



Snapshot Survey Results Report

Retail

May 2015

RETAIL

ISPA Snapshot Survey | May 2015

Monthly Snapshot Surveys provide ISPA members with a valuable look into the state of the spa industry, spa industry trends and helps 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. These quick surveys give ISPA members the opportunity to participate in and utilize relevant industry research. The May Snapshot Survey requested information regarding the retail side of business – what products are best-sellers, how retail sales are promoted and how important retail sales are to total revenue.

Retail products are an important income source for members, contributing an average of 10-15 percent of total annual sales revenue. When comparing resort/hotel spas and day spas and their total spa revenue derived from retail sales, the numbers were quite similar, with 37 percent of resort/hotel spas falling within this range compared to 35 percent of day spas.

Over half (59 percent) of all spas reported they will introduce between one and three new retail products in 2015. When comparing the change in retail sales from the first four months of 2015 with the first four months of 2014, all spas reported the highest sales increase in the category of skin-care products.

In regards to retail promotions, 35 percent of spas introduce new promotions twice a month, while 29 percent of all spas introduce promotions every other month. When discussing incentives used to promote retail product sales in 2015, the most popular response among both resort/hotel and day spas was giving a free gift with purchase (62 percent). Other popular responses among include sending emails to customers promoting a specific product and/or discount and giving free product samples with a treatment/service.

When discussing practices used to promote retail sales among employees, 79 percent of spa respondents provide an incentive to employees to use retail to upsell. More than half of spas (57 percent) set and promote retail sales goals for the company.

Less than half (40 percent) of ISPA resource partner members reported having an annual retail product promotional schedule that is provided to spa clients. In regards to new product launches, 40 percent said they will be launching between one to three new products. When asked which months their company launched or plans to launch new products or services this year, October was the most popular month, followed by September.

The results analysis includes answers from all respondents who took the Snapshot Survey in an eight-day period from Friday, May 15, 2015 to Friday, May 22, 2015. During this time, 317 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).

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ISPA SPA MEMBERS

Does your spa sell retail products?



All Spas

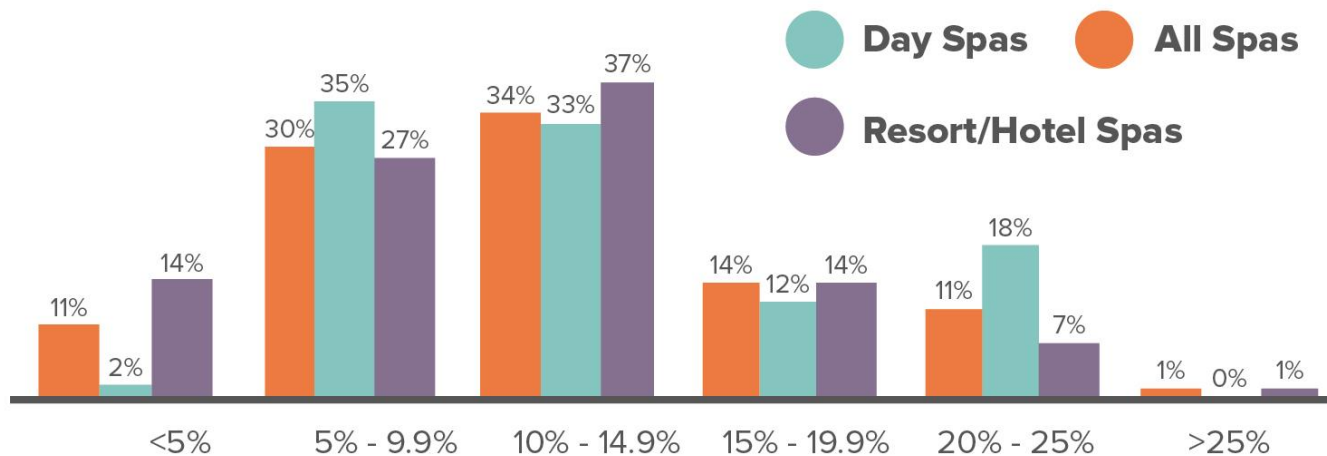


Day Spas



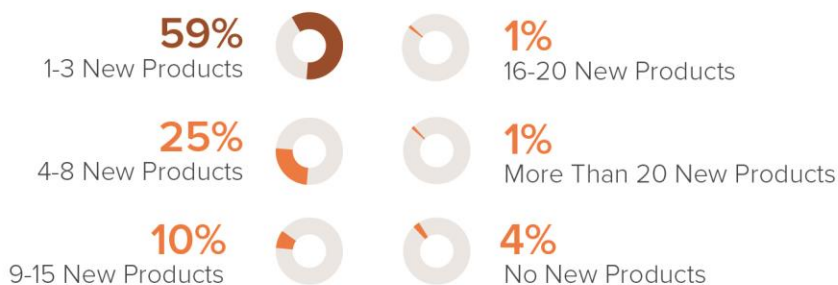
Resort/Hotel Spas

What percentage of your company's total spa revenue is derived from retail sales?



Approximately how many total **NEW** product lines will your spa introduce in 2015?

ALL SPAS



DAY SPAS



RESORT/HOTEL SPAS



Please identify which of the following best describes your change in retail sales, if any, for the following product categories for the first four months of 2015 compared to the same period in 2014.

The following tables identify the change in sales among respondents who offer each product type. The far right column in each table identifies the percentage of respondents who do not offer that specific type of product at their spa.

