



CHOOSING THE RIGHT Spa Software

Once upon a time, a spa owner turned the key to open the main entrance of her business, flipped on the lights, put down her purse, and removed the pens, sticky notes, coffee mugs and highlighters littering the document most crucial to her business' success. Easing open the fragile, dog-eared appointment book and leafing to that day's date, she sighed as she saw the all-too-familiar sight of scribbles, arrows, highlighter marks and doodles in the margins, and once again began her day squinting her eyes to try to decipher the marks that should say who was coming in for what service when.

Sound familiar? Before the evolution of software customized for the spa, this was the challenge spa managers faced every single morning. Thankfully, this energy-depleting start to the day no longer is the norm. Most spas have adopted some sort of automated system to make appointment scheduling a cleaner, easier experience. However, many other aspects of a spa's business can be streamlined and maintained by spa software programs as well, often resulting in a higher awareness of retail and service sales, client retention and prebooking, just to name a few.

What do you need?

First thing's first—what does your spa need in a software program? Each spa is different, so

every spa manager needs to take into account what the business needs are in a software program—and what they aren't. "The first thing a spa owner in the market for software should do is look at all of the things done by team members every day—opening cash drawers, moving appointments, booking appointments—look in detail at all of the functions that would be handled by the software, and come up with a list of questions to ask a potential supplier," says Angela Cortright, principal of Spa Gregorie's in Newport Beach and Rancho Santa Margarita, California, with 20 years of experience in the high-tech field before entering the spa industry.

In fact, when Spa Gregorie's itself was in the market for a new software supplier, it did just that. See **Spa Gregorie's Software Requirements** for an ideal example of how to identify and breakdown your spa's needs before approaching different software suppliers.

But do you know what you need? Purchasing software for a business can be a head-spinning experience, and although there are a huge variety of features available, your spa may not need all the bells and whistles. Following are some of the most beneficial features to look for when choosing software.

Client information. "Your software program has to be able to handle your clients' information

- ☐ Adjustments and voids
- ☐ Discounts
- ☐ Multiple cash drawers and balancing
- ☐ Ability to alter previous days' tickets

Gift certificates

- ☐ Selling
- ☐ Redeeming
- ☐ How to identify and separate salon versus spa gift certificates

Payroll

- ☐ Accounting for discounts
- ☐ Unique pricing per tech
- ☐ Varied commission schedules
- ☐ Close-out procedure for end of day
- ☐ Reconciling tools
- ☐ Accounting per each cash drawer

Reports

- ☐ Clients by birthday, home address, spending, last visit, visit between certain dates, product or service purchase or any combination of the above or other criteria
- ☐ Product sales
- ☐ Tech services
- ☐ Confirmations
- ☐ Daily schedules
- ☐ Inventory
- ☐ New client report
- ☐ Repeat client report
- ☐ Report generator
- ☐ Birthdays
- ☐ Top clients by spending
- ☐ Inventory by SKU, vendor, category, date range and so on
- ☐ General—all available reports
- ☐ All customers

Support

- ☐ Cost
- ☐ Response time
- ☐ Telephone/modem support
- ☐ Hours of operation
- ☐ Initial training for system
- ☐ Managing and synchronizing multiple locations

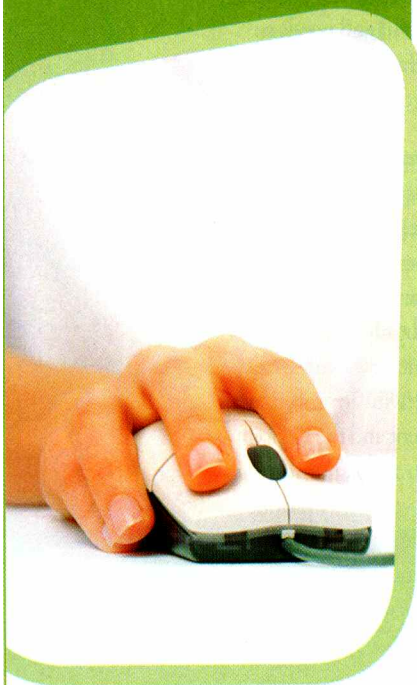
and files," says Bryan Durocher, president of Durocher Enterprises, a coaching and consulting firm for spas. Although this is basic knowledge, it is crucial that your program allows quick and efficient collection and maintenance of client information in order to successfully serve them, as well as market to them. "Other things programs offer are the ability to e-mail clients and track client referrals. That way, you know if your face-to-face marketing is working so you can reward clients who are referring new business," says Durocher.

Also, don't forget the client experience can be affected by software, and whether it is a good or bad experience is up to you. "If software is really complicated and not intuitive, it always translates into a bad customer experience," says Barbara Stirewalt, spa director of The Spa at Mohonk Mountain House in New Paltz, New York, who has served as a technology manager and as a decision-maker in resort property management systems and associated technologies. She remembers participating in a focus group where one woman warned the others to pay before entering the spa because the experience of paying for services ruins everything that was achieved during the relaxing treatment. "It made me cringe, but she was right on," says Stirewalt. "Customers want the process of booking, arriving and transacting to be easy. The process needs to be intuitive for the staff and needs to flow well for the customer. Have the answers for your clients right at your fingertips."

Retail and service management. Because the retail side of a spa's business has the potential to be one of its most profitable, it is crucial that your spa's software helps support its success. "A good spa software program must have the capability as a tool to effectively and thoroughly manage the retail sales business component," says Stirewalt. "Spas should look for software with advanced retail features, inventory management and the flexibility of reporting information, such as past numbers and estimated future numbers, by vendor, by product and by the variables you choose for reporting."

If you have an extensive retail selection, Durocher encourages asking software companies how many SKUs you can have in your inventory. "You don't want to be limited," he warns.

