



SNAPSHOT SURVEY



RESULTS REPORT | **OCTOBER 2022**

Quarterly Report

OCTOBER SNAPSHOT SURVEY: QUARTERLY REPORT

The October 2022 ISPA Snapshot Survey asked respondents to share details about their spa or company's third quarter performance (July 1, 2022, through September 30, 2022) compared to the third quarter of 2021. The results reported in this quarterly performance survey further illustrate the spas industry's continued recovery from the pandemic.

Compared to the same period in 2021, nearly 80 percent of the spas surveyed reported an increase in third quarter revenue. Complementarily, 72 percent of spa respondents reported an increase in profits. Almost one-third (27 percent) saw profits increases exceeding 20 percent compared to the prior third quarter profits. Continuing the 2022 trends, spa visits were up for 62 percent of respondents.

Although staffing continues to be a challenge, over two-thirds of spas (69 percent) noted that they had either added new positions (27 percent) or filled vacant positions (42 percent). Additionally, nearly 60 percent added a new treatment during the third quarter while 45 percent added a new brand or products to their retail lineup. One fourth (24 percent) of spas reported an average retail revenue per treatment of more than \$25.

Spas are focused on keeping their offerings fresh for their guests as more than half (59 percent) of spas respondents added a new treatment to their spa menu during the third quarter and 45 percent added a new brand/product line to their retail lineup.

Resource partner respondents (24 percent) reported their profits were up by 20-34 percent while 43 percent added new positions. Compared to the third quarter of 2021, 43 percent of resource partners had the number of new accounts increase by more than 15 percent.

The results analysis of this survey includes answers from all 223 ISPA members who completed the October Snapshot Survey from October 21, 2022, to November 1, 2022.

Sponsored by:

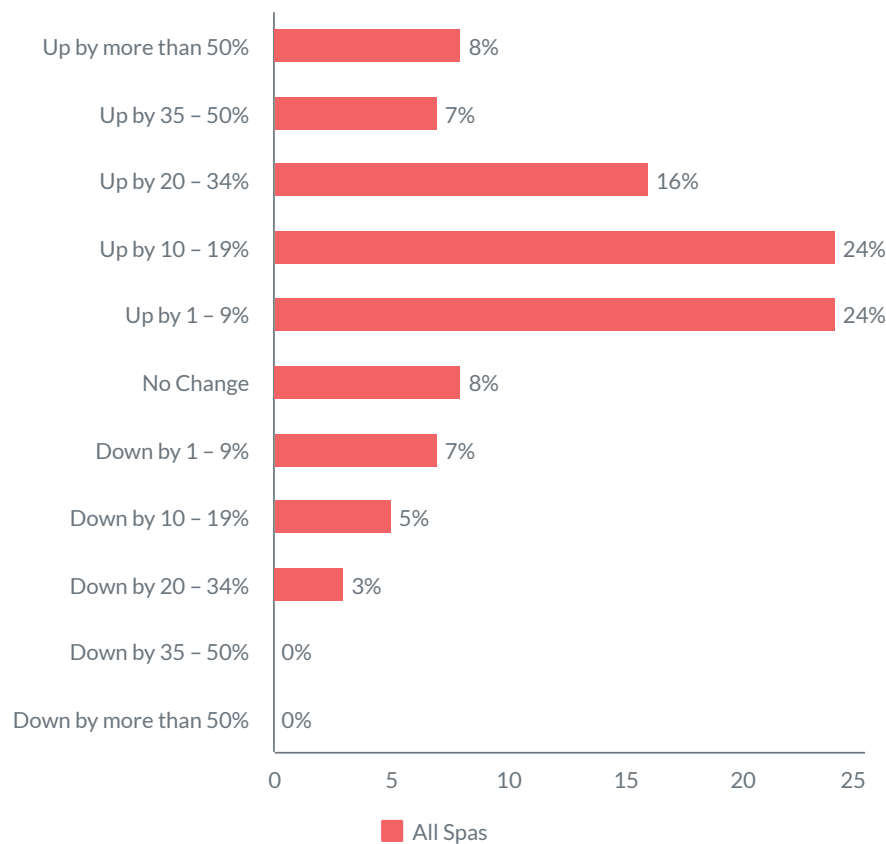
A promotional banner for Agilysys. The banner is split into two main sections. The left section has a green background with the text "Agilysys..." in white. The right section has a white background with the text "Touch." and "Touchless." in green, followed by "Delivering Experiences with the Right Touch" in black. Below this text is a green button with the text "LEARN MORE" in white. The banner also features images of a person receiving a massage and a hand using a handheld device.

