0%	0%	0%	2%	0%
Down by more than 50%	0%	0%	0%	0%	0%	0%	0%	0%	0%

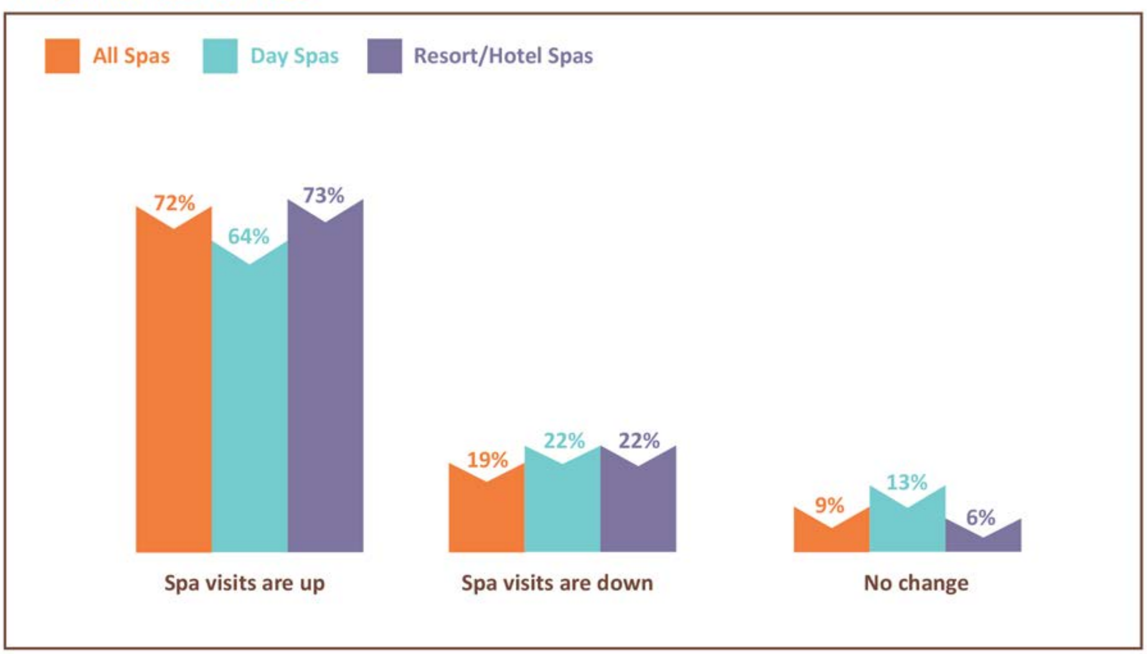
Quarterly Profit Change | Resort/Hotel Spas

	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	3rd Qtr 2014
Up by more than 50%	4%	3%	6%	5%	6%	1%	4%	1%	3%
Up by 20-50%	15%	12%	7%	16%	17%	16%	16%	18%	15%
Up by 1-19%	46%	50%	60%	60%	57%	59%	58%	46%	58%
No change	13%	16%	9%	8%	11%	12%	8%	14%	15%
Down by 1-19%	16%	18%	14%	11%	9%	12%	12%	20%	14%
Down by 20-50%	5%	1%	3%	1%	1%	0%	0%	1%	1%
Down by more than 50%	1%	0%	0%	0%	0%	0%	2%	0%	0%

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

Change in Spa Visits | ISPA Spa Members

4th 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

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Spa visits are up	57%	60%	66%	73%	71%	72%	67%	64%	72%
Spa visits are down	30%	24%	21%	19%	17%	20%	21%	20%	19%
No change	13%	16%	13%	9%	12%	8%	13%	16%	9%

