



SNAPSHOT SURVEY

Hiring, Benefits and Compensation

RESULTS REPORT | JUNE 2021

HIRING, BENEFITS AND COMPENSATION

As businesses in nearly every sector step into an incredibly competitive labor market, they are more mindful than ever about the impact that their compensation and benefits packages have on their ability to attract and keep qualified employees. The spa industry is, of course, no different. The June ISPA Snapshot Survey asked spa and resource partner leaders to share data on those offerings and other subjects related to recruiting and retention.

Some spas and resource partners are offering somewhat less traditional benefits in an effort to improve recruiting efforts. About one-third of spas surveyed reported offering retention bonuses for new hires once they have been employed for a specific number of days, and more than a quarter—27 percent—offer those bonuses immediately. Resource partners offer retention bonuses after a specified period at a rate of just under one in five (17 percent). More than a quarter of spa respondents (27 percent) said that they offer complimentary spa services as a perk of employment and just under a third (32 percent) provide complimentary meals to spa employees. Despite the recent trend of offering same-day pay in some sectors, it seems spas have not yet embraced such a model, with just two percent of spas survey saying that they offer daily pay.

Although relatively few spas and resource partners indicated an appetite for less traditional benefits, old standbys like health and life insurance, as well as retirement plans and paid leave, are considerably more popular with both groups. Nearly four in five spas (77 percent), for example, offer 401(k) plans to full-time employees (23 percent offer such plans to part-time employees too). Exactly nine in 10 spas reported offering health insurance to full-time employees (though just eight percent offered that benefit to part-time employees), 85 percent offer paid vacation and just over two-thirds (67 percent) provide paid sick leave.

Employee Assistance Plans (EAP), which can provide support to team members facing mental health challenges and other personal or work-related issues, are offered to full-time employees by just over half (52 percent) of spas surveyed. Just over four in ten spas (41 percent) offer EAPs to part-time staff.

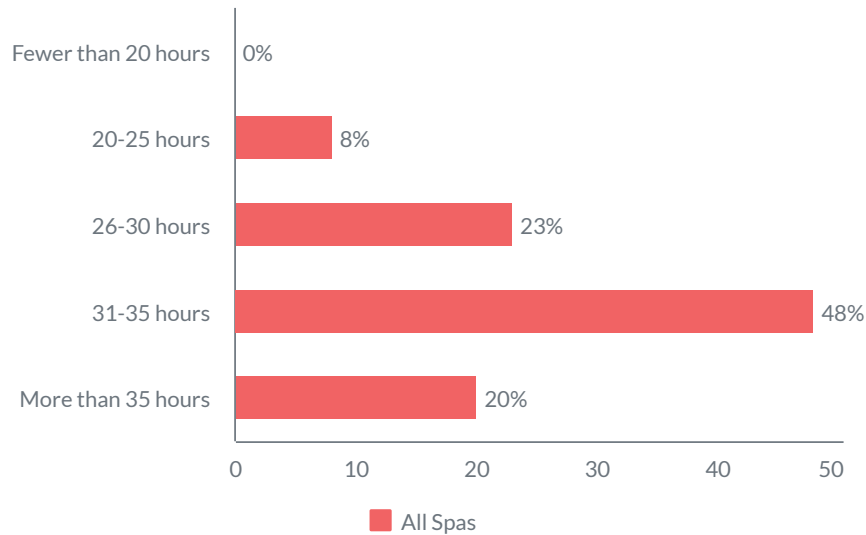
The results analysis of this survey includes answers from all 162 spa industry professionals who completed the June Snapshot Survey in a nine-day period from June 21, 2021 to June 29, 2021.

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What is the minimum number of hours a service provider must work at your spa in order to be considered “full-time?”