ALL SPAS	Increased	Decreased	No Change	Do Not Offer
Apparel	55%	22%	24%	33%
Bath & Body Products	55%	9%	35%	3%
Books & Media	23%	25%	52%	59%
Candles & Scents	41%	19%	41%	13%
Hair Products	51%	12%	37%	26%
Jewelry	55%	14%	30%	29%
Makeup Products	48%	17%	35%	23%
Nail Products	33%	9%	58%	18%
Nutritional Supplements	52%	10%	39%	80%
Private Label Products	52%	11%	37%	38%
Skin-Care Products	66%	7%	26%	1%
Snacks & Beverages	46%	6%	48%	65%
Yoga Apparel & Accessories	48%	15%	38%	60%

DAY SPAS	Increased	Decreased	No Change	Do Not Offer
Apparel	39%	33%	28%	62%
Bath & Body Products	59%	5%	36%	6%
Books & Media	27%	27%	45%	77%
Candles & Scents	38%	18%	44%	17%
Hair Products	68%	18%	14%	39%
Jewelry	44%	22%	33%	43%
Makeup Products	38%	27%	35%	23%
Nail Products	41%	11%	49%	23%
Nutritional Supplements	50%	0%	50%	75%
Private Label Products	48%	12%	40%	49%
Skin-Care Products	71%	6%	23%	2%
Snacks & Beverages	31%	6%	63%	66%
Yoga Apparel & Accessories	38%	25%	38%	83%

RESORT/ HOTEL SPAS	Increased	Decreased	No Change	Do Not Offer
Apparel	56%	21%	23%	17%
Bath & Body Products	53%	12%	35%	2%
Books & Media	24%	24%	51%	50%
Candles & Scents	43%	21%	36%	10%
Hair Products	47%	10%	43%	17%
Jewelry	57%	11%	32%	21%
Makeup Products	50%	15%	35%	25%
Nail Products	28%	10%	63%	16%
Nutritional Supplements	53%	18%	29%	83%
Private Label Products	50%	11%	39%	33%
Skin-Care Products	64%	8%	28%	0%
Snacks & Beverages	53%	6%	42%	63%
Yoga Apparel & Accessories	49%	14%	37%	50%

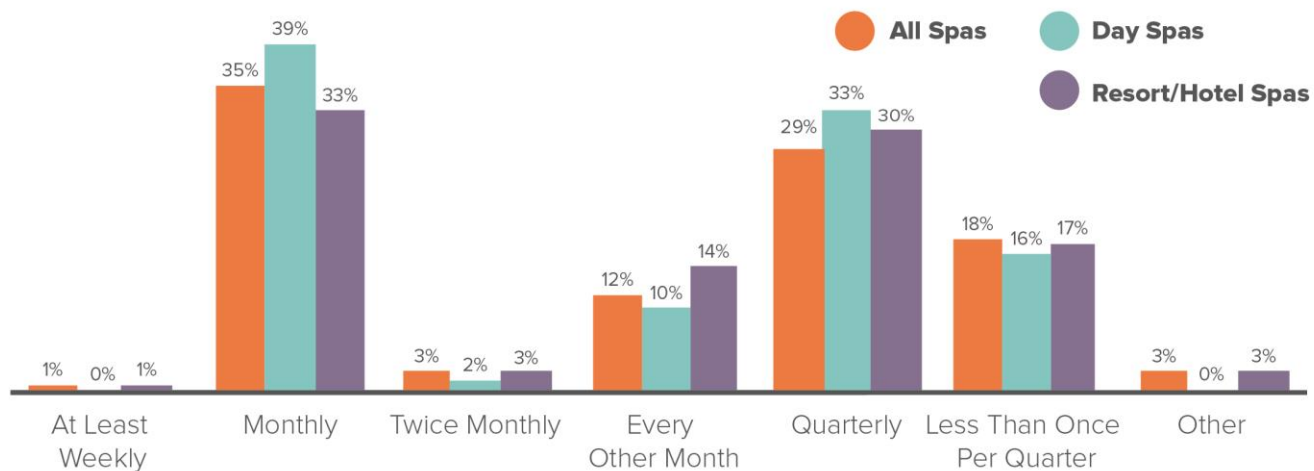
Does your spa have a retail product that has been flying off the shelves in 2015? If so, please share the details about your spa's hottest retail product.

- A new thickening tonic for hair.
- ALO Airbrush leggings.
- Amy Louise jewelry.
- Aquiesse candles.
- Aromatherapy Associates de-stress muscle gel. Our massage therapists love promoting this product!
- Baby Foot. A treatment from Japan that uses glycolic to peel away dead skin leaving your feet beach ready!
- BAR skinny leg bronzer and eye mask.
- Beachy large brim hats.
- Brenda Christianson's universal brow pencil.
- Clayton Shagall collagen gel.
- Clear My Head herbal care products. Mostly the inhalation jar.
- Clear My Head herbal essential oil roll ons.
- Colorscience Sunforgettable. Biologique Recherche P50.
- Coola sun care.
- Creative Rescue Rx for nails.
- Define water bottle and Bloq UV SPF50 shirt.
- doTERRA and diffusers.
- Easy touch up brow for any color.
- Elemis Instant refreshing gel.
- Elta MD sunscreens.
- Eminence bamboo firming fluid.
- Eminence facial recovery oil.
- ESPA is a best seller.
- EuroSpa shower mist.
- FarmHouse Fresh, 21 drops and Moroccan Oil.
- FarmHouse Fresh Pajama Paste, Kneipp Arnica joint and muscle bath soaks.
- Footlogix pedicure products. Our nail techs are master pedicurists and are very diligent about promoting homecare for the feet.
- GrandelashMD.
- Hats.
- Headbands and smilebrite teeth whitening pens.
- Himalayan Salt stones to go with our new salt stone massage. Journals, Love this Life t-shirts, Body Bliss salves and spot treatment oils.
- Hipsister's pouches, Wallaroo hats.
- Hydropeptide.
- Hydropeptide face lift.
- Illume Candles Mango Coconut.
- Image Skin Care and Primal Elements candles.
- Intimate apparel - bras, panties, nighties, etc.

