



SNAPSHOT SURVEY RESULTS REPORT

Retail

AUGUST 2019





Retail Survey Results

ISPA Snapshot Survey | August 2019

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. Knowledge is a valuable tool and these quick surveys provide a wealth of information shared by ISPA's members. The August 2019 Snapshot Survey inquired about retail sales, from both the spa and resource partner perspectives.

Nearly all spa respondents, 99 percent, sell retail products in their spa, with all day spa respondents reporting that they do (100 percent). The majority of spa respondents will introduce between one and three new product lines in 2019 (61 percent). Nearly three of four Day Spa respondents (75 percent) reported between one and three new product lines for 2019, while slightly less Resort/Hotel Spa respondents (59 percent) reported the same. Over one quarter, 26 percent, of Resort/Hotel Spa respondents plan to introduce between four and eight new product lines.

The majority of spa respondents, 64 percent, purchases products from 15 or fewer vendors for their retail areas, with an even split (32 percent each) reporting between 11 and 15 vendors, and less than 10 vendors. When asked if their spa has stopped carrying a product line or brand due to their decision to sell via mass market chain stores and online channels like Amazon and Sephora, a majority of spa respondents responded yes (64 percent), with an additional 10 percent considering it at this time.

CBD products have been receiving notice as a trend in the industry. Forty-one percent of spa respondents carrying CBD products reported an increase in retail sales for CBD products for the first half of 2019 compared to the same period in 2018. It is worth noting that 52 percent of spa member respondents do not offer CBD products. Other product categories with increases in retail sales when comparing the two periods are apparel (38 percent), bath and body products (43 percent), jewelry (46 percent), skin care products (66 percent), and sun care products (42 percent).

The results analysis includes answers from all respondents who took the Snapshot Survey in an eight-day period from Friday, August 16, 2019 to Friday, August 23, 2019. During this time, 229 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?



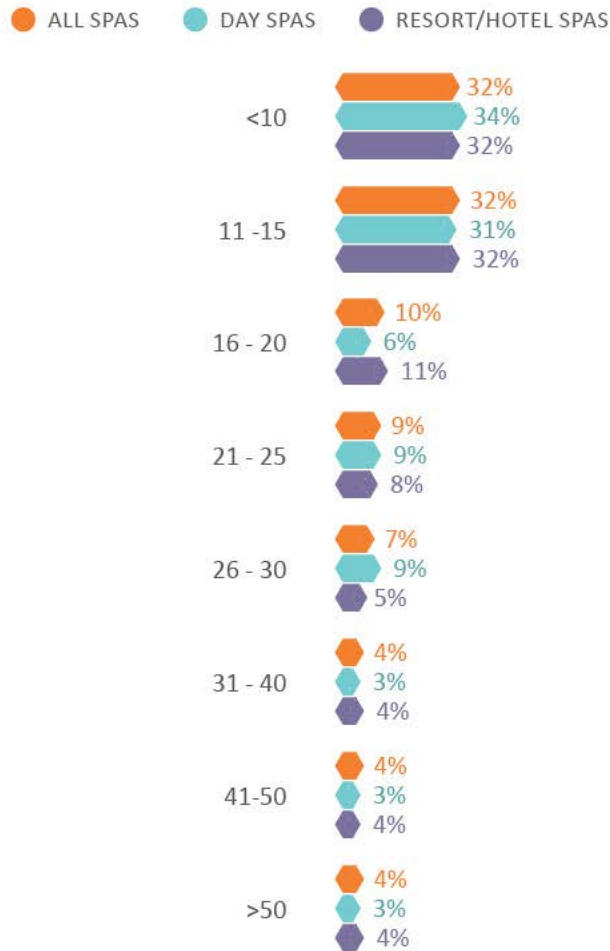
What percentage of your company's total spa revenue is derived from retail sales?

	ALL SPAS	DAY SPAS	RESORT/HOTEL SPAS
<5%	14%	13%	15%
5%–9.9%	34%	41%	31%
10%–14.9%	28%	16%	30%
15%–19.9%	13%	13%	15%
20%–25%	7%	6%	8%
>25%	4%	13%	1%

Approximately how many total NEW product lines will your spa introduce in 2019?