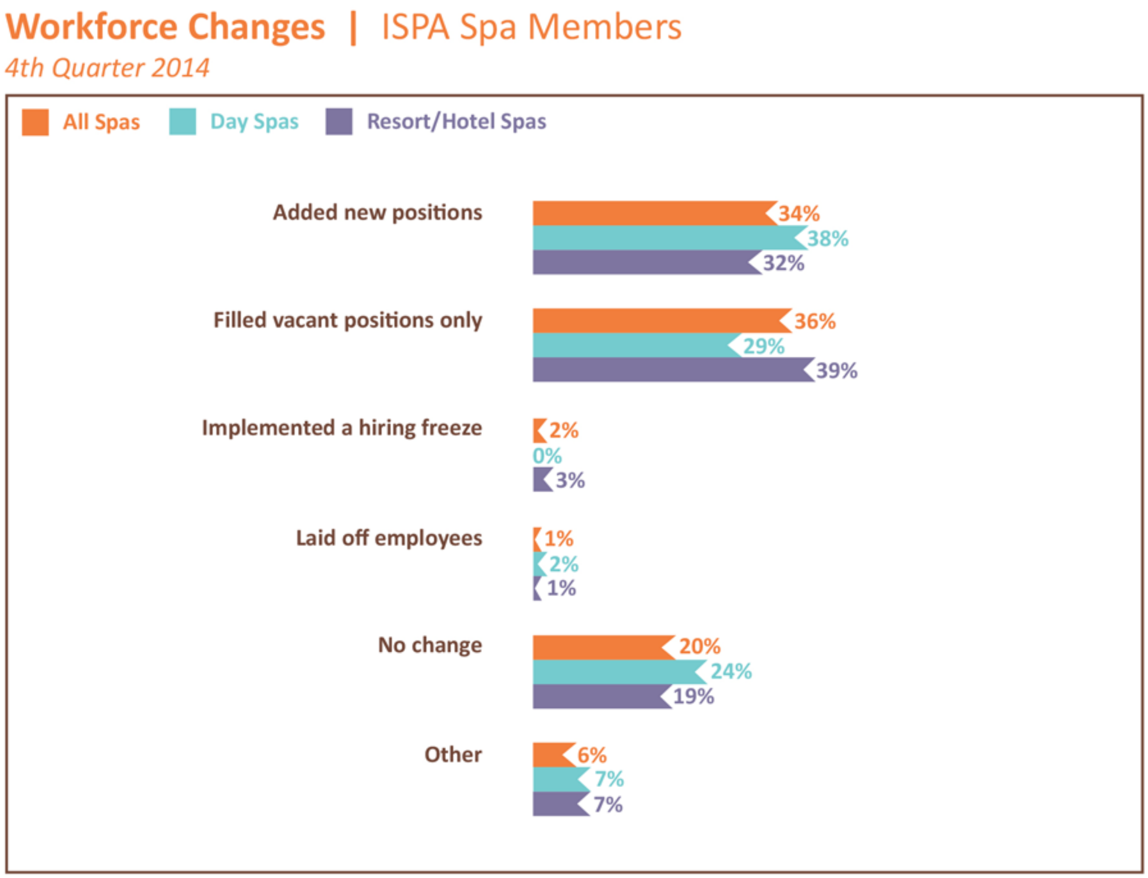
Change in Spa Visits | Day Spas

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Spa visits are up	52%	59%	71%	74%	67%	67%	59%	61%	64%
Spa visits are down	33%	23%	18%	22%	21%	26%	22%	22%	22%
No change	15%	19%	12%	4%	13%	7%	19%	18%	13%

Change in Spa Visits | Resort/Hotel Spas

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Spa visits are up	57%	56%	64%	73%	72%	73%	70%	64%	73%
Spa visits are down	31%	27%	24%	17%	17%	19%	20%	21%	22%
No change	12%	17%	12%	10%	11%	8%	11%	15%	6%

Which of the following best describes your workforce changes for the fourth quarter of 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

	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014
Added new positions	28%	30%	38%	35%	31%	35%	37%	31%	34%
Filled vacant positions only	35%	37%	38%	38%	34%	39%	39%	35%	36%
Implemented a hiring freeze	3%	4%	2%	3%	3%	1%	0%	2%	2%
Laid off employees	3%	1%	0%	2%	1%	2%	0%	0%	1%
No change	28%	25%	18%	18%	26%	16%	21%	28%	20%
Other	4%	5%	4%	5%	5%	7%	3%	4%	6%