NUMBER OF HOURS PER WEEK REQUIRED FOR FULL-TIME STATUS



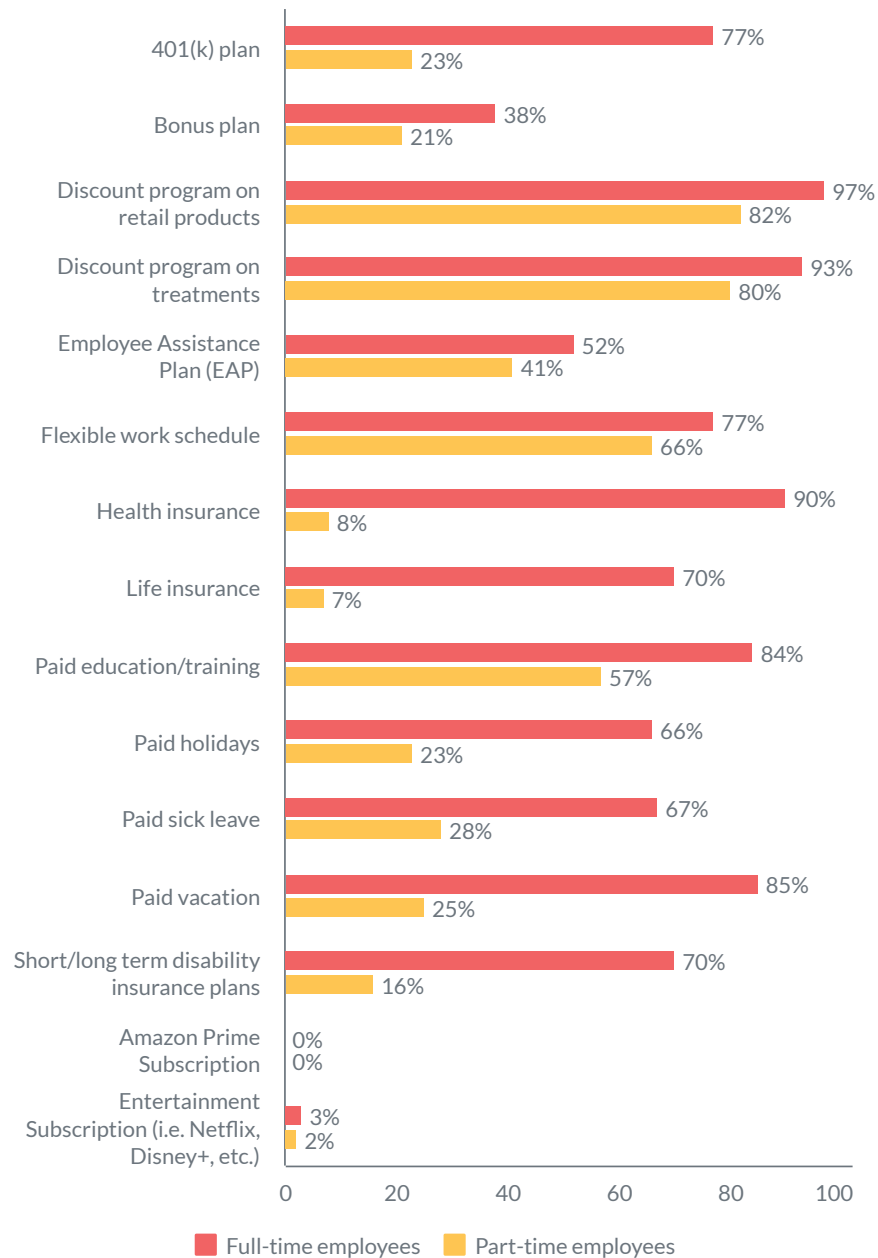
What is the approximate ratio of full-time, part-time and contract workers in service provider positions at your spa? (Type of employees)

	FULL-TIME	PART-TIME	CONTRACT
0% - 10%	10%	10%	25%
11% - 20%	11%	5%	3%
21% - 30%	7%	15%	0%
31% - 40%	3%	13%	3%
41% - 50%	15%	7%	2%
51% - 60%	13%	16%	2%
61% - 70%	16%	3%	0%
71% - 80%	8%	10%	0%
81% - 90%	7%	10%	0%
91% - 100%	5%	2%	2%



Which of the following benefits are offered to your company’s full-time and/or part-time employees?