	ALL SPAS	DAY SPAS	RESORT/HOTEL SPAS
0	4%	3%	5%
1-3	61%	75%	59%
4-8	24%	9%	26%
9-15	7%	6%	7%
16-20	2%	3%	2%
>20	2%	3%	0%

How many total vendors does your spa purchase products from for its retail area?











If a vendor/product brand opts to sell their product via mass market chain stores and online channels (i.e. Amazon, Sephora, Ulta, etc.) how much does it influence your decision to carry the brand within your spa?

RESPONSE	ALL SPAS	DAY SPAS	HOTEL/ RESORT SPAS
It has no impact	4%	0%	4%
It has a small impact, but I will still use or consider those brands/products	11%	7%	14%
It has a big impact, but I will make exceptions and carry select brands/products	55%	58%	53%
It has a significant impact and we do not carry brands/products distributed via those channels	30%	36%	28%









Has your spa stopped carrying a product line/brand due to their decision to start selling via mass market chain stores and online channels (i.e. Amazon, Sephora, Ulta, etc.)?

RESPONSE	ALL SPAS	DAY SPAS	HOTEL/ RESORT SPAS
Yes	64%	72%	62%
No	27%	9%	31%
No, but we are considering it at this time.	9%	19%	7%

Please identify which of the following best describes your change in retail sales, if any, for the following product categories for the first half of 2019 compared to the same period in 2018.

	INCREASED	DECREASED	NO CHANGE	DO NOT OFFER
 APPAREL	38%	12%	21%	29%
	27%	17%	7%	50%
	43%	10%	25%	22%
 BATH AND BODY PRODUCTS	43%	21%	35%	2%
	48%	31%	17%	3%
	43%	18%	28%	1%
 BOOKS AND MEDIA	9%	13%	14%	65%
	7%	17%	7%	70%
	8%	12%	17%	63%
 CANDLES AND SCENTS	23%	15%	49%	13%
	17%	17%	43%	23%
	25%	15%	52%	9%
 CBD PRODUCTS	41%	0%	7%	52%
	63%	0%	3%	33%
	34%	0%	9%	57%
 HAIR PRODUCTS	27%	13%	34%	27%
	29%	16%	23%	32%
	25%	14%	40%	22%
 JEWELRY	46%	10%	18%	26%
	35%	10%	10%	45%
	48%	12%	22%	18%
 MAKEUP PRODUCTS	14%	22%	25%	39%
	26%	32%	7%	36%
	9%	19%	31%	41%

● ALL SPAS
 ● DAY SPAS
 ● RESORT/HOTEL SPAS

	INCREASED	DECREASED	NO CHANGE	DO NOT OFFER
 NAIL PRODUCTS	19%	18%	34%	29%
	20%	30%	20%	30%
	18%	16%	39%	26%
 NUTRITIONAL SUPPLEMENTS	8%	2%	8%	82%
	13%	0%	7%	80%
	7%	3%	8%	82%
 PRIVATE LABEL PRODUCTS	26%	5%	27%	43%
	13%	3%	27%	57%
	30%	6%	28%	37%
 SKIN CARE PRODUCTS	66%	10%	24%	0%
	71%	10%	19%	0%
	66%	11%	23%	0%
 SNACKS AND BEVERAGES	17%	3%	17%	63%
	10%	0%	20%	70%
	18%	5%	17%	60%
 SUNCARE PRODUCTS	42%	6%	47%	6%
	47%	3%	43%	7%
	40%	5%	49%	6%
 SUNLESS TRAINING PRODUCTS	18%	7%	27%	48%
	20%	13%	17%	50%
	16%	5%	30%	49%
 YOGA APPAREL AND ACCESSORIES	21%	6%	14%	60%
	10%	10%	0%	80%
	26%	6%	18%	49%