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What was your gross revenue change for the third quarter of 2022 compared to the third quarter of 2021?

GROSS REVENUE CHANGE



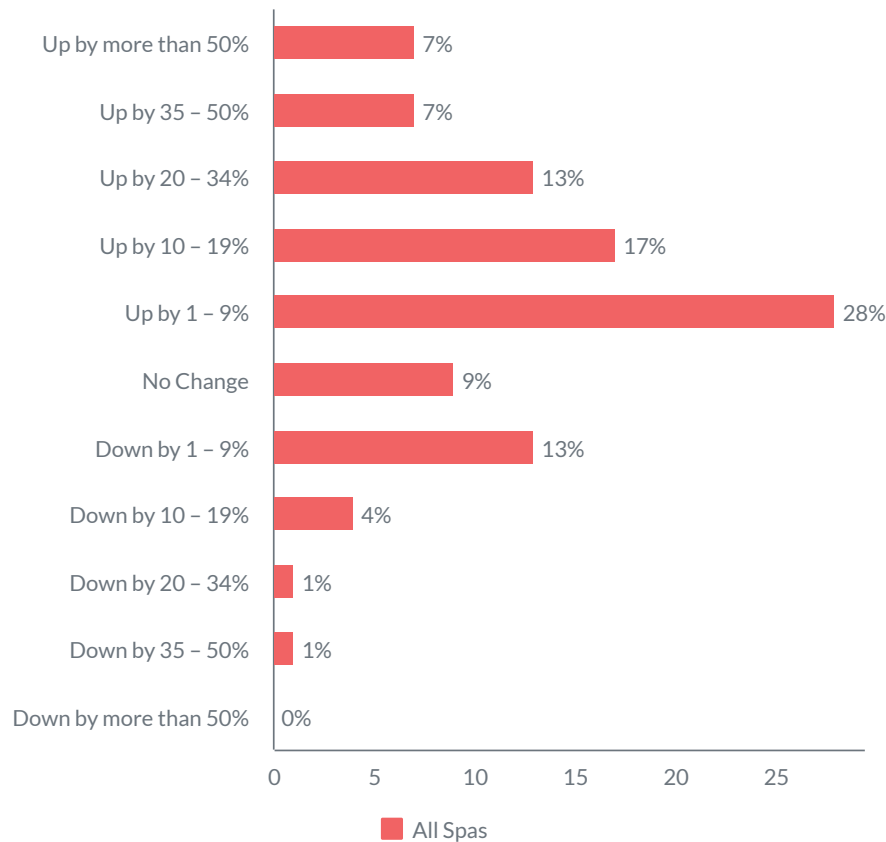
Gross Revenue Change | ALL SPAS

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Up by more than 50% | 1% | 0% | 0% | 53% | 10% | 20% | 24% | 5% | 8% |
| Up by 20-50% | 2% | 13% | 9% | 22% | 44% | 30% | 39% | 39% | 23% |
| Up by 1-19% | 11% | 6% | 20% | 9% | 33% | 27% | 26% | 36% | 48% |
| No change | 1% | 0% | 2% | 4% | 3% | 4% | 4% | 10% | 8% |
| Down by 1-19% | 13% | 12% | 20% | 2% | 0% | 2% | 4% | 9% | 12% |
| Down by 20-50% | 46% | 43% | 38% | 6% | 7% | 6% | 3% | 0% | 3% |
| Down by more than 50% | 27% | 26% | 12% | 2% | 2% | 0% | 0% | 0% | 0% |



What was your profit change for the third quarter of 2022 compared to the third quarter of 2021?

