



SNAPSHOT
SURVEY

Quarterly Performance

RESULTS REPORT | APRIL 2021

QUARTERLY PERFORMANCE

In the first quarter of 2021, a larger percentage of spas saw their year-over-year revenues and profits increase than at any other point during the pandemic. Twenty-nine percent of spas surveyed reported an increase in profits compared to the first quarter of 2020, while 57 percent reported an increase in profits during that period. For the sake of comparison, only 14 percent of spas recorded a year-over-year revenue increase in the fourth quarter of 2020, and less than a third (29 percent) reported increased profits.

These numbers are encouraging, although they do require some important context. Quarterly revenues from the first three months of 2020 are likely to be lower than is typical due to the temporary closures most spas experienced starting last March. At the same time, many spas are still currently operating under pandemic-related restrictions, which may also depress their revenue- and profit-earning potential. It may be that spas operating under restrictions have become more effective at doing so, and others may have recently seen those restrictions reduced, which could also lead to a boost in earnings.

Resource partners also saw slight gains in both revenues and profits compared to the first quarter of last year. Forty-nine percent of resource partner respondents saw an relative increase in revenues, while just over half (54 percent) reported an increase in profits. Snapshot Surveys focused on quarterly performance will be critical to evaluating the recovery efforts throughout the remainder of 2021.

This month's survey also asked respondents whether they had received a request from a guest specifically asking to be paired with a service provider vaccinated against COVID-19, and the results were nearly an even split. Just under half (48 percent) of all spas reported receiving such a request, while 52 percent said they had not. Just eight percent of spas said that they accommodate those requests, while 27 percent reported accommodating them only when possible, and 65 percent said that they did not accommodate the requests.

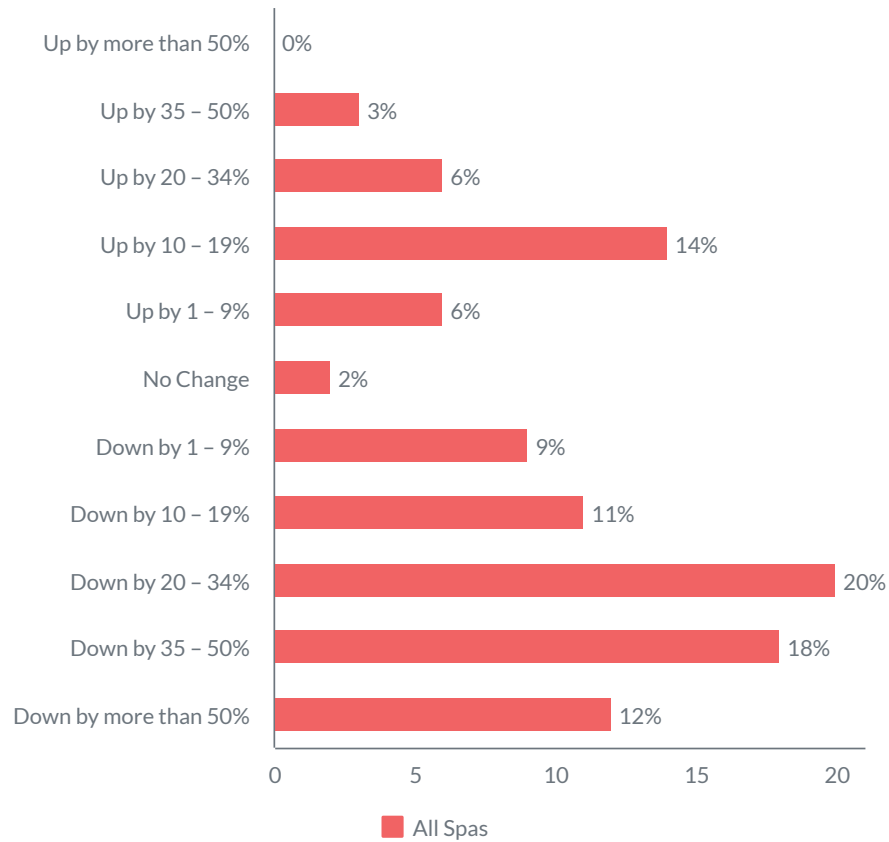
The results analysis of this survey includes answers from all 200 spa industry professionals who completed the January Snapshot Survey in a nine-day period from April 19, 2021 to April 27, 2021.

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What was your gross revenue change for the first quarter of 2021 compared to the first quarter of 2020?