● ALL SPAS
 ● DAY SPAS
 ● RESORT/HOTEL SPAS

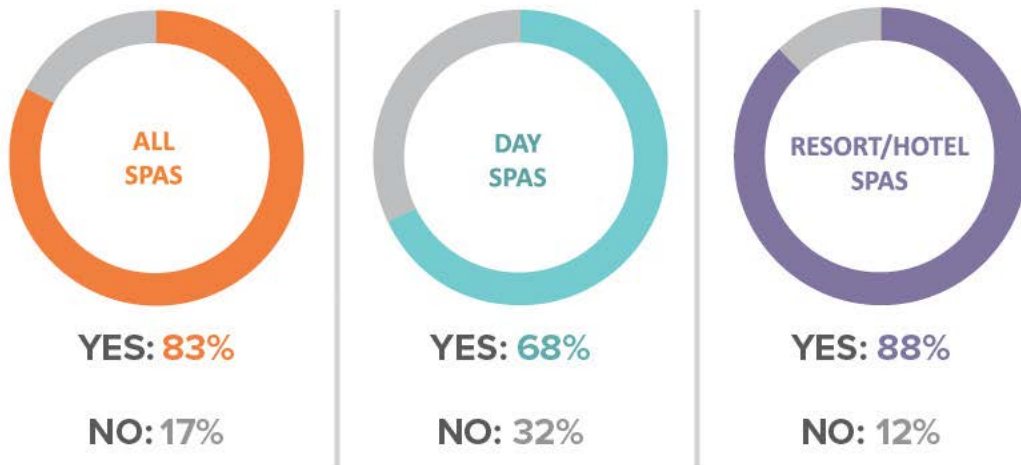
Spa respondents were asked to identify any new retail products that have been flying off their shelves in 2019. A selection of responses can be found below.

- Allay medicinal CBD body butter.
- Anatomie clothing line, it is a travel line of clothing and people recognize it and love it.
- Anything CBD.
- Babor PCA
- Beyond yoga / LuLuLemon
- BioField bracelets and necklaces
- Biologique Recherché P50
- Biologique recherché sales has flied off this year. Products are very effective to reach the good results so we have more local return local guest as well as hotel guests.
- Biologique recherche skincare
- Books on Crystals and DIY herbal remedies.
- Bronzers, Self Tanners, Ampoules
- Bytox hangover patches
- Cannabliss CBD products! The most popular items are the Oil and the salve, which have been huge sellers from day one.
- CBD (4)
- CBD Clinic pro 200 - can't keep it on the shelves.
- CBD Farmhouse Fresh
- CBD line Cause + Medic was first introduced in our Gift Shop in August 2018 and consistently is flying off the shelves. Additionally, we offer services with this line and they continue to be hot requests. Naturopathica is not new to our gift shop, but we made significant increases in carrying almost all products in the line and we often sell out of many products by the end of the month.
- CBD oil by Shea Brand, Babe Lash Serum
- CBD salves and skincare
- CBD topicals and internals
- Celergen
- Cimber Jewelry
- Coolibar Sun Protection Clothing
- Eminence
- European Spa Source Eucalyptus shower mist-We have bottles of the mist in each shower for guests to use while in the spa, with a sign posted that the item is for sale in the spa's retail area.
- European Spa Source shower spray.
- Farmhouse Fresh (2)
- Gua sha and jade tools from Kristen Florian

