

Business Matters

Exactly who should you be marketing to?



It's no secret, the answers are probably staring you in the face right there on your computer, writes Paul Carbis.

Many people know me as an international speaker and trainer something I love doing...but what many people don't realize is that I am also a very hands on salon owner as well. What I teach is borne from experiences in my own salons and the systems I have in place to manage the business when I am away. In many ways my best advertising is that my salon is very successful despite the fact that I spend up to half of each year away traveling. Recently my salon manager succumbed to a serious injury and I was forced back into the salon for an extended stint as manager and therapist. I actually enjoyed being back in the room and treating clients but by the end of each day I was in no mood to sit down and look through data about how the salon was operating. No doubt this very same feeling of lethargy after a long day is something that is resonating with many of you. My point is, that despite my hard work (and may I proudly

announce, pretty impressive figures) the salon wasn't actually performing especially brilliantly. Now I don't know if I was too tired to care or if being so immersed in the salon I simply failed to work on the business the way I normally would - removed and objectively. Normally, I would pour over the salon figures looking at staff performance, sales breakdowns and how my sales were made. It's this final issue that I want to explore in this article, especially if I can convince salon owners like yourself to extricate themselves from the salon for a set period of time each week or month to actually sit back and take a long hard look at where their income is coming from. I now realize you just can't do this effectively when you are working full time in the salon. You actually need the time and space to look at the figures really objectively and quite analytically. My own situation is that since returning to this role I am now back on top of what my marketing should be and whom

it should be targeted to and my salon sales figures are growing again. Let me explain... Most of the good salon specific software systems we use in our salons can actually do ten times more than what we utilize them for. I love rummaging through the marketing menus on my system to see what reports and information it can provide me. Then I use it! I often ask salon owners what is the average age of your clients? What is their average spend each visit? How often do they tend to return? What are your most popular treatments? What products give you the highest mark-up? What sells best at certain times of year? Where do most of your clients live? How did they find out about you? ...and the list goes on considerably. To my astonishment, very few salon owners can accurately answer even a few of these vital questions. Yet knowing the answers can literally make you hundreds of thousands of dollars a year in additional income.

Let me give you some examples: By analyzing the data of my clients I realized that I had four very distinct groups within my data-base that I wanted to target. The most obvious was that I have a university less than a kilometer from my salon and therefore a large yet fairly poor customer group of students. They are primarily concerned with waxing and spray tan treatments and have a fairly low average spend. Yet my marketing, especially newsletters and mail-outs didn't cater for this group at all as I usually push more expensive treatments such as facials and body treatments. Despite this, students made up over twenty percent of my data-base! So being proactive, I have undertaken to include far more combinations of waxing treatments in my menu at better prices in an attempt to have these students spend more each time they visit. So instead of just getting brows shaped they can be offered a triple eye treat

"No matter how good you are as a therapist the way to grow your business is to be a business person and lead the business in a direction you believe will help it grow"

of a brow shape, lash tint and special eye masque treatment at a great price. Whenever they book, my staff are trained to offer this deal and we are picking up a good number of additional treatments each week. I also made sure my leg and bikini waxing options were increased and brought in a cheaper ingrown hair treatment and body treatment range to offer with our loofah gloves. Almost immediately sales of these items increased. I then made up some cheap DL flyers and letter - box dropped them to all the university housing and left them in the cafeteria and student union building on campus. Within a fortnight we attracted 45 new student clients many of whom tried a waxing combination offer. Now you might not have a nearby university to tap into but who are your major client groups and what is the best way to reach them? My salon is on the beautiful Sunshine Coast where we are surrounded by Australia's biggest retirement villages. My second target group was retirees. Now the best thing about retirees is that they can come in any time of the day, not being restricted by work times. So not only did I do a number of special deals on their favourite manicure and pedicure treatments, I created mid week, midday, red hot, time slots. This not only increased the number of manicure and pedicure treatments, it also filled those difficult midday time slots on Mondays and Tuesdays. I then wrote to my top 100 pensioners and thanked them for their continued support with a \$15 gift voucher. I also included three additional vouchers for them to give to friends and neighbours knowing that their friends would be people similar to themselves. We have had a terrific response

rate and created tons of good will with the vouchers. It doesn't really matter who your major target groups are. The important point is that you know exactly who they are and devise ways to target them accordingly. The third group was a group that primarily non - existent in my figures. Less than 5% of my clients were men. And yet I owned the salon. Of the few guys that were regular visitors I discovered they were either sportsmen for waxing or massage or were introduced to us through their female partner who was also a regular client. Upon further analysis I realized that these men were also fairly good retail clients. Armed with this information I created a membership card for our salon for the 2010 season and offered every member of the local cycling club, triathlon club, swimming club, soccer association, rowing club and surf lifesaving club this discount card for services in our salon. To my surprise this enterprise has not only attracted a few additional male clients but it has also been a big hit with many female athletes as well. Then I wrote to 200 of our best female clients with a fantastic facial deal that also included a FREE 30 minute massage for their male partners. Within a week I had booked 23 of these packages and was pleased to see all the new male faces trickle in over the next month, all of whom received a first time visitors pack that included a \$15 voucher towards their second treatment to encourage them to come back. All I did was use the information and follow the trail of information until I had a strategy I wanted to explore. No matter what the group is you wish to target there will be facts to help you sitting right there in your computer. You

just have to go and use them. The final target group for us was to target the area that we have the highest density of clients. Obviously, I thought that if I was going to market to an area the best result in both attracting new clients and encouraging existing clients to return would be a known "Hot Spot". When I started reviewing my client addresses over the past month on a map, I discovered two very succinct areas where large numbers of clients were drawn from. So I developed a flyer to do a letterbox drop in those areas hoping to attract more of the same sorts of clients. I printed off a couple of thousand flyers with a facial special on one side and massage, pedicure and IPL offers on the reverse. As it turned out I had printed too many for those areas and I had several hundred left over. So I made a choice to target another area that we get very little business from but had a similar socio-economic and housing mix. What I was doing was using data to make informed guesses about where I would get the best return on my investment. **In retrospect, the two most important factors in this whole series of marketing episodes were:**

- I made the decision to take time away from the treatment room and really analyse my business. Now I realize that this really isn't as easy as I make it sound. You are probably like many others and have printed off a whole load of reports only stare at them not knowing where to begin. If that is the case then get one of the industry marketing professionals to help point you in the right direction. I guarantee it will be money well spent and you will have a new focus in your business to drive new client numbers and ultimately more profit.
- I did things. I created flyers, made cards, wrote letters, posted, visited and delivered. And in all that activity I developed an enthusiasm and momentum that buoyed my team and kept us all keen to see the results. Again, you can't do this if you are head down and bum up in a treatment room all week. No matter how good you are as a therapist the way to grow your business is to be a business person and lead the business in a direction you believe will help it grow. To do this you have to be proactively creating marketing materials or hiring someone else who can do it for you. I guess this article has more than a few good ideas that you could utilize, but I want to encourage every salon owner to make time to objectively look at your business as an important part of its operation. To me it is every bit as important as the hands on treatments are and the only effective way I can see to quickly grow a salon business. *Paul Carbis is widely considered one of the world's most progressive and successful coaches, trainers and speakers to the beauty industry. Because he has a business background, a long involvement in the beauty industry and successful salons of his own, his advice and assistance is in high demand. If you would like Paul's help to grow your business, train staff in customer service or retail sales, conduct better staff meetings or assist you in analysing your figures then simply contact his office on paulcarbis@bigpond.com or phone 0148983145.*