GROSS REVENUE CHANGE



Gross Revenue Change | ALL SPAS

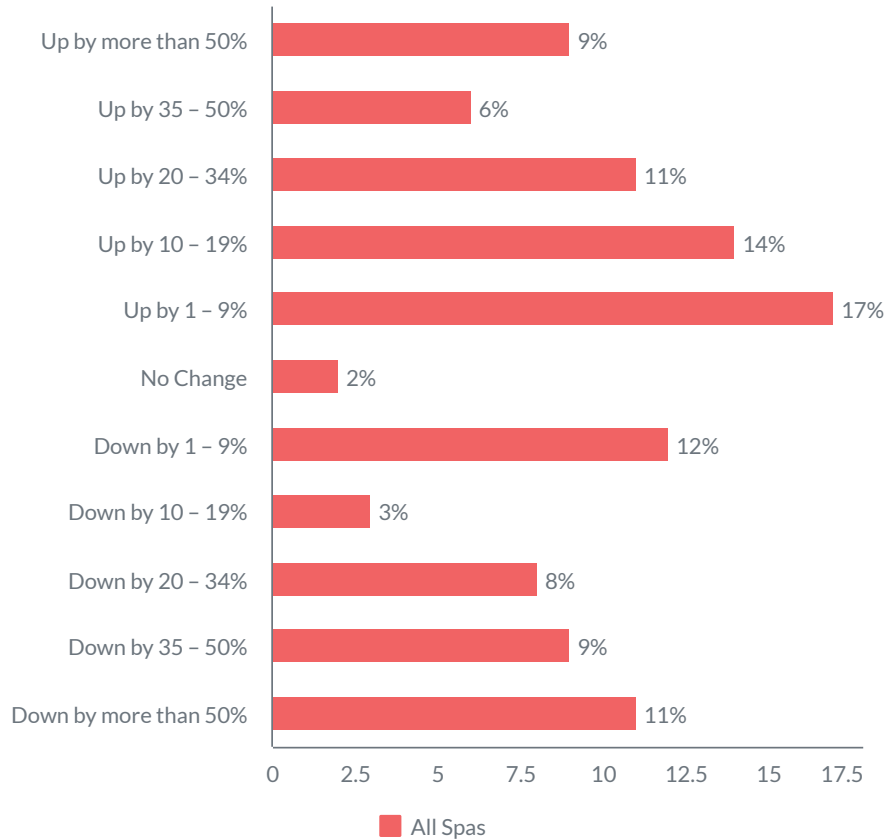
	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Up by more than 50%	1%	3%	2%	2%	2%	N/A*	1%	0%	0%
Up by 20-50%	14%	23%	7%	15%	6%	N/A*	2%	13%	9%
Up by 1-19%	68%	57%	62%	59%	35%	N/A*	11%	6%	20%
No change	4%	4%	2%	6%	3%	N/A*	1%	0%	2%
Down by 1-19%	13%	12%	25%	16%	22%	N/A*	13%	12%	20%
Down by 20-50%	0%	1%	1%	2%	22%	N/A*	46%	43%	38%
Down by more than 50%	0%	0%	1%	0%	11%	N/A*	27%	26%	12%

*Due to the COVID-19 pandemic a quarterly performance survey was not conducted in July 2020.



What was your profit change for the first quarter of 2021 compared to the first quarter of 2020?

PROFIT CHANGE



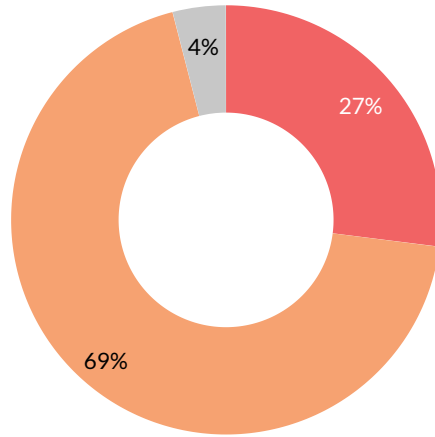
Profit Change | ALL SPAS

	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Up by more than 50%	4%	3%	5%	5%	5%	N/A*	1%	2%	9%
Up by 20-50%	12%	14%	9%	15%	15%	N/A*	2%	8%	17%
Up by 1-19%	56%	56%	49%	54%	54%	N/A*	14%	19%	31%
No change	12%	14%	13%	7%	7%	N/A*	10%	2%	2%
Down by 1-19%	14%	13%	21%	20%	20%	N/A*	26%	25%	15%
Down by 20-50%	3%	1%	3%	4%	4%	N/A*	29%	21%	17%
Down by more than 50%	0%	0%	0%	0%	0%	N/A*	19%	24%	11%

*Due to the COVID-19 pandemic a quarterly performance survey was not conducted in July 2020.



How did your number of spa visits change for the first quarter of 2021 compared to the first quarter of 2020?



■ Spa visits were up (27%)
 ■ Spa visits were down (69%)
 ■ No change (4%)

