



SNAPSHOT SURVEY

QUARTERLY PERFORMANCE

RESULTS REPORT | **FEBRUARY 2023**

QUARTERLY PERFORMANCE

The February 2023 ISPA Snapshot Survey asked respondents to share details about their spa or company's fourth quarter performance (October 1, 2022, through December 31, 2022) compared to the fourth quarter of 2021. The results reported in this quarterly performance survey further illustrates the spa industry's continued recovery from the pandemic.

Compared to the same period in 2021, 82 percent of the spas surveyed reported an increase in fourth quarter revenue. Complementarily, 72 percent of spa respondents reported an increase in profits. Almost one-third (28 percent) saw profit increases exceeding 20 percent compared to the prior fourth quarter profits. Continuing in 2022 trends, spa visits were up for 75 percent of respondents.

Although staffing continues to be a challenge, 38 percent noted that they had added new positions and 40 percent filled vacant positions. Additionally, nearly 50 percent added a new treatment during the fourth quarter while 60 percent added a new brand or products to their retail lineup. One fourth (23 percent) of spas reported on average retail revenue per treatment of more than \$25.

Compared to the same period in 2021, 81 percent of resource partners reported an increase in fourth quarter revenue. In addition, resource partner respondents (25 percent) reported their profits were up by 20 percent or more, while 26 percent added new positions. Compared to the fourth quarter of 2021, 28 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 293 ISPA members who completed the February Snapshot Survey from February 17, 2023, to February 27, 2023.

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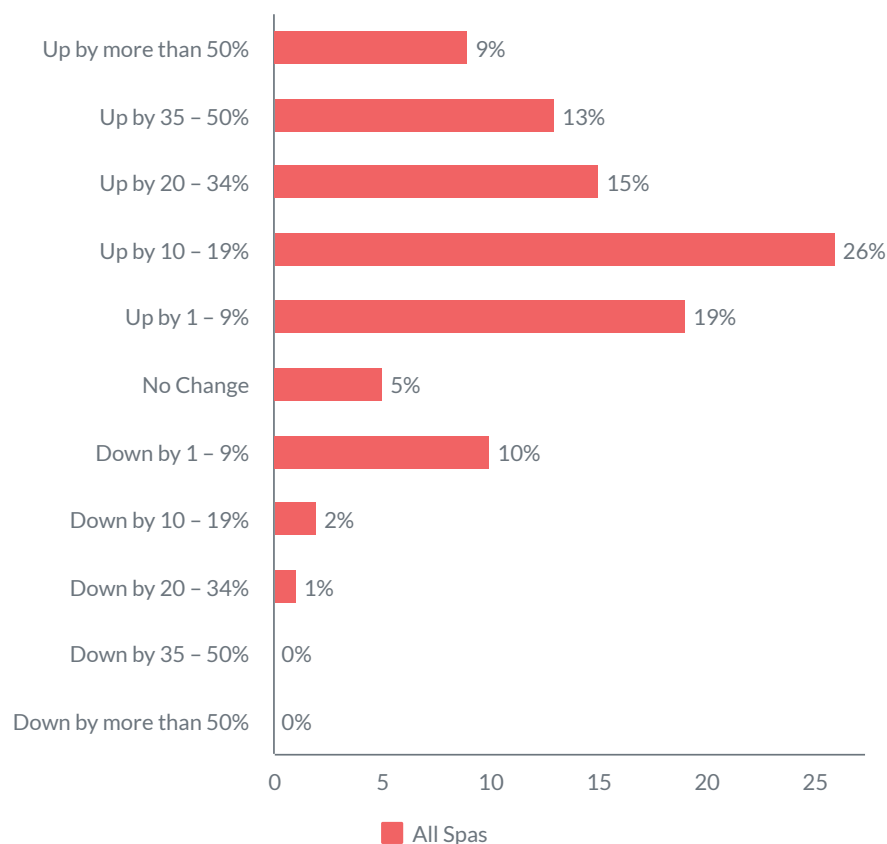
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What was your gross revenue change for the fourth quarter of 2022 compared to the fourth quarter of 2021?

