



SNAPSHOT SURVEY

RESULTS REPORT | JULY 2021

Quarterly Performance

QUARTERLY PERFORMANCE

The July 2021 ISPA Snapshot Survey asked respondents to share details about their spa or company's second quarter performance compared to the second quarter of 2020. Because of the high number of spas that were closed for part or all of that period last year, the figures for this survey reveal significant increases in revenues, profits and spa visits overall. As ISPA conducts further quarterly performance surveys this year and into 2022, a clearer picture of spas' recovery from the pandemic may emerge.

More than half of spas surveyed (53 percent) reported an increase in second quarter revenue of more than 50 percent, and 86 percent of all spas indicated at least some increase. Spa profits improved in a similar fashion, with 84 percent of respondents seeing a year-over-year increase in the second quarter. More than four in ten saw profit increases of at least 50 percent. Unsurprisingly, spa visits were up at nearly nine in ten spas (89 percent). Though these high figures are largely the result of comparison to a period when many spas were closed, they also serve as a welcome indicator that a combination of high demand and loosened pandemic-related restrictions are leading to a meaningful rebound for the industry.

Hiring, however, continues to be a challenge across the industry. More than four-fifths of spas (82 percent) noted that it was more difficult or significantly more difficult to finding qualified massage therapists to fill open position than it was prior to the pandemic. Around two-thirds (67 percent) said the same about nail technicians, and 48 percent reported that estheticians were more or significantly more difficult to find. Those difficulties persist in spite of the signing bonuses, referral bonuses and increased pay rates that some respondents reported offering in an attempt to attract candidates.

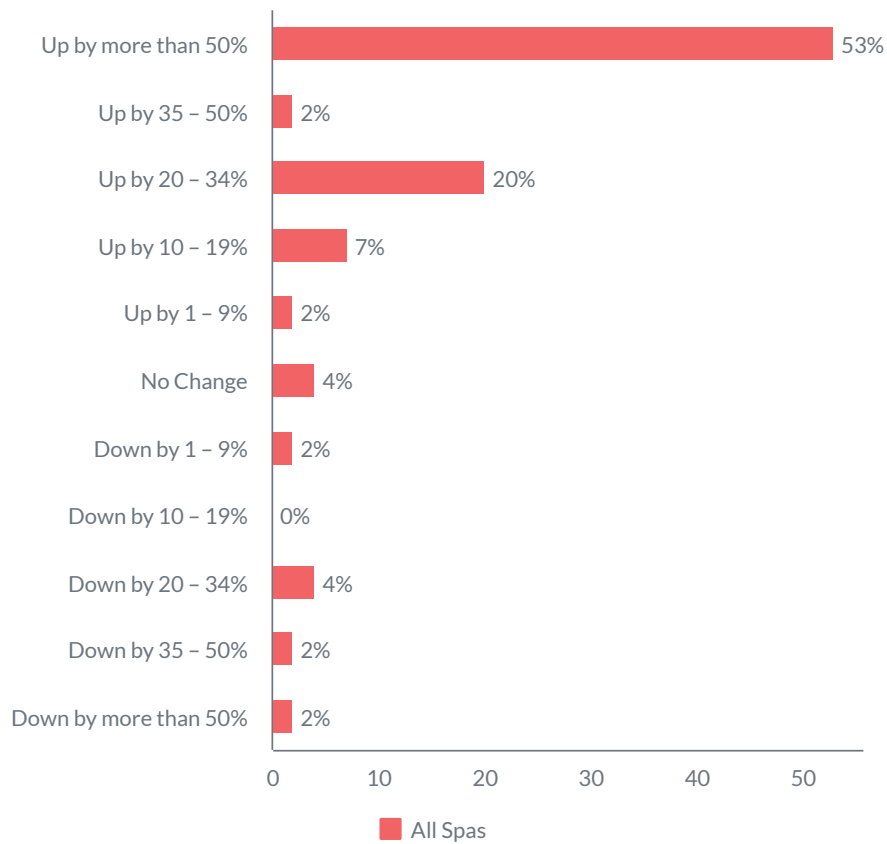
The results analysis of this survey includes answers from all 160 spa industry professionals who completed the July Snapshot Survey in a nine-day period from July 19, 2021 to July 27, 2021

