



SNAPSHOT
SURVEY

RESULTS REPORT | JANUARY 2022

Quarterly Performance

QUARTERLY PERFORMANCE

The January 2022 ISPA Snapshot Survey asked ISPA members to share details about their spa or company's fourth quarter performance in 2021 compared to the fourth quarter of 2020. Because of the high number of spas that were closed or not operating at full capacity for part or all of that period in 2020, the figures for this survey reveal significant increases in revenues, profits and spa visits overall. However, there are indicators that overall demand for spa services is high, and the spa industry is recovering from the pandemic's impact.

Eighty-seven percent of spas surveyed reported an increase in fourth quarter revenue in comparison to the same period in 2020. Spa profits improved in a similar fashion, with 81 percent of respondents seeing a year-over-year increase in the fourth quarter. Thirty-four percent saw profit increases exceeding 35 percent. Unsurprisingly, spa visits were up at nearly nine in ten spas (87 percent).

Hiring continues to be a top priority across the industry. Just under three-fourths of spas (72 percent) noted that they had either added new positions (39 percent) or filled vacant positions (33 percent). Additionally, nearly half (46 percent) of spas added a new treatment to their menu of services in the fourth quarter of 2021 while an equal amount (46 percent) added new brands or products to their retail lineup. Nearly one quarter of spas (24 percent) reported that retail revenue per treatment was up by more than 10 percent. Respondents also shared open ended responses related to what they're most excited to change, experience or implement in 2022.

Resource partner respondents experienced year-over-year fourth quarter results as well as 71 percent opened new accounts and 65 percent reported an increase in profits. Just over one half of resource partners (55 percent) noted that they had either added new positions (40 percent) or filled vacant positions (15 percent). New product development among resource partners is a high priority with 70 percent increasing their new product development budget in 2022.

Respondents also shared a variety of things they are most looking forward to implementing, changing or experience within their business in 2022. Those insights can be found starting on page 20 and provide a glimpse of exciting new things in progress for ISPA members.

The results analysis of this survey includes answers from all 277 spa industry professionals who completed the January Snapshot Survey over a 10-day period from January 21, 2022, to January 31, 2022.

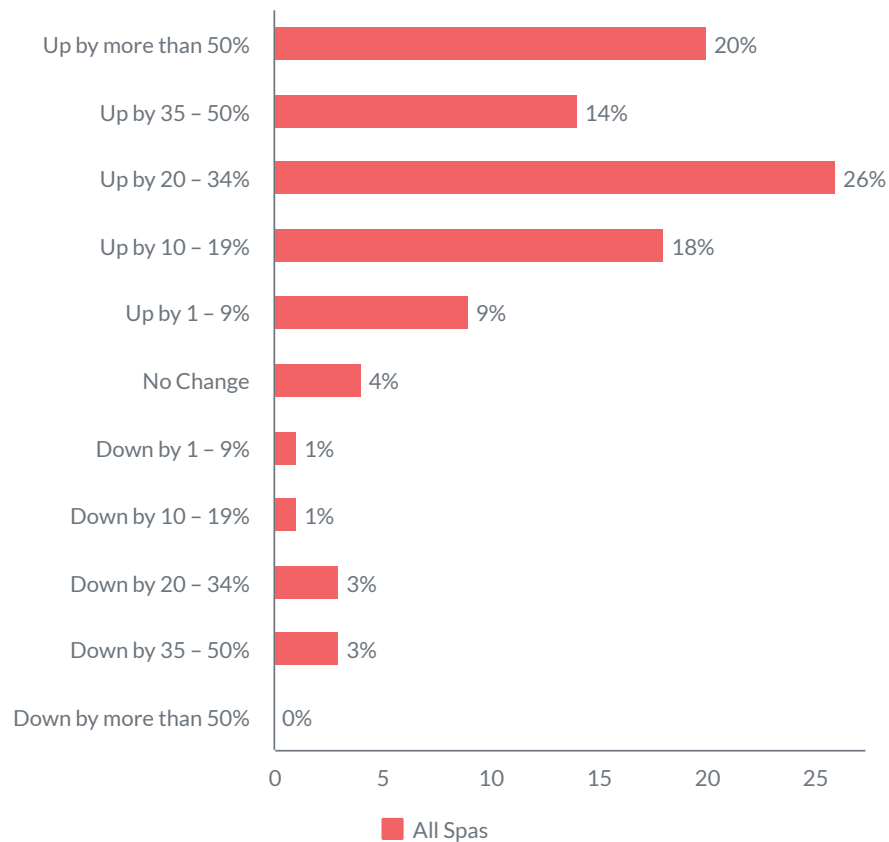
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What was your gross revenue change for the fourth quarter of 2021 compared to the fourth quarter of 2020?