GROSS REVENUE CHANGE

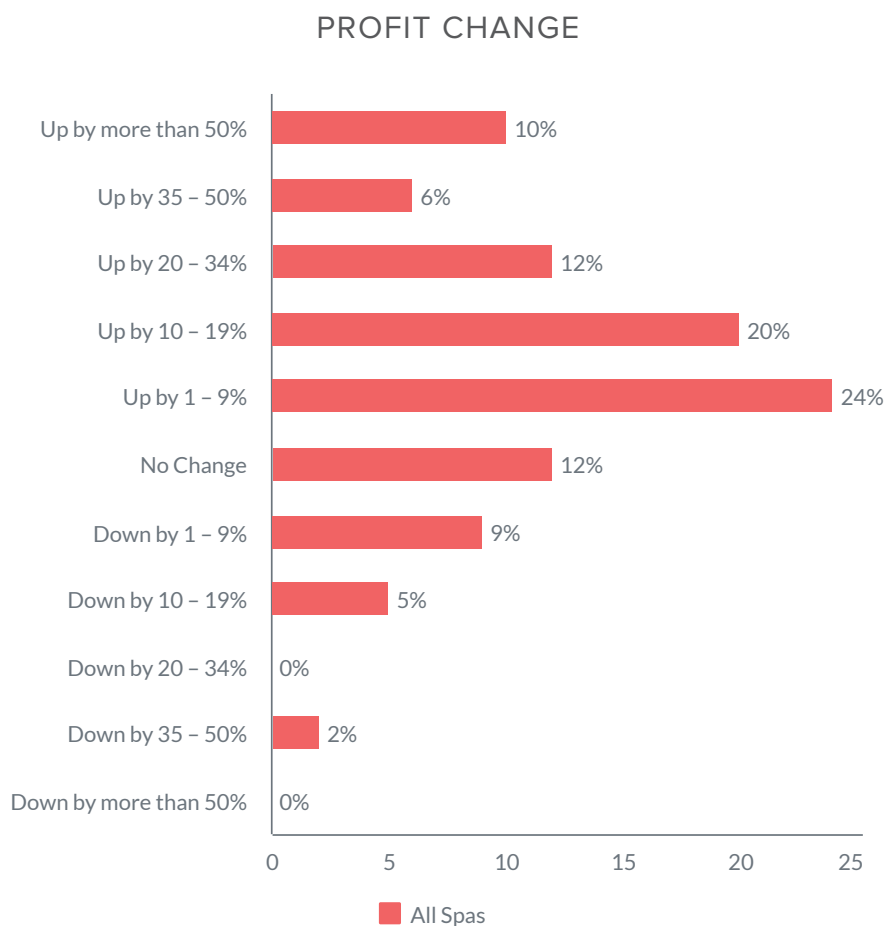


Gross Revenue Change | ALL SPAS

	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021	1st Qtr 2022	2nd Qtr 2022	3rd Qtr 2022	4th Qtr 2022
Up by more than 50%	0%	0%	53%	10%	20%	24%	5%	8%	9%
Up by 20-50%	13%	9%	22%	44%	30%	39%	39%	23%	28%
Up by 1-19%	6%	20%	9%	33%	27%	26%	36%	48%	45%
No change	0%	2%	4%	3%	4%	4%	10%	8%	5%
Down by 1-19%	12%	20%	2%	0%	2%	4%	9%	12%	12%
Down by 20-50%	43%	38%	6%	7%	6%	3%	0%	3%	1%
Down by more than 50%	26%	12%	2%	2%	0%	0%	0%	0%	0%