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

GROSS REVENUE CHANGE



Gross Revenue Change | ALL SPAS

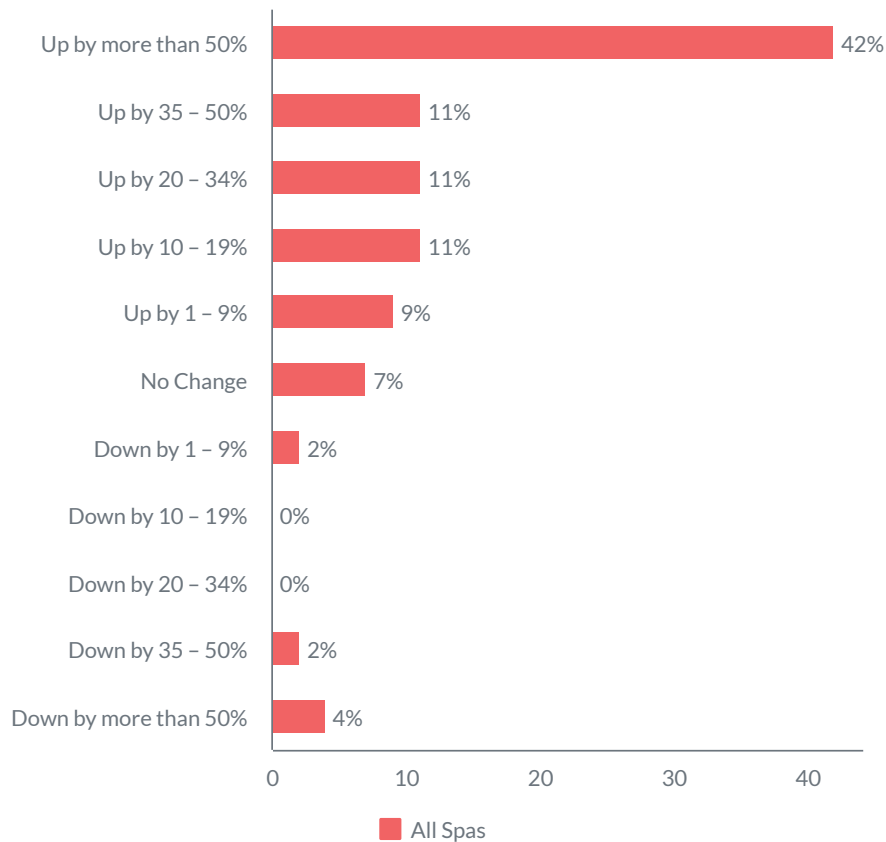
	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Up by more than 50%	3%	2%	2%	2%	N/A*	1%	0%	0%	53%
Up by 20-50%	23%	7%	15%	6%	N/A*	2%	13%	9%	22%
Up by 1-19%	57%	62%	59%	35%	N/A*	11%	6%	20%	9%
No change	4%	2%	6%	3%	N/A*	1%	0%	2%	4%
Down by 1-19%	12%	25%	16%	22%	N/A*	13%	12%	20%	2%
Down by 20-50%	1%	1%	2%	22%	N/A*	46%	43%	38%	6%
Down by more than 50%	0%	1%	0%	11%	N/A*	27%	26%	12%	2%

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



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

PROFIT CHANGE



Profit Change | ALL SPAS

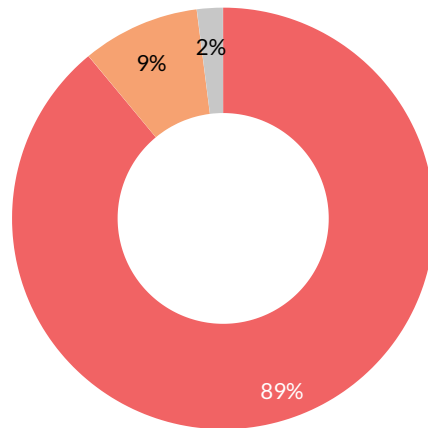
	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Up by more than 50%	3%	5%	5%	5%	N/A*	1%	2%	9%	42%
Up by 20-50%	14%	9%	15%	15%	N/A*	2%	8%	17%	22%
Up by 1-19%	56%	49%	54%	54%	N/A*	14%	19%	31%	20%
No change	14%	13%	7%	7%	N/A*	10%	2%	2%	7%
Down by 1-19%	13%	21%	20%	20%	N/A*	26%	25%	15%	2%
Down by 20-50%	1%	3%	4%	4%	N/A*	29%	21%	17%	2%
Down by more than 50%	0%	0%	0%	0%	N/A*	19%	24%	11%	4%

**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 second quarter of 2021 compared to the second quarter of 2020?

CHANGE IN SPA VISITS



■ Spa visits were up (89%)
 ■ Spa visits were down (9%)
 ■ No change (2%)