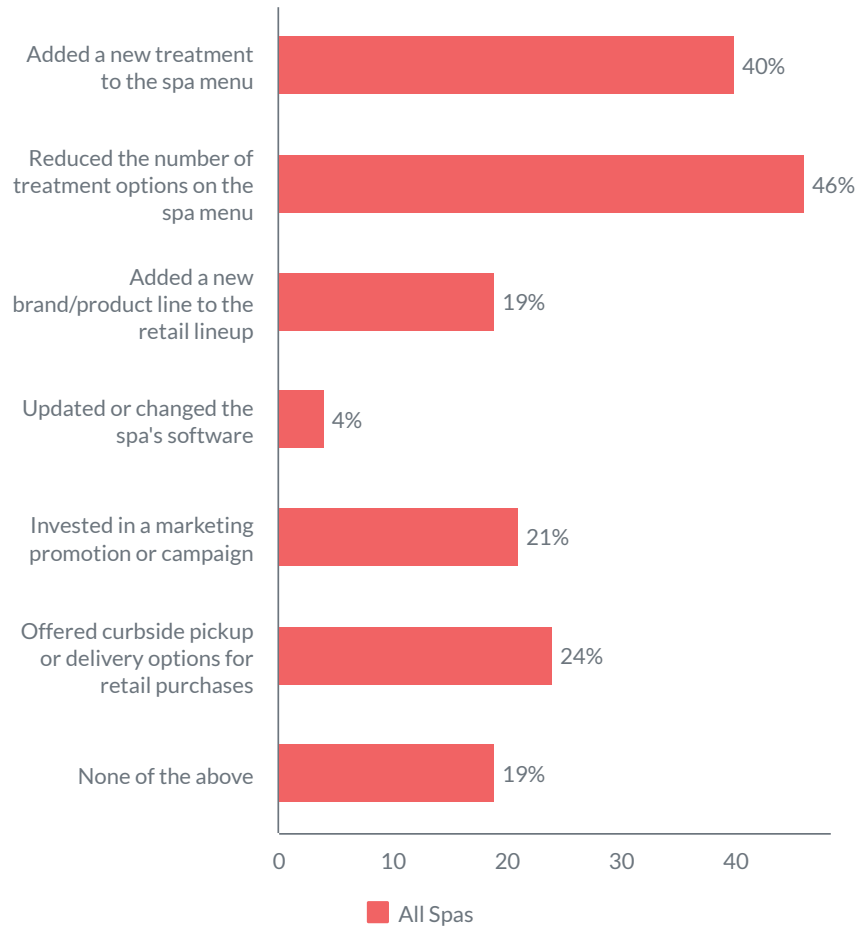
Change in Spa Visits | ALL SPAS

	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Spa visits were up	69%	65%	56%	70%	43%	N/A*	12%	15%	27%
Spa visits were down	24%	25%	34%	21%	50%	N/A*	85%	81%	69%
No change	7%	10%	10%	9%	7%	N/A*	3%	4%	4%

**Due to the COVID-19 pandemic a quarterly performance survey was not conducted in July 2020.*



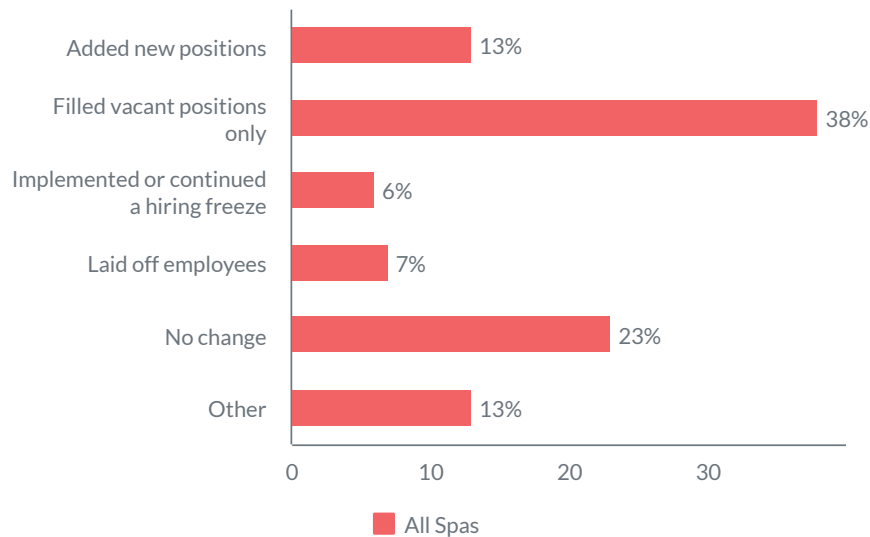
Which of the following, if any, did your spa do during the first quarter? Select all that apply.





Which of the following best describes your workforce changes for the first quarter of 2021?

WORKFORCE CHANGES



Workforce Changes | ALL SPAS

	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Added new positions	26%	35%	17%	23%	N/A*	N/A*	11%	10%	13%
Filled vacant positions only	54%	32%	50%	46%	N/A*	N/A*	34%	32%	38%
Implemented a hiring freeze	2%	3%	7%	2%	N/A*	N/A*	13%	9%	6%
Laid off employees	0%	3%	1%	1%	N/A*	N/A*	19%	15%	7%
No change	14%	18%	22%	24%	N/A*	N/A*	12%	22%	23%
Other	4%	9%	3%	4%	N/A*	N/A*	12%	12%	13%

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Q Which of the following best describes your workforce changes for the first quarter of 2021?

- Still closed due to Covid
- Limited capacity due to covid
- Trying to fill open positions
- As revenue grew we began to slowly bring back team month over month
- We were not open and are still not open.
- Trying to find additional employees
- We cannot fill vacant spots. Started and out of town lodging program but still cannot sign therapists.
- Was short therapists staff
- Employees have quit

Q Using the following scale, please rate the difficulty level of finding qualified service providers in comparison to the difficulty level prior to the pandemic. (Please skip any position types that are not applicable to your business.)