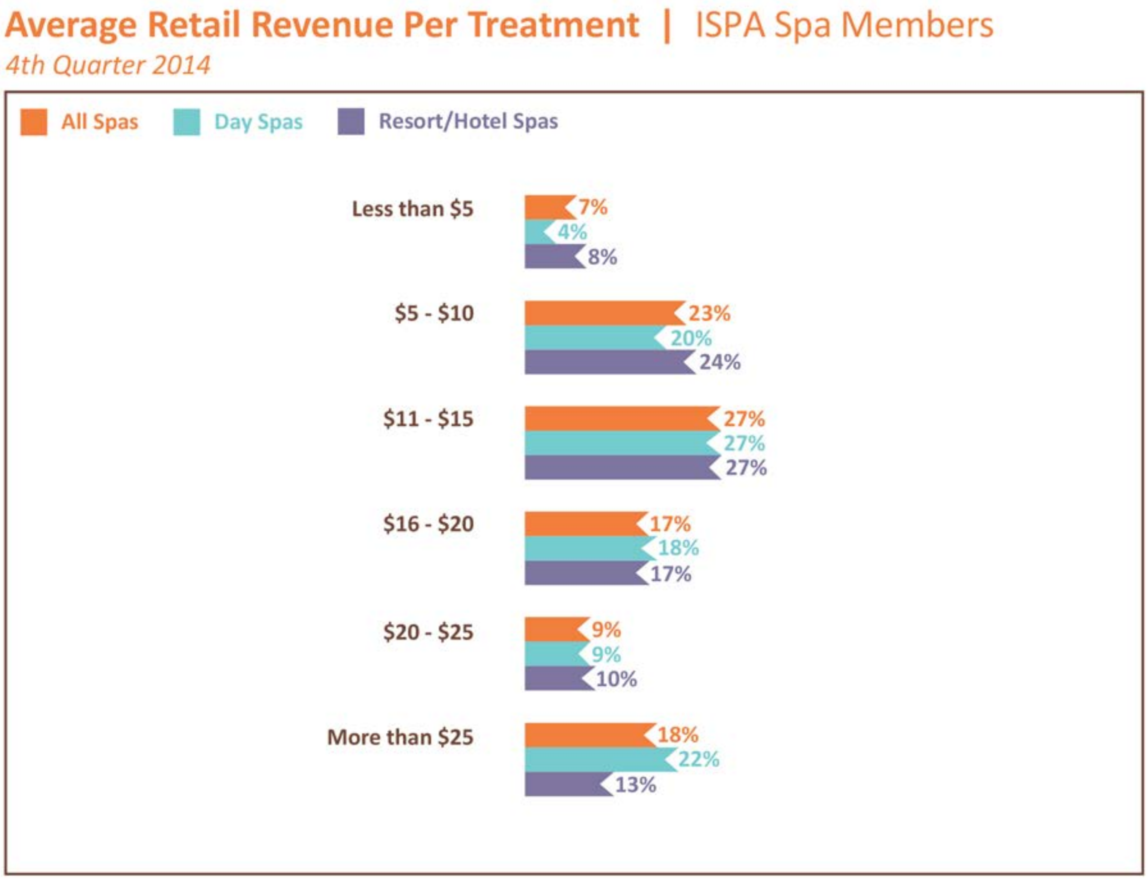
Workforce Changes | Day Spas

	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014
Added new positions	39%	36%	44%	36%	45%	36%	36%	31%	38%
Filled vacant positions only	35%	28%	34%	45%	21%	43%	26%	33%	29%
Implemented a hiring freeze	0%	0%	0%	2%	0%	0%	0%	2%	0%
Laid off employees	2%	0%	0%	0%	0%	7%	0%	0%	2%
No change	20%	26%	18%	13%	26%	7%	29%	33%	24%
Other	4%	9%	4%	4%	7%	7%	10%	2%	7%

Workforce Changes | Resort/Hotel Spas

	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014
Added new positions	23%	26%	37%	33%	27%	34%	40%	28%	32%
Filled vacant positions only	34%	41%	41%	36%	42%	42%	40%	39%	39%
Implemented a hiring freeze	4%	6%	3%	4%	4%	0%	0%	2%	3%
Laid off employees	3%	2%	0%	2%	2%	1%	0%	0%	1%
No change	31%	22%	16%	20%	20%	19%	19%	24%	19%
Other	4%	3%	4%	5%	4%	5%	1%	7%	7%

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



The following tables provide 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

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Less than $5	13%	12%	10%	12%	11%	10%	15%	9%	7%
$5 - $10	23%	22%	23%	23%	29%	22%	23%	25%	23%
$11 - $15	30%	31%	30%	25%	23%	29%	23%	24%	27%
$16 - $20	13%	13%	14%	15%	15%	18%	17%	16%	17%
$20 - $25	9%	12%	10%	12%	11%	9%	12%	10%	9%
More than $25	12%	12%	14%	13%	12%	12%	11%	17%	18%