PROFIT CHANGE



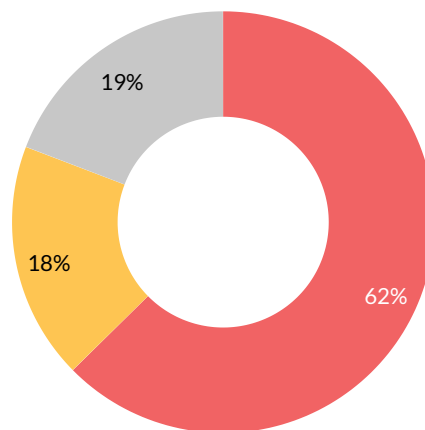
Profit Change | ALL SPAS

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Up by more than 50% | 1% | 2% | 9% | 42% | 4% | 19% | 18% | 4% | 7% |
| Up by 20-50% | 2% | 8% | 17% | 22% | 44% | 34% | 34% | 23% | 20% |
| Up by 1-19% | 14% | 19% | 31% | 20% | 40% | 28% | 37% | 43% | 45% |
| No change | 10% | 2% | 2% | 7% | 5% | 8% | 7% | 15% | 9% |
| Down by 1-19% | 26% | 25% | 15% | 2% | 2% | 7% | 2% | 14% | 17% |
| Down by 20-50% | 29% | 21% | 17% | 2% | 6% | 4% | 1% | 0% | 2% |
| Down by more than 50% | 19% | 24% | 11% | 4% | 0% | 0% | 1% | 0% | 0% |



How did your number of spa visits change for the third quarter of 2022 compared to the third quarter of 2021?

CHANGE IN SPA VISITS



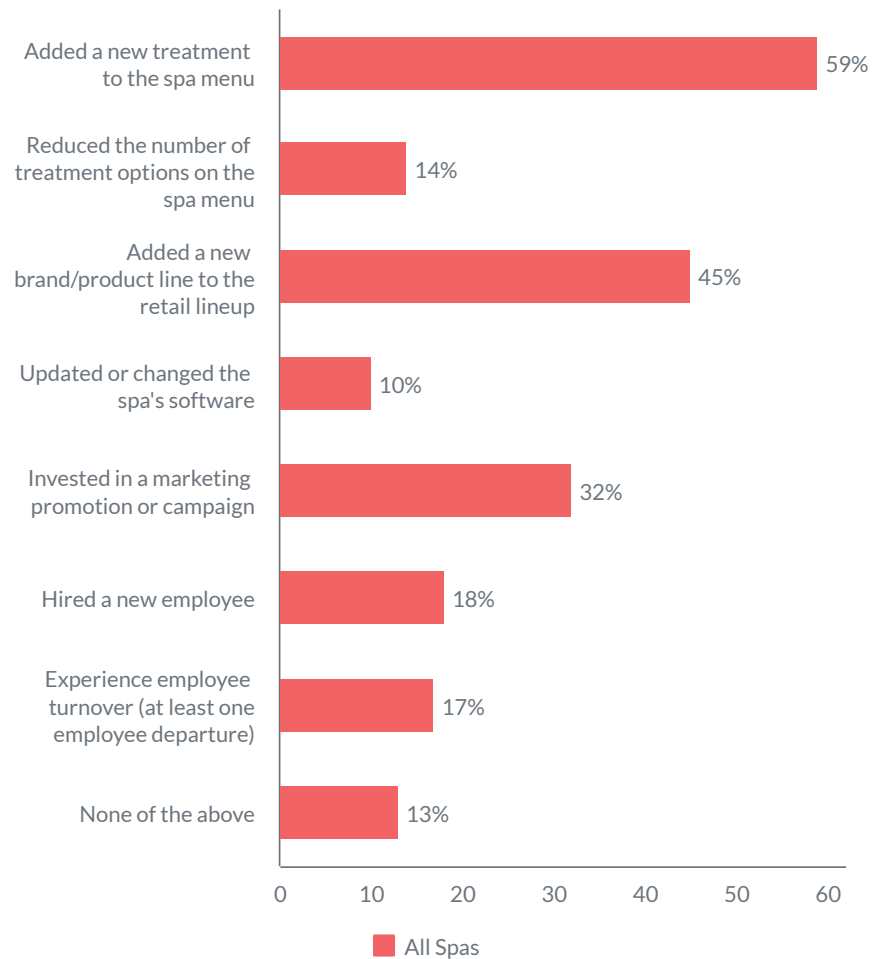
■ Spa visits were up (62%)
 ■ Spa visits were down (18%)
 ■ No change (19%)

Change in Spa Visits | ALL SPAS

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Spa visits were up | 12% | 15% | 27% | 89% | 92% | 87% | 92% | 73% | 62% |
| Spa visits were down | 85% | 81% | 69% | 9% | 5% | 9% | 5% | 17% | 18% |
| No change | 3% | 4% | 4% | 2% | 3% | 4% | 3% | 10% | 19% |