- Island Imports jewelry. It's stylish and affordable.
- Items on our grab and go table. Resort wear apparel.
- Kevin Murphy hair product.
- Kneipp.
- La Bella Donna, Mio, Dogeared, Oka-B and Nourish body products.
- Lavish.
- Lira Clinical skincare.
- Logo items are always very strong.
- Mae Mae Jewelry. Thoughtful, simple and classic jewelry pieces that are made with good quality and are very reasonably priced. Highly recommend!
- Mala Mantra Jewelry.
- Mio, Dr. Dennis Gross skin care and design mind readers sun tinted bamboo readers.
- milk + honey products, particularly the body cream and the cream deodorant.
- Moroccan Oil hair products.
- Murad Facial Cleanser.
- NailButter.
- Naturopathica skincare.
- Naturopathica therapy products and private label scrub, lotion, body butter.
- New skin care lines that were introduced in 2014. Cinq Mondes and Lira. Moroccan Oil, seasonal clothing and gifty souvenir items do well also.
- Nutritional products and wellness.
- Ojavan Headache Relief Rollers, Eminence Strawberry Rhubarb Dermafoliant, Salt Of the Earth Whipped Body Cream.
- Ola Hawaiian bath and body products.
- Olivie home fragrance candles and body products. They boost oxygen.
- Onzie, a workout/yoga line, has been doing well in our spa. People love the fun patterns and reasonable price point.
- Osmosis Catalyst and True Nature Botanicals Pacific Oil.
- Osmosis CC Cream - in the month of April we re-ordered a quantity of 24 for this item alone! It has done very well with our membership.
- Our customized corporal cream in three different aromas: basil & aloe vera, rosemary & lavender and chamomile.
- Our elmline AHA exfoliant.
- Our guests love a low price point. We sell these beautiful hand crafted charcoal soaps and they are consistently our best seller. At the holiday, the jeweled "tattoos" were a big seller.
- Our Obagi and Ilike skin care products are our largest sellers.
- Our own line, TOMA Skin Therapies. Huge sales due to customer loyalty and trust in us.
- Our private label body products are our best seller so far for 2015 selling over 500 pieces.
- Our signature scented candle.
- Personal blended aromatherapy by our clinical aromatherapist.
- Please note that the information we are providing is slightly skewed in the sense that we are renovating and redesigning all of our space to maximize profitability and to expand our boutique offerings.

- Prevage and ceramide.
- Pure Intentions Hydrate formula.
- Rare Earth aromatherapy sprays.
- RLP Core Essentials body lotion and body wash.
- Signature Spa products.
- Skin Authority products.
- Sodashi.
- Soho Marrakesh Argan products.
- Specific items that are local to our area, we have bees so our own honey has been flying out the door, our own salt etc. Everything that has our logo has been extremely successful (clothing, amenities, private label).
- Spoonk mats.
- Stephanie Johnson accessories (travel bags, makeup bags, etc).
- Supracor Body Mitts.
- Supracor exfoliation mitts and pads do a great job for us! Kerstin Florian Mineral Wellness Bath Salts are a hot new addition too!
- Swan Creek candles.
- The Green Science and Energizing Eye Cream AVEDA. Also Stress Fix items and Rosemary mint is a big seller.
- The hot products are the facial equipment. NuFace, Tria and Clarisonic.
- The Wow makeup brush by Cailyn.
- Top selling items are the Circ Cell ABO Face Serum & Moroccan Oil Body Buff and Soufflé.
- Tote and Able canvas wine bags, AMAZING. Pixie Mood handbags and purses. Condition Culture headbands and hair ties. Hatch factory jars and glasses.
- We also started carrying Infinity Sun sunless tanning products in retail which is doing really well.
- We brought in a local sun defense product line called Supergoop! It is a great product and our members love it!
- We brought in a new fitness line that has been doing very well. Also lip care product by Image and chocolate bark by a local resource partner.
- We can't keep BioFreeze and massage roller balls on our shelves.
- We change out our seasonal body scrubs three to four times per year. We offer the scrub in a bowl in our restrooms and people come right to the shop to buy it!
- We have a corporate buyer for our retail boutique. The retail and the P&Ls belong to them, we only make suggestions. I am told overall they do not see YOY growth in their numbers.
- We have a variety of items with small inventories so we are able to osculate and move.
- We sell jewelry like crazy!
- We started carrying Eco Swim this winter and it has been doing extremely well!
- Women's clothing from Mud Pie.
- Zents.
- Zents concretas soar off the shelves because our nail techs are superstars at selling them and they have easy access to the retail area. Another big seller is the undaria algae oil - once you tell customers the benefits and they feel the product and the price pint is fair - whoosh - it's sold!
- Zodax diffusers.

Which of the following best describes how often your spa introduces a new retail promotion?



Which of the following incentives has your spa used in 2015 to promote retail product sales? Select all that apply.

● = All Spas ● = Day Spas ● = Resort/Hotel Spas



Please describe your spa's most successful retail marketing effort implemented this year.