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



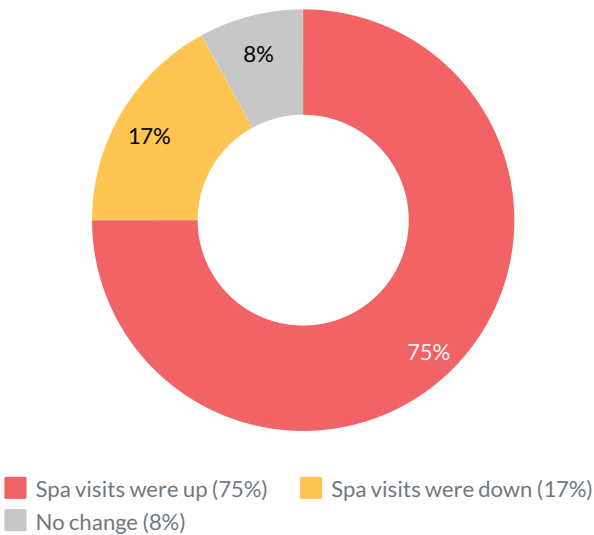
Profit Change | **ALL SPAS**

	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021	1st Qtr 2022	2nd Qtr 2022	3rd Qtr 2022	4th Qtr 2022
Up by more than 50%	2%	9%	42%	4%	19%	18%	4%	7%	10%
Up by 20-50%	8%	17%	22%	44%	34%	34%	23%	20%	18%
Up by 1-19%	19%	31%	20%	40%	28%	37%	43%	45%	44%
No change	2%	2%	7%	5%	8%	7%	15%	9%	12%
Down by 1-19%	25%	15%	2%	2%	7%	2%	14%	17%	14%
Down by 20-50%	21%	17%	2%	6%	4%	1%	0%	2%	2%
Down by more than 50%	24%	11%	4%	0%	0%	1%	0%	0%	0%



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

CHANGE IN SPA VISITS



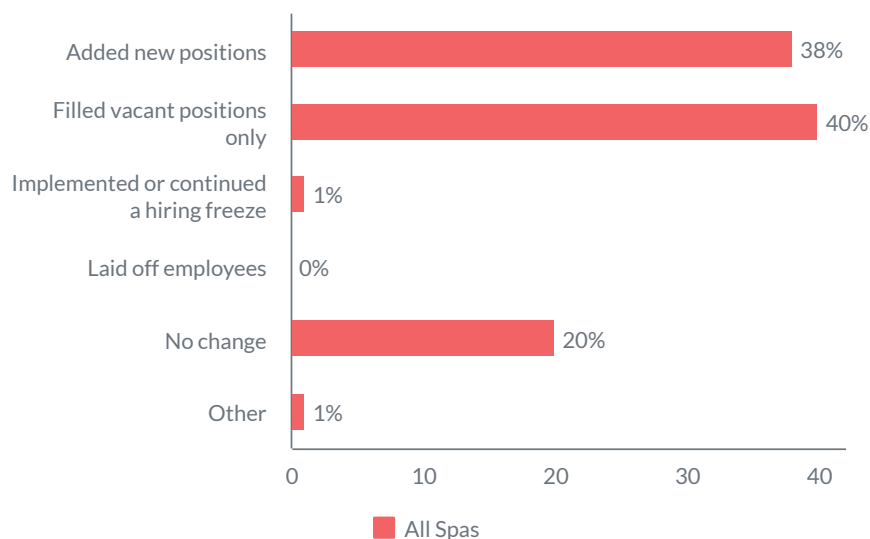
Change in Spa Visits | ALL SPAS

	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021	1st Qtr 2022	2nd Qtr 2022	3rd Qtr 2022	4th Qtr 2022
Spa visits were up	15%	27%	89%	92%	87%	92%	73%	62%	75%
Spa visits were down	81%	69%	9%	5%	9%	5%	17%	18%	17%
No change	4%	4%	2%	3%	4%	3%	10%	19%	8%