GROSS REVENUE CHANGE



Gross Revenue Change | ALL SPAS

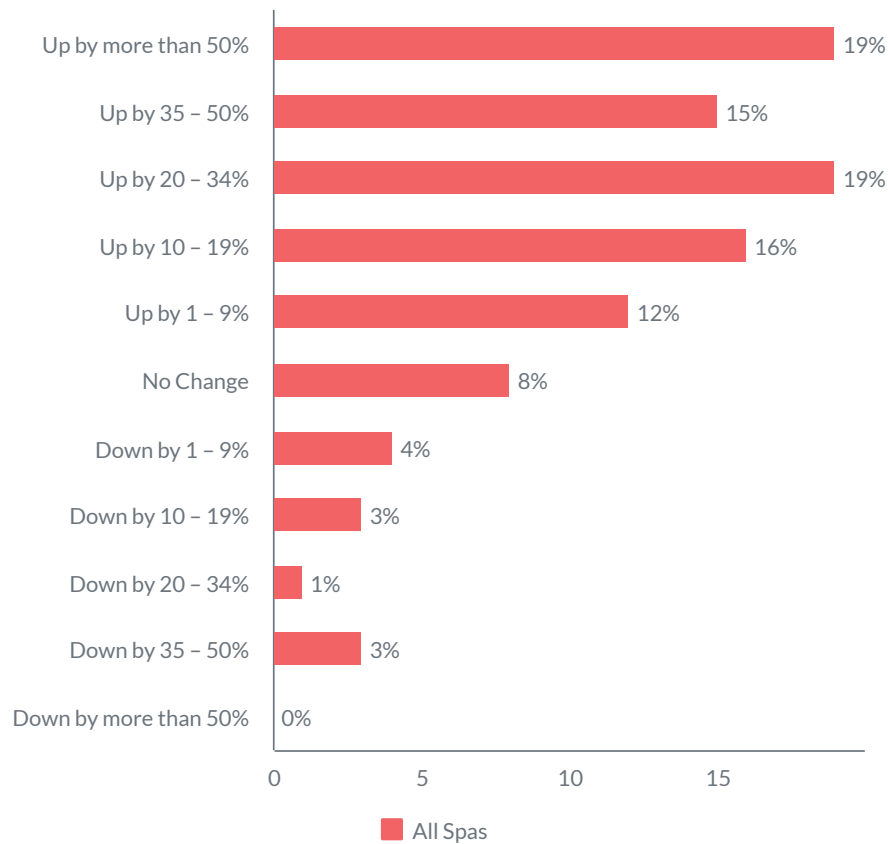
	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Up by more than 50%	2%	2%	N/A*	1%	0%	0%	53%	10%	20%
Up by 20-50%	15%	6%	N/A*	2%	13%	9%	22%	44%	30%
Up by 1-19%	59%	35%	N/A*	11%	6%	20%	9%	33%	27%
No change	6%	3%	N/A*	1%	0%	2%	4%	3%	4%
Down by 1-19%	16%	22%	N/A*	13%	12%	20%	2%	0%	2%
Down by 20-50%	2%	22%	N/A*	46%	43%	38%	6%	7%	6%
Down by more than 50%	0%	11%	N/A*	27%	26%	12%	2%	2%	0%

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



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

PROFIT CHANGE



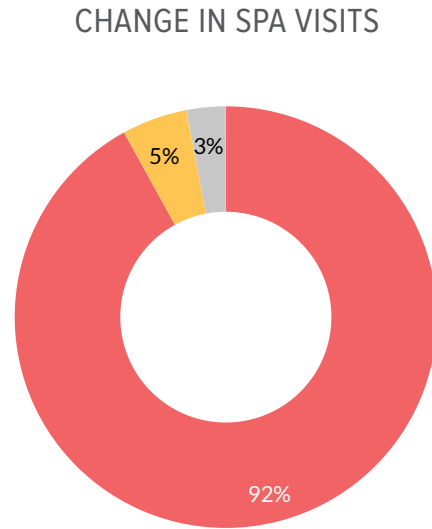
Profit Change | ALL SPAS

	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Up by more than 50%	5%	5%	N/A*	1%	2%	9%	42%	4%	19%
Up by 20-50%	15%	15%	N/A*	2%	8%	17%	22%	44%	34%
Up by 1-19%	54%	54%	N/A*	14%	19%	31%	20%	40%	28%
No change	7%	7%	N/A*	10%	2%	2%	7%	5%	8%
Down by 1-19%	20%	20%	N/A*	26%	25%	15%	2%	2%	7%
Down by 20-50%	4%	4%	N/A*	29%	21%	17%	2%	6%	4%
Down by more than 50%	0%	0%	N/A*	19%	24%	11%	4%	0%	0%