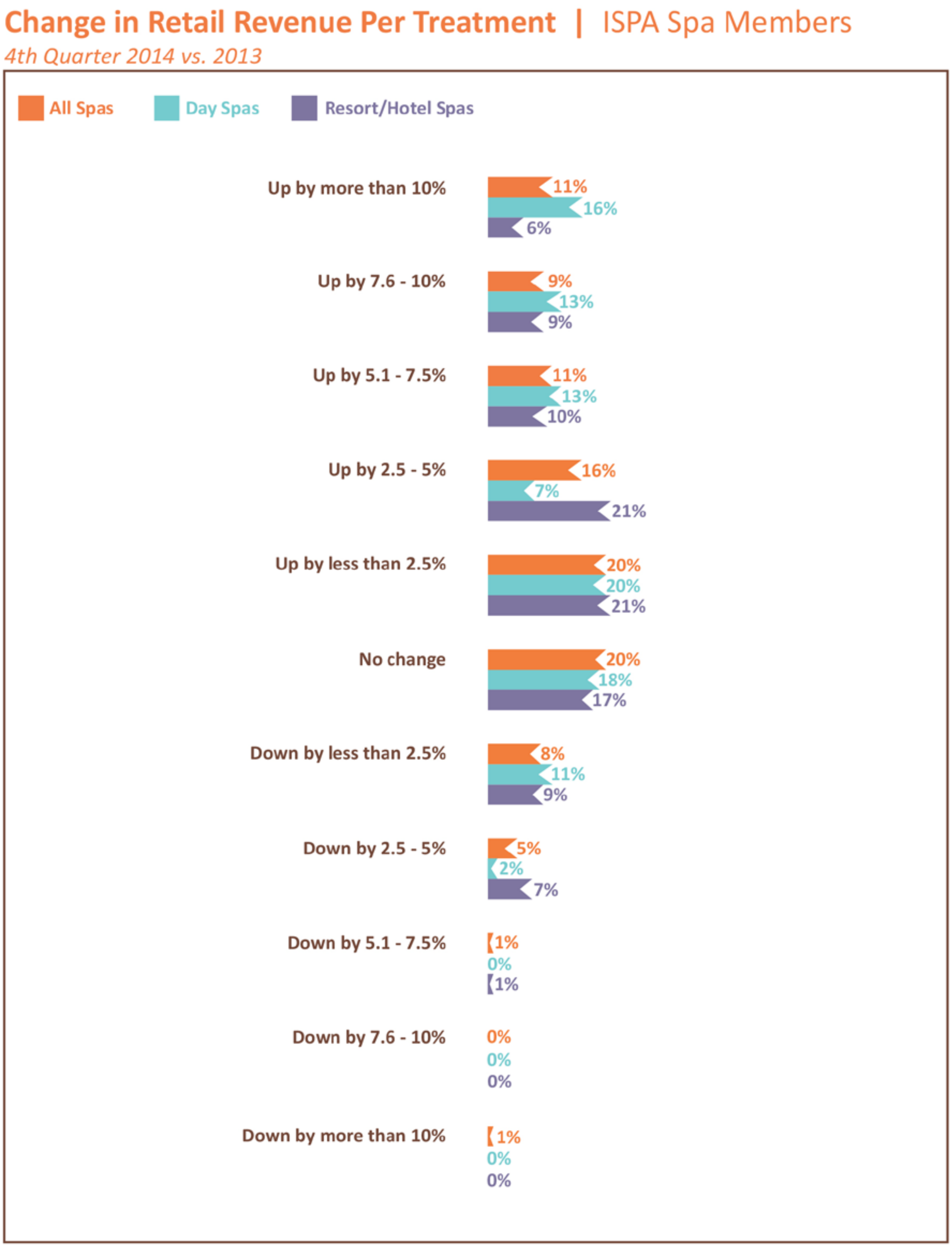
Average Retail Revenue Per Treatment | Day Spas

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Less than $5	12%	6%	2%	9%	8%	14%	19%	10%	4%
$5 - $10	18%	21%	22%	20%	30%	4%	16%	20%	20%
$11 - $15	29%	25%	24%	28%	13%	25%	13%	22%	27%
$16 - $20	18%	21%	20%	9%	15%	21%	23%	16%	18%
$20 - $25	10%	19%	18%	15%	10%	14%	16%	12%	9%
More than $25	14%	9%	16%	20%	25%	21%	13%	22%	22%

Average Retail Revenue Per Treatment | Resort/Hotel Spas

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Less than $5	14%	13%	13%	14%	12%	7%	10%	9%	8%
$5 - $10	26%	20%	25%	26%	29%	30%	28%	29%	24%
$11 - $15	28%	37%	34%	25%	25%	32%	26%	28%	27%
$16 - $20	13%	11%	11%	16%	16%	17%	17%	16%	17%
$20 - $25	10%	9%	7%	11%	13%	10%	10%	7%	10%
More than $25	9%	11%	10%	8%	4%	5%	8%	12%	13%

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

	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014
Up by more than 10%	12%	10%	12%	9%	14%	13%	11%	7%	11%
Up by 7.6 - 10%	7%	8%	7%	7%	5%	8%	5%	4%	9%
Up by 5.1 - 7.5%	10%	8%	9%	7%	8%	6%	7%	14%	11%
Up by 2.5 - 5%	19%	13%	17%	24%	20%	13%	20%	12%	16%
Up by less than 2.5%	16%	16%	16%	15%	15%	21%	10%	20%	20%
No change	16%	27%	24%	27%	19%	19%	27%	28%	20%
Down by less than 2.5%	10%	9%	9%	5%	10%	12%	11%	7%	8%
Down by 2.5 - 5%	6%	5%	4%	5%	6%	6%	4%	6%	5%
Down by 5.1 - 7.5%	3%	2%	1%	1%	1%	1%	0%	3%	1%
Down by 7.6 - 10%	1%	1%	1%	0%	1%	0%	3%	0%	0%
Down by more than 10%	1%	3%	2%	1%	1%	2%	3%	0%	1%