- Fifteen percent discount on recommended products in a facial if purchased within 24 hours after the treatment.
- Twenty percent off a single retail item at our spa placed in hotel rooms at check-in.
- Twenty percent off retail and services the month of your birthday.
- Twenty percent off spa service for purchases of our new Le Labo product line - bounceback card for 20 percent discount on next spa service.
- \$25 reward card to the purchaser of any gift card for Mother's Day over \$150 in value. This increased our sales volume and average gift card amount significantly.
- Fifty percent off service with product purchase of \$75 or more.
- A push notification to people who have our app about a steep discount on old season products cleared out our inventory in hours.
- Added a \$10 retail voucher to Spa Lodging Packages. \$10 is built in to package price. Guests always redeem it and buy more.
- Bounce back coupons.
- Bring a friend (who has not been to the spa before) and each receive 20 percent off.
- Buy and two facials and receive an Eminence Serum for free.
- Choosing a product of the month and focusing on selling and offering discount to purchase.
- Complimentary bath salt sachet given away with any treatment received bring them into the retail shop to begin with. Once they are in, they are enticed to look around and are more prone to finding a purchase.
- Coupon to be used in the boutique for everyone receiving a treatment.
- Discount on facial products bought same day as the facial (Monday through Thursday).
- Discount to guests purchasing products the same day as their service.
- Due to our members loving a deal, we decided to use the Bloomingdales' system of pre-sale the day before with select hours. It worked well for Valentine's Day, Mother's Day and we will be providing another promotion for Memorial Day. We do not advertise these pre-sales and send an email blast about three to four days before.
- Eminence: Purchase any two products and receive a free serum, \$50 value.
- February: sharing the love and offering 20 percent discount.
- For various events and sales efforts, we would offer gift bags that offered samples of some of our primary lines, plus a brochure that extended three unique discounts off of future visits, including comp. eyebrow wax with service of \$53; 20 percent off retail purchase and \$20 off a New to You service. We had a high level of redemptions, especially with 20 percent off retail purchase- each coupon had to be used on a separate visit.
- Free gift with purchase.
- Free Hydropeptide serum with booking 80-minute Hydrafacial.
- Free make up consultation with gift with purchase.
- Free travel kit with facial.
- Get a tote bag for only \$14 (retail price \$24) if you schedule a spa or salon service.
- Gift with purchase and member events showcasing the lines. We have an event where the members can come in, receive a 25-minute service using the products and a discount on packages and products. We call it Skin Deep Spa Event.
- Gift with purchase. Buy any two retail products in a certain line and get one product free.

- Gift with purchase. Introduces the guest to our skincare line when purchasing a service.
- Gift with purchase over \$100.
- Gift with purchase with makeup session booking or purchase of \$100+ of makeup.
- Guest is invited to enjoy a scrub and massage using locally produced scrubs and oil/lotions (at regular rate). Get to take home retail sizes of scrub and oil/lotion as take-home gifts.
- If guest on the same day of treatment purchase the therapists recommendation, they get 15 percent off products.
- Introducing the Himalayan salt stone massage and having the actual stones to sell for guests to take home and heat or cool to use on themselves. The stones are on display at the front desk so the staff can up sell the treatment and product easily. We promoted it on Facebook, our website, we have an upgrade sign posted at both check in locations, and the therapists can upgrade any massage with spot treatment use of the stones as they are on in each room and instantly draw questions from our guests.
- Introducing the new hair thickening tonic with samples and an offer to be the first to get the product.
- January Wellness Month. 30 percent off spa treatments for locals. This is during our slow season.
- Last year, we had a guest appreciation event where for three days we offered 20 percent off all retail items. It was so successful that we will anniversary the event this year and extend it to five days.
- Mae Mae jewelry trunk show promoting charm necklaces created for you! With every purchase receive 10 percent off any other retail item on the same day (cannot be combined with any other offer or discount)...we were very successful with this event! We ran this event on a busy Saturday so our retail revenue increased immensely along with creating awareness of this special local jewelry line!
- Mini hair styling touchups are complimentary at event and the guest is offered the option to purchase \$40+ from this retail line and then they receive a complimentary conditioning treatment with their next blow dry (value \$40).
- Mio has done amazing due to our great rep as well as Dr. Gross Skin Care. The team really loves the product giveaways and strive to win the contest.
- Offer facial guests a voucher at end of treatment for \$25 off a \$100 facial product purchase.
- Offering discounts while vendors on-site to provide support and sampling. We've also done free makeovers with our make-up line that included a red carpet and photo shoot.
- Olivie event. Tied together with a wine tasting in spa lobby. Olivie is a product line that is made with the antioxidant properties of the Chardonnay grape seed oil.
- One half hour complimentary massage for any \$150 retail purchase.
- Open house event promoting discount for skincare products.
- Open house for free make-up lesson/application.
- Our best promotion is using Perkvill points as our loyalty program. We discount nothing cause our guests are so happy to earn the points and redeem them.
- Our spa marketing recently has been focused on gift card sales, rounding out the Mother's Day promotion. Our clients have given us enough information for us to understand that they are interested more in value for what they are already purchasing than additional free products or gifts with purchase.
- Our teen facial that includes a take home Mia, Clarisonic and three Osmosis skincare products to get them started has been the most popular.
- Pop-n-Shop Balloon event with discounts inside the balloon. Pop a balloon and go shopping with that discount. It makes it festive in the store and everybody wins!
- Product of the month. Hot items under \$25.