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



■ Spa visits were up (92%)
 ■ Spa visits were down (5%)
■ No change (3%)

Change in Spa Visits | ALL SPAS

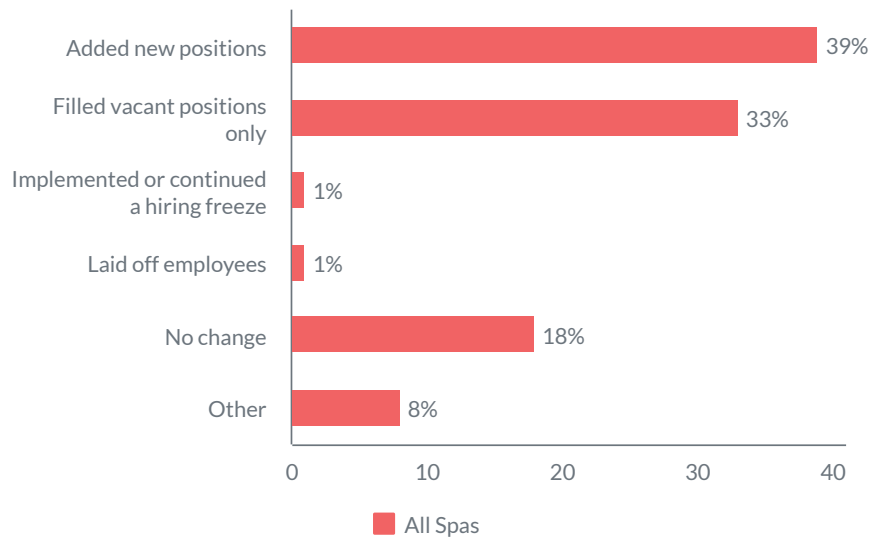
	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Spa visits were up	70%	43%	N/A*	12%	15%	27%	89%	92%	87%
Spa visits were down	21%	50%	N/A*	85%	81%	69%	9%	5%	9%
No change	9%	7%	N/A*	3%	4%	4%	2%	3%	4%