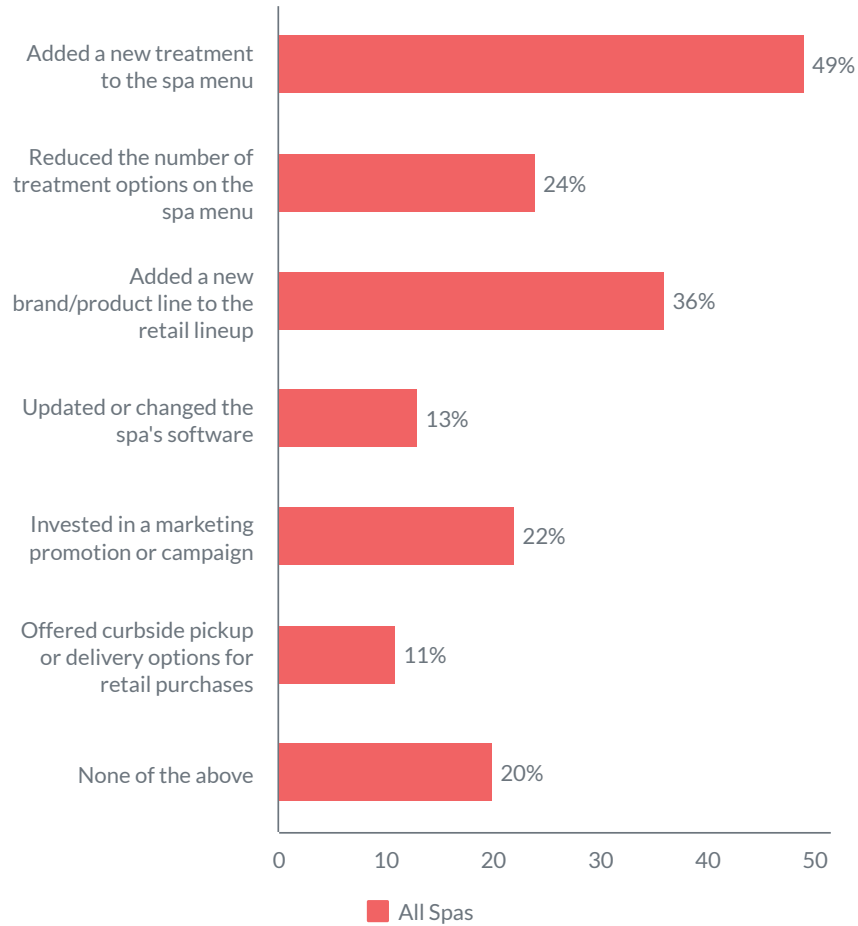
Change in Spa Visits | ALL SPAS

	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Spa visits were up	65%	56%	70%	43%	N/A*	12%	15%	27%	89%
Spa visits were down	25%	34%	21%	50%	N/A*	85%	81%	69%	9%
No change	10%	10%	9%	7%	N/A*	3%	4%	4%	2%

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



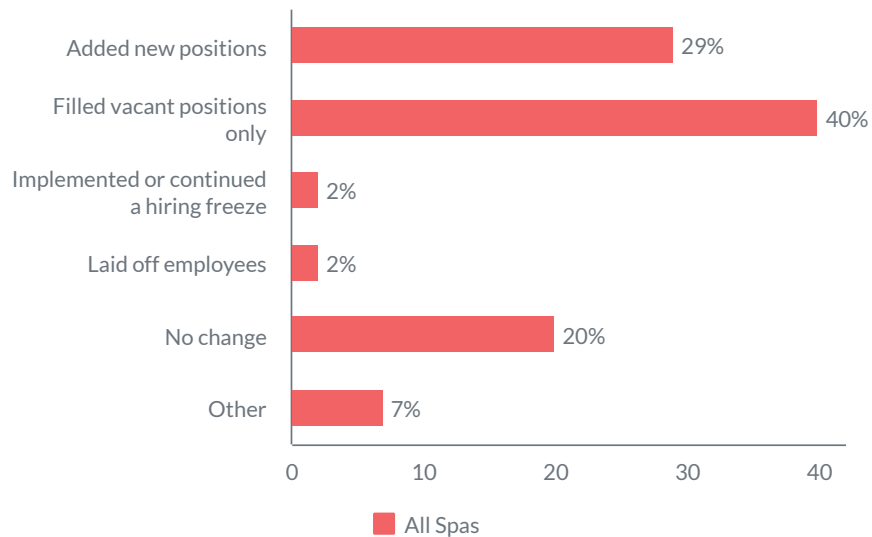
*Which of the following, if any, did your spa do during the second quarter of 2021?
Select all that apply.*





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

WORKFORCE CHANGES



Workforce Changes | ALL SPAS

	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Added new positions	35%	17%	23%	N/A*	N/A*	11%	10%	13%	29%
Filled vacant positions only	32%	50%	46%	N/A*	N/A*	34%	32%	38%	40%
Implemented a hiring freeze	3%	7%	2%	N/A*	N/A*	13%	9%	6%	2%
Laid off employees	3%	1%	1%	N/A*	N/A*	19%	15%	7%	2%
No change	18%	22%	24%	N/A*	N/A*	12%	22%	23%	20%
Other	9%	3%	4%	N/A*	N/A*	12%	12%	13%	7%