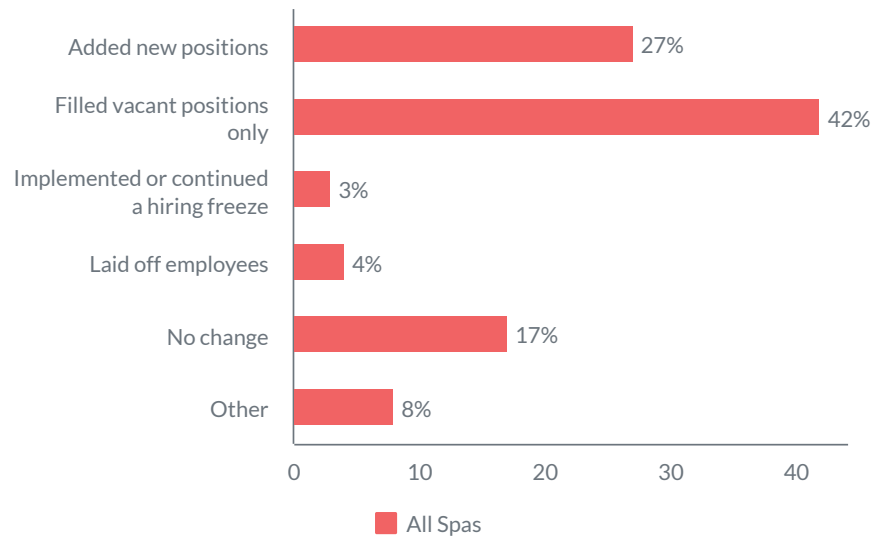
*Which of the following, if any, did your spa do during the third quarter?
Select all that apply.*





Which of the following best describes your workforce changes for the third quarter of 2022?

WORKFORCE CHANGES



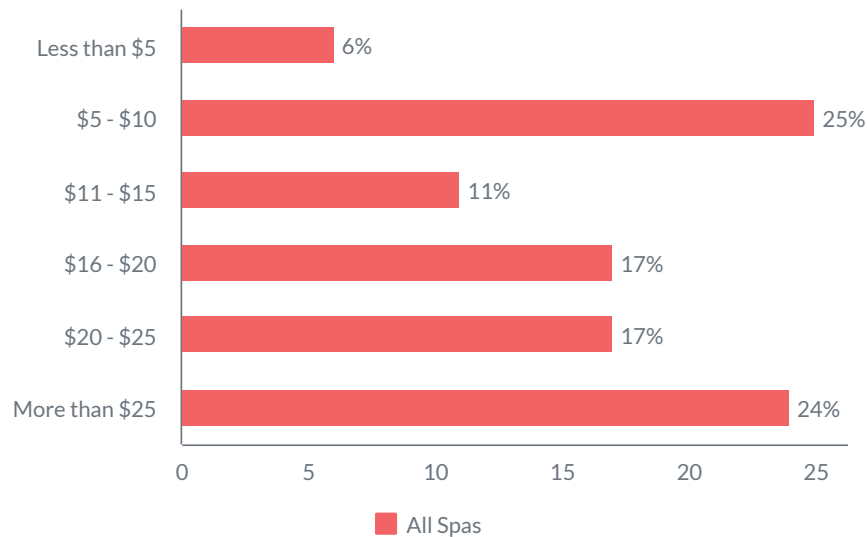
Workforce Changes | ALL SPAS

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Added new positions | 11% | 10% | 13% | 29% | 39% | 39% | 39% | 27% | 27% |
| Filled vacant positions only | 34% | 32% | 38% | 40% | 44% | 33% | 36% | 58% | 42% |
| Implemented a hiring freeze | 13% | 9% | 6% | 2% | 0% | 1% | 1% | 0% | 3% |
| Laid off employees | 19% | 15% | 7% | 2% | 0% | 1% | 0% | 0% | 4% |
| No change | 12% | 22% | 23% | 20% | 14% | 18% | 17% | 12% | 17% |
| Other | 12% | 12% | 13% | 7% | 3% | 8% | 6% | 2% | 8% |



What was your spa's average retail revenue per treatment for the third quarter of 2022?