- Promotion of a discounted spa service with an add-on retail product.
- Putting generous sample jars in hotel rooms for the hotel/spa packages.
- Putting the seasonal scrub in our restrooms to use for a hand wash has blown away sales for the product!
- Skin Authority and Phytomer offered gift with purchase that our esthetics team introduced to guests.
- Special Spa events with vendor representation is our most successful marketing effort. Heavy traffic during holiday or casino driven promotions draw more foot traffic into our boutique. At this time, our vendors will offer gift with purchases and complimentary demos. We will also offer a special product discount and free drawings for product and/or treatment.
- Specials with added value that include a specific product (i.e. Zents ritual with soap gift with purchase).
- Staff contests.
- The best is using Perkville as our loyalty program. We rarely discount unless we get a deal from our vendors. People come for the free points! Best move we've ever made.
- This promotion was for Mother's Day, called La Bonita, included three customized services and according with their needs we have different giveaways. They love it not because they can choose different retail products. Like children in a candy store.
- "Treat Yourself Thursdays" each month during the last Thursday of the month offers express facials which are free if retail purchase of product is made.
- Trunk show.
- United Airlines promotional card. \$25 retail credit with purchase of an 80-minute signature treatment.
- Vendor rep promoting a brand.
- We offered a buy two get the third product free promo with Kevin Murphy hair care. For every two full size products our clients received three mini products of their choice. this not only encouraged buying wash + rinse sets, but the free minis allowed clients to try a new product risk free.
- We offered our new facial treatment duo (scrub and mask) at a discount with purchase of level three facial (increased pricing on this facial).
- We often partner with local organizations and have had BIG success with a "cocktail" Spa party where there are mini services, product reps, and day of call to action offers to purchase. These offers are usually a bounce back for a discount on a service. As we have are partnering with a local organizations that are usually charity based we also donate back a percentage of the revenue from the event; however the organization is bringing in a larger than normal crowd to give us exposure.
- We recently held an open house with several vendors. Each vendor was in a treatment room talking about their product. We offered a 15 percent discount on retail that night and sold \$3,000 in retail.
- We were able to offer our members a 20 percent discount on all of our Murad skin care products during a special Friends and Family weekend. We had a huge increase in retail revenue at all of our locations during that event.
- When hotel issues a credit to be used, it brings more people to the spa, and increases sales opportunity.
- When our makeup vendor is in-house she does complimentary applications and it's amazing how the makeup sells!

Which of the following practices, if any, does your spa use to promote retail sales among its employees?

ALL SPAS



DAY SPAS



RESORT/HOTEL SPAS



If you could share any one piece of retail advice with your spa peers, what would it be?

- Accountability has to be talked about in every monthly or biweekly review. Promote this to the front desk on a daily basis.
- Always changing the retail space so it looks like we have new items all the time. Commission structure for staff where the more they sell the more they earn.
- As directors we get to receive many gifts from vendors - I use these as either daily or weekly incentives and competition prizes for my staff.
- Changing displays often and keep it fresh for regulars/staff.
- Consider it educating our client vs. selling. Helps keep technicians at ease.
- Continually shift your retail area around and don't be afraid to let go of products that are selling somewhat okay but not great to bring in something new and exciting. Guests and staff get bored of the same things offered in the retail area.
- Create new incentives every quarter, celebrate "win's."
- Creating a program where all guests are told when they arrive that included with their service today is a makeup touch up or a brow shaping with our new on the floor technicians or including a chair massage with therapists that are building provides many guest experiences that would never happen if we asked if they would like a complementary service.
- Do monthly product knowledge trainings done by the line rep, create friendly competitions to win product.
- Educating our providers has proven to be the most successful form of selling the most in retail.
- Education is the key to sales.
- Education on skin care- change up merchandizing to keep older items seeming fresh to local guests.
- Education sells. Do not think of selling to your guest. Think of educating them on the product and they will purchase the product.
- Employee incentives.
- Employee incentives work really well. I also set up one training per month for a different line each month.
- Find a way to make it as easy as possible for your team to experience the products, i.e. gratis or very discounted pricing. Teach associates to come out from behind the desk and engage with the guests. Keep shelves stocked and displays fresh. Make sure your dressing rooms are well lit and appealing. Move old stock out quickly, start discounting early so unseasonal items or single items left in any style are sold quickly. Create a story for your displays to try to sell a whole outfit, or experience.
- Frequently check your slow movers report and feature that item on display to increase interest and sales.
- Get your employees excited about a product! Ask vendors to provide incentives and change displays bi-weekly.
- Have a skin care line that everyone believes in and uses.
- Have all spa concierge trained on all retail products to better advise guests when checking out after spa treatments.
- Have time for staff to promote product after a facial.
- I have tier level compensation that helps me sell more retail.
- Insist that the retail rep is present regularly for training and incentives. Regular gratis given to staff to make sure they are using the product. Create a sliding scale that rewards the performers and avoids the non-performers. Make retail a regular discussion with your staff.