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

WORKFORCE CHANGES



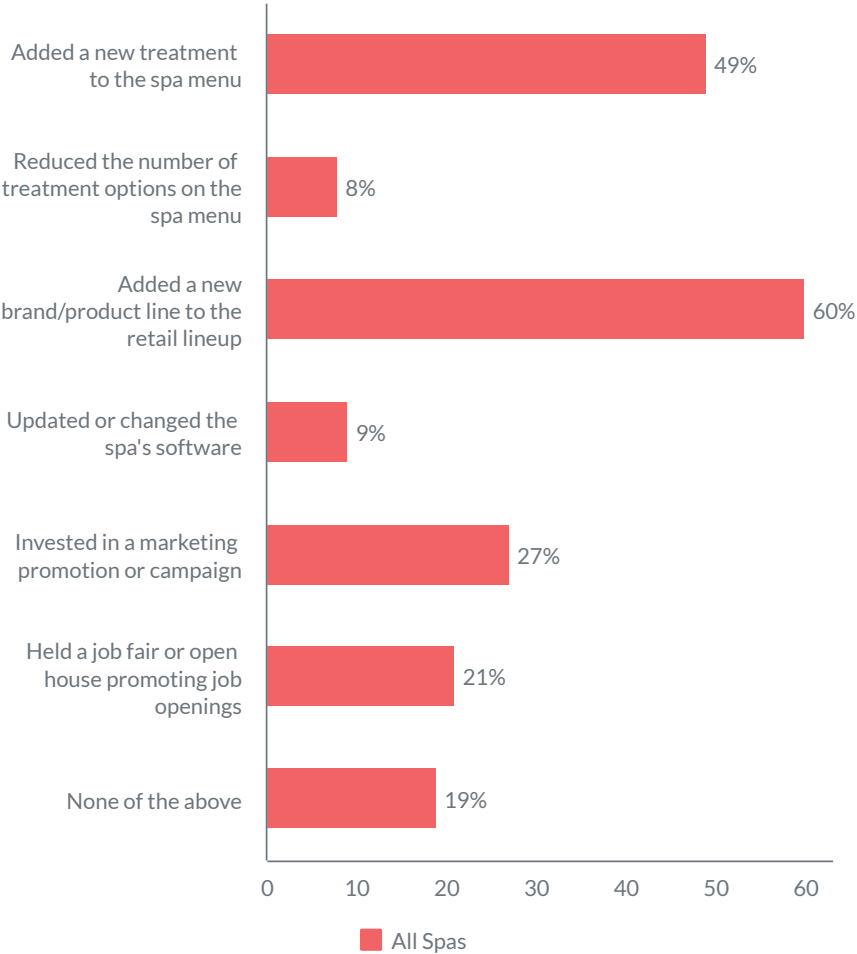
Workforce Changes | ALL SPAS

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



Which of the following, if any, did your spa do during the fourth quarter?