RETAIL REVENUE PER TREATMENT



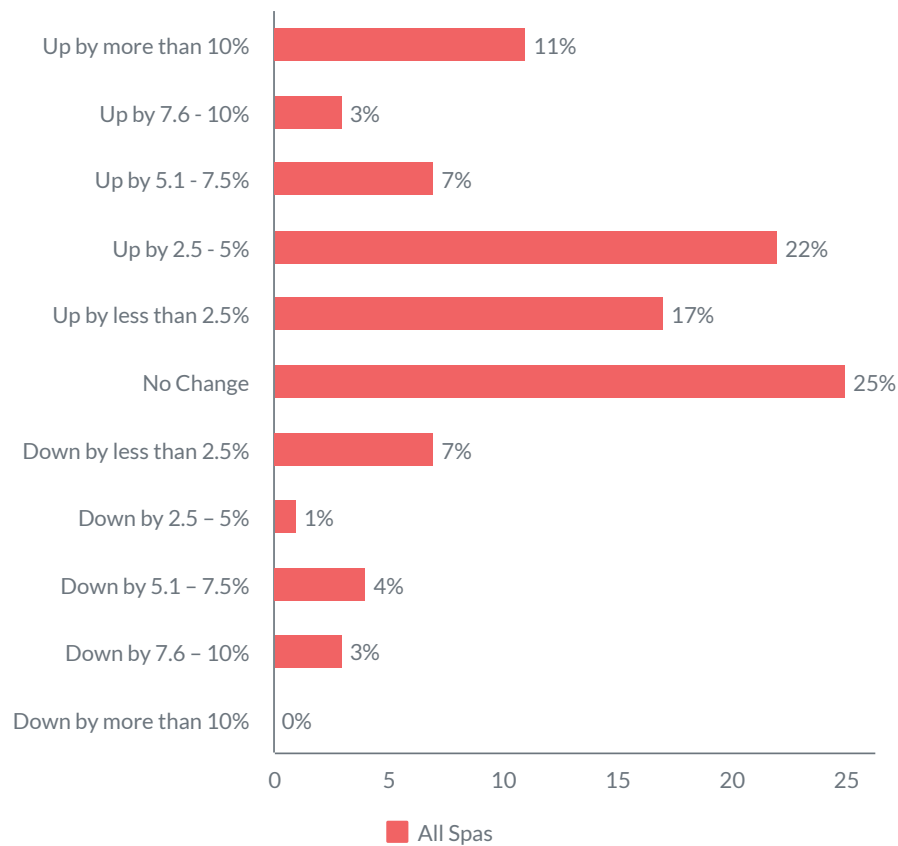
Average Retail Revenue Per Treatment | ALL SPAS

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Less than \$5 | 10% | 13% | 13% | 15% | 6% | 9% | 6% | 6% | 6% |
| \$5 - \$10 | 18% | 15% | 20% | 18% | 14% | 19% | 31% | 19% | 25% |
| \$11 - \$15 | 16% | 23% | 17% | 15% | 25% | 20% | 19% | 23% | 11% |
| \$16 - \$20 | 22% | 16% | 27% | 26% | 25% | 26% | 15% | 15% | 17% |
| \$20 - 25 | 23% | 16% | 5% | 10% | 18% | 6% | 7% | 13% | 17% |
| More than \$25 | 10% | 16% | 18% | 15% | 12% | 21% | 22% | 25% | 24% |



What was your spa's change in retail revenue per treatment for the third quarter of 2022 compared to the third quarter of 2021?