BENEFITS OFFERED TO EMPLOYEES





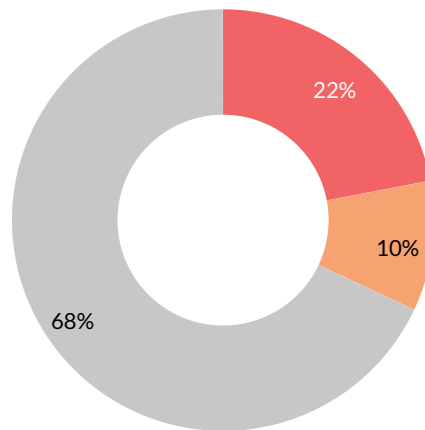
Please identify any additional benefits offered to employees not included in the listing above.

- Usage of athletic facility for for full time staff. One guest pass a month to athletic facility for fill time staff.
- Referral bonus.
- Dental insurance, PTO and some work from home time is offered for salaried administrative employees
- Discounts from neighborhood businesses.
- Monthly incentives for reaching sales goals by department
- We have FT=40 hours a week, PR=30 hours a week and casual=28 hours a week.
- Working at the best place on earth!
- Use of resort amenities and activities, associate luncheons and parties x 4 a year, Employee of the month and Service “ bucks” program (recognition programs)
- Employee meals for full and part time
- Verizon discount
- Bridge toll reimbursement
- Childcare Reimbursement
- Referral program
- Free employee meals
- Uniforms
- Team member travel program
- Education reimbursement
- CEU and Licensing reimbursement
- Annual loyalty bonuses
- Team member recognition programs
- Free membership to club
- We offer a \$200 annual reimbursement program for our RMTs. They can use this towards association fees/credit courses, etc. The company also does an anniversary bonus program that increases annually.
- Ski Pass, Bike Park Pass to all employees, hotel & restaurant discounts
- \$5. for a meal in the cafeteria - dry clean/wash their uniforms /
- Gift cards for birthdays, Thanksgiving and Christmas - bonus program for years worked
- company doesnt offer but the spa will give employees a day off for their birthdays, and do our best to give them paid leave when having medical appointments
- Personal time in lieu of holidays for full time employees, Wellness Program through medical health insurance.



Has your spa changed its pay structure for service providers in 2021?

PAY STRUCTURES CHANGED FOR SERVICE PROVIDERS IN 2021



- Yes (22%)
- No, but we have plans to make a change later this year (10%)
- No and we do not have plans to make a change in 2021 (68%)



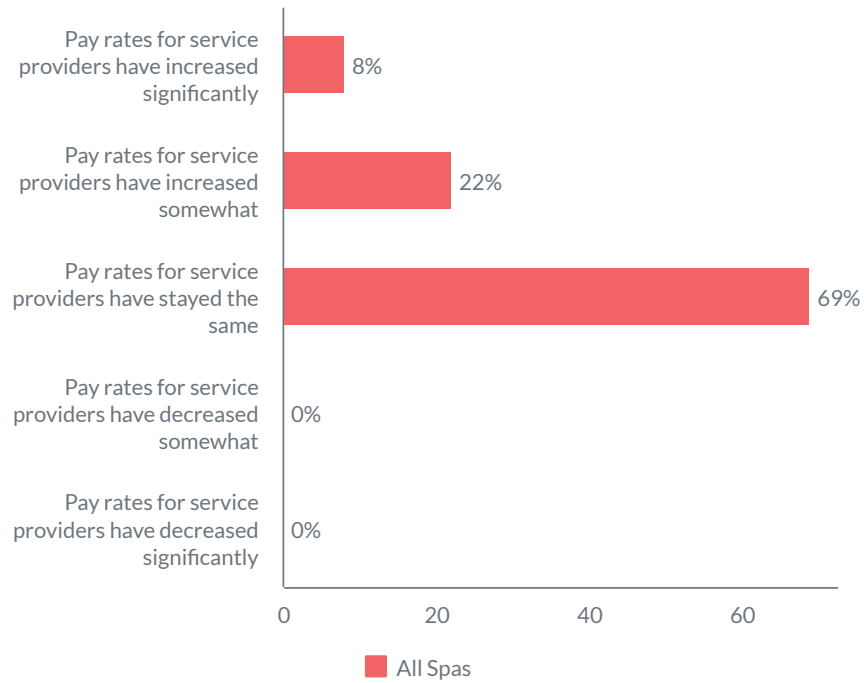
Please describe the pay structure changes your spas has made or plans to make in 2021 for service providers in as much detail as possible below.