DIFFICULTY OF FINDING QUALIFIED SERVICE PROVIDERS

	1 = SIGNIFICANTLY EASIER	2 = EASIER	3 = NO CHANGE	4 = MORE DIFFICULT	5 = SIGNIFICANTLY MORE DIFFICULT
Massage Therapist	3%	5%	25%	30%	37%
Nail Technician	0%	2%	43%	34%	21%
Esthetician	0%	7%	47%	27%	18%



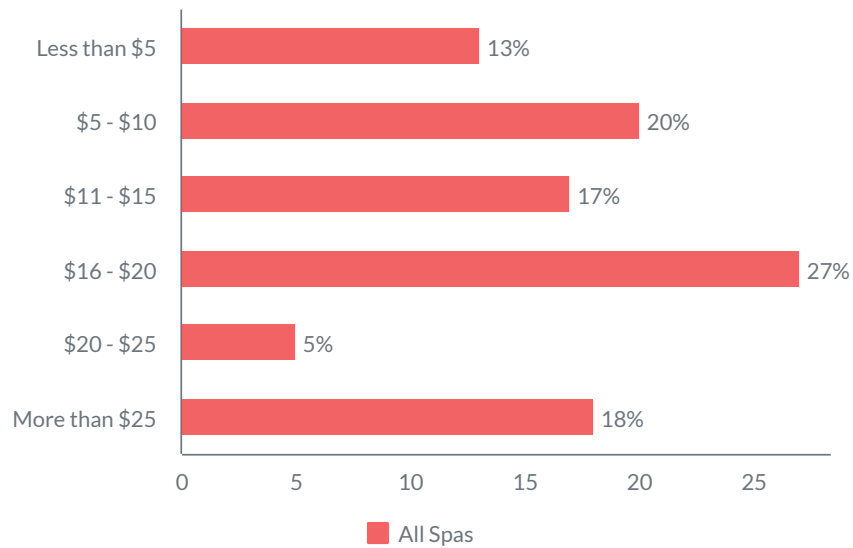
Please describe any NEW efforts your company has implemented this year to help attract qualified candidates for its job openings.

- Updated our ads on LinkedIn. Connected with local colleges for recruitment and to attend job fairs.
- Finders fee for staff referrals that stick 90 days. Sign on bonus.
- Actively seeking therapists through referrals
- Spa still closed due to covid
- Part time team members received some of our full time benefits including the Ski pass in the winter and wages were adjusted for some positions
- \$200 travel stipend for commuters to attract applicants from Anchorage (35 miles away)
- online job fair, direct fb marketing, going to schools. Have also been working with the Urban league, minority chambers of commerce. Really reaching out to community leaders to get their support in finding staff.
- We are just having trouble finding qualified candidates. Especially Nail Techs. Paying more in salary than we would have liked to.
- Employee referral incentive program ... \$500 bonus after 90 days of hire and another \$500 after one year.
- Now posting on FB, never had to do this before.
- Started hiring back limited # of former employees.
- We are looking to finance qualified therapists from Puerto Rico, we are visiting other spas to try to recruit, we have tried partnership programs with other spas, we implemented a hiring bonus, we implemented a referral bonus
- Hiring has been difficult as many schools are not offering in-person job fairs to get our name out there. Many service providers do not want to go off unemployment and return to work or have decided to pursue different industries entirely.
- Signing bonuses
- Virtual job fairs
- Lots of Promos via email/ social media, website



What was your spa's average retail revenue per treatment for the first quarter of 2021?