CHANGE IN RETAIL REVENUE PER TREATMENT

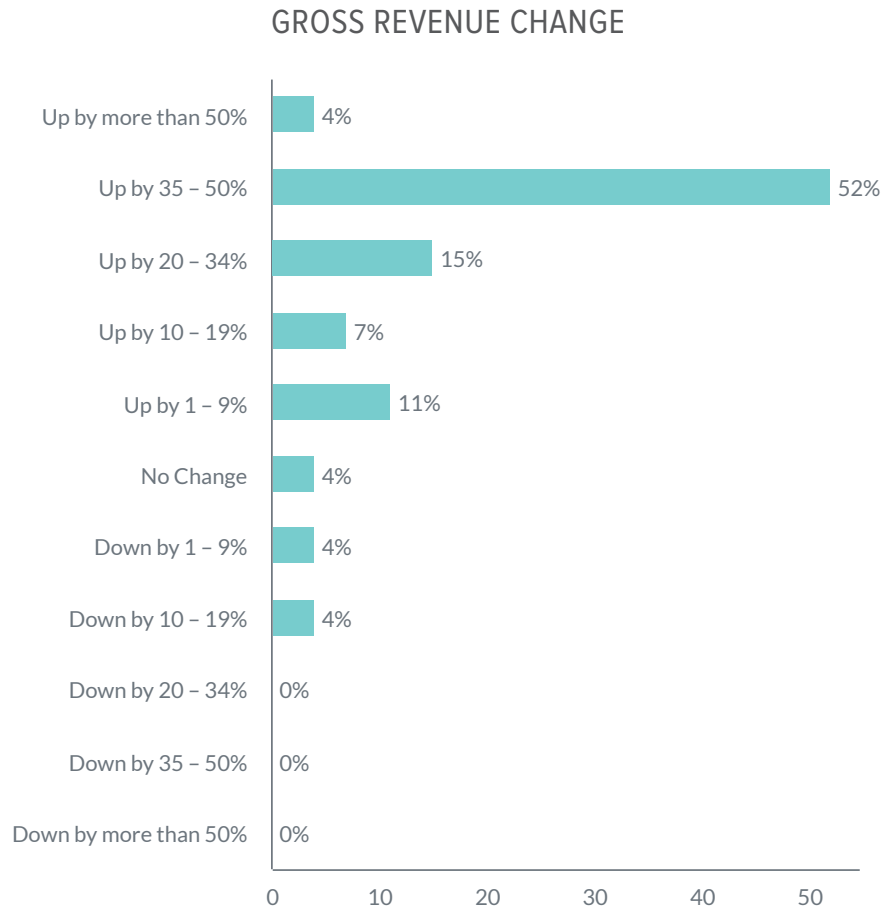


Change in Retail Revenue Per Treatment | **ALL SPAS**

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Up by more than 10% | 3% | 8% | 7% | 36% | 18% | 24% | 21% | 15% | 11% |
| Up by 7.6 - 10% | 3% | 3% | 7% | 5% | 10% | 3% | 8% | 8% | 3% |
| Up by 5.1 - 7.5% | 3% | 3% | 5% | 10% | 16% | 16% | 10% | 6% | 7% |
| Up by 2.5 - 5% | 9% | 3% | 10% | 13% | 22% | 17% | 27% | 23% | 22% |
| Up by less than 2.5% | 11% | 8% | 10% | 18% | 4% | 13% | 4% | 9% | 17% |
| No Change | 18% | 18% | 15% | 10% | 20% | 16% | 18% | 25% | 25% |
| Down by less than 2.5% | 7% | 3% | 12% | 0% | 4% | 6% | 6% | 6% | 7% |
| Down by 2.5 - 5% | 7% | 11% | 15% | 5% | 4% | 1% | 0% | 3% | 1% |
| Down by 5.1 - 7.5% | 8% | 7% | 3% | 0% | 0% | 4% | 1% | 0% | 4% |
| Down by 7.6 - 10% | 8% | 8% | 3% | 3% | 4% | 0% | 0% | 3% | 3% |
| Down by more than 10% | 21% | 26% | 13% | 0% | 0% | 0% | 4% | 4% | 4% |



What was your gross revenue change for the third quarter of 2022 compared to the third quarter of 2021?



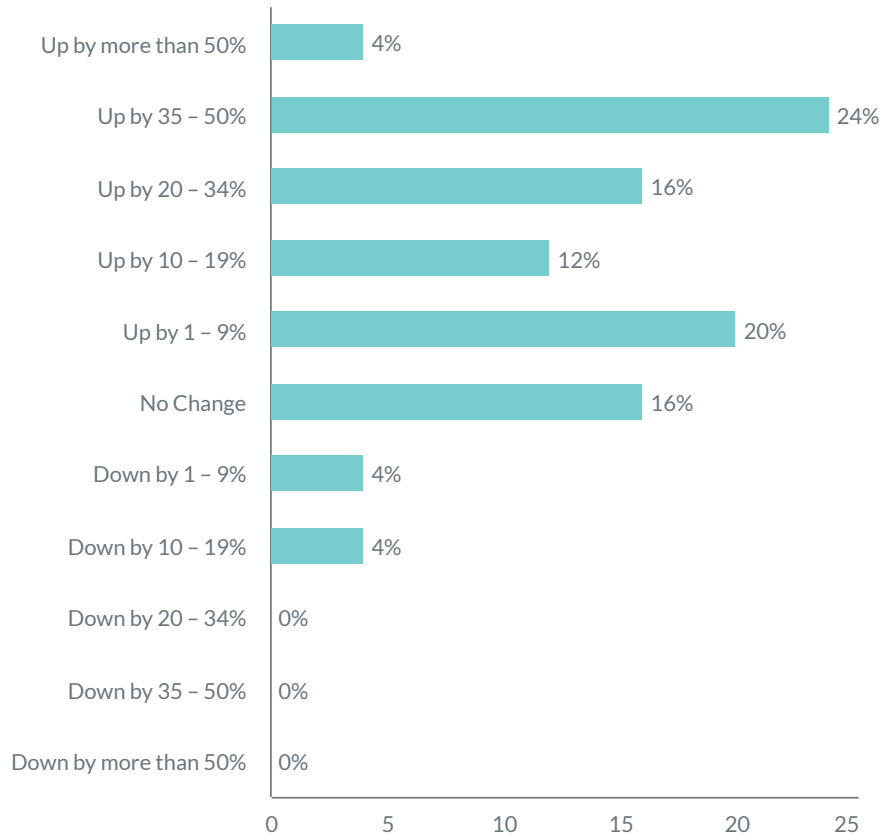
Gross Revenue Change | **RESOURCE PARTNERS**