- Hair Elastics and scrunchies. Women often forget these items and don't want to get oil/product in their hair, nor do they want to get it wet is they are going to be enjoying the hot tub. We keep them right at point of sale, so they see them upon check in.
- Herban Brand is an herbal company that supports our mission, is shelf stable, and clients love it.
- It's not a new product, but our Kukui Coconut Lotion by Epicuren has been a top seller consistently for several years.
- Knesko masks
- La Blanca swimsuits, Cosabella lingerie
- Landmine Design and emerginC are our two top sellers.
- Logo hats, Aromatique Candles, and Tie Bar ties and Belts.
- LuLuLemon
- Lululemon, spartina, volvu spa candle and nesko and nuface
- Mary's Nutritionals
- Mary's Nutritionals CBD products
- Mineral SPF 50 from Image. Kypris Cerulean mask
- Natropathica Arnica gel, massage therapists are most successful pushing this product.
- NaturaPatch of Vermont
- Nelly DeVuyst
- Our CBD line Ambary Gardens
- Our own products of cream and air freshener made in house.
- Our private label CBD cream is our best seller! We have two varieties: Tranquility and Cooling and both of them just sell like crazy!
- Our Signature Candle as we burn in the spa operation.
- Our Spa Bear with a logo spa robe - Kids googles as we are a family resort on the beach.
- Paquette Designs SemiPrecious bracelets w/Sterling silver theme charms
- Passion for Vintage jewelry, shower bursts from Universal, Dazzle Dry mini kits.
- Passion for vintage jewelry, we found this local small company of natural sunscreen and our guests love it <https://newbodycr.com/>
- Sarah McAllister earrings.
- Scout Jewelry
- Signature lotion and body wash
- Since introducing cbd/hemp infused products on our add on menu, we've seen take home product sales increase.
- Skinceuticals has been a top seller for years.
- Several, Organic Skin Care from London.
- spongelle
- Summer lotion, Natura Bissé
- Sun Bum is going like crazy and we added sunglasses to our offerings and they are selling out as well.
- The CBD awareness is quite strong. Hyperice products have also been very successful.

- The hottest retail product we carry is the European Spa Eucalyptus Spray for the shower. Since we installed shower brackets and guests can spray it in their showers, we can't keep it on our shelves.
- This summer, we've introduced CBD into our services offerings. As a pairing retail option, we retail CBD body wash, body butter, and bath soaks. We are located mid-mountain on a ski resort with a very active clientele which has drawn a huge demand for this.
- We changed our skin care line to Eminence Organics and we have doubled our previous sales.
- We have always carried Eminence now that we use them with our pedicures the oil moves fast - local bath bombs and soaps - sun hats.
- We have seen a lot of success with PJ Salvage, San Diego Hat Co, and Image Skincare's Ormedic line in 2019.
- We recently added Coola to our retail offerings, and this has performed really well for us.
- We sell a local CBD product that we struggle to keep in stock. Muscle MX, which we use in our services too.
- We've been in a renovation project for almost a year and estimated to complete this fall. We are using the conference as an opportunity to view new collections to the industry.
- Wraps and jewelry
- Yoga Balm
- Yoga Balm
- Zitsticka has been huge, as well as Larissa Loden jewelry line

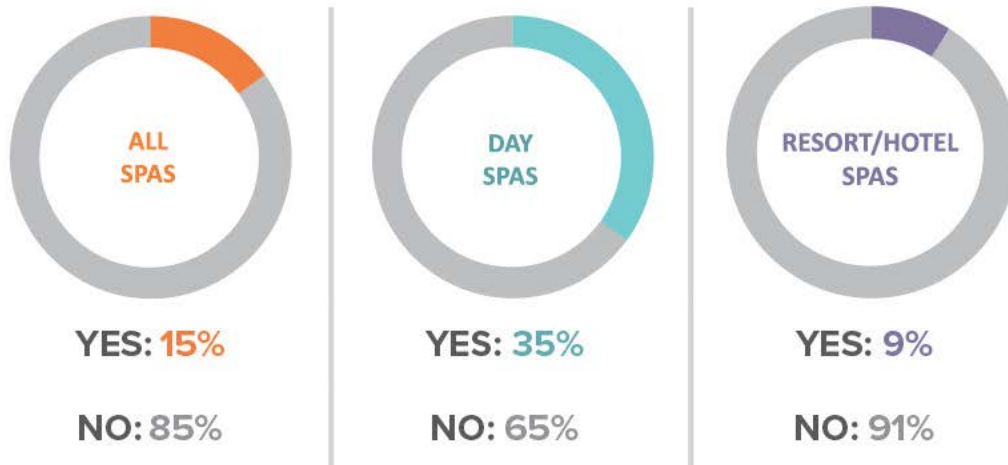
Does your spa train therapists to provide guests with a list of products used during a treatment at the end of their service?