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



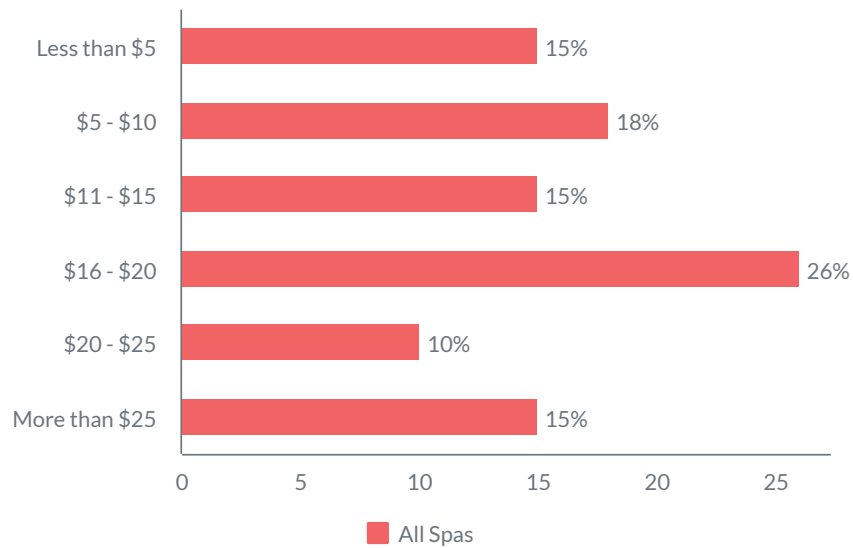
Please describe any NEW efforts your company has implemented this year to help attract qualified candidates for its job openings.

- Filled vacant positions as best as possible. Massage therapists are very hard to get, most spas offering \$2,000+ sign on bonuses and other perks. Hard to compete on hiring with larger spas.
- It's hard to find talent. Spa director attended a meet and greet at local massage and esthetics college.
- Signing bonuses, increased pay, added combination hourly plus commission, flexible schedules
- We are offering a \$100 signing bonus and upping the referral bonus. We have given August 1 as the deadline for returning or refusing our offer of work.
- Signing bonus for F&B positions.
- \$3,000 hiring bonus (didn't help).
- Offered \$1,000 to current employees if they brought someone in to work
- Focus on safety messaging, continuing education opportunities, and self care
- Signing bonus, flexible scheduling
- Compared to Q2 of 2020, since we were not open in Q2 of 2020, the positive difference in business is significant.
- Referral bonus
- Hiring bonus
- This has been the toughest problem. Attracting providers was not difficult. Attracting qualified hourly candidates was/is the issue.
- Increased hourly wages for coordinators and attendants, added a hiring bonus payable over their first 90 days.
- Working with schools and publicizing our openings.
- Increased pay and increased % of PT/OC to FT positions.
- Incentives to join team \$500 up front and \$500 after 6 months
- Visit massage schools
- offered packages including spa treatments with their stay at the resort



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

AVERAGE RETAIL REVENUE PER TREATMENT



Average Retail Revenue Per Treatment | ALL SPAS

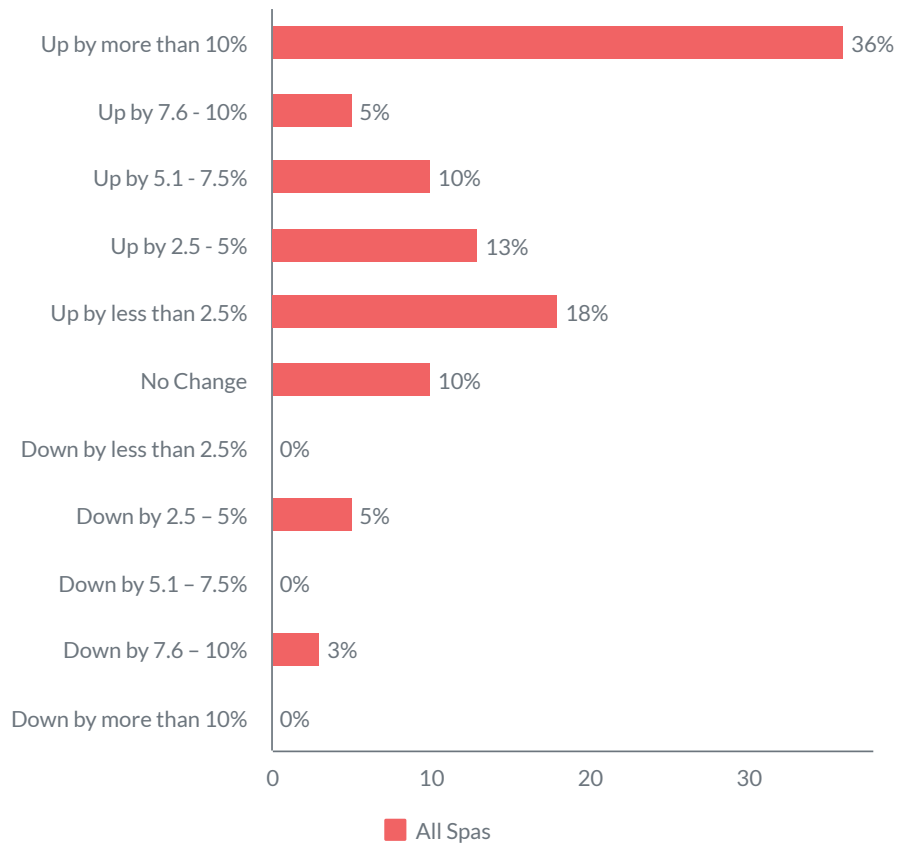
	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Less than \$5	11%	13%	12%	9%	N/A*	10%	13%	13%	15%
\$5 - \$10	30%	26%	20%	21%	N/A*	18%	15%	20%	18%
\$11 - \$15	19%	21%	27%	24%	N/A*	16%	23%	17%	15%
\$16 - \$20	14%	17%	16%	14%	N/A*	22%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