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Up by more than 50% | 0% | 8% | 5% | 8% | 20% | 8% | 8% | 9% | 4% |
| Up by 20-50% | 7% | 14% | 22% | 38% | 33% | 33% | 32% | 28% | 67% |
| Up by 1-19% | 6% | 17% | 22% | 24% | 35% | 38% | 42% | 47% | 18% |
| No change | 10% | 11% | 5% | 4% | 8% | 15% | 10% | 11% | 4% |
| Down by 1-19% | 17% | 25% | 19% | 20% | 5% | 5% | 6% | 4% | 8% |
| Down by 20-50% | 20% | 14% | 22% | 8% | 0% | 0% | 2% | 2% | 0% |
| Down by more than 50% | 40% | 14% | 5% | 0% | 0% | 3% | 0% | 0% | 0% |



What was your profit change for the third quarter of 2022 compared to the third quarter of 2021?

PROFIT CHANGE



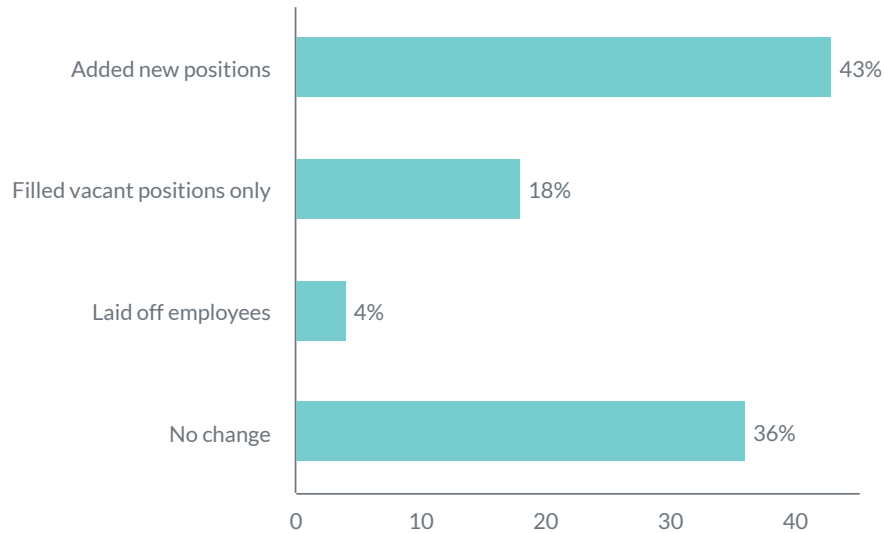
Profit Change | RESOURCE PARTNERS

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Up by more than 50% | 0% | 3% | 3% | 8% | 18% | 5% | 2% | 7% | 4% |
| Up by 20-50% | 3% | 0% | 28% | 19% | 18% | 22% | 26% | 24% | 40% |
| Up by 1-19% | 10% | 39% | 23% | 34% | 39% | 38% | 31% | 41% | 32% |
| No change | 10% | 9% | 9% | 23% | 18% | 22% | 15% | 15% | 16% |
| Down by 1-19% | 17% | 15% | 15% | 16% | 3% | 11% | 11% | 9% | 8% |
| Down by 20-50% | 20% | 24% | 17% | 0% | 3% | 0% | 2% | 4% | 0% |
| Down by more than 50% | 38% | 12% | 6% | 0% | 0% | 3% | 2% | 0% | 0% |



Which of the following best describes your workforce changes for the third quarter of 2022?

