



Focus on Growth Indicators – the Revenue will come...

“I watch my revenue and feel that it’s flat or worse trending down...”

“I get so annoyed when I see my front desk standing around texting, looking out the window and day dreaming when they have down time...”

You can’t change yesterday’s revenue but you can affect tomorrow’s, easily, by focusing on 5 simple growth indicators. We tend to only focus on revenue. We set goals based on revenue. We give our employees goals that are based on the revenue they bring in. The problem is revenue is the result of what we did yesterday and it’s too late, today, to affect yesterday’s results. Let’s focus on Growth Indicators that allow me to create predictable, increased revenue tomorrow.

When asked about problems areas of their salons so many owners and managers complain about ‘down time’ and lack of motivation at the front desk. Having **NO DOWN TIME AT THE FRONT DESK** is the responsibility, first, of the owner or manager to document and teach. The front desk is a profit center when it employs professional staff that knows how to get guests in more often, sell gift cards, retail, and proactively look for ways to fill the book day after day. I learn a lot of strategies from the people that use our software and one of them centered on focusing on the growth indicators each day of the week. The *growth indicators* are so simple yet important to know:

- New Guests Per Month – you need new guests to make up for the existing guests you might lose. Guest Referral programs, word of mouth, and advertising help generate new guests.
- New Guest Retention – Once you work so hard to bring in new guests it is paramount that you improve how well you keep them coming back. Focus on pre-book on first visit, welcome emails, gift cards, free product on next visit, etc.
- Repeat Guest Retention – retaining the guests that have already shown loyalty and have been coming in at least a year or 4 visits will increase productivity greatly over time. Don’t let guests go more than 90 days without being missed. Pre-book guest so they are more likely to return.
- Frequency of Visit – pre-book and get guests in more often. The easiest way to grow without spending money is to simply get your loyal clients to come in more often.
- Average Ticket – Increase the average money spent per guest. Upsell, cross-sell, recommending other services, selling retail

What might a strategy look like? Here’s a sample below:

MONDAY:

- New Guest Retention:
 - o Mail out WELCOME cards and send emails to all new guests from the previous week.
 - o Review each guest from last week to insure they have an appointment on the book and if not – make that call!

- Send out \$10 Gift Cards that can be redeemed by the recipient during their next visit

TUESDAY:

- Frequency of Visit
 - Review pre-book percentages for last week and identify top staff members that pre-booked and celebrate their efforts
 - Check for guests who are due in this week that have no appointment booked. Start with guests who get chemical treatments first as they are the most loyal and generally have the highest tickets

WEDNESDAY:

- Repeat Guest Retention
 - Identify any guest who has not been in within the last 90 days, has at least 2 appointments at your salon, and know what service they generally receive PRIOR to calling or emailing them. Also, know what openings you have this week or next for that service so that you can give the guest options immediately and professionally.

These are just some examples. Using client loyalty systems within your software can help build up retention and average ticket as well.

Embrace the growth indicators and create a system that increases your business by utilizing the people at the front desk. If you don't have front desk staff then make sure your software can automate some of these things to improve frequency of visit and retention. Make a commitment to create a strategy so there is no 'down time' at the front desk and the results will be tangible within only 90 days!

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