- Inventory management is key. Ensure proper accounting procedures in regards to inventory so your cost of sales is aligned with your budgeted goals.
- It's important to ensure your staff is knowledgeable with the products available. Some vendors will supply samples, gratis or new treatments to the front desk staff to experience themselves. This is huge as it is easier for the staff to promote by experience.
- Keep it fresh, and if it's not selling, try moving it around. Sometimes it's the placement that hurts sales, not the actual product.
- Make sure your staff is using the products and they like what you carry. They will not sell what they don't like. We have staff orders every quarter where the team can purchase the products at wholesale.
- Make team aware of goals weekly.
- Make therapists and front desk accountable to their number and follow up individually with the front desk and therapists.
- Make your employees fall in love with their job.
- At my last property I ranked their seniority based on total average ticket, this included treatment, upgrades and retail. This changed every quarter so everyone got a fair chance to get to the front of the line. We book left to right with the most senior people to the left, the more they sold and increased their average ticket the further up the ranking they would go.
- Match products sold to what is used in services (especially facials).
- Monthly employee contests/incentives.
- Move any items not selling in 90 days to clearance and be done.
- Move things around and change displays.
- Moving poor sellers through clearance to make room for fun, new and exciting products.
- Never assume you know what someone can afford. The value varies by each individual person, so just educate on what would work best for them and let them make the decision on whether or not to purchase the item.
- Offer 50 percent discount on retail price for the staff. It gives them the possibilities to try our products.
- Offering a prepared "basket" of recommended retail products to the guest upon departure is very successful.
- Ongoing, training on all products as well as 10 percent commission offered to all staff.
- Product knowledge training.
- Recognizing those providers that exceed their retail goals at your monthly all staff meetings. We give them each a gift with a personalized thank you card as well as read out their results to our team! We also have a retail board with all provider names that we write daily retail sales on. We total each week so everyone can visibly see. This board is hung up in our executive offices so our leaders in the resort are able to commend those providers with strong retail sales.
- Regularly re-arranging boutiques to engage regulars.
- Retail is a constant subject of discussion; from interview process before service provider joins the team through every week of employment, some aspect of retail needs to be discussed.
- Retail product must be used in treatment for it to be a successful retail item.
- RX card and placing product for each guest after each service. Only two to three products.
- Sales tips and marketing advice would be great and if the reps can come in and host a workshop on this quarterly to get the team excited about sales it would go a long way.

- Staff who use the products you offer are going to be more passionate and excited about educating guests. Offer a program for the staff to get the product at a discount and incentives for them to win free product so they can try new products and be better prepared to educate guests.
- Testers and carrying a skin-care line that provides education to your staff face to face - for us Eminence is amazing!
- The best retail promotion I have ever done is finding a very nicely done logo tote bag that it cost me \$7. I priced it at \$35 (bought in six colors) displayed in the middle of the spa in a round table like a rainbow fan. Placed a sign that you can get the tote for only \$15 if you had a spa or salon service. Gave the staff (from front desk to attendants 10 percent commission) and we sold an average of 800 totes a month!
- The team will promote items they are excited about - we include all of our staff (locker room attendants and concierge as well as providers) in all trainings.
- Train, train, train. Follow up, follow up, follow up. Reward, reward, reward.
- Use it to pay for benefits. And educate to the staff that's why we have paid education, paid vacations and medical benefits.
- We ask our vendors to help out with monthly incentives for our therapists and spa desk. We have also worked retail sales into our therapist ranking, which is changed quarterly.
- We just had a contest for whoever sells the most wins a trip to Vegas for the 2015 ISPA Conference & Expo.
- We move retail at the front desk often, as well as educate and empower our concierge staff to close sales.
- We offer a very generous discount to our employees to promote the use of our skin-care line. We have found it has generated buzz in the clinics and a lot of our employees are using the products and talking about them.
- We pay our employees for retail commission on a tiered level, and we share that info with all of them. They have developed a friendly competition to see who can sell the most each month.
- We utilize a team approach with retail, as the front desk can be the closer for any recommended item. Each month, we have a team goal and if we achieve it or higher, a percentage is split amongst the active participants. Some of our team members have received an additional \$150-\$200 in their paycheck just from supporting the team retail goal.
- When they buy a face cream, they recommend the neck or eyes lift cream.
- When we've launched new skincare products, since clients already have their regimen, we incentivize them with a raffle for purchasing the new product with a service.
- You must incentivize the front desk with contests monthly - vendor contests, meeting monthly revenue goals, front desk receive product, best salesperson per hour receives gift. We also attach a 10 percent off products used in treatments voucher at check-in to assist them in returning to the boutique before leaving. Lockers are a great place to advertise a special. We check retail sales every few hours and let everyone know how we are doing to motivate them. For therapists, we put them in the store when they are not booked so they become familiar with our products and learn how to assist guests with items. We focus on telling the story behind our lines. Where are they from, why are they special, everything has a story; the story will sell for you. Use your lobby to merchandise in. Monthly feature tables to theme into your seasonal specials. Have vendor events in the lobby. They will bring gift with purchase items for you, and guests enjoy hearing from the professional sales folks. Another tip would be to make it part of your spa culture. Retail is fun and every associate is a salesperson. Be sure to have an entrance to your shop that is attractive. Open the doors and welcome guests inside. Remember that if you have men's clothing to put it close to the front entrance, just like the department stores, they do not like to look for their section. I learn a lot by just walking large department stores to see how they merchandize and market.

ISPA RESOURCE PARTNER MEMBERS

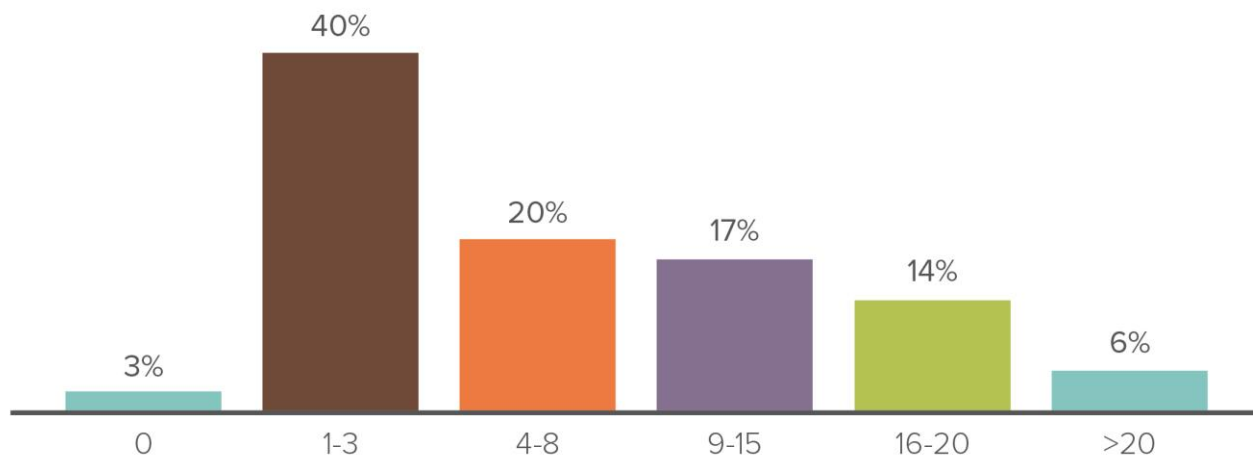
Does your company offer retail products for spas?