WORKFORCE CHANGES



Workforce Changes | **RESOURCE PARTNERS**

| | 3rd Qtr 2020 | 4th Qtr 2020 | 1st Qtr 2021 | 2nd Qtr 2021 | 3rd Qtr 2021 | 4th Qtr 2021 | 1st Qtr 2022 | 2nd Qtr 2022 | 3rd Qtr 2022 |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Added new positions | 32% | 27% | 44% | 36% | 50% | 40% | 43% | 43% | 43% |
| Filled vacant positions only | 3% | 11% | 8% | 24% | 13% | 15% | 21% | 17% | 18% |
| Laid off employees | 13% | 5% | 11% | 0% | 0% | 3% | 0% | 2% | 4% |
| No change | 42% | 41% | 28% | 36% | 38% | 40% | 34% | 37% | 36% |
| Other | 0% | 0% | 0% | 0% | 0% | 3% | 2% | 0% | 37% |



What percent increase or decrease did you see in your number of new accounts, repeat clients, account closures and international accounts for the third quarter of 2022 compared to the third quarter of 2021?

CHANGE IN ACCOUNTS

| | UP MORE THAN 15% | UP 1 - 15% | NO CHANGE | DOWN 1 - 15% | DOWN MORE THAN 15% |
|-------------------------------------|---------------------|------------|------------|--------------|-----------------------|
| NUMBER OF NEW ACCOUNTS | 43% | 46% | 7% | 4% | 0% |
| NUMBER OF REPEAT CLIENTS | 17% | 46% | 33% | 4% | 0% |
| NUMBER OF ACCOUNT CLOSURES | 0% | 8% | 76% | 8% | 8% |
| NUMBER OF INTERNATIONAL ACCOUNTS | 21% | 38% | 42% | 0% | 0% |



The following resource partner respondents shared updates on new products/ services launched during the third quarter.

- Geneo launched GLAM revitalizing treatment for fine line and wrinkles.
- Mindful Luxury has partnered with five beauty & wellness brands - Hommage, EarSeeds, Pure Inventions, Fleur Marche & Equilibria.
- New DOCTOR BABOR Cleanformance Herbal Balancing Toner, 4 NEW innovative sheet mask formulations in 'grab and go' impulse purchase display, BABOR SKINOVAGE relaunch with new innovative, cleaner formulations and technology, BABOR AMPOULES relaunch in new cleaner formulations. Additional new lip balm launch
- Novel Peptide products, new Education
- OSEA launched Vagus Nerve Bath Oil to complement Vagus Nerve Pillow Mist and Vagus Nerve Oil.
- Pure Fiji launched a new direct to consumer e-commerce store in partnership with Shopify Plus. This exciting update will improve customer journey, product education and one-step checkout for online shoppers. Wholesale and professional training platforms will launch in 2023! Visit now at US.purefiji.com. Working on our seasonal menu which will highlight some enticing warm winter rituals: Pure Fiji's Royal Milk & Honey Ritual.
- SPARITUAL Nourishing Vegan Color Enriching Fall Collection and SPARITUAL Nourishing Vegan Color Holiday Mini Kits
- We are working closer with our old and new business partners to complement their efforts even more. In room opportunities are expanding to maximize ROI with the guests EXPERIENCING the Kashwere products leading to purchases vs SELLING them anything. The bamboo cotton coverlettes and new pillows have been another shining star to our product offering.

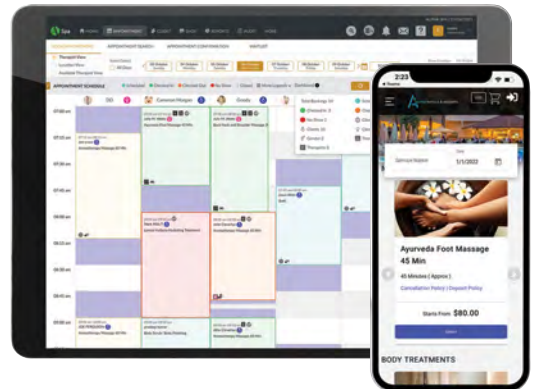
Return On Experience

- ▶ delight guests
- ▶ retain staff
- ▶ grow margins



When it comes to your customers,
a **ZERO disappointment experience** is crucial

You need to deliver the type of exceptional experience that delights your customers. With a comprehensive suite of fully integrated end-to-end solutions, Agilysys can help you create seamless, personalized experiences to deliver greater spend, stronger reviews and customers for life.



Learn More About
Agilysys Solutions for Spas

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Agilysys...
High Return Hospitality™

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