AVERAGE RETAIL REVENUE PER TREATMENT



Average Retail Revenue Per Treatment | ALL SPAS

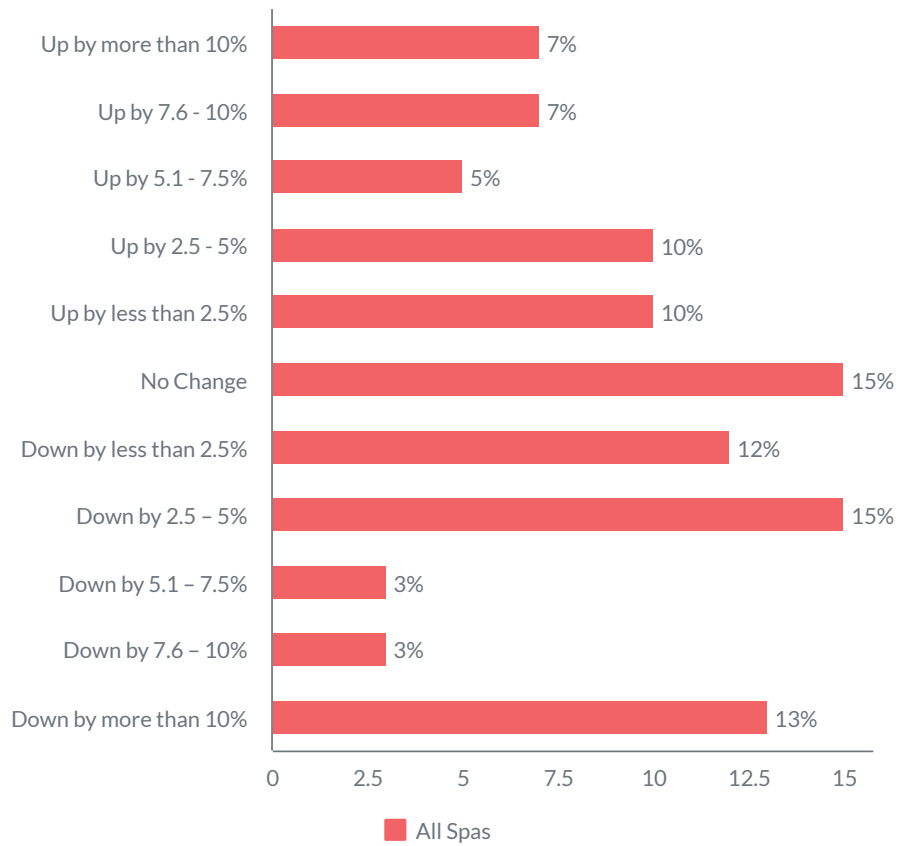
	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Less than \$5	9%	11%	13%	12%	9%	N/A*	10%	13%	13%
\$5 - \$10	22%	30%	26%	20%	21%	N/A*	18%	15%	20%
\$11 - \$15	24%	19%	21%	27%	24%	N/A*	16%	23%	17%
\$16 - \$20	16%	14%	17%	16%	14%	N/A*	22%	16%	27%
\$20 - 25	13%	10%	9%	14%	17%	N/A*	23%	16%	5%
More than \$25	16%	16%	14%	12%	15%	N/A*	10%	16%	18%

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What was your spa's change in retail revenue per treatment for the first quarter of 2021 compared to the first quarter of 2020?

CHANGE IN RETAIL REVENUE PER TREATMENT

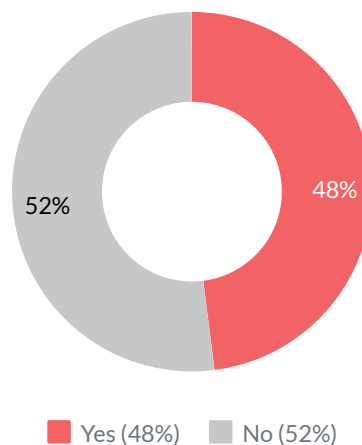


Change in Retail Revenue Per Treatment | **ALL SPAS**

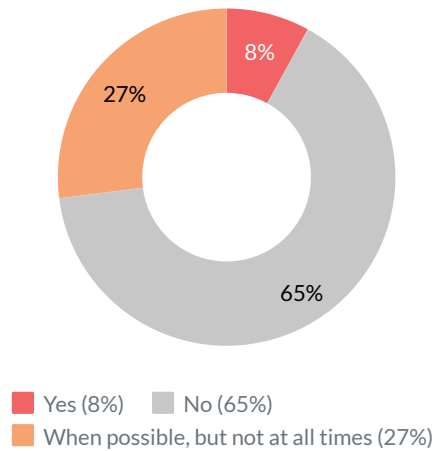
	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Up by more than 10%	13%	7%	8%	8%	5%	N/A*	3%	8%	7%
Up by 7.6 - 10%	9%	3%	7%	2%	3%	N/A*	3%	3%	7%
Up by 5.1 - 7.5%	6%	15%	6%	7%	4%	N/A*	3%	3%	5%
Up by 2.5 - 5%	16%	11%	19%	19%	18%	N/A*	9%	3%	10%
Up by less than 2.5%	13%	19%	13%	28%	12%	N/A*	11%	8%	10%
No Change	26%	28%	24%	18%	19%	N/A*	18%	18%	15%
Down by less than 2.5%	9%	6%	14%	10%	9%	N/A*	7%	3%	12%
Down by 2.5 - 5%	5%	7%	6%	3%	10%	N/A*	7%	11%	15%
Down by 5.1 - 7.5%	1%	1%	0%	2%	7%	N/A*	8%	7%	3%
Down by 7.6 - 10%	0%	0%	1%	0%	2%	N/A*	8%	8%	3%
Down by more than 10%	2%	3%	2%	3%	10%	N/A*	21%	26%	13%