- There is a shortage of service providers so in order to attract and retain staff I am paying higher commissions on services and higher hourly rates for the front desk.
- We are looking at moving from a flat fee to a percentage.
- Simplifying commission structure on addon services. Streamlining pay per treatment (same percentage across the board). Adding additional paid hourly income vs commission-only on treatment, where additional services can be added to spa offerings and additional 'work' provided beyond customer hands on. Group bonus based upon exceeding monthly minimum revenues. Individual bonuses for promoting retail product sales. Individual bonus for introducing new hire, new customers.
- eliminated all service charges, elevated everyone 2% and increased prices
- Increasing hourly rate and/or commission for service providers. Bringing back bonus during performance appraisals. Possible service charge that will then be distributed to front desk staff based on how many hours worked per pay period.
- Went from a flat rate to a percentage rate
- many properties made changes but there was not a standard corporate change
- We are moving to a flat fee for services as opposed to a flexible commission.
- We are going to give slight increases to providers commission
- % based on how much you bring into the spa.
- Raises were give to the commissioned employees and hourly rates increased in April with a second merit increase in July
- e pay them for extra deep cleaning on top of an increase in commission
- We increased their hourly wage and commission
- Moved from a commission only to an hourly + commission. The hourly gives them more of a "base" pay. We start at \$10/hour
- increased by 5%



Which of the following most accurately describes current pay rates for service providers at your spa when compared to pay rates at the beginning of the COVID-19 pandemic?

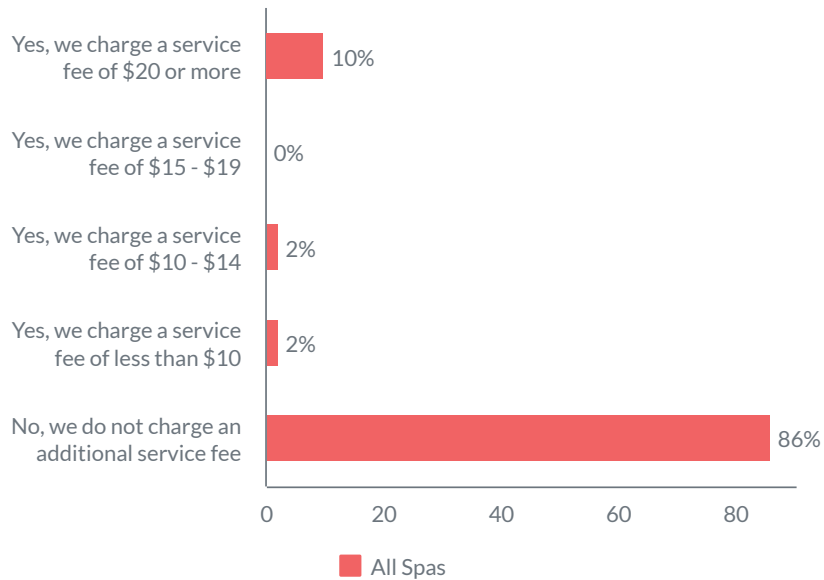
CURRENT PAY RATES COMPARED TO RATES AT THE BEGINNING OF PANDEMIC





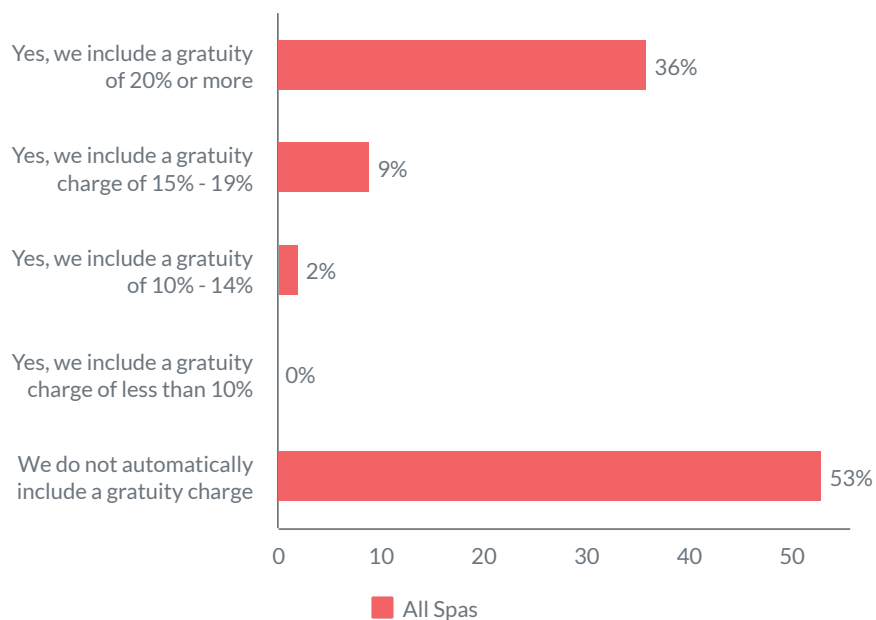
Does your spa charge an additional fee on services?