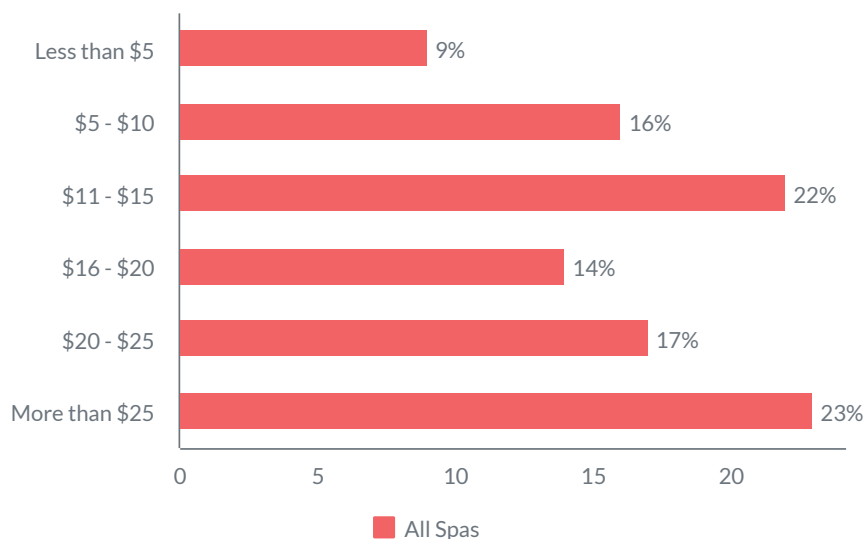
SPA ACTIVITIES DURING FOURTH QUARTER





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

AVERAGE RETAIL REVENUE PER TREATMENT



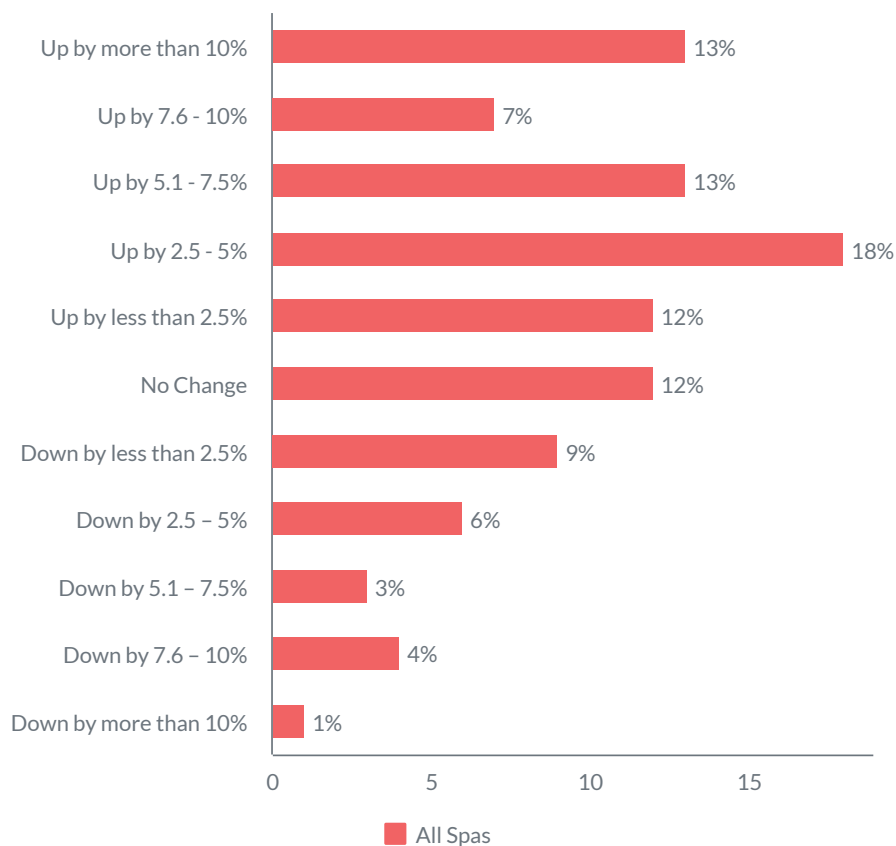
Average Retail Revenue Per Treatment | **ALL SPAS**

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



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

CHANGE IN RETAIL REVENUE PER TREATMENT



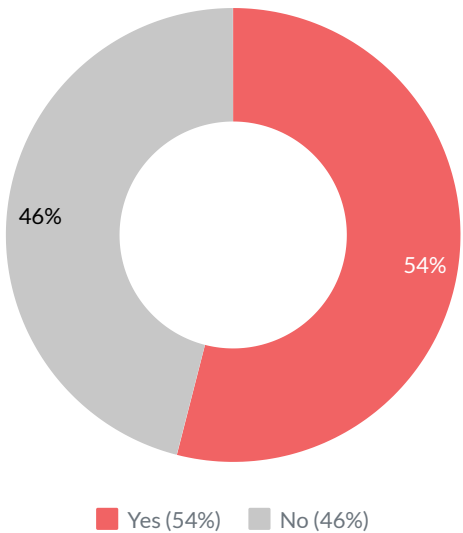
Change in Retail Revenue Per Treatment | **ALL SPAS**

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



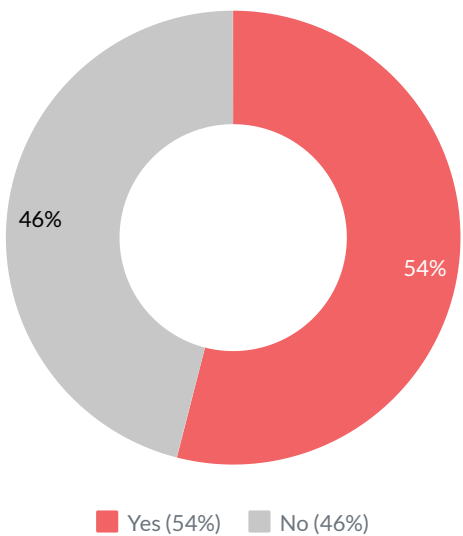
Does your spa currently have a service charge/fee in place for treatments?

SERVICE CHARGE/FEE FOR TREATMENTS



Do you publish details on where the service charge/fee goes publicly where the guest can see/access those details?

SERVICE CHARGE/FEE PUBLISHED





Spa respondents that have a service charge/fee structure that has proven to be successful were asked to share details. Please find a sample of responses provided below.