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Of course, the basis of a spa's business—and most of its resulting profits—is in its services. Spa software can and should track your service sales and should be able to provide detailed information about your providers, as well. "Spa software can break down services by category so you can see what type of business a provider is doing," explains Durocher. "Maybe I want to make sure that 50% of my massage therapists are upselling and not just offering Swedish massages."

Along with that, it is advisable that the software program you choose takes into account the importance of innovation when it comes to services. Because creativity and change are major factors when creating and updating many spa menus, it is important that your software be able to adjust seamlessly. "We build packages, we may or may not include products with purchases, we feature add-on services to treatments—we want to combine things to please our clients," explains Stirewalt. "It's important to find a software program that has a flexibility factor, but helps you maintain goods control and accounting."

Tracking and reporting. Reporting is a critical aspect of tracking the patterns of retail and service sales, as well as a host of other considerations. "Spa directors wear many hats, and one of the most important ones is as a business manager who does need to analyze and review, as well as project future performance," says Stirewalt. Durocher agrees, saying, "Tracking business information is crucial. You want to know your key productivity indicators for your providers and what they are offering. You want to track prebooking and client retention."

There are a variety of ways reporting can be beneficial to your business. "From retail sales to an analysis of how many customers come to us at a certain time of day to who bought a certain product, we need to be able to look ahead and see what is on the books and evaluate sales performance of services in detail. This will help support just about every business decision that needs to be made," says Stirewalt.

Compensation. The software program you choose should also be able to handle your spa's compensation structure, no matter how usual

or unusual it may be. "Compensation can be complex, on different tiers and levels. You want your software program to be able to handle that," says Durocher. Be sure to be specific with vendors in regard to your current compensation structure when shopping around for software so it can easily assist you in that regard, as well.

User-friendliness and spa support. Most spas don't hire computer engineers to assist clients at the front desk, so why should you buy software that requires this type of familiarity with technology? "I've seen programs that can take weeks to learn," says Cortright. "If you hire a new front desk person, you want her to be up and running in one day." And once you do have that person trained and in place, you need to be completely sure that if your program goes down, it is easy to get the vendor on the phone for immediate help, 24 hours a day, seven days a week. "So many of these companies will sell you the software and you can never get them on the phone," says Durocher.

Stirewalt agrees, "One of the things that is so fantastic about the spa industry is that successful spa product lines are successful because of the customer care they give their spas. If they don't provide great service, training and follow-up, they fail. Spa software companies need to learn from them."

One of the most detrimental aspects of spa software can be in the lack of intuitive customer support for spas. "Information technology is a culture that sells something to you and waits for you to call when you have problems," Stirewalt continues. "The truth of the matter is, we are making those calls when our system is crashing. It is so important to look for a company with a proven and proactive service philosophy."

In order to truly identify whether a company will provide this, quiz other spa owners and managers. "You need to speak candidly with your peers—not with company referrals," encourages Cortright. "Find out truthfully about the support. If you don't have good support, you are dead in the water. You might as well not have any software at all."

"Find out about the company's tech packages—what's the software going to do to



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 <p>Big Shirt \$24.00 One Size</p>	 <p>Scoop Neck Coat \$35.00 XS-L</p>
 <p>Polyester Apron \$13.00 One Size</p>	 <p>Nylon Aprons \$13.00 One Size</p>

help you grow and maintain your business? Are software updates free? Also, the company may try to lease you the software instead of selling it to you," says Durocher. "Leasing may look like a good idea, but you are paying for that software forever. Buying is usually the best option and most companies will give updates for free."

Durocher also encourages finding out whether you are paying for software for each computer or if you can network them. "Also, don't buy hardware from the software company," he says. "Most spas don't need super computers to run these programs. Buy the computers separately, because those from the software companies will have a huge premium with a huge markup."

"It is also important to evaluate the people behind the software company," advises Stirewalt. "Are they hospitality people, retail people, IT people? It's good to know where they come from, what they're backgrounds are and what got them into the business."

Out-of-the box or customization. Most out-of-the-box programs will be sufficient for the majority of day spas. "There aren't that many variables," says Durocher. "It's very rare for the average spa to need a heavily customized program."

These programs can be more desirable for resort spas, such as Mohonk Mountain House, however. "Our choice needed to support other venues within our resort, such as tennis, golf, recreation and other scheduling areas," explains Stirewalt. "Also, because we have a complex structure in operating a resort hotel with 265 rooms, we needed a software program that could possibly support room management or interface properly with those types of systems."

For these more complicated needs, Mohonk reviewed a larger number of choices, narrowed it down to a few finalists and requested a proposal from select vendors. For a comprehensive list of spa software vendors, please access *Skin Inc.* magazine's *Buyer's Guide*

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by logging on to www.SkinInc.com/buyersguide.

Happily ever after

In the end, you need to make sure the software you purchase helps your company grow and succeed. "It boils down to how the software can help you serve your customer," says Stirewalt. And in order to make sure you are purchasing the right option to meet all of your needs, Cortright advises calling in some favors. "It's really valuable to network as much as possible with other businesses in the industry to find out what they are doing. Ask them if they had it to do all over again, what would they do differently," she suggests.

"Spa software has developed significantly during the nine years that I've been in the business," says Stirewalt, but despite this significant growth, Cortright urges prudence. "Even though you may have a wonderful computer and software system, things happen. Have a backup plan. Every night, we run a paper-based appointment schedule for the following day. Make sure that you have the ability to run your business tomorrow if a disaster happens."

For better or worse—probably better—the days of worn-out, indecipherable paper appointment books are a thing of the past. And though the sheer number of software options can be staggering, know that if you go in with a clear picture of what you want and need for your business, you will end up with a system to support the success of your business ... happily ever after. X