ADDITIONAL FEES ON SERVICES



Does your spa include a gratuity charge on services automatically?

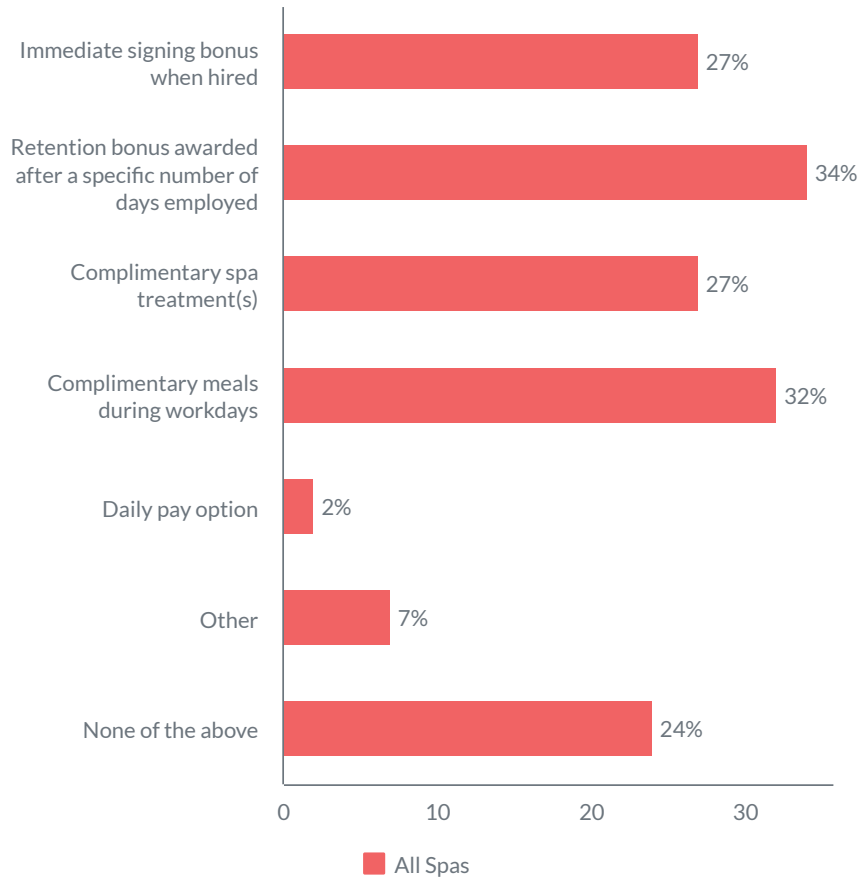
AUTOMATIC GRATUITY CHARGES





Which of the following benefits, if any, does your spa utilize to attract new employees during the hiring process?