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

WORKFORCE CHANGES



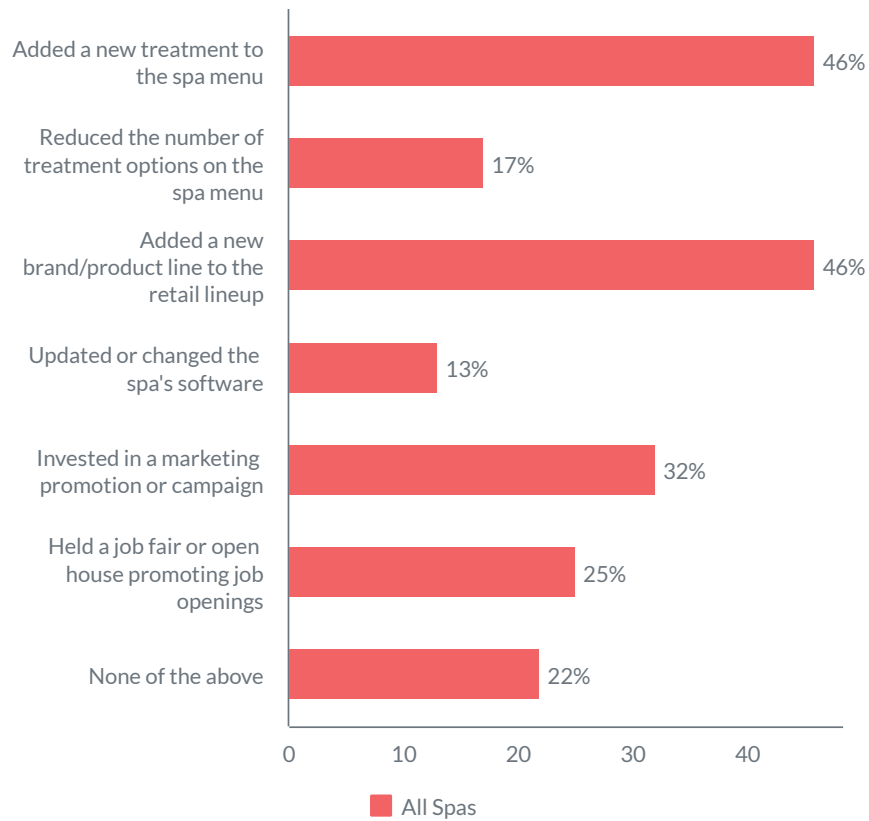
Workforce Changes | ALL SPAS

	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Added new positions	23%	N/A*	N/A*	11%	10%	13%	29%	39%	39%
Filled vacant positions only	46%	N/A*	N/A*	34%	32%	38%	40%	44%	33%
Implemented a hiring freeze	2%	N/A*	N/A*	13%	9%	6%	2%	0%	1%
Laid off employees	1%	N/A*	N/A*	19%	15%	7%	2%	0%	1%
No change	24%	N/A*	N/A*	12%	22%	23%	20%	14%	18%
Other	4%	N/A*	N/A*	12%	12%	13%	7%	3%	8%

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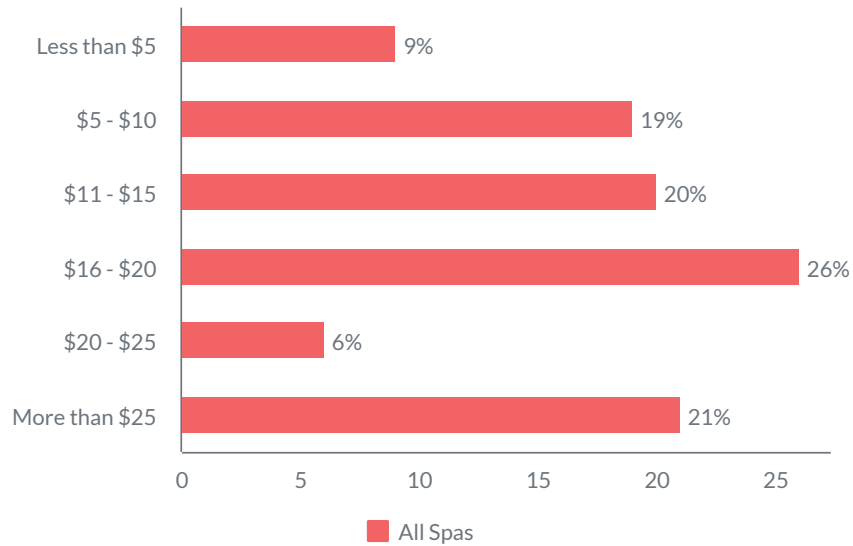
Which of the following, if any, did your spa do during the fourth quarter? Select all that apply.





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

AVERAGE RETAIL REVENUE PER TREATMENT



Average Retail Revenue Per Treatment | ALL SPAS

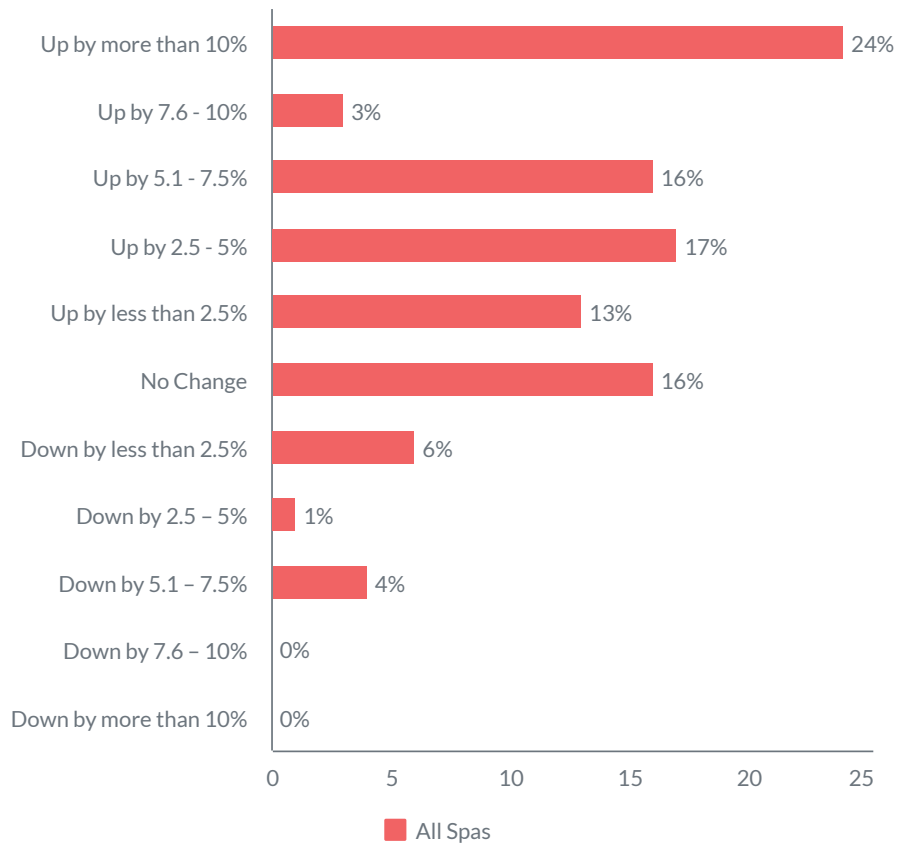
	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Less than \$5	12%	9%	N/A*	10%	13%	13%	15%	6%	9%
\$5 - \$10	20%	21%	N/A*	18%	15%	20%	18%	14%	19%
\$11 - \$15	27%	24%	N/A*	16%	23%	17%	15%	25%	20%
\$16 - \$20	16%	14%	N/A*	22%	16%	27%	26%	25%	26%
\$20 - 25	14%	17%	N/A*	23%	16%	5%	10%	18%	6%
More than \$25	12%	15%	N/A*	10%	16%	18%	15%	12%	21%