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

CHANGE IN RETAIL REVENUE PER TREATMENT



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

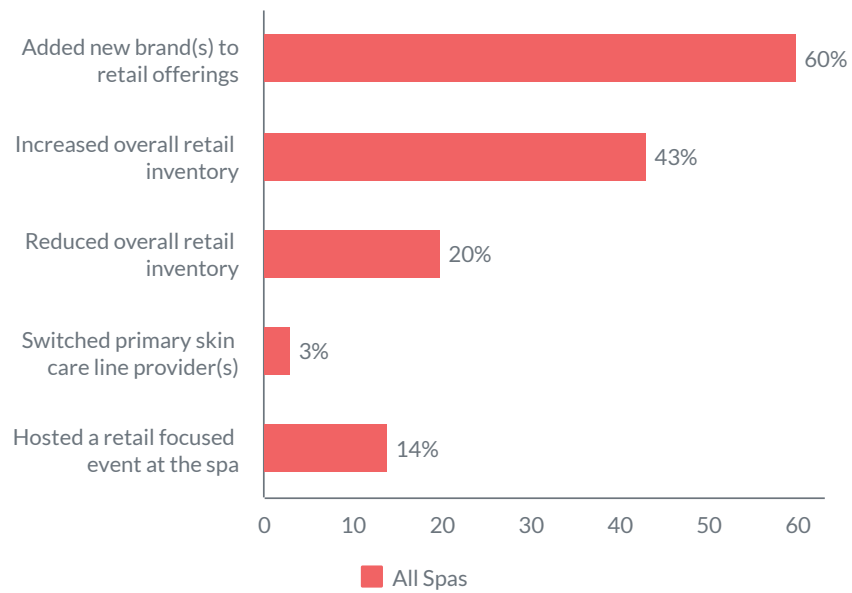
	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Up by more than 10%	7%	8%	8%	5%	N/A*	3%	8%	7%	36%
Up by 7.6 - 10%	3%	7%	2%	3%	N/A*	3%	3%	7%	5%
Up by 5.1 - 7.5%	15%	6%	7%	4%	N/A*	3%	3%	5%	10%
Up by 2.5 - 5%	11%	19%	19%	18%	N/A*	9%	3%	10%	13%
Up by less than 2.5%	19%	13%	28%	12%	N/A*	11%	8%	10%	18%
No Change	28%	24%	18%	19%	N/A*	18%	18%	15%	10%
Down by less than 2.5%	6%	14%	10%	9%	N/A*	7%	3%	12%	0%
Down by 2.5 - 5%	7%	6%	3%	10%	N/A*	7%	11%	15%	5%
Down by 5.1 - 7.5%	1%	0%	2%	7%	N/A*	8%	7%	3%	0%
Down by 7.6 - 10%	0%	1%	0%	2%	N/A*	8%	8%	3%	3%
Down by more than 10%	3%	2%	3%	10%	N/A*	21%	26%	13%	0%

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



Which of the following, if any, retail efforts has your spa implemented during the second quarter of 2021? Select all that apply.

RETAIL EFFORTS IMPLEMENTED



Q *If your spa has a retail brand partner that has provided exceptional customer service during the second quarter, please share the name of the brand and details below.*

- Eminence
- Skin authority!!! Such an amazing partner for us.
- Eminence Organics continues to be the superstar of all time!
- Valmont
- Lola’s apothecary
- Elemis
- Theragun. The reps for theragun have been great with giving us resources for training and marketing tools. we are very excited to sell theraguns for retail and have done extremely well for us. we will be implementing new services with Therabody Products and Theragun as we prepare for our busy Season.
- Comfort zone, EmerginC, Kybun, Anatomie,
- Babor USA

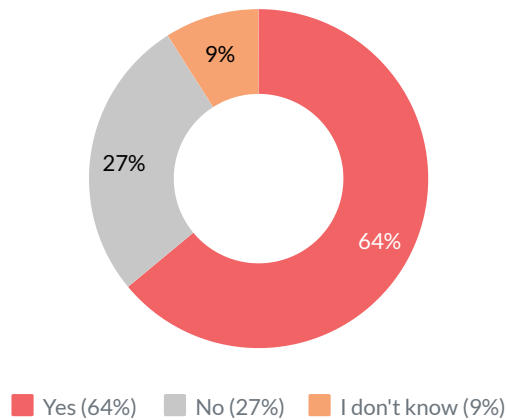
Q *Using the following scale, please rate the difficulty level of filling qualified service provider positions in comparison to the difficulty level prior to the pandemic. Please skip any position types that are not applicable to your business.*