BENEFITS UTILIZED TO ATTRACT NEW EMPLOYEES





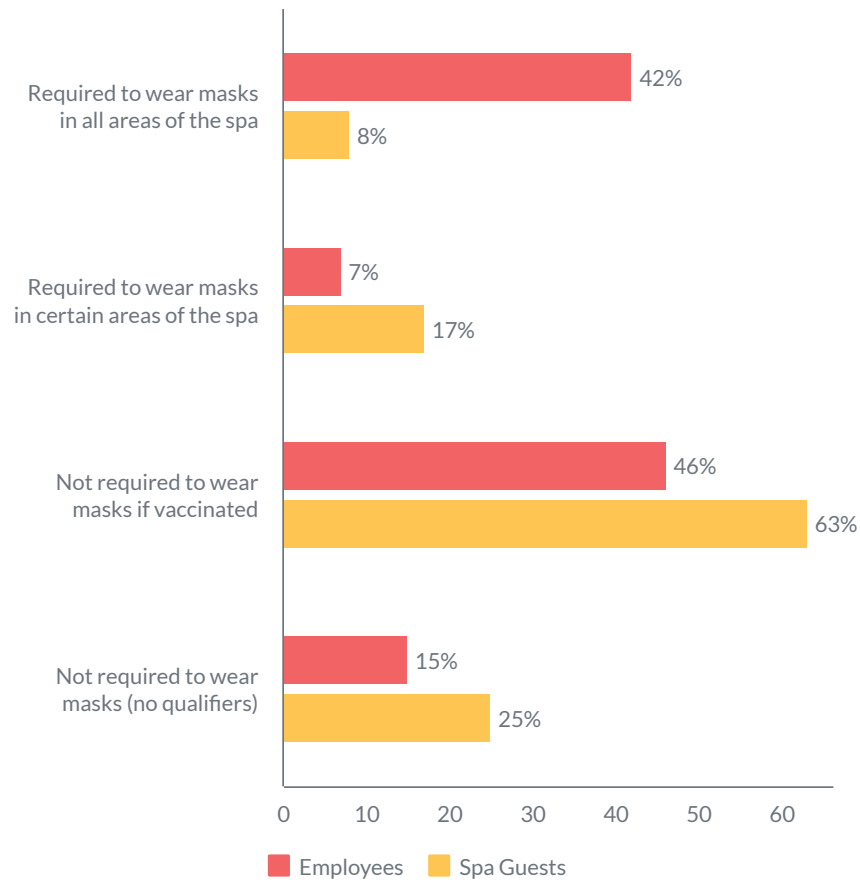
Please describe any bonuses (including the amount of the bonus) or other incentives your spa has found to be effective in its efforts to attract new employees to attract candidates for open positions.

- \$300 payable over 3 pay periods so \$100 times 3.
- Just started. Not sure how effective yet.
- \$1,000 sign-on bonus after 6 weeks for massage therapists
- service charge % is given to front of house at some properties.
- Not one incentive or offering has attracted a single soul
- Discounted associate meals, use of resort activities, grounds and amenities , PTO
- For one of our Spas, we offer housing during the summer months because it is a highly sort after vacation spot.
- Current Employees - Referral Bonus Opportunity!
- If you refer a qualified applicant to us for open positions and that individual is hired and stays employed for 6 months, you will receive a \$200 bonus.
- Incentive booking bonus
- Incentive based on amount of retail rung up.
- Referral program: After, 30 days: \$100, 60 days: \$150, 90 days:\$200 for new hire and team member.
- hiring bonus for non-provider positions payable over 30-60-90 days.
- Anniversary bonus program (\$600/year for full time and increases by \$100/year to a max of \$1000). We also do a trades program where our service providers can do a trade with another service provider, once a quarter, for free.
- Flat commissions on services
- \$500 referral program per employee after 3 months of being hire. This bonus goes to the employee that refer us another employee
- bonus' are calculated on the number of services done in a month
- % on all retails sales or pacakges sold
- \$500 signing bonus to be paid out after 60 days.



Please identify your spa's mask policy for both employees and spa guests.