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

CHANGE IN RETAIL REVENUE PER TREATMENT



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

	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Up by more than 10%	8%	5%	N/A*	3%	8%	7%	36%	18%	24%
Up by 7.6 - 10%	2%	3%	N/A*	3%	3%	7%	5%	10%	3%
Up by 5.1 - 7.5%	7%	4%	N/A*	3%	3%	5%	10%	16%	16%
Up by 2.5 - 5%	19%	18%	N/A*	9%	3%	10%	13%	22%	17%
Up by less than 2.5%	28%	12%	N/A*	11%	8%	10%	18%	4%	13%
No Change	18%	19%	N/A*	18%	18%	15%	10%	20%	16%
Down by less than 2.5%	10%	9%	N/A*	7%	3%	12%	0%	4%	6%
Down by 2.5 - 5%	3%	10%	N/A*	7%	11%	15%	5%	4%	1%
Down by 5.1 - 7.5%	2%	7%	N/A*	8%	7%	3%	0%	0%	4%
Down by 7.6 - 10%	0%	2%	N/A*	8%	8%	3%	3%	4%	0%
Down by more than 10%	3%	10%	N/A*	21%	26%	13%	0%	0%	0%

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



Please identify how your company's 2022 budget has changed in the following areas in comparison to 2021 in each of the following areas.

CHANGE IN BUDGET FOR 2022

	INCREASED MORE THAN 50%	INCREASED LESS THAN 50%	NO CHANGE	DECREASED LESS THAN 50%	DECREASED MORE THAN 50%	NOT INCLUDED IN 2022 BUDGET
EMPLOYEE TRAINING	14%	42%	38%	1%	1%	3%
EMPLOYEE TRAVEL	8%	31%	44%	4%	4%	8%
MARKETING/ ADVERTISING	10%	40%	43%	4%	1%	1%
RETAIL PRODUCTS	8%	51%	34%	7%	0%	0%
SPA RENOVATIONS	21%	25%	46%	1%	0%	7%
PAYROLL	4%	63%	24%	7%	1%	0%



Respondents were asked to share one thing they are most looking forward to implementing, changing or experiencing within their spa this year. A sample of responses provided is below.

- Ability to bring ideas for new products to fruition without narrowing profit margins due to the pandemic, cost of raw materials, and higher shipping costs.
- Adding lasers
- Adding staff, and building more platforms
- Aqua Sound Bathing in our geothermal mineral water
- As a company we've decided to push forward through COVID. While we're taking all the necessary precautions to keep the team healthy, we're taking the perspective that we can't let COVID dictate the business...we're finding ways to thrive and strive within the current COVID climate. We're looking forward to connecting and seeing our customers again. JOY is a big theme for us this year.
- At The Park Hyatt Aviara we are preparing for a large renovation of our 20 Treatment Spa. We will be creating and developing a menu that truly encompasses the wellness aspect of the industry. We are all looking forward to our renovation and the training that comes along with implementing new services.
- Changing the menu and increasing prices
- Changing up spa menu and bringing in new skincare line.
- Connecting with health & wellness professionals in the aesthetics industry seeking to share, learn and upskill their professional and personal development.
- Culture and technique trainings monthly
- Getting beyond ever changing policies based on covid.
- Getting through Covid to increase business, new product lines and services.
- Going through a software conversion to bring on online booking to our guests! It will take a lot of strain off the front desk team and allow more last-minute bookings the night before.
- Higher 401K match & More PTO
- I look forward to creating internal training programs to further develop the teams' skill. Additionally, strengthening the partnerships with vendors!
- Implementing a new ERP system to tighten up financials and better manage cash flow and streamline business operations.
- Increased focus on menu and treatment development, service training, employee incentive programs etc. - focusing less on managing the business through the pandemic and more on staff and guest engagement.
- Looking forward to hitting the road again!
- More training.
- New medical treatments in collaboration with a Dr - New retail lines
- New treatments