ISPA SNAPSHOT SURVEY

Change in Retail Revenue Per Treatment | Day Spas

	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014
Up by more than 10%	6%	6%	16%	7%	11%	21%	10%	14%	16%
Up by 7.6 - 10%	14%	8%	16%	9%	11%	18%	0%	0%	13%
Up by 5.1 - 7.5%	10%	8%	12%	7%	8%	0%	7%	12%	13%
Up by 2.5 - 5%	21%	15%	12%	30%	18%	14%	26%	15%	7%
Up by less than 2.5%	19%	19%	10%	15%	16%	25%	7%	14%	20%
No change	15%	25%	22%	24%	26%	18%	36%	39%	18%
Down by less than 2.5%	6%	10%	8%	4%	5%	4%	13%	6%	11%
Down by 2.5 - 5%	6%	6%	4%	2%	5%	0%	3%	0%	2%
Down by 5.1 - 7.5%	2%	0%	0%	2%	0%	0%	0%	2%	0%
Down by 7.6 - 10%	2%	0%	0%	0%	0%	0%	0%	0%	0%
Down by more than 10%	0%	4%	2%	0%	0%	0%	0%	0%	0%

Change in Retail Revenue Per Treatment | Resort/Hotel Spas

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

Please identify when your spa's guests are booking their appointments on average using the following time frames. (Percentage of guests scheduling appointments during the time period.)

Average Guest Appointment Booking | All Spas

	<10%	10-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	>90%
No advance appointment (walk-ins)	58%	22%	9%	5%	2%	1%	1%	1%	1%	1%
Less than 24 hours in advance	7%	25%	21%	17%	17%	5%	6%	7%	1%	2%
2-7 days in advance	6%	19%	15%	17%	17%	14%	9%	4%	2%	1%
More than 1 week in advance	22%	25%	13%	10%	6%	7%	2%	6%	4%	4%

Average Guest Appointment Booking | Day Spas

	<10%	10-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	>90%
No advance appointment (walk-ins)	73%	18%	8%	3%	0%	0%	0%	0%	0%	0%
Less than 24 hours in advance	5%	35%	28%	14%	7%	5%	0%	5%	2%	0%
2-7 days in advance	2%	19%	14%	16%	21%	19%	5%	5%	0%	0%
More than 1 week in advance	11%	30%	11%	14%	5%	14%	2%	7%	2%	5%

Average Guest Appointment Booking | Resort/Hotel Spas

	<10%	10-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	>90%
No advance appointment (walk-ins)	50%	25%	11%	7%	3%	0%	1%	2%	1%	1%
Less than 24 hours in advance	5%	19%	20%	18%	14%	6%	9%	7%	1%	3%
2-7 days in advance	9%	20%	15%	17%	11%	13%	9%	3%	2%	1%
More than 1 week in advance	27%	25%	16%	11%	5%	4%	3%	3%	4%	3%

Which of the following best describes your spa's change in last-minute appointments (less than 24 hours) in 2014 when compared to the previous year?**

Change in Last-minute Appointments | By Spa Type

	All Spas	Day Spas	Resort/Hotel Spas
Last-minute appointments increased significantly	14%	7%	18%
Last-minute appointments increased slightly	46%	52%	42%
Last-minute appointments decreased slightly	5%	5%	6%
Last-minute appointments decreased significantly	1%	2%	0%
No change	35%	34%	35%

Respondents were asked to describe any noticeable trends their spa is experiencing that relates to when and/or how guests are booking their treatments. A sample of the responses are below.

- Fifty percent of our guests are returning. Now that they know what to expect, they are spending more time at the spa. They plan to enjoy more time for themselves.
- Book in advance promotions for hotel guests and members and re-booking training for the reception agents has changed the books drastically.
- Booking when it's convenient for them or the need hits.
- Booking window has definitely shrunk significantly. The window is now between one to two weeks, whereas in the past, the window was over three weeks.
- Booking window was about 24 hours in advance unless they were group reservations.
- Bookings based on the daily weather and family plans.
- Busier weekends.
- By improving the first and second visit procedures, retention and re-bookings have been up 85 to 90 percent.
- Group business is coming back and they are reserving far in advance. Guests are also booking upon arrival.
- Guests are booking more of our longer (110-minute) services.
- Guests are booking treatments when they arrive at the resort and not prior to arrival.
- Guests are booking with more advance notice.
- Guests are looking for something new.
- Guests are more discerning with their available disposable budget. Same day appointments are very dependent on the weather at the resort.
- Guests like packages.
- Guests wait for last-minute specials/deals.
- Guests want to book via mobile devices.
- Holiday bookings were not as strong as the prior year.
- Holidays and weekends are booking sooner. During the week we see a lot more last minute add-ons.