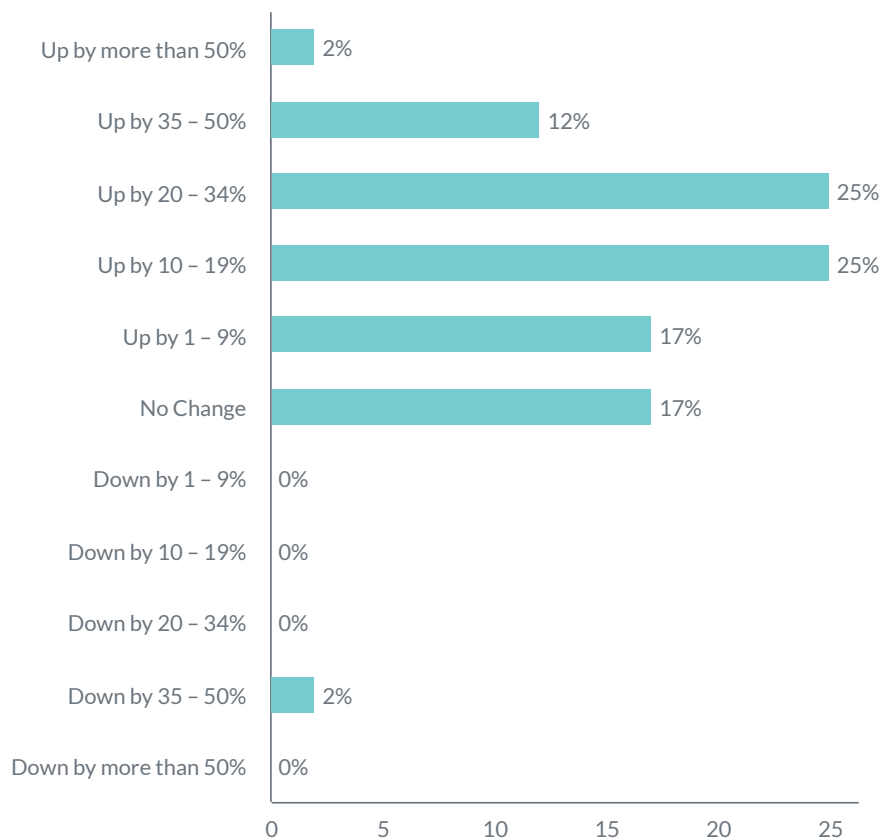
- 10% service charge added on each service.
- 15% service charge apply to all services and 20% service charge fee for groups.
- 15% service provider, 1% split between support staff based on hours worked weekly, 4% house.
- 2% spa service charge - this is pooled and split between Concierge and Guest Service attendants each week based on number of hours worked. None of it is retained by the spa.
- 20% automatic service charge.
- 20% service charge added to all services. 18% goes directly to the service provider, 2% pooled and divided among front of house (spa front desk and spa attendants).
- 20% service charge is applied at checkout and outlined for the guest when they book over the phone during the call and in email communication prior to arrival, as well as being posted at the front desk. This fee is not discounted when services are discounted and is always based on the original service price.
- 20% service charge to all services. 15% goes to provider and 5% goes to support staff.
- 21% service charge, 18% to therapist, 1% to booking agent and 2% to the house for administrative purposes.
- 22% service charge - 18% to therapists 4% to house to cover CC fees +.
- 22% service charge added to all services.
- 22% service charge is added to the service total at checkout. Therapists receive 17% and 3% of the total service charges collected is distributed between attendants and the front desk team based on hours worked.
- 75% of the service charge goes to the provider, 12.5% goes to the support staff pool and 12.5% goes to the house as we do not get any of the resort fee.
- In process of modifying now to better match legal requirements.
- It has been successful and rarely experience guest concerns.
- Just be honest and explain to the guest what exactly we are charging for.
- Our service fee of 20% is split as gratuity to the entire staff. 18% to the therapists and 1% to the spa reception and 1% to the spa wellness attendants. Communicated as ALL for one and one for all in the guest experience. This also allows me to market a hire wage for spa reception and wellness attendant than my competitors.
- The guest can request to have it removed but we always state it is added for the guest's convenience.
- To the earlier question, we discuss where the service charge goes but we don't publish outside of the paperwork the guests sees and signs.
- We add 20% service fee on every service, 18% goes to the provider 2% goes to support staff tip pool.
- We add an automatic 20% service fee.