Does your company have an annual retail product promotional schedule that is provided to spa clients?



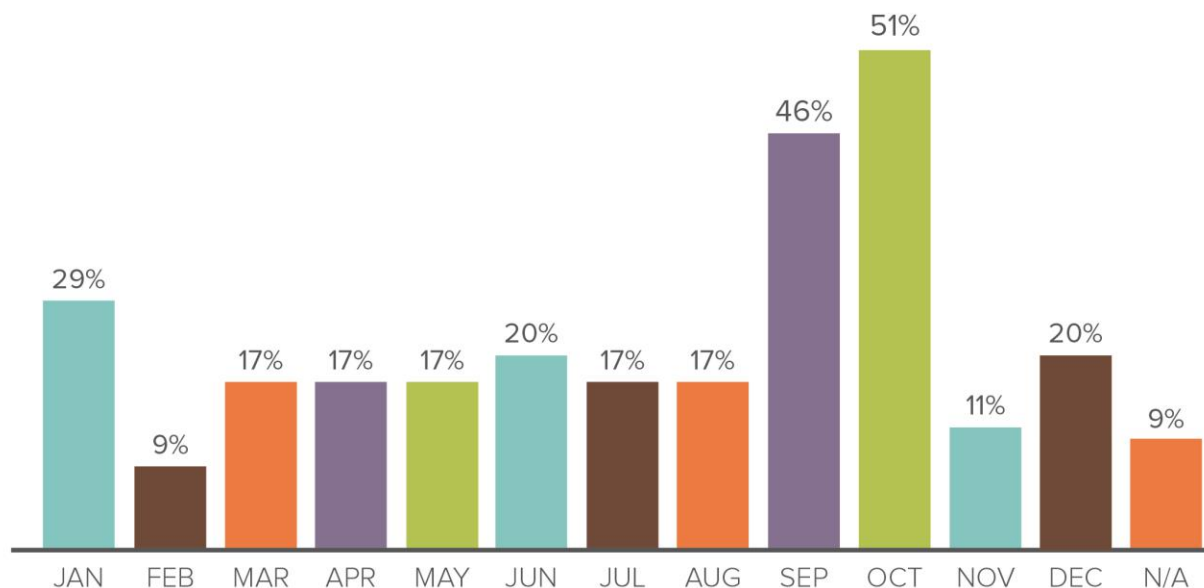
How many total new products does your company plan to introduce in 2015?



Please describe how your company assists spa clients with retail promotions and marketing.

- Assists spa clients with retail promotions by offering discounts at various times of the year, product knowledge seminars, and steady marketing of the benefits of products.
- Buy up promotions to build marketing spend, gift with purchase, POP and other signage, merchandising tools, digital assets, and comprehensive sampling.
- Displays and training.
- New products launch displays and stunning POS.
- In-store merchandising, events for sell-through and retail sales incentives. For top tier clients (or even clients showing an interest to grow) I create a yearly calendar that maps out monthly activity. Essentially we "make a plan and work the plan."
- Monthly featured treatments tied to product specials, shelf talkers.
- Monthly retail promotions, monthly webinars, incentive programs.
- Providing point of purchase displays and staff training.
- Quarterly promotions.
- Sampling, brochures, display, trainings and digital support.
- Shelf talkers, advertising materials, special event opportunities and incentive programs.
- The year is divided into promotional cycles. Each promotional cycle includes a specific promotion or launch providing the spa clients with a promotional package. Each promotional package usually includes merchandising tools highlighting a promotion for the final clients. The promotion proposed to the final clients are usually sponsored by us. Example: If we propose a promotion to the final client such as receive free samples for the purchase of two creams, we would provide the samples to the spa clients for free in the promotional package. On top of that we make sure to assist them in creating any personalized promotional merchandising tools.
- We contact our spas and send them a catalog which includes the new items. We will then send samples and provide any materials they would need to promote those items.
- We often provide a gift with the purchase of retail products.
- We often provide signage, templates for web use, photographs and more.
- We provide display fixtures, merchandising options, signage and product knowledge cards as well brand training via phone and video!
- We provide educational materials so professionals understand the philosophy and research backing our products. They can feel confident in the ingredient choices we have made and have material that assist them in promoting directly to the client.
- We provide marketing dollars based on customer spend. They can use the money to provide gifts for events or staff incentives.
- We provide monthly promotions like specials or gift with purchases.
- We support spas with signage and custom posters, events, and personal consultations.
- Working directly on the spas needs by helping with menu protocols, training, supplying promotional information and social media/local press when possible.

Please identify which of the following months your company has launched or plans to launch a new product or service in 2015? Select all that apply.