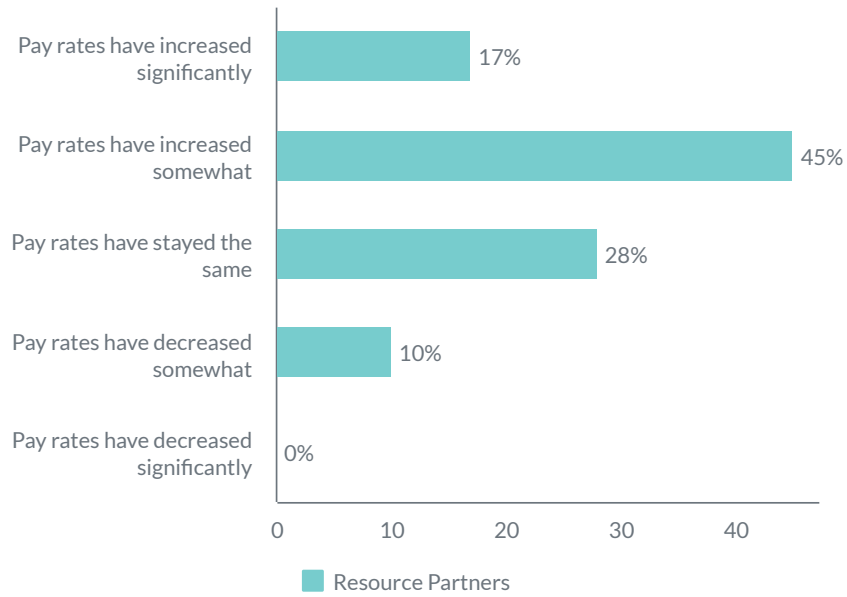
MASK POLICY FOR EMPLOYEES AND SPA GUESTS





Which of the following most accurately describes current pay rates for employees at your company when compared to pay rates for employees in similar positions since at the beginning of the COVID-19 pandemic in March 2020?

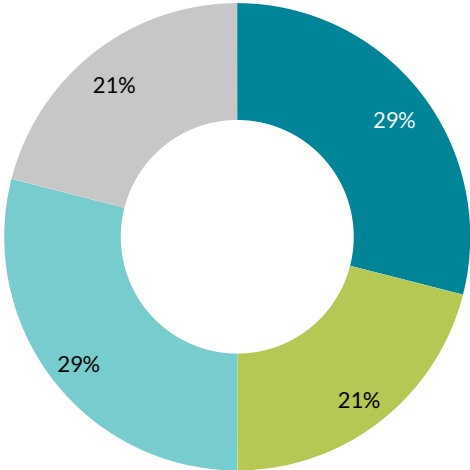
CURRENT PAY RATES FOR EMPLOYEES COMPARED TO BEGINNING OF PANDEMIC





Currently, how difficult is it for your company to find and hire qualified individuals for sales positions, compared to before the COVID-19 pandemic?