- We charge a 20% service fee for all services. We advertise this for member convenience we add a 20% service fee to all services. Additional gratuity for exceptional service is appreciated and at the members discretion.
- We charge an automatic 20% service charge on all treatments - 15% is allocated to the therapist and the other 5% to the house.
- We have a 20% service charge that gets attached to each appointment. This is presented to guests during their time of arrival and reminded multiple times throughout their stay.
- We have a 20% service charge. We publish on our website and inform at checkout that it acts as gratuity. We haven't yet published the breakdown that 18% is for the provider and 2% to guest services hourly staff. Occasionally a guest lets us know they do not like the automatic charge, but most people are fine with it, some even appreciating it.
- We include a 18% service charge for convenience to the guest. They are informed upon check out that it has been added however we are happy to assist in changing the amount/percentage for them. Most guests keep the 18%, some change to a monetary amount and some increase the amount.
- We offer an automatic service charge of 20% added to every treatment. 18% goes to the provider and 2% goes to the gratuity pool for the spa front desk
- We simply charge 20% in lieu of gratuity (plus state tax). If guest refuses to pay the service charge, or not at the 20% rate, we are obligated to make up the difference because it is a "service charge" and not a gratuity and written into our service agreements that way. Any additional gratuities offered by the guest; our service providers are trained to make the guest aware "there is already a 20% service charge included. Any additional amount is much appreciated but not expected.
- We were first concerned about increasing the service charge %. In Q2 2022, we increased service charge to 22% from 20%, also listed 16% goes to the provider, the rest to the house
- Yes. Very successful. It is part of the service provider. We charge 24% service charge. 20% goes to providers 2% is split between spa desk and attendants and 2% goes to the house to cover the credit card fees to be able to have the service charge for the team.



