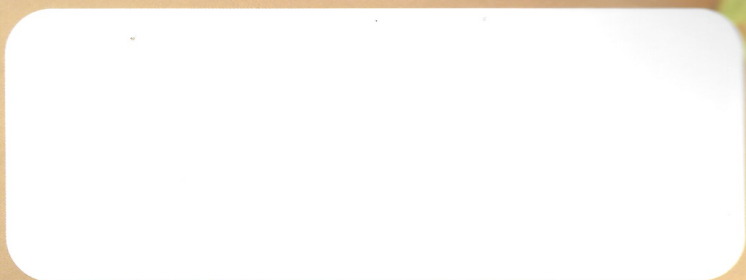


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Tips and  
tricks for  
boosting  
your bottom  
line

# RETAIL DONE RIGHT!

BY DENA BRAUN



**I**f women are both primary spa-goers and eager consumers, shouldn't it stand to reason that a spa boutique equals easy money? Turns out, successful spa retailing isn't a forgone conclusion and this "build it and they will spend" philosophy simply doesn't hold true. However, if you follow some proven tips, you can easily entice clients to shop during their day of wellness.

First and foremost, spa retail employees must understand that their customers' main purpose for being at the spa is not to shop. According to the 2006 ISPA Consumer Report, clients don't want to feel like they're in a store when they're trying to relax at the spa. To turn a spa-goer into a spa-shopper, stores must use a soft-sell approach, offer the right product mix, display the merchandise correctly, get creative with marketing and have a well-trained staff.

### **Location, Location, Location**

This age-old axiom of real estate holds true at the spa. Where you locate the store can make or break sales. In general, the most successful site is in the lobby.

"Our store is in the entry. When people check in and out of the spa, they're in the store," said Daired Ogle, owner of Daired's Salon & Spa Pangea in Arlington, Texas. "We don't keep a lot of seating in that area to encourage people to browse while they wait."

At the Golden Door Spa at The Boulders in Carefree, Ariz., the store is just off the lobby, but it's strategically located so that the customer has to pass by it in order to get to the locker rooms.

### **Offer the Right Products**

Consumers perceive spas to be experts in skin care, so it's crucial to offer skin products, but picking the correct line is key. "Whatever lines the spa chooses for its treatments, there should be a retail component. If there



At The Spa at Amelia Island Plantation, guests can browse a spa bar in the relaxation area, taking the pressure off of therapists to make the sale.

**“If you’re carrying it in your store, it’s telling the consumer that you endorse it.”**



isn't, you're losing sales," said Golden Door's retail manager, Michelle Roland. "It's surprising how many spas don't do this." Research confirms this. According to the 2007 ISPA Spa Industry Study, the top products sold are those that relate directly to the services offered by spas.

But don't stop there. "Spas that are filling only with skin care are defeating themselves," said Christina Alves, spa

consultant. "Spas that have a good balance between soft goods and skin care are doing well today." According to Alves, top sellers include gift items, indigenous products and natural/green product lines.

When choosing the product mix for your store, look for one that reflects the brand image of the spa itself. "We pick things for our store that tell our story," said



## DO!

Pick products that reflect the image of the spa, and offer a variety of price points.

## DON'T!

Allow your retail space to be cluttered or understocked. Either end of the spectrum is unattractive to buyers.



Ogle. "If you're carrying it in your store, it's telling the consumer that you endorse it."

Offering a mix of prices is also important. Someone may not have an extra \$100 to spend on several facial products, but they may be able to splurge on a \$20 candle.

### Merchandising Is the Key

"The secret to retail is how it's displayed," confided Sharilyn Abbajay, vice president of Paris Parker Salons & Spas in Hammond, La.

Successful spa stores are light and bright, merchandise is organized in a logical way and displays are changed frequently. "The biggest thing spas do wrong is merchandising," said Alves. "You need to make displays attractive and uncluttered, you need to realize that shoppers head to the right when they enter a store. Place impulse items at the register. Research shows that if someone picks up a product, 65 percent will buy."

According to Carol Phillips, president of EncompassOne spa consulting in Gainesville, Va., a retail boutique has to look like it's serious about retailing.

"Shelves need to be stocked with at least six of all items," she said. "Stocking less doesn't show well." One of Phillips' clients put this simple philosophy into action and saw its sales rise 35 percent in the first month. "Even in a recession you have to look like you're in business," Phillips said.

Bonnie Patrick Mattalian, president of Club & Spa Synergy Group in River Edge, N.J., recommends that her clients take advantage of the prime real estate on shelves – eye level and mid-level, and that shelf-talkers highlighting different items with phrases like "top seller" and "new" are used. Point-of-sale (POS) signage can also be incorporated into a display to educate guests about products.

While many spas put their top sellers front and center, Corinna Doepke, a retail specialist with skin care company Skin Authority, suggests the opposite. "Put your higher margin products in the back of your retail space so that people will have to walk through all of your other products to get to the one they want," she said.