DIFFICULTY LEVEL OF FILLING QUALIFIED SERVICE PROVIDER POSITIONS

	1 = SIGNIFICANTLY EASIER	2 = EASIER	3 = NO CHANGE	4 = MORE DIFFICULT	5 = SIGNIFICANTLY MORE DIFFICULT
Massage Therapist	0%	11%	7%	29%	53%
Nail Technician	0%	6%	28%	28%	39%
Esthetician	2%	14%	36%	23%	25%

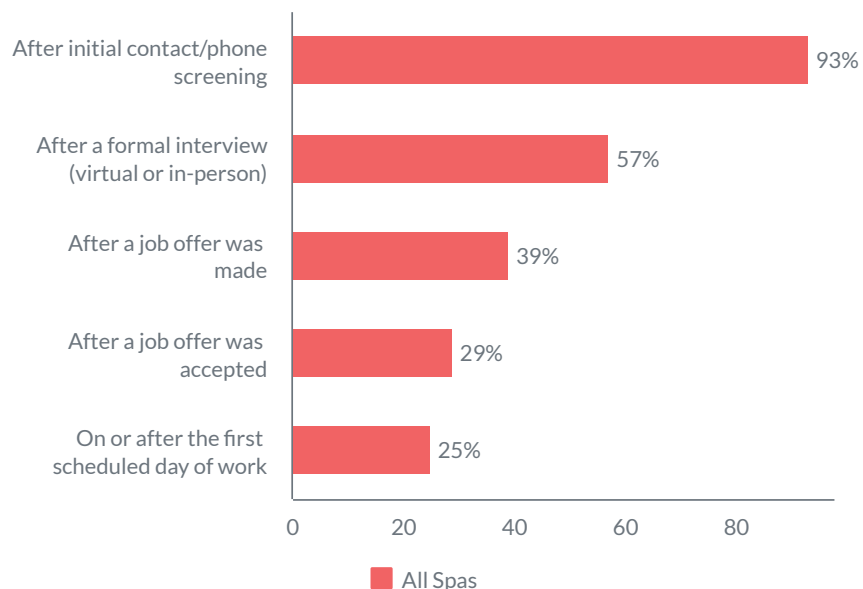
Q *Has your spa been “ghosted” by a candidate during the recruiting process at any point in 2021? (Ghosting refers to the practice of suddenly ceasing all communications between a candidate and a potential employer at any point in the recruiting process, including after they have accepted a job offer.)*

“GHOSTED” BY CANDIDATE DURING RECRUITING PROCESS



Q *At what point in the recruitment process have candidates “ghosted” your spa? Please select ALL that apply.*