Which of the following incentives has your spa used in 2019 to promote retail product sales?
Respondents were asked to select all that apply.

RESPONSE	ALL SPAS	DAY SPAS	HOTEL/ RESORT SPAS
Coupon or discount that can be applied toward a future purchase	29%	32%	27%
Drawings or giveaways	32%	45%	28%
Email to customers promoting a specific product and/or discount	39%	55%	30%
Free gift with purchase	60%	61%	59%
Free product samples with a treatment/service	65%	74%	62%
Free product with gift card purchase of a select amount	21%	16%	23%
Loyalty program that incentivizes repeat purchases	18%	39%	11%
Promotional spa experience package that includes retail products	33%	26%	35%
Retail area open house or social event	48%	52%	44%
Social media contest	21%	36%	15%
Vendor representative at the spa to promote a specific product/brand	49%	52%	47%
Other	2%	3%	2%

Does your spa sell retail products directly to consumers online?



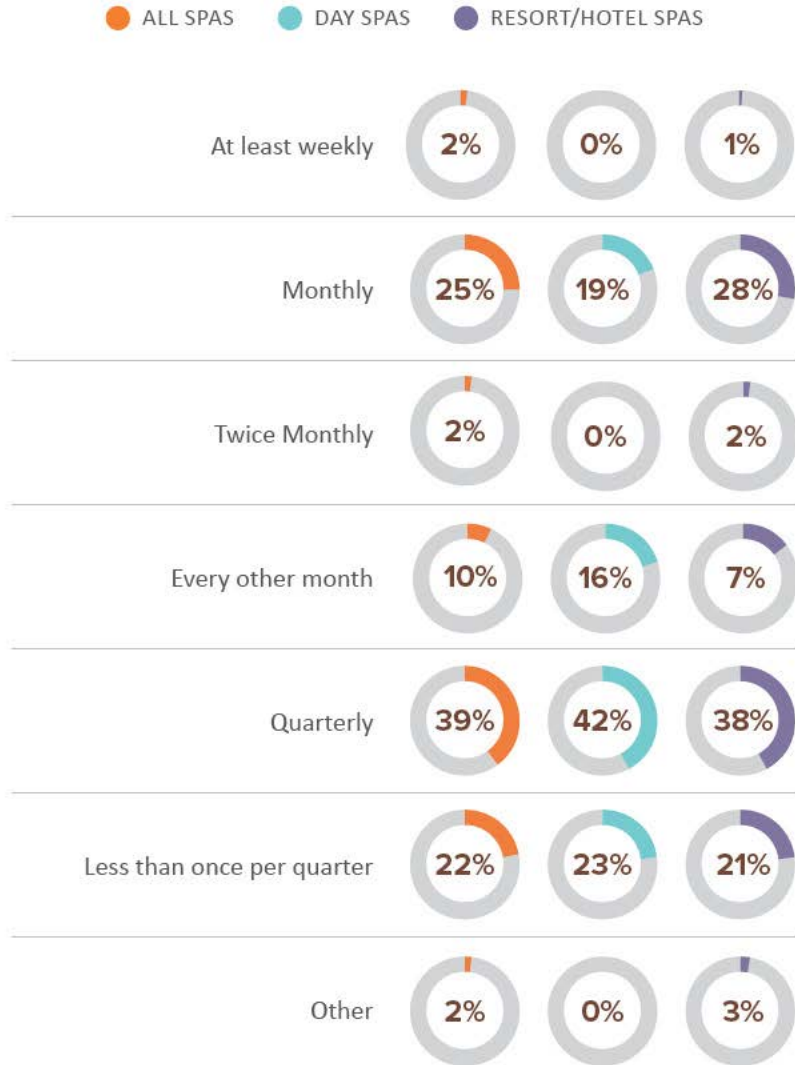
Spa respondents were asked to identify any seasonal retail products or promotions that they will be implementing for the upcoming fall season. A *sampling of responses can be found below.*