The Spa at Amelia Island Plantation in Amelia Island, Fla., uses a spa bar in the

relaxation area to merchandise products in a soft-sell way. "It encourages people to smell and try the products, and it takes the pressure off the therapist to do the total sale," said Spa Director Bill Di Stanisloa. At Paris Parker Salon & Spas, a community table is located in the stores to allow therapists and clients to interact and try products in a relaxed environment.

### Creative Promotions Drive Sales

In challenging economic times, creating value and a reason to buy is essential. For resort spas, Alves suggests that the spa director use the product samples the spa gets to create a gift box to put in VIP rooms at the hotel. This alerts guests to the spa and boutique on property.

At Daired's Salon & Spa, a client receives a 10 percent discount to use at the store when they pre-book a spa appointment.

Paris Parker offers a small complimentary service, like a make-up refresher, after any treatment. "The whole science behind that is that you engage the consumer and open the door for service

## “Even in a recession you have to look like you’re in business.”



Even mobile retail areas, like this Skin Authority display at an ISPA Conference, should be pleasing to the eye and well-maintained.

providers to sell retail,” said Abbajay. The spa also creates bundled promotions like a sunless tan service that includes a free bottle of lotion.

### Develop a Selling Culture

“The biggest mistake spa retailers are making is a lack of training in sales,” said Phillips. “In order for staff to sell, they need in-depth product knowledge. Your staff can be trained to double or triple their sales.”

Daired’s Salon & Spa Pangea put an increased incentive on selling and saw retail sales per stylist jump from \$3.63 in sales per week to \$12 per week over two years. “One of the most successful things we’ve done is to tie retail goals to our service provider goals,” said Ogle. “When a stylist makes the goal for three months, she is promoted to another hair

dressings level. When a therapist makes the goal, she gets a small raise.”

To increase your staff’s knowledge, Alves suggests using your vendors to give product-specific training to your crew, and giving your staff product samples so they’re familiar with the merchandise and will feel confident recommending products.

The Spa at Amelia Island Plantation trains every staff member – from store clerk to locker room attendant – on products available for sale. “We’re all in sales,” said Di Stanisloa. “You don’t want to tell someone that you’ll get an esthetician to answer their questions. You don’t want to

keep them waiting. If you do, you’ll lose the sale.”

### The Final Word

With spas struggling to keep the massage tables booked during these hard times, the importance of additional revenue streams becomes apparent. According to the 2007 ISPA Spa Industry Study, retail sales made up 20 percent of total revenue for spas surveyed. By following these simple tips, you can ensure that the spa store is an integral part of your spa’s core business. ■

**DENA BRAUN** is a freelance writer focused on the luxury and healthy travel industries.



“Retail Management for Spas” is ISPA’s most-used educational resource, according to the 2009 ISPA Member Survey. Need more details? Visit [experienceispa.com](http://experienceispa.com).

# Putting It All Together

It's all well and good to read about the tips and tricks you can use to increase your retail success, but putting it all together can still be tricky. Here, we look at how the Golden Door Spa at The Boulders has created a profitable retail center that contributes to the spa's bottom line.

"The biggest thing we do is to support whatever the spa is doing," said retail manager Michelle Roland. "There is strong communication between the therapists and the retail team."

Roland stocks the 800-square-foot boutique with skin care products that are actually used in the treatments. She wants to be sure to capitalize on a client's love of a particular service and give him or her the ability to recreate the experience at home through product usage. More than 75 percent of the Golden Door's treatments lend themselves to a corresponding retail product. The store does carry some products that aren't used in the therapies, but Roland is sure to pick lines that reinforce the spa's brand. In the Golden Door's case, that means a commitment to natural or organic ingredients. "It's imperative that everything in the store reflects the upscale image of the spa," she said.

Because the Golden Door offers yoga, swimming, fitness and cooking classes in addition to standard spa services, Roland stocks the store with merchandise related to those areas as well. The boutique carries yoga clothes, mats and books, sun protection, sunglasses, hats and the Golden Door spa cookbook. "I'm very definitive about what the purpose for each item is," Roland said. "I really narrow down on stuff that sells."

Like many spa boutiques, gift items are a big seller at the Golden Door store. Roland offers what she calls the obligatory spiritual jewelry, but she also stocks a selection of unique costume jewelry at a value price point.

When buying gift merchandise, Roland suggests that retail managers consider who people buy items for. From her research, she's added some baby items and pet merchandise to her retail mix. "For those items, I try and find stuff that is spa-oriented, but in a different way," she said.

The store itself follows many of our experts' advice in terms of merchandising. To create a light, bright space, the boutique uses a lot of indirect, diffused lighting. Instead of built-ins, the store takes advantage of movable fixtures to create displays that can be changed out frequently.

Roland uses her prime real estate space for new, fun and impulse items. "I don't showcase the logo. I keep it to the side of the store and it still turns," she said.

-DB

**Capitalize on a client's love of a particular service and give him or her the ability to recreate the experience at home.**

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