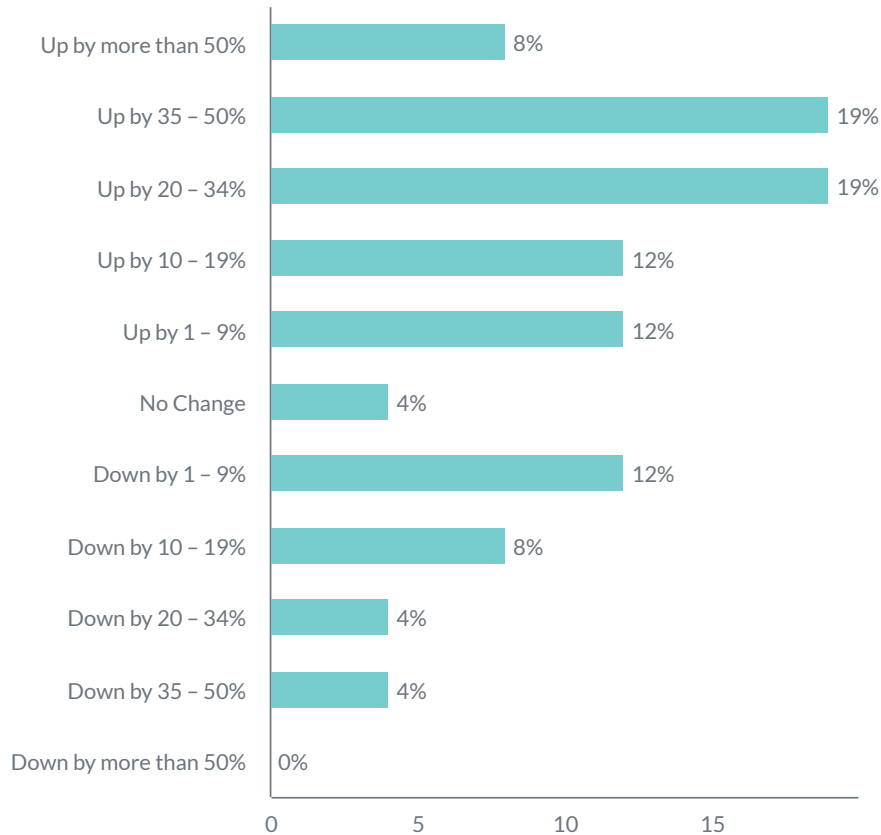
WHEN CANDIDATES “GHOSTED” SPA





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

GROSS REVENUE CHANGE



Gross Revenue Change | RESOURCE PARTNERS

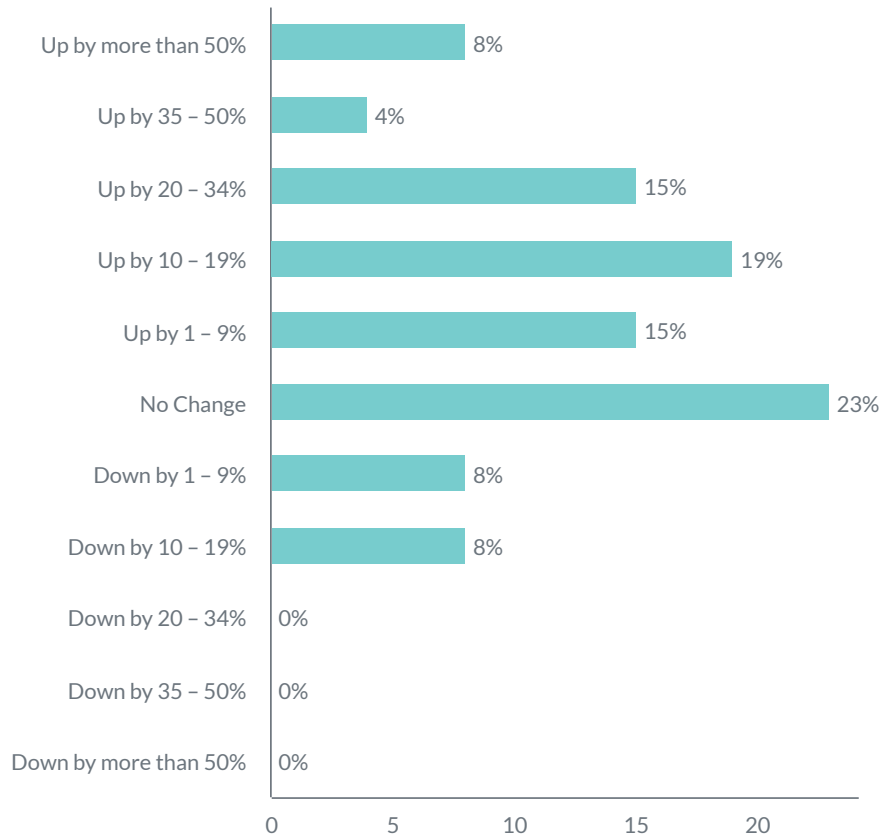
	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Up by more than 50%	4%	9%	6%	2%	N/A*	0%	8%	5%	8%
Up by 20-50%	18%	22%	14%	16%	N/A*	7%	14%	22%	38%
Up by 1-19%	52%	35%	14%	29%	N/A*	6%	17%	22%	24%
No change	22%	22%	22%	7%	N/A*	10%	11%	5%	4%
Down by 1-19%	4%	9%	12%	13%	N/A*	17%	25%	19%	20%
Down by 20-50%	0%	3%	14%	19%	N/A*	20%	14%	22%	8%
Down by more than 50%	0%	0%	6%	15%	N/A*	40%	14%	5%	0%

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

PROFIT CHANGE



Profit Change | **RESOURCE PARTNERS**

	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Up by more than 50%	0%	9%	4%	0%	N/A*	0%	3%	3%	8%
Up by 20-50%	8%	16%	6%	10%	N/A*	3%	0%	28%	19%
Up by 1-19%	52%	32%	10%	30%	N/A*	10%	39%	23%	34%
No change	30%	28%	20%	13%	N/A*	10%	9%	9%	23%
Down by 1-19%	4%	15%	18%	25%	N/A*	17%	15%	15%	16%
Down by 20-50%	0%	0%	27%	13%	N/A*	20%	24%	17%	0%
Down by more than 50%	4%	0%	4%	9%	N/A*	38%	12%	6%	0%

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

Q *What percent increase or decrease did you see in your number of new accounts, repeat clients, account closures and international accounts for the second quarter of 2021 compared to the second quarter of 2020?*

CHANGE IN ACCOUNTS

	UP MORE THAN 15%	UP 1 - 15%	NO CHANGE	DOWN 1 - 15%	DOWN MORE THAN 15%
NUMBER OF NEW ACCOUNTS	24%	52%	20%	0%	4%
NUMBER OF REPEAT CLIENTS	17%	25%	50%	8%	0%
NUMBER OF ACCOUNT CLOSURES	0%	4%	92%	4%	0%
NUMBER OF INTERNATIONAL ACCOUNTS	8%	29%	58%	0%	4%