- 10 percent retail offer upon checkout on select merchandise
- 20 percent off of products with a treatment.
- Breast Cancer Awareness items, more CBD items, new purse line.
- Breast Cancer Awareness lotions followed by holiday.
- Bundled products, gift boxes from vendors, specialty holiday candles.
- Farmhouse Fresh Vanilla Bourbon Body Oil & Butter Rum Scrub for our fall specials. Tara Spa's Woods & Citrus Body Oil to be implemented in our fall specials.
- I plan to bring in Sonoma Lavender for the winter season. We currently do not carry that line.
- Jan Marini's Pumpkin facial and Eminence Forest collection.
- No promotions
- Pumpkin and Honey will be our theme-we will offer services utilizing those products.
- Pumpkin Facials, Cancer Prevention Promotion and then purchase holiday gift card of \$350+ and get a free night stay at the resort.
- Pumpkin Spice products by Keyano, possibly a fall mani/pedi.
- Pumpkin spice, cranberry, vanilla cinnamon products.
- Quarterly GWP for newly released skin care products, Free product samples with Fall themed treatments, Labor Day Sale, Black Friday Sale, holiday promotions, etc.



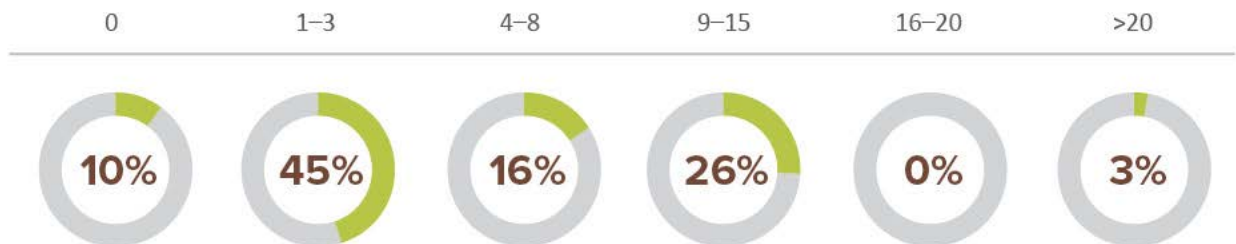
- Receiving a discount on products when you book a specific treatment (book an Oxygen facial, receive 25% off at-home regimen), purchase two or more Eminence products, receive a gift with purchase.
- Seasonal tinctures.
- Some special discounts for retails or treatments. This is a kind of resort/outdoor spa.
- To divert the large amount of traffic we get in GC sales over the holiday season, we set up a separate retail room in one of our conference rooms for the month of December. We will retail specialty items such as throw blankets, travel accessories, gift sets, socks, gloves, unique stocking stuffers, etc.
- Usually tied in with a seasonal treatment offering.
- We are having a Spa Social for our members to show them love with services, wine, and appetizers! We will be providing complimentary chair massages with crystal charged products from H2A, complimentary nail art, complimentary hair sessions and tutorials and complimentary LED light therapy using Nuface. If they sign up for our Restore and Renew Specials that night, they receive an additional 10% off their 20% membership discount.
- We have Sun Spa projects for summer with Esthederm.
- We highlight service and retail products seasonally and during holiday and special occasion months.
- We offer seasonal nail and body treatments and showcase fall scents.
- We offer seasonal scents.
- Wellness on demand menu – products available for in-room delivery to continue the spa experience.

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



ISPA RESOURCE PARTNERS

How many total new products does your company plan to introduce in 2019?