DIFFICULTY IN FINDING/HIRING SALES POSITIONS COMPARED TO PRE-PANDEMIC

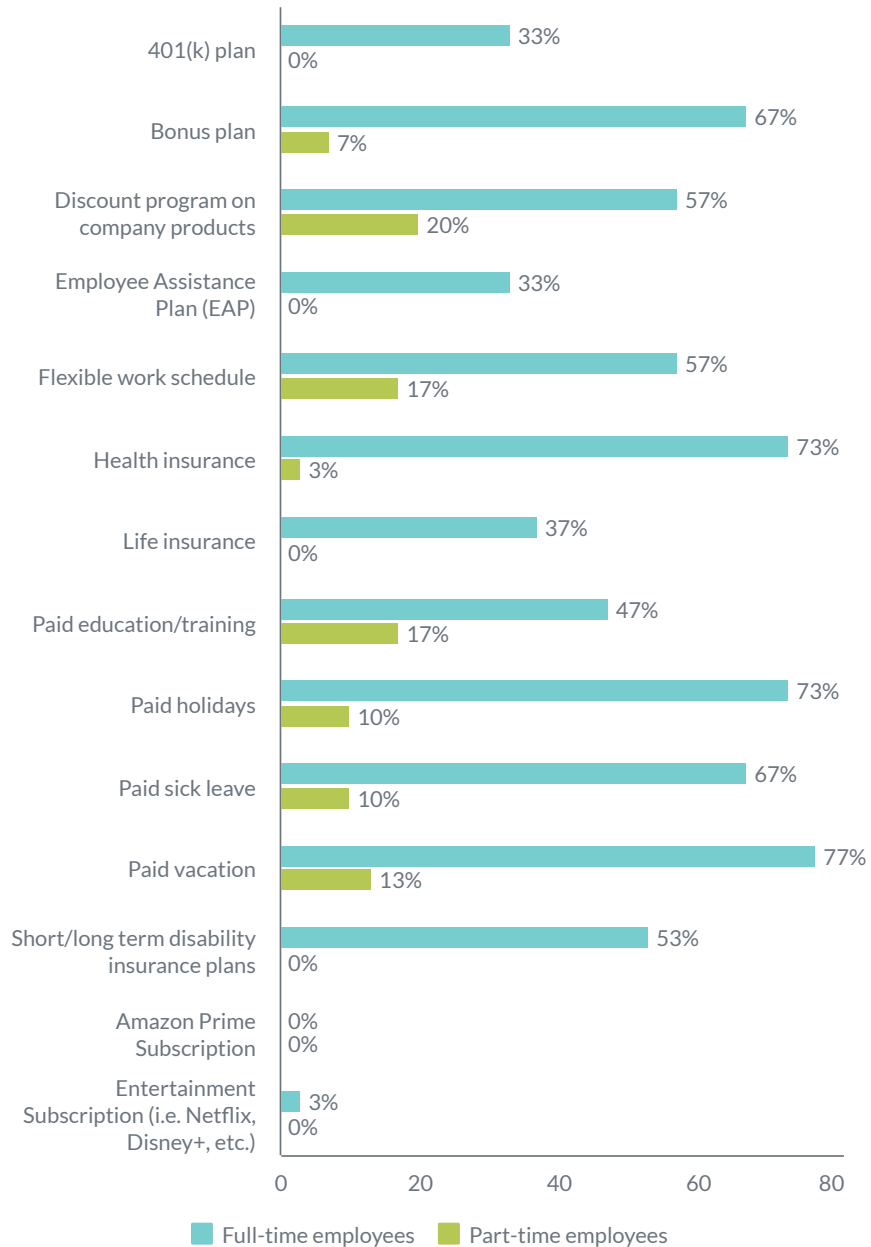


Very difficult (29%) Slightly difficult (21%) Somewhat difficult (29%)
Not difficult at all (21%)



Which of the following benefits are offered to your company's full-time and/or part-time employees?

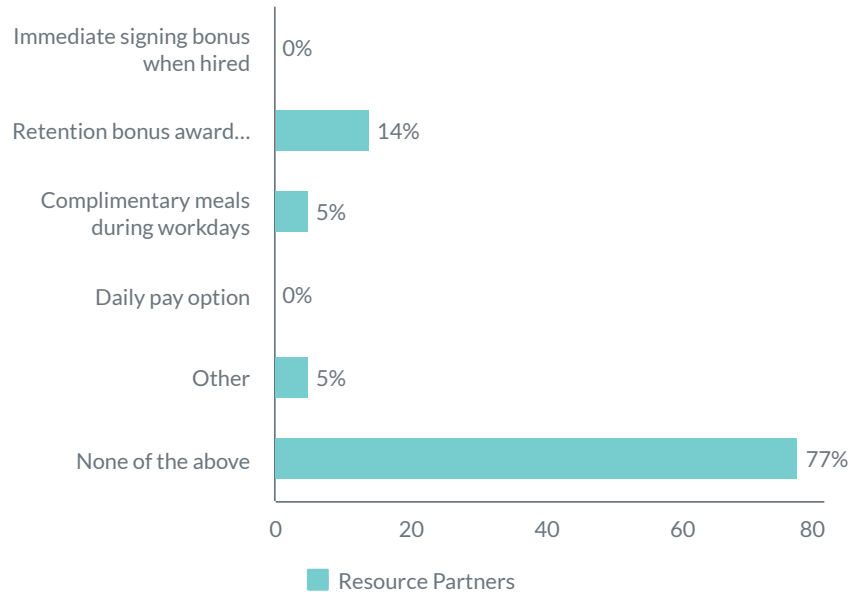
BENEFITS OFFERED TO EMPLOYEES





Which of the following benefits, if any, does your company utilize to attract new employees during the hiring process?

BENEFITS UTILIZED TO ATTRACT NEW EMPLOYEES



Please describe any bonuses (including the amount of the bonus) or other incentives your company has found to be effective in its efforts to attract new employees to attract candidates for open positions.

- We still do not know which of our benefits attract new rank-and-file employees outside of the pay that is competitive within our local market. For senior managers, it looks like it is the company growth outlook and our mission statement that account for the win.
- When possible, a bonus is paid if a successful year.