- Hotel guests are looking for immediate treatments.
- I used to adjust schedules based on pace. December (biggest month of the year), I staffed all the treatment rooms due to the last minute bookings.
- In the last quarter of 2014, there was a noticeable increase in the number of walk-in appointments being booked.
- Last-minute bookings turn away due to lack of availability.
- More and more last minute...and demanding. We had to turn away business on capacity days. Also, we were closed for seven days so this affected us from 2013-2014.
- More are booking last minute.
- More day-time appointments are booked in advance than evening appointments.
- More group bookings.
- More guest walk-in and book treatment compare to last year.
- More guests are booking online. This number is still on the modest side but it is growing.
- More holistic spa treatments.
- More last-minute, day before or even same day appointments.
- Most clients book before leaving the spa.
- Most wait until they get on property to determine their schedules. We must encourage the walk-ins as spas have a reputation of "being completely booked," so people don't try for last minute services. They just assume we are full.
- No change from last year. We have more local people that want appointments during peak and black out dates.
- Noticeable trends are that guests - even those with expendable income; are waiting for deals such as Travelzoo or specials related to the season.
- Online and last minute bookings are the most common
- Online booking has become even more popular.
- Online booking has increased. One week or more in advance.
- Online booking is slightly increasing but is more noticeable than it was before.
- Our pre-book percentage continues to grow.
- Our repeat holiday guests are learning that they need to book in advance to guarantee an appointment.
- Our spa is unique since we track when men and women book, as they come on different days. Women book well in advance and men tend to book the day of.
- Pre-arrival bookings due to pre arrival packages created.
- Pre-booking for holiday services well in advance.
- Same day bookings. Some days ALL appointments are made same day.
- There are no trends and no way to pre plan. We are either turning away clients or sending practitioners home.
- They know without advanced booking they may not get in at their desired day/time/therapist.
- Through emails as they are making there hotel reservation.
- Unusual fourth quarter bookings and we now have guests requesting energy work.
- We have a lot more guests booking online this year.
- We are a new operation that opened in November 2014, no historical data.
- We are very weather dependent when it relates to last minute so it is hard to identify a specific trend other than when it is nasty outside the spa gets busy!

- We cater for both Hotel and Local island guests. The locals tend to wait for special offers to be available.
- We do seem to have an increase in last minute bookings related to our increased offerings of spa services in our menu.
- We have previously been using a re-booking discount to encourage guests to book prior to leaving their first/return visit - therefore their experience doesn't end.
- We implemented Book4time in the fourth quarter of 2014.
- We now have online booking, which has increased in the last six months.
- We see more services booked in the morning and mid day than evening services. Rarely do we fill up after 4 pm.
- We use to have over 50 percent of our guest with standing appointment. Within the last three years, guests are more uncertain of their time. Also, guests do not want to be called. They are too busy for surveys or to fill out email forms.
- Weather greatly effects the way our guests bookings.
- Wellness, treatment benefits.
- Yoga classes and booking 80- versus 50-minute services.

Respondents were asked to share any effective incentives or marketing efforts their spa has implemented to encourage guests to book appointments in advance. A sample of the responses are below.

- Ten percent discount for hotel guests only if they book 48 hours or more in advance.
- Twenty percent for groups booking 20 appointments in advance – 14 days out.
- Twenty percent offers for booking in advance.
- Activities at the guest's arrival that promotes the bookings.
- Added spa enhancements to reservation bookings for hotel room.
- Adding a service description to marketing efforts increases the popularity of that option.
- Appointed a person to offer all pre arrival spa, tour, dinner packages in order to have them relax before arriving and receive an added value to their pre arrival purchase.
- Discount to pre-book when leaving current appointment.
- Discounts and package deals.
- Discounts and complimentary add-on services continue to be our best bet.
- Early bird promotions. Specials by guests segment.
- Email beauty menu to guest when booking room reservation.
- Email blasts, group sales coordinator reaching out.
- Emailing all guests two weeks in advance of their arrival.
- Encouraging them when they are booking on phone.
- Express limited availability.
- Facebook, Google Ad Words and direct email found to draw more to online booking and gift certificate sales.
- Guests receive additional rewards points for pre-booking.
- Highlighted Texas Treasures "Services."
- Holiday gift certificate promotions offering added value when booking in advance.
- In a largely tourist town we offer our regular locals discounts.
- Incentives for booking agents.