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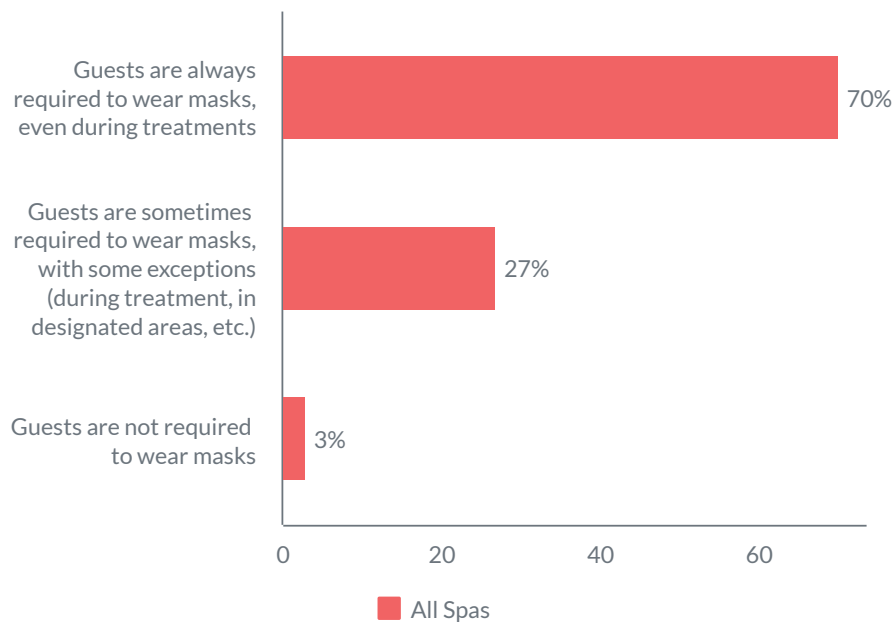
Q Has your spa received a request from a guest specifically asking to be paired with a service provider vaccinated against COVID-19?



Q Does your spa accommodate guest requests when they ask to be paired with a service provider who has been vaccinated against COVID-19?

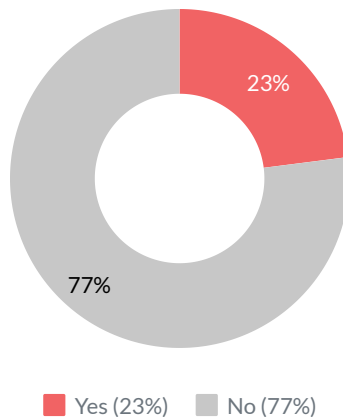


Q Which of the following best describes your spa’s current GUEST mask/facial covering policy for indoor facilities?





Does your spa participate in a guest loyalty or rewards program?



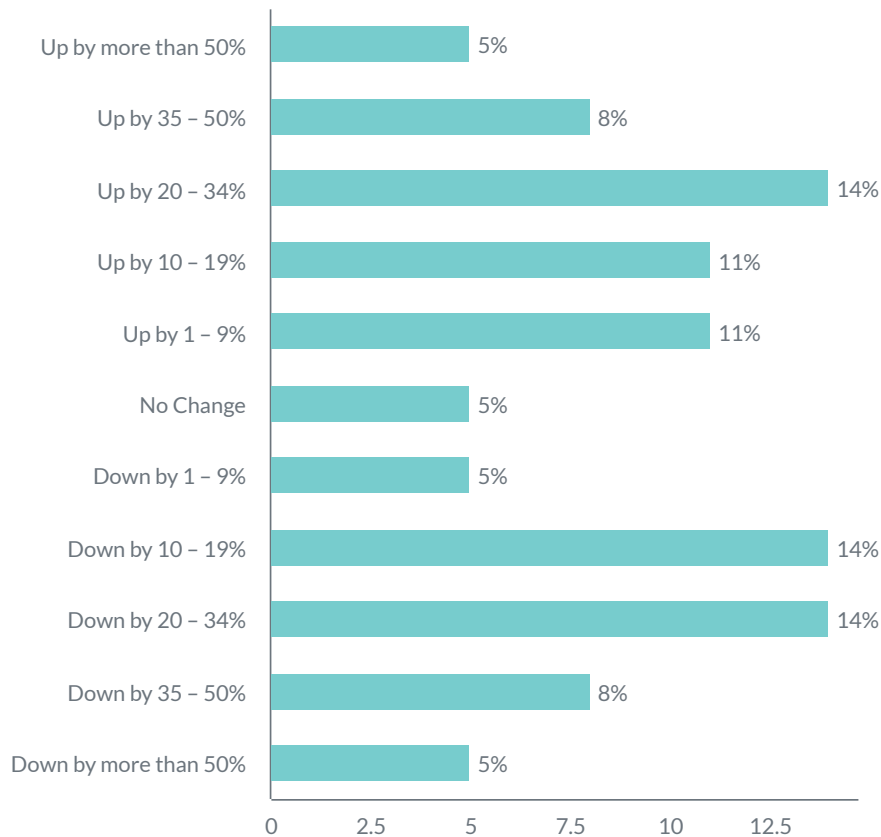
What benefits do your spa's guests receive from your guest loyalty/rewards program?

- By accumulating points for their appointments they will be able to use points for retail products or services.
- Discounts on services, retail, special products, private events
- Discounts on treatments and services
- 20% product sales, and one free upgrade per month for a service.
- Cash rewards based on accumulation of points
- Additional hotel membership points which equates to dollars
- Get 1% back for every dollar spent.
- Earn - \$1 spent = 10 points; redeem - 1000 points = \$1
- We have a Chocolate Spa Club membership program with 900 members. Details can be located on our website: www.chocolatespa.com
- Welcome gift, assigned locker, loyalty points, special offers



What was your gross revenue change for the first quarter of 2021 compared to the first quarter of 2020?