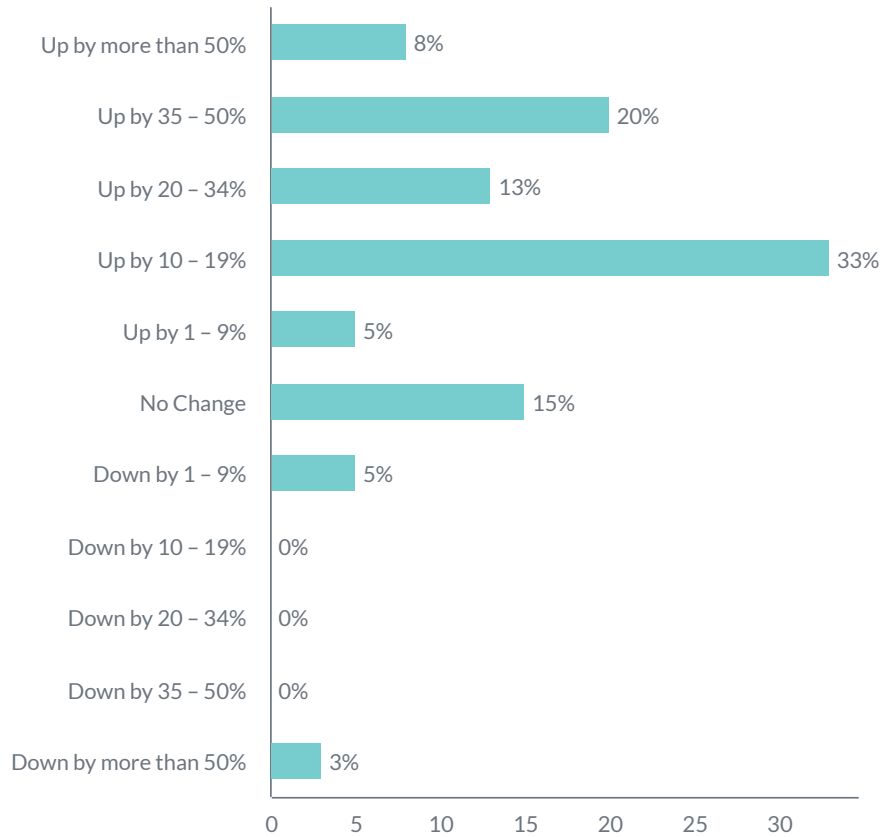
- Normalcy!! While the staff is incredible and we have learned a lot from Covid, I am most looking forward to the look of the spa being what it was before. Being able to dress the treatment rooms, place more supplies/amenities out in the lounges and removal of plexiglass. It's the little things that tie into the entire experience.
- Promoting dual license therapist into management
- Revision compensation plan, revising current treatment offerings, spring cleaning all non-essential product lines and retail, revitalizing website and treatment menu
- Seasonal menus, more social media promotion
- Seeing more customers in person...I personally miss them!
- Small Group Experiences
- The ability to find new employees. Still very difficult to fill staffing, very few massage therapists in our area.
- The ISPA Conference <3
- The re-emergence of in-person trade shows
- To continue to add value by enhancing the existing facility with better shower heads, salt panels in saunas, water bikes for aqua cycling class...
- We are very excited to promote our Facials in 2022 to increase reservations and esthetician revenue! We are also thinking about adding seasonal treatments, which is not something we have done before!
- We are excited to explore the options of allowing our membership to schedule online appointments, purchase retail through our specialized online boutique and allow guests (not members) to purchase gift cards online.
- We are excited to work with ISPA to explore ways that we can support spa management teams with digital resources that can improve the efficiency and effectiveness of their operations. In addition, we are looking forward to helping create some meaningful relationships between our higher education clients and leaders in the industry that will increase awareness of job opportunities in the spa and wellness space.
- We are hoping at some point the country's borders will open to international travelers without having to quarantine.
- We are hoping to get back to being able to do regular training with our team of service providers. With Covid, we have been unable to do that consistently and have limited providers trained in some of our specialty services.
- we are letting go of pedicures and turning our pedicure room into another couples room. Couples treatments are the highest requested service currently.
- We are looking forward to continual growth. We had a record-breaking year in 2021 and are excited to see what 2022 will bring, by investing in our staff's additional training and expanding their capabilities.
- We are looking ways to recruit and reaching a broader market. Reaching out to audience with skill sets that can be transferred to the spa environment. Shortage in staff has affected our hours of operation as well as taxing our current staff. Looking forward to experiencing more balance across the board.