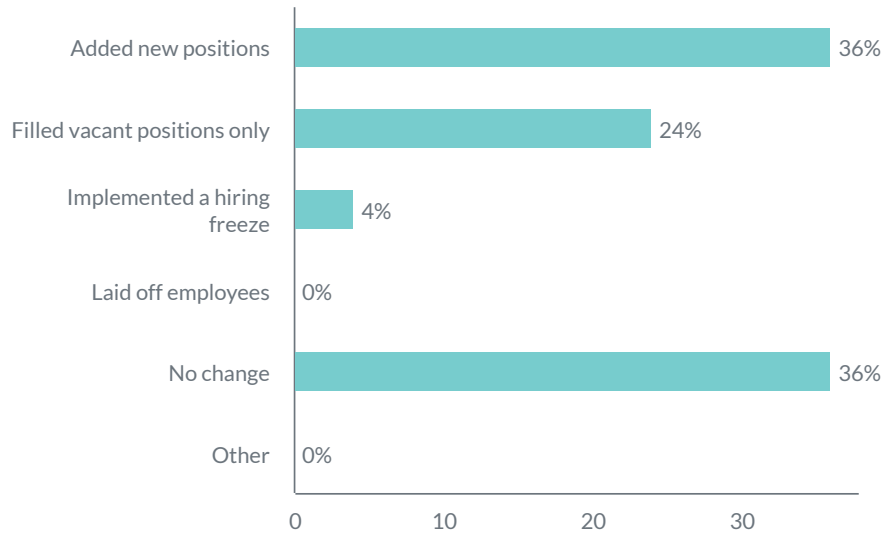
Q *Please describe the new product(s) and or service(s) your company launched during the second quarter. This information will be shared with spas so please list your company name and specific product name within the response if you would like it included.*

- New Sacred Nature eco certified Organic entire line, new ampoules for hydration and antiaging, new glycolic peel.
- No new products but brought back two retired colors.
- Launched a new Foam Cleanser for oily to acne-prone skins.
- Launched a new reef and ocean friendly SPF25.
- www.makeupologystore.com
- CBD collection
- Telli Everything for Salon & Spa has custom made manicure and pedicure kits. You select the products to be included and we will make the kits in sealed eco-friendly bio-degradable bags.
- Anti-aging body



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

WORKFORCE CHANGES



Workforce Changes | **RESOURCE PARTNERS**

	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021
Added new positions	30%	39%	42%	N/A*	N/A*	32%	27%	44%	36%
Filled vacant positions only	4%	3%	10%	N/A*	N/A*	3%	11%	8%	24%
Implemented a hiring freeze	0%	0%	6%	N/A*	N/A*	10%	16%	8%	4%
Laid off employees	0%	7%	4%	N/A*	N/A*	13%	5%	11%	0%
No change	60%	48%	37%	N/A*	N/A*	42%	41%	28%	36%
Other	4%	3%	0%	N/A*	N/A*	0%	0%	0%	0%

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



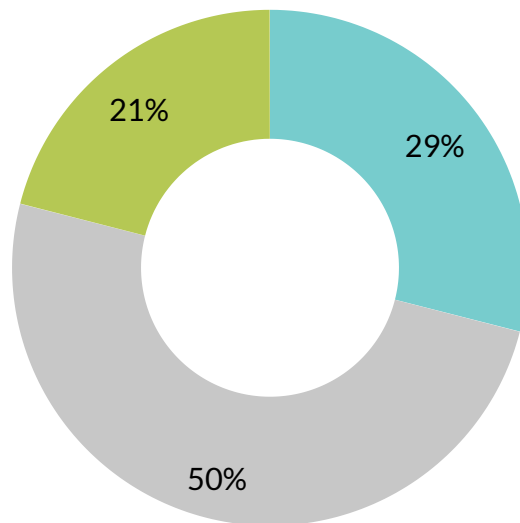
*Please describe any **NEW** efforts your company has implemented this year to help attract qualified candidates for its job openings.*

- Every position received a pay increase.
- NO new job openings.
- Indeed and zip recruiter and referrals
- Ability to work remote. Hiring outside our HQ territory.



Has your company been “ghosted” by a candidate during the recruiting process at any point in 2021? (Ghosting refers to the practice of suddenly ceasing all communications between a candidate and a potential employer at any point in the recruiting process, including after they have accepted a job offer.)

“GHOSTED” BY CANDIDATE DURING RECRUITING PROCESS



■ Yes (29%) ■ No (50%) ■ I don't know (21%)



*At what point in the recruitment process have candidates “ghosted” your company?
Please select ALL that apply.*

WHEN CANDIDATES “GHOSTED” COMPANY