GROSS REVENUE CHANGE



Gross Revenue Change | **RESOURCE PARTNERS**

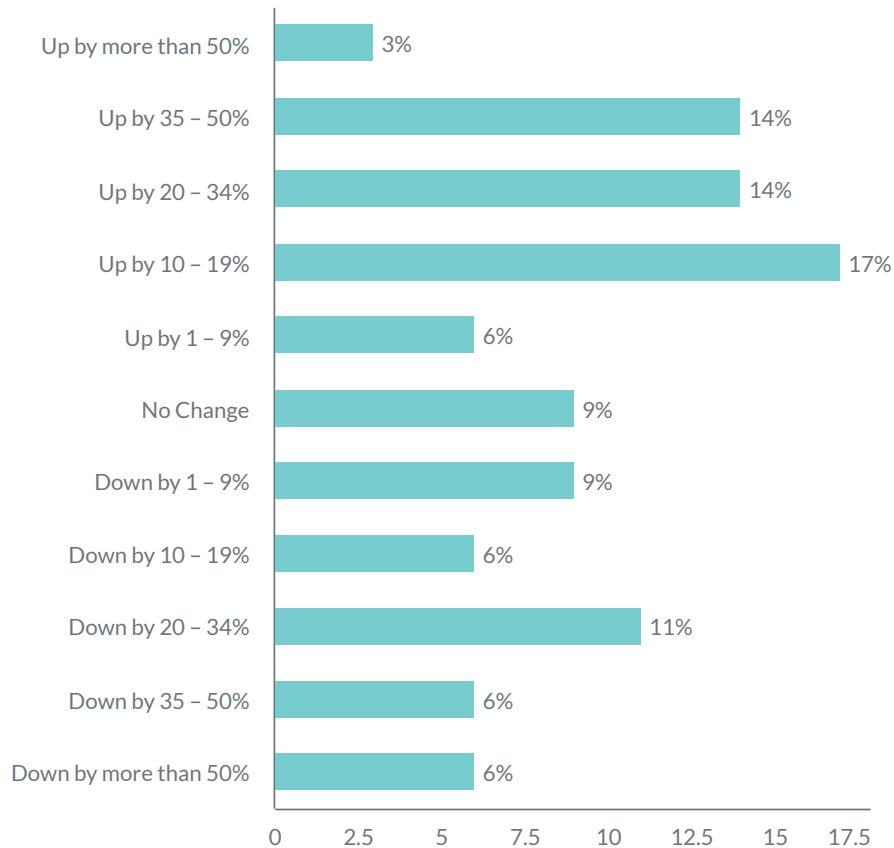
	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Up by more than 50%	6%	4%	9%	6%	2%	N/A*	0%	8%	5%
Up by 20-50%	22%	18%	22%	14%	16%	N/A*	7%	14%	22%
Up by 1-19%	28%	52%	35%	14%	29%	N/A*	6%	17%	22%
No change	22%	22%	22%	22%	7%	N/A*	10%	11%	5%
Down by 1-19%	17%	4%	9%	12%	13%	N/A*	17%	25%	19%
Down by 20-50%	6%	0%	3%	14%	19%	N/A*	20%	14%	22%
Down by more than 50%	0%	0%	0%	6%	15%	N/A*	40%	14%	5%

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What was your profit change for the first quarter of 2021 compared to the first quarter of 2020?

PROFIT CHANGE



Profit Change | **RESOURCE PARTNERS**

	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Up by more than 50%	6%	0%	9%	4%	0%	N/A*	0%	3%	3%
Up by 20-50%	17%	8%	16%	6%	10%	N/A*	3%	0%	28%
Up by 1-19%	6%	52%	32%	10%	30%	N/A*	10%	39%	23%
No change	44%	30%	28%	20%	13%	N/A*	10%	9%	9%
Down by 1-19%	11%	4%	15%	18%	25%	N/A*	17%	15%	15%
Down by 20-50%	17%	0%	0%	27%	13%	N/A*	20%	24%	17%
Down by more than 50%	0%	4%	0%	4%	9%	N/A*	38%	12%	6%

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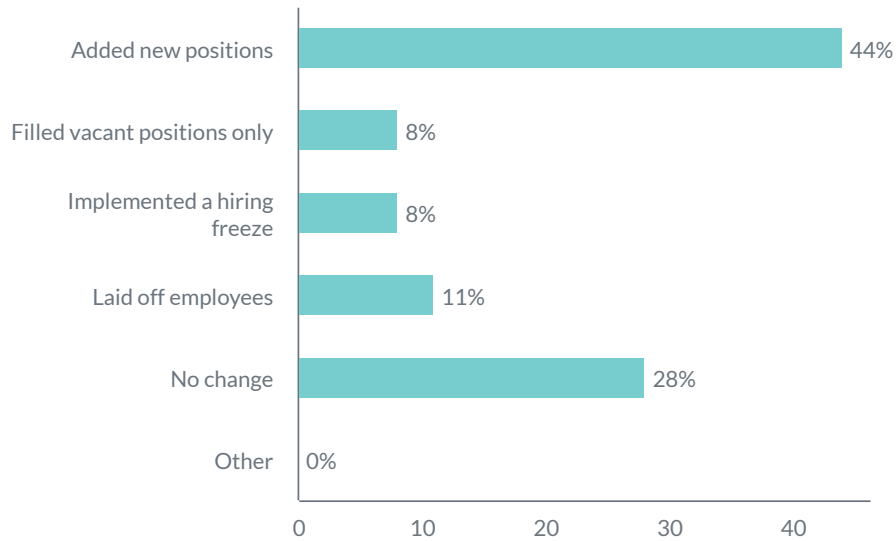
Please describe the new product(s) and or service(s) your company launched during the first quarter.