- We are starting to see applications for our support rolls again, so I am excited about the possibility of having a full staff (fingers crossed)
- We have hired an expert Licensed Massage Therapist as our Director of Education. He will greatly improve our quality of training and intends to create a certification program providing CEU's before the end of the year.
- We will implement a new menu
- Wellness workshops, classes, ceremonies, circles
- We're looking forward to participating in trade shows in person again!
- Yield pricing for weekend business to gain more revenue during busy time to help offset short staffing and lower availability.



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

GROSS REVENUE CHANGE



Gross Revenue Change | **RESOURCE PARTNERS**

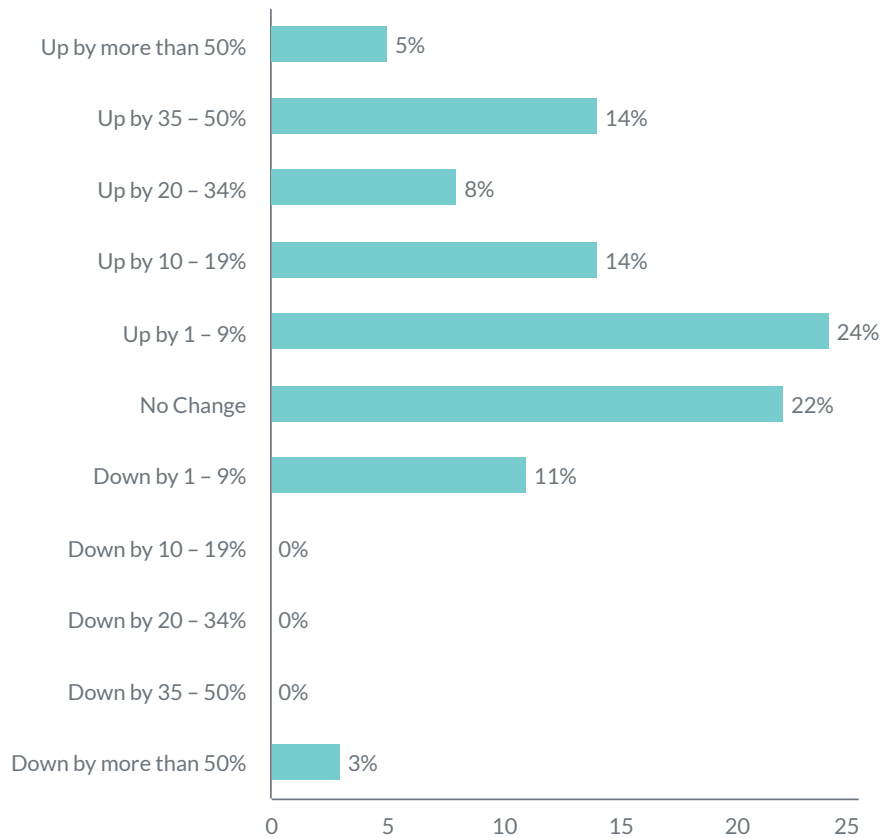
	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Up by more than 50%	6%	2%	N/A*	0%	8%	5%	8%	20%	8%
Up by 20-50%	14%	16%	N/A*	7%	14%	22%	38%	33%	33%
Up by 1-19%	14%	29%	N/A*	6%	17%	22%	24%	35%	38%
No change	22%	7%	N/A*	10%	11%	5%	4%	8%	15%
Down by 1-19%	12%	13%	N/A*	17%	25%	19%	20%	5%	5%
Down by 20-50%	14%	19%	N/A*	20%	14%	22%	8%	0%	0%
Down by more than 50%	6%	15%	N/A*	40%	14%	5%	0%	0%	3%