Please identify your company's most popular product offered in 2015 and include the specific details (i.e., 1-ounce honey lip balm from Honey Bee).

- 1.7oz. Skin Reset - a re-structuring cream from somme Institute.
- 2oz. Eucalyptus Shower Mist travel size.
- 50ml Renight Recover Cream from [comfort zone].
- Bamboo fiber sheet masks.
- Bed of Nails Acupressure Mat.
- Brow by Mii.
- Clinically tested 'miracle cream' launching second half (confidential at this point).
- Currently our company's most popular brand is Moliabal, a luxury hair accessory line, handmade in Milan, featuring a classic, bridal and couture collections!
- Diamond Radiance Sculpting Cream.
- Eye radiance K'reme - firming eye cream with haloxyl, renovage, Phytonadione (Vitamin K), Alpha-Arbutin, Vitis Vinifera (Grape Seed) Extract, Titanium Dioxide, Resveratrol, Arnica Montana Flower Extract and Calendula Officinalis Flower Extract.
- GOLD-Flexible Color. Two step color system that doubles the wear of your manicure. 24 flexible color shades and one flexible topcoat.
- Massage Oil, Turquoise Sage and Mountain Arnica Body Oil 8oz. from Body Bliss.

- Melbath.
- New developed and green warmer used for Himalayan salt stone massage.
- Pink Serenity Spa Pocket.
- Q10 Oxygen Complex 24-hour anti-aging cream (1.7oz).
- Rainbow Road Shea Butter from FarmHouse Fresh.
- We experience tremendous success at the spa level with our Sugar Whip(R) product.
- SpaCell facial sponges (one each per pack).
- The retail product that we sold the most is Diamond Extreme Cream. It comes in a 1.7oz jar and is the perfect anti-aging product for mature skin and is a perfect spa regime at home once a customer has experienced a Diamond Facial.
- Tri-Functional Sugar Scrub, 14oz. per unit.
- Undaria Algae Oil - organic botanical oils infused with Undaria Algae.

If you could share any one piece of spa retail advice with ISPA spa members, what would it be?

- After 25 years of supporting retail luxury sales we have learned some essential steps to luxury sales success. They are not hard, in fact they are very simple. But like everything in the luxury market our team knows that it's about doing the simple things really well!
- Always encourage your customer to try a new retail item. They might discover a new pampering experience they have not had the pleasure of using in the past.
- Always mention at least three products during the treatments you give. People may not always buy what you discuss but they trust your opinion as a skin care professional. I am always surprised at how many spa professionals miss out on making a recommendation for me. I want their advice.
- Consultation, consultation, consultation! For the last year or so with my spa partners, I've really been focusing on the power of the consultation. The biggest retail sales objection from service providers is that they don't want to be "salesy" However, a simple consultation at the beginning of every service can literally change your retail business.
- Contact us to learn more!
- Don't be afraid of prescribing a home regime to your clients. Let them make the decision whether they want to purchase or not but don't miss that opportunity to sell them something.
- Educate esthetician and front desk to sale retail products.
- Establish targets that are reasonable, communicate them, measure and reward against them. Keep up with merchandising and communicate with clients. Buy enough inventory to support the program and not walk sales.
- For nails here are two of the most basic questions: "What do you love about your nails? Anything you would like to change?"
- Have the spas understand how hard we work to try to make them happy though we feel dispensable to them.
- Have your staff personal USE the products they are expected to sell and provide a written review of what they liked. This will give them a step up on the brand.

- Homecare advice is an extension of every spa treatment and service your client is paying for. Without the product to use at home your client won't be able to maximise the benefit of the spa treatment or service. That is retail.
- Importance of product placement and staff training.
- Keep adequate inventory. Use your resource partners to help you. I take inventory and photos at every client visit and send suggested retail replenishment along with the image (some retail buyers aren't on property).
- Keep it fresh!
 - The display needs to be simple but impactful.
 - The product selection needs to encourage browsing without being cluttered.
 - Sales are seven times more likely when a staff member explains a one-line story of why they love the items.
- Keep the message simple, consistent and in multiple places. Educate and incentivize your staff.
- Look at the flow between spa services and retail - is retail referring services that include items customers are interested in or is the flow all one way from the service side to the retail?
- Move your inventory around, often. Customers should see a different arrangement each time they visit. It feels fresh and re-stocked, even if you're not restocking. You should find your inventory moves more quickly.
- Once the client tells you what they love, they usually tell you what they would like to change. "Well actually my nails are brittle lately and this one keeps breaking." BINGO, your service provider then knows what the client needs and thankfully they have the solution both in service and in retail. When you retail sale to someone's needs it's a much more comfortable environment because you come from a place of authenticity and you're helping your guest not just telling them to buy something just to buy it.
- Our number one step is realizing first impressions count! You are selling a dream and story behind the product. In just a few seconds a customer will glance at a display and decide if a product appeals to them.
- Spas need to be accountable for the success of their program by partnering with companies who will support their efforts. Training for front desk and treatment staff is critical to the success of any retail program. Getting good turnout for trainings, implementing incentives that are offered and troubleshooting before problems arise; all of this helps to ensure success in retail. Also getting the massage therapists cultivated in the culture to recommend home programs is key.
- The one piece of advice I would offer is to connect with your client and offer solutions to issues they have.
- The retail sales shouldn't be considered as a "sales" but a prescription of the right skin solution to complement the in room treatment.
- This impactful display and verbal introduction is so simple, it all comes down to the execution. Execution is key. We don't just provide luxury products to our retail customers, we provide a whole system to make the execution of selling luxury as easy as possible.
- Train estheticians to sell.