- VB Cosmetics, Inc./Dazzle Dry launched the first of three display racks scheduled for 2021 - Dazzle Dry's Retail Display Rack attractively presents retail-friendly nail care products to spa clients and will easily contribute to the spa's bottom line.
- Customer Service Sales Training for Hotel and Spa partners
- We launched the Knesko 360 Portal where spa directors, managers, and staff can view our online training, place orders, access images, and hear about new products. Additionally, spa staff that sign up get access to a 40% discount on our retail products
- We/Majestic International launched a New line of Eco Friendly Earthright towels. A sample hand towel was included in your last Reveal BOX in Feb/March.
- Natura Bisse just launched Diamond Well Living, a beautiful body line, Vegan friendly, with wellness and sustainability at its core.
- Natura Bisse Inhibit Eye Lift
- OctoVie Skincare Brush Collection
 - Bath Body + Facial Cleansing
 - <https://www.octovieskinbrush.com/shop/index.html>
 - <https://smart.bio/octovie/>
- Shankara
 - <https://www.shankara.com/collections/timeless-collection>
- Swissline dy Dermalab
 - Pure Collagen Film (professional product)
 - Peace Booster 5% Niacinamide
 - Make-Peace Hand Balm
- We introduced a new dual-sided Pedi-scrub.
 - supracor.com/store/show/148
- Technogym - Stream Mywellness 5.0 launch to support spa and fitness experiences outside the facility and drive personal connections to consumers at home. Technogym Bench a consumer fitness all in one product for in fitness area training, in room solutions, at home solution and outdoors. Home revolution partnership program to drive facility based programs and sales to home consumers and drive brand connections and support operations revenues.
- Telli-Everything for Salon & Spa is excited to announce the launch of our new fully integrated website. Go to www.Telliind.com to login and see your unique pricing and order history.
- We recently rebranded our distribution company to Living Beauty Inc : www.livingbeautyinc.com



Which of the following best describes your workforce changes for the first quarter of 2021?

WORKFORCE CHANGES



Workforce Changes | **RESOURCE PARTNERS**

	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021
Added new positions	33%	30%	39%	42%	N/A*	N/A*	32%	27%	44%
Filled vacant positions only	11%	4%	3%	10%	N/A*	N/A*	3%	11%	8%
Implemented a hiring freeze	0%	0%	0%	6%	N/A*	N/A*	10%	16%	8%
Laid off employees	6%	0%	7%	4%	N/A*	N/A*	13%	5%	11%
No change	50%	60%	48%	37%	N/A*	N/A*	42%	41%	28%
Other	0%	4%	3%	0%	N/A*	N/A*	0%	0%	0%

*Due to the COVID-19 pandemic a quarterly performance survey was not conducted in April or July 2020.

Q Please describe any **NEW** efforts your company has implemented this year to help attract qualified candidates for its job openings.

- Increased the starting pay.
- I added a marketing manager and started running Facebook and Instagram ads.
- Nothing new.
- Lots of hiring
- Hired in-house recruiter

Q What percent increase or decrease did you see in your number of new accounts, repeat clients, account closures and international accounts for the first quarter of 2021 compared to the first quarter of 2020? Please skip this question if it is not applicable.

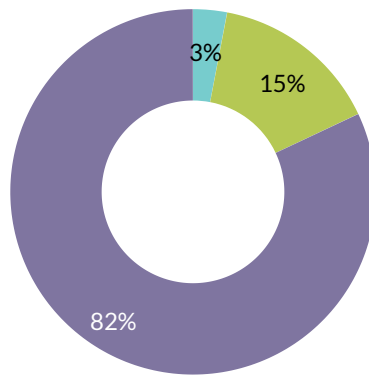
ACCOUNT CHANGES

	UP MORE THAN 15%	UP 1 - 15%	NO CHANGE	DOWN 1 - 15%	DOWN MORE THAN 15%
NUMBER OF NEW ACCOUNTS	26%	50%	15%	6%	3%
NUMBER OF REPEAT CLIENTS	10%	30%	37%	20%	3%
NUMBER OF ACCOUNT CLOSURES	0%	13%	67%	20%	0%
NUMBER OF INTERNATIONAL ACCOUNTS	4%	39%	54%	4%	0%



How does your company plan on conducting training for spa partners for the remainder of 2021?

SPA PARTNER TRAINING PLANS



- In person (3%)
- Virtually (15%)
- A combination of in person and virtual (82%)