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

PROFIT CHANGE



Profit Change | **RESOURCE PARTNERS**

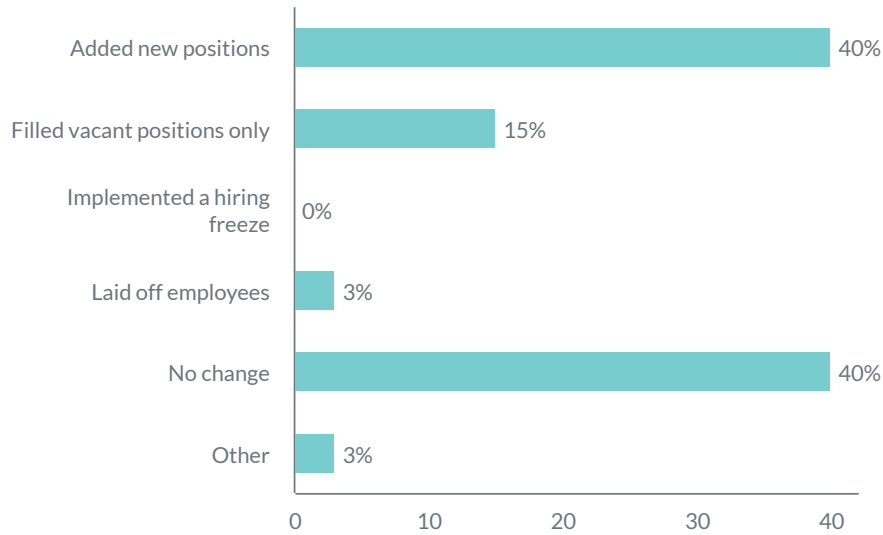
	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Up by more than 50%	4%	0%	N/A*	0%	3%	3%	8%	18%	5%
Up by 20-50%	6%	10%	N/A*	3%	0%	28%	19%	18%	22%
Up by 1-19%	10%	30%	N/A*	10%	39%	23%	34%	39%	38%
No change	20%	13%	N/A*	10%	9%	9%	23%	18%	22%
Down by 1-19%	18%	25%	N/A*	17%	15%	15%	16%	3%	11%
Down by 20-50%	27%	13%	N/A*	20%	24%	17%	0%	3%	0%
Down by more than 50%	4%	9%	N/A*	38%	12%	6%	0%	0%	3%

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

WORKFORCE CHANGES



Workforce Changes | **RESOURCE PARTNERS**

	4th Qtr 2019	1st Qtr 2020	2nd Qtr 2020	3rd Qtr 2020	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021
Added new positions	42%	N/A*	N/A*	32%	27%	44%	36%	50%	40%
Filled vacant positions only	10%	N/A*	N/A*	3%	11%	8%	24%	13%	15%
Implemented a hiring freeze	6%	N/A*	N/A*	10%	16%	8%	4%	0%	0%
Laid off employees	4%	N/A*	N/A*	13%	5%	11%	0%	0%	3%
No change	37%	N/A*	N/A*	42%	41%	28%	36%	38%	40%
Other	0%	N/A*	N/A*	0%	0%	0%	0%	0%	3%

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What percent increase or decrease did you see in your number of new accounts, repeat clients, account closures and international accounts for the fourth quarter of 2021 compared to the fourth 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	34%	37%	21%	3%	5%
NUMBER OF REPEAT CLIENTS	14%	34%	46%	3%	3%
NUMBER OF ACCOUNT CLOSURES	0%	6%	82%	12%	0%
NUMBER OF INTERNATIONAL ACCOUNTS	6%	28%	64%	3%	0%



Please identify how your company's 2022 budget has changed in the following areas in comparison to 2021 in each of the following areas.

CHANGE IN BUDGET

	INCREASED MORE THAN 50%	INCREASED LESS THAN 50%	NO CHANGE	DECREASED LESS THAN 50%	DECREASED MORE THAN 50%	NOT INCLUDED IN 2021 BUDGET
EMPLOYEE TRAINING	11%	28%	53%	3%	3%	3%
EMPLOYEE TRAVEL	8%	30%	27%	19%	14%	3%
MARKETING/ ADVERTISING	14%	41%	32%	8%	5%	0%
NEW PRODUCT DEVELOPMENT	16%	54%	27%	3%	0%	0%
SPA INDUSTRY EVENT SPONSORSHIPS/ PARTICIPATION	19%	17%	39%	8%	11%	6%
PAYROLL	8%	53%	36%	3%	0%	0%



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