Resource partners were offered the opportunity to highlight any new products or services offered by their company. A *sampling of responses can be found below.*

- Gemstones for the Boutique for Massage and Wellness, Link: rockonmineralsanddesign.com
- Graham Beauty
- hempsfieldbotanicals.com/product/cbd-support-pack/
- hempsfieldbotanicals.com/product/side-kick-cbd-pet-oil-600-mg/https://hempsfieldbotanicals.com/product/full-spectrum-oral-cbd-oil-600-mg-1200-mg/
- New Dazzle Dry mini kit for spa members to retail contains travel sized bottles of Nail Prep, Base Coat, Nail Lacquer, Top Coat & Revive. The kit is available in 44 bestselling nail lacquer colors. Available at pro.dazzledry.com.
- New Portable Waterdance Disposable Jet System, Link: gulfstream.com Video: youtube.com/watch?v=s-HRBH9dNIU
- Priori Adaptive Skincare prioriskincare.com/products/tetra-fx251-spf-50-tinted-mineral-sunscreen?variant=12891883470947
- Rosa Graf will be introducing a total of 6 products in the next month: Multipulle Pentapeptide Volumizer Concentrate, Four Season Autumn 2-Phase Serum, Four Season Winter 2-Phase Serum, Lip Booster with Hot Chilli Extract for the ultimate volume for the lips, Skin Biolift, Premium Ampullen treatment. rosagraf.com
- ScalpForce. ScalpForce.com
- Spa Essentials Fitted Sheet onehub.com/files/hfajbff1
- tspheres.com/empower-mint.
- tspheres.com/inner-strength
- tspheres.com/bath-body-oils (this link leads to our retail line - we also offer the line for back bar in 8oz.)
- We have a very comprehensive back bar program for our heatable/chillable spa products and bath & body which comes complete with protocols and assistance on retail sell-through.

- yomassage.com/pages/class-descriptions

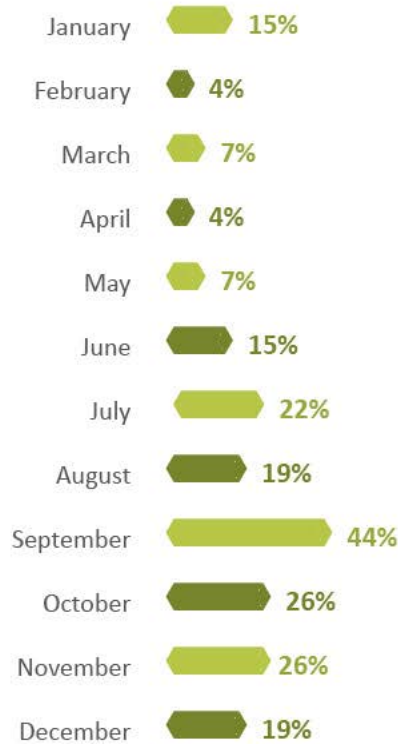
Does your company have an annual retail product promotional schedule that is provided to spa clients?



Respondents were asked to describe how their company assists spa clients with retail promotions and marketing. *A sampling of responses can be found below.*

- Bi-annual Biofreeze promotion through distributors. also select national bon vital promotions.
- Dazzle Dry now offers shelf talkers and other marketing collaterals to our spa partners. They can be downloaded from pro.dazzledry.com.
- Every new spa that picks up the line will be introduced on our @tspheres Instagram and added to our list of spa retailers on our website and announced in a monthly newsletter to the industry and our customers.
- Makes Scents Natural Spa Line and Hempfield Botanicals offers our spa partners, protocols, marketing material and high-resolution images for promotion within their spas, social media outlets and e-newsletters. We offer shelf talkers and rack cards for our retail products as well as complimentary testers so your guests can touch, smell and feel the products to increase sales! Our companies also assist in how to utilize each product line for the services offered by each property. We are here to help our spa partners be successful in their service and retail sales.
- Shelf talkers, value-added purchase packs, bag stuffers, GWPs, dedicated retail training.
- This program is something we are currently working on and are collaborating with spas to uncover what would be most beneficial.
- We send bi-monthly email newsletter and we send printed catalogs and samples as requested by clients.
- We support our distributors with product promotions based on their retail calendar.
- yomassage.com/pages/how-we-support-you

Please identify which of the following months your company has launched or plans to launch a new product or service in 2019? *Respondents were asked to select all that apply.*



Resource partner respondents were asked to identify their company's most popular product offered in 2019. *A sampling of responses can be found below.*