- Increased staff training.
- Lashes are a great way to increase the guest's frequency of visit.
- Local e-blasts, spa menu/fliers and marketing.
- Lower prices if booking for special occasion on off days. For example Valentine’s specials if booking Feb. 1-10.
- Marketing and discounted evening of beauty events.
- Monthly e-blast with specials.
- More on property marketing. Posters, check in cards, turn down incentives.
- Newsletters email confirmations at time of room booking.
- No incentives. But we do call ALL incoming hotel guests and try to help them book services, dining, etc. It is a proactive concierge service that is very well received.
- No incentives for guests, we did do an incentive for our Front Desk to book same day appointments.
- Online booking requests.
- Our guest service always offers this service at check out. In addition we send email reminders about coming busy seasons for current guests to schedule.
- Our most successful incentive was "receive a complimentary robe with purchase of a 50- or 80-minute spa service."
- Package offers a month or more in advance.
- Pre-book their next visit before leaving the spa.
- Pre-book your next two appointments and receive a complimentary travel size product.
- Pre-booking incentives.
- Pre-booking incentives, pre-booking contests amongst staff.
- Raffle for a free 30-minute upgrade or $25 local business gift card if they rebook the same day, discounts for checking in through social media and posting reviews.
- Reduced our loyalty rewards program thereby creating an incentive for them to book before checking out to earn extra points.
- Rewards program to incentivize rebooking at checkout.
- Seasonal specials.
- Second service add-on promotion day of service.
- Service provider buy in on the necessity of pre-booking appointments, number one most important initiative, plus referrals and add on services.
- Spa trail card for purchase for $50 and it entitles you to 20 percent off all services for one calendar year.
- Stay and Play free package. Book two nights and receive a 60-minute massage.
- The promotion of add-ons has encouraged bookings.
- The reservations team will pre-call guests prior to their arrival at the hotel.
- These programs are still being developed.
- They enter a drawing for a free massage and facial when they pre-book.
- They know I'm always booked. Pre-booking is a must if you want your appointment time that is best for them. Book it well in advance.
- This year to insure our retention goal we implemented a new way of connecting with our new guest by sending them a small gift one week after then another small gift three weeks later.
- To assist with the early morning bookings, we ran a Morning Gratitude 25 percent off any 10 am treatment for two months, and it was very successful.
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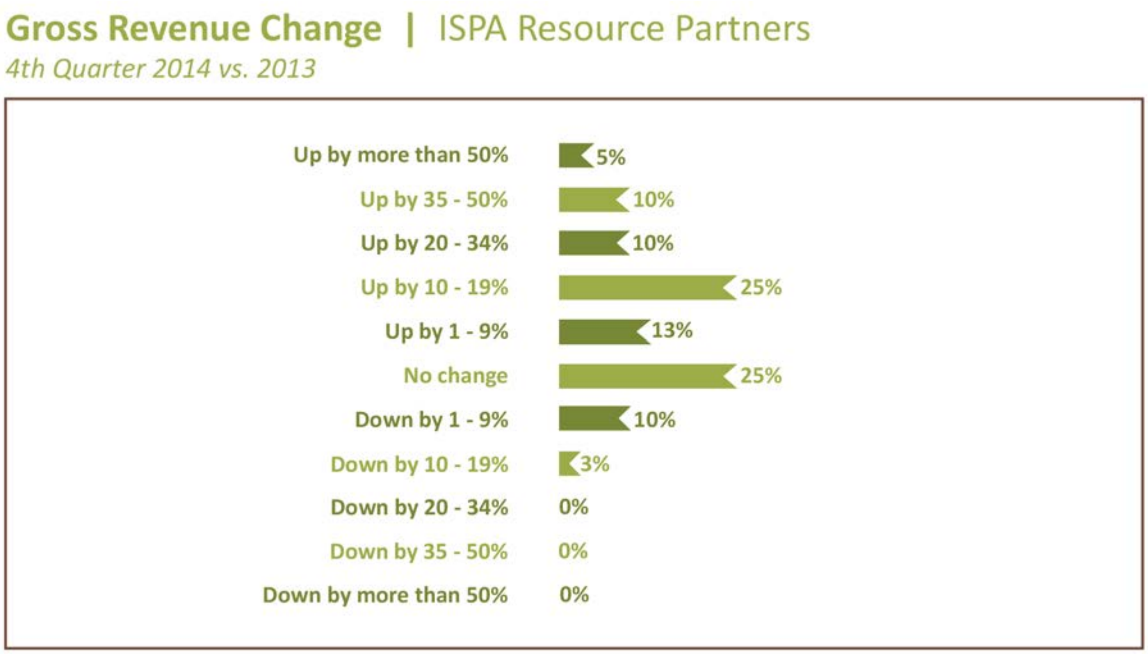
- We are pretty booked so our clients know if they don't book in advance they might not get an appointment when they want one. We also set up a recurring appointment for our members so they don't have to worry about scheduling their appointments. They know it's the same time every month.
- We created verbiage for our technicians to help them rebook their services.
- We have a Casino club cards and so do not do any incentives - the incentive is to have the card.
- We implemented a "bounce back" credit to be used with a certain time frame to encourage repeat guests.
- We implemented a standing appointment call in day during the summer to allow members to schedule their appointments from September to August. This eliminates scheduling reoccurring appointments during our busiest time of year and allows our members a first priority.
- We look at booking patterns by day of the week and occupancy and generally we have a good idea of how the day will fill and schedule accordingly.
- We offer a loyalty program where clients receive more points for pre-booking.
- We will be using our system to now record loyalty and are encouraged that our new approach will have the same accountability as other programs/incentives we've done before.