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

GROSS REVENUE CHANGE

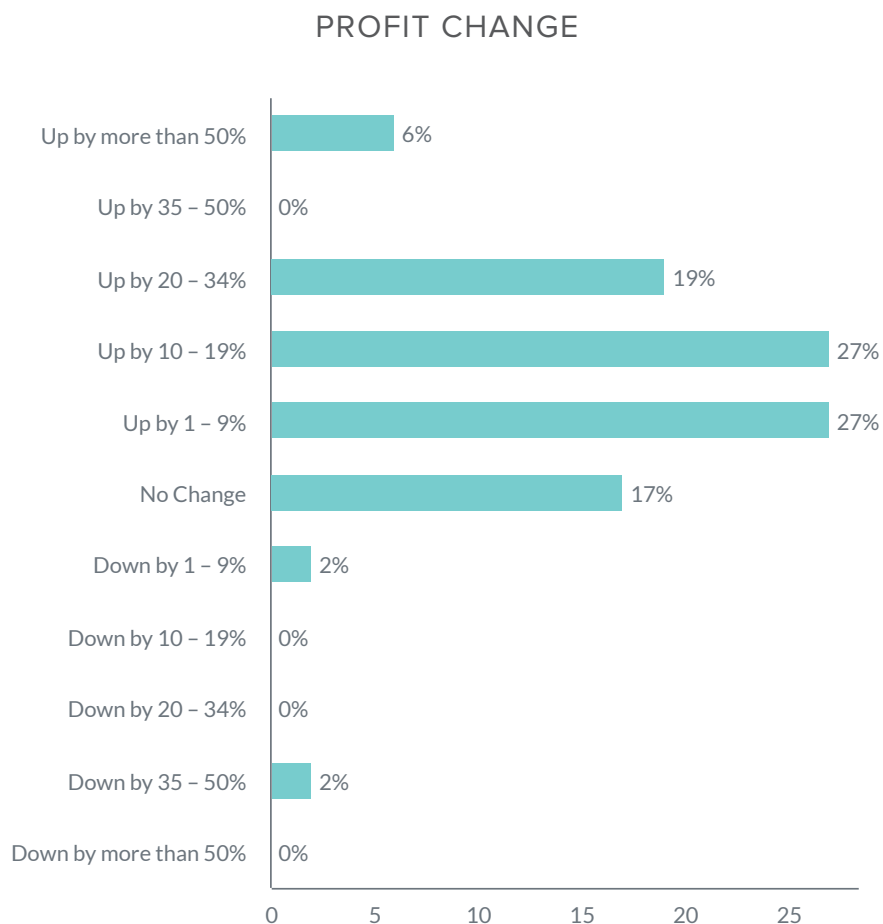


Gross Revenue Change | **RESOURCE PARTNERS**

	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021	1st Qtr 2022	2nd Qtr 2022	3rd Qtr 2022	4th Qtr 2022
Up by more than 50%	8%	5%	8%	20%	8%	8%	9%	4%	2%
Up by 20-50%	14%	22%	38%	33%	33%	32%	28%	67%	37%
Up by 1-19%	17%	22%	24%	35%	38%	42%	47%	18%	42%
No change	11%	5%	4%	8%	15%	10%	11%	4%	17%
Down by 1-19%	25%	19%	20%	5%	5%	6%	4%	8%	0%
Down by 20-50%	14%	22%	8%	0%	0%	2%	2%	0%	2%
Down by more than 50%	14%	5%	0%	0%	3%	0%	0%	0%	0%



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



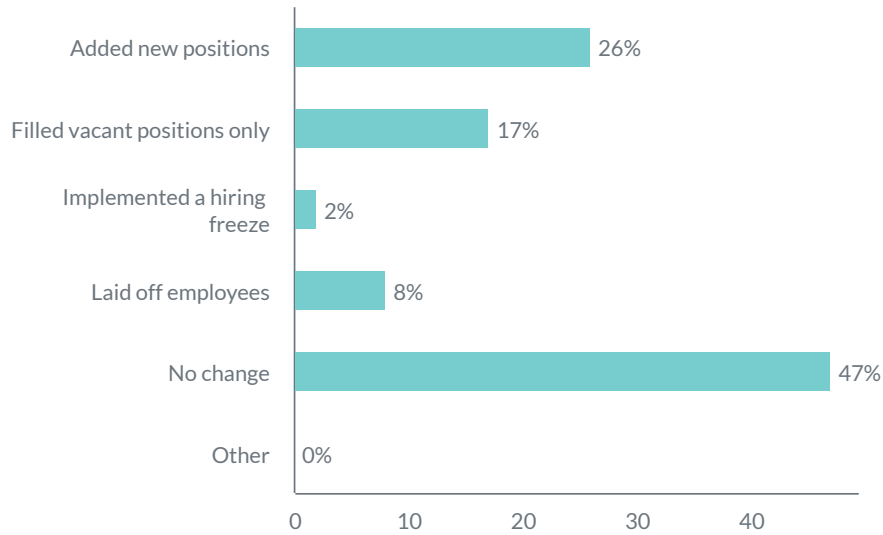
Profit Change | **RESOURCE PARTNERS**

	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021	1st Qtr 2022	2nd Qtr 2022	3rd Qtr 2022	4th Qtr 2022
Up by more than 50%	3%	3%	8%	18%	5%	2%	7%	4%	6%
Up by 20-50%	0%	28%	19%	18%	22%	26%	24%	40%	19%
Up by 1-19%	39%	23%	34%	39%	38%	31%	41%	32%	54%
No change	9%	9%	23%	18%	22%	15%	15%	16%	17%
Down by 1-19%	15%	15%	16%	3%	11%	11%	9%	8%	2%
Down by 20-50%	24%	17%	0%	3%	0%	2%	4%	0%	2%
Down by more than 50%	12%	6%	0%	0%	3%	2%	0%	0%	0%



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

WORKFORCE CHANGES



Workforce Changes | **RESOURCE PARTNERS**

	4th Qtr 2020	1st Qtr 2021	2nd Qtr 2021	3rd Qtr 2021	4th Qtr 2021	1st Qtr 2022	2nd Qtr 2022	3rd Qtr 2022	4th Qtr 2022
Added new positions	27%	44%	36%	50%	40%	43%	43%	43%	26%
Filled vacant positions only	11%	8%	24%	13%	15%	21%	17%	18%	17%
Implemented a hiring freeze	-	-	-	-	-	-	-	-	2%
Laid off employees	5%	11%	0%	0%	3%	0%	2%	4%	8%
No change	41%	28%	36%	38%	40%	34%	37%	36%	47%
Other	0%	0%	0%	0%	3%	2%	0%	37%	0%



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 2022 compared to the fourth 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	28%	55%	11%	4%	2%
NUMBER OF REPEAT CLIENTS	26%	32%	34%	9%	0%
NUMBER OF ACCOUNT CLOSURES	4%	4%	76%	13%	2%
NUMBER OF INTERNATIONAL ACCOUNTS	24%	35%	39%	2%	0%

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