- Arctic Circle Lavender Neck Pillow. The Neck Pillow fits perfectly around the neck and shoulders to ease muscle tension. Can be used heated in the microwave, towel cabbie or clothes drying and can also be chilled in the freezer for the perfect soft chill. Removable, washable covers. 14" circumference.
- Bathrobes, body wraps and gowns, towels, kids' bathrobes
- Biofreeze retail sizes (gel, roll on, spray)
- Circadia's Micro-Exfoliating Honey Cleanser
- Gemstone Massage Items for back bar
- Hempfield Botanicals CBD line top sellers are our Muscle Recovery and our Salve for topical use in massage, pedicures, manicures and spot treatments for pain or inflammation. Our new Soothe and

Fortify Face Oils have also become a top seller allowing spas to offer services for guests in each treatment category.

- Makes Scents Spa Line top selling products continue to be our seasonal Body Immersions. Offering our busy Spa Directors a simple and marketable solution for body treatments. Whether a spa offers Wet or Dry Treatment Room options we have a Body Scrub, Body Wrap and Body Butter to fill your needs! We focus on a Vegan, Certified Cruelty-Free, Natural, Sustainable approach to our line of spa products all manufactured in our cGMP facility to the INCI standards of beauty and cosmetics.
- Medicinal healing balm. Cannabis infused herbal spot treatment used for pain, healing skin trauma, joints and tissue.
- Our Spring Summer - Couleur Caramel Organic makeup collection from Paris.
- Peace & Quiet lavender infused 45mm set. Aromatherapy infused massage ball set includes two lavender infused T Spheres massage balls, 3 ml refresher spray in a portable jute bag with simple how to use instructional pamphlet.
- Perfect Boost Hyaluronic Cream: The exclusive combination of three types of hyaluronic acids, enriched with skin-smoothing peptides, makes the new and 24-h anti-ageing care formula so effective. Until now, cross-linked hyaluronic acids have only been injected into the skin by dermatologists and facial surgeons. But because the acids exhibit the same properties when applied on the skin surface as when injected, ROSA GRAF has developed the new 24-h anti-ageing care formula with the skin-smoothing hyaluronic triple complex.
- Portable Water Dance System
- RAD Roller's most popular product is the RAD Roller— the everywhere massage tool. Made of medical grade silicon, which is ideal for use in tread with guests, as well as a retail product they can take home with them!
- Turnkey marketing program
- UV Filter Scalp & Hair Tonic
- Yomassage Signature Class

Below you will find some spa retail advice/tips offered by ISPA resource members.

- Add products that your massage therapy team can recommend to your guests and bring in live training for them. We have moved into a video learning world but the nature of massage and spa is tactile - therefore learning hands on will serve all.
- Become acquainted with cannabis medicine.
- Bring something in your spa that any one person can run for you where you don't need a licensed technician to run it for you making five figures a month.
- Focus more on the retail aspect of the spa, great potential.
- For massage, have an enhancement menu and specifically one tied to specific massages (i.e. sports, pain relief) and then offer the product used in the treatment as a retail item for extended take home pain relief between treatments. That is what we have done with Biofreeze.



- If technicians love the products they are using in the treatments, offering a retail purchase upon the guest's exit will become a natural progression. When professionals stand behind the products they offer, it becomes a win-win for the team and a spa's profit margins!
- Make an impression! Be funny and interesting and be genuine about the product you're offering!
- Plan your spa services around proven programs and products that generate strong service and retail revenue in order to maximize your per-client sales potential. Quality of retail products you use in cabin and to retail will set you above your competitors.
- Retail regimens should be changed seasonally, and the client should be using an AM/PM regimen based on The Skin's Natural Circadian Rhythms.
- Tell a story. Ensure that you merchandise and display using the full assortment and is visually compelling.
- Try something new and different.
- Use the retail product in the service. Before or during the service, talk about the benefits of the product to the client and how the client can continue to enjoy the benefits by taking the product home with them. Have the product at the checkout desk/counter for the client to purchase.