ISPA RESOURCE PARTNERS

What was your gross revenue change for the fourth quarter of 2014 compared to the fourth quarter of 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.

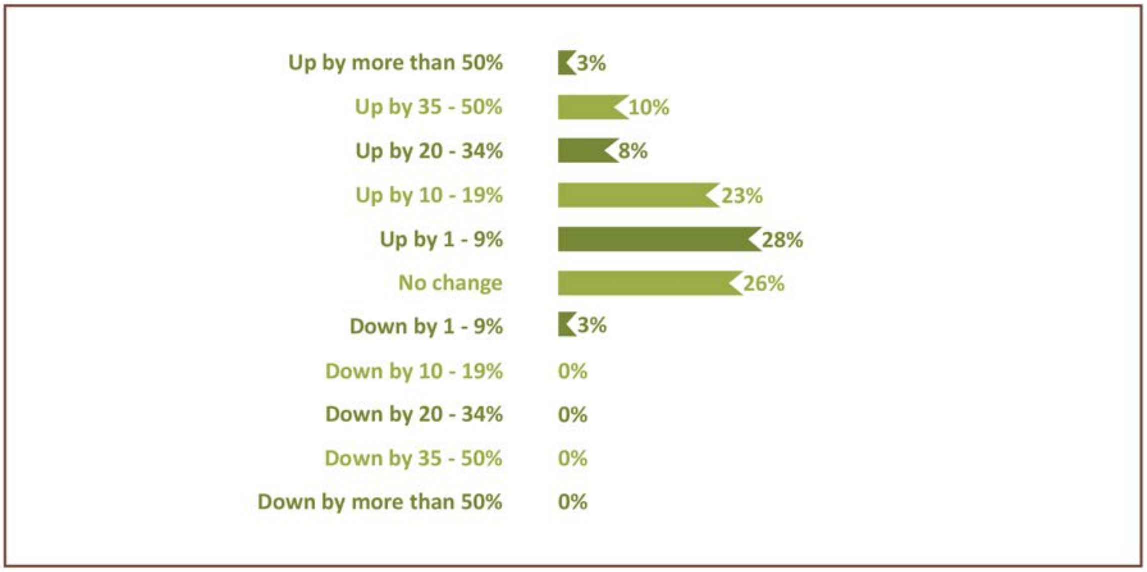
Gross Revenue Change | Resource Partners

	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	4th Qtr 2013	1st Qtr 2014	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014
Up by more than 50%	10%	15%	7%	14%	16%	3%	13%	6%	5%
Up by 20-50%	20%	21%	24%	25%	25%	25%	9%	21%	20%
Up by 1-19%	34%	27%	44%	45%	31%	29%	53%	29%	38%
No change	27%	23%	12%	3%	22%	28%	19%	18%	25%
Down by 1-19%	6%	11%	12%	14%	6%	16%	6%	21%	13%
Down by 20-50%	0%	4%	0%	0%	0%	0%	0%	6%	0%
Down by more than 50%	2%	0%	0%	0%	0%	0%	0%	0%	0%

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

Profit Change | ISPA Resource Partners

4th 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

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Up by more than 50%	6%	9%	5%	11%	13%	3%	9%	0%	3%
Up by 20-50%	14%	22%	27%	17%	22%	10%	6%	9%	18%
Up by 1-19%	32%	28%	37%	47%	34%	48%	49%	44%	51%
No change	37%	26%	27%	22%	25%	29%	30%	32%	26%
Down by 1-19%	8%	13%	5%	3%	3%	10%	6%	15%	3%
Down by 20-50%	0%	2%	0%	0%	3%	0%	0%	0%	0%
Down by more than 50%	2%	0%	0%	0%	0%	0%	0%	0%	0%

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

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

Workforce Changes | Resource Partners

	4th Qtr *2012*	1st Qtr *2013*	2nd Qtr *2013*	3rd Qtr *2013*	4th Qtr *2013*	1st Qtr *2014*	2nd Qtr *2014*	3rd Qtr *2014*	4th Qtr *2014*
Added new positions	28%	47%	46%	44%	41%	47%	42%	29%	35%
Filled vacant positions only	35%	9%	10%	15%	3%	13%	12%	6%	15%
Implemented a hiring freeze	3%	0%	2%	3%	0%	0%	3%	6%	0%
Laid off employees	3%	2%	2%	0%	0%	3%	0%	12%	3%
No change	28%	36%	37%	32%	47%	38%	42%	41%	45%
Other	4%	6%	2%	6%	9%	0%	0%	6%	3%

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