

# Client Retention Best Practice Guide

## What is client retention?

Client retention is the maintenance of continuous trading with a client over a long term.

## How to define and measure client retention?

Definition: Client retention is the number of clients still doing business with you at the end of the year expressed as a percentage of those clients who were active at the beginning of the year.

Salon management systems such as iSalon and shortcuts will measure client retention. You are able to interrogate these systems to see overall salon retention rates as well as individual stylist and therapist retention figures measured month-by-previous-month.



These are vitally important metrics that must be measured, analysed and acted upon during staff appraisals and also used to determine salon staff targets.

You cannot manage what you cannot measure, so good client management software is an essential management tool.

## Consider these facts from CTL Europe.

“A 2% increase in client retention has the same effect on profits as cutting costs by 10%”

“A 5% reduction in client defection rate can increase profits by 25-125%”

When you put client retention into the above context it becomes the salon owners No1 Priority.

## Conventional Wisdom

Conventional wisdom states that it costs more to find and win a new client than to keep an old one! I disagree with this conventional “wisdom” so we will also cover client attraction in chapter 4.

## Salon Professionals

Most salon professionals take clients for granted and do not look for opportunities to increase revenue from their existing clients or to ensure client loyalty which leads to life-long retention.

I will prove my “take clients for granted” point in a couple of paragraphs.

## Real World Reality

The reality is that this new world we live in is competitive in ways that it’s never been before.



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If you were to “interrogate” your top 10 clients about how many times they have been approached by a competitor either on the street or via direct mail or email and indirectly via radio and newspaper ads, salon window posters, external A frame boards and competitor salon websites they had visited, you might be surprised that you keep any clients at all.

The stark reality is that we all “have a price” and one day even your best clients will be won over by the competition if you don’t have FORMAL systems, training and procedures to ensure client retention.

## Client Care Philosophy

Many salons have a “philosophy” about client service. Good salons even have this written in their employee handbooks. These philosophies are generally based upon “client satisfaction” via good creative and craft skills, doing good cutting, colouring, styling and therapeutic work and being polite.

Those are the things that the client takes for granted. That’s what they pay you for. Those are the things which are inherent in the meaning of the word **professional**. You get no credit for doing them well - but you lose clients if you do them poorly.

So please remove **craft skills** and **client satisfaction** from the client retention equation because the larger picture of client retention is predicated upon recognising the competitive and changing nature of the salon marketplace and the changing nature and purchasing habits of the client.

Sophisticated salon marketers have a strong handle on what clients are coming to expect from their product and service providers. Consumer wants and needs have and continue to change and the success of your business lies in knowing how to address those needs in relation to keeping (and winning new) clients.

If you don't have this knowledge and if you don't have total involvement in the client's hairdressing and beauty culture then you are in danger of losing that client.

Client retention requires more than the obvious factors of just doing good work. In fact, in this new dynamic business world it goes beyond having a personal/professional relationship with the client.

## Proof that you take your clients (and your staff) for granted

The proof for determining if **you** take client retention for granted lies in two things:

1. You have a FORMAL system, training and procedure for client retention.
2. You accept that “you don’t know what you don’t know” (you lack knowledge).



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If you do not have a formal client retention policy, procedure and staff training programme and if you have never considered or do not accept that ***you don't know, what you don't know*** then you sir or madam are guilty as charged and you take client retention for granted!

## The evidence

Good salons are managed by knowledgeable people who have an aggressive business development plan which is second only to being respectful, courteous, and polite; - And is sincerely built on having the best interests of their clients and their staff at the top of their agenda.

The KEY word in **client retention** in-particular and in salon management in-general is **knowledge**.

It is simply not enough today to be good at cutting, colouring and therapeutic services. The salon manager needs to learn new salon business management skills because the world has changed. Salon management must accept this fact if they are to retain their clients (and win new ones) better than their competitors.

Your salon managers and staff need to be formally trained in client retention and column building strategies. To carry out this training and make it stick, you need to have a formal system for delivering the training, measuring performance and then carrying out remedial training.

The only way to achieve the above is to introduce a meaningful staff training, appraisal and personal development system. But you cannot introduce this system until (or unless) you have credible salon employee contracts with detailed job descriptions and a staff disciplinary system in place.

So it seems that we opened our conversation regarding **client retention** then we drilled down into a world of “**professional people management**” and “**professional business development**” skills...

If all of the above sounds too complicated or sounds like it could be too much hard work then unfortunately just as you come to believe that your relationship with your best clients and your best staff has become permanent you will lose them into the open arms of your competition. **WHY?**

Because the world, our industry and our consumers have all changed; we must evolve!

## A contradiction – in client retention and business development methods?

It is the salon managers and each team member's responsibility to:

1. Extract as much profitable revenue from the client on every visit
2. Increase average client spend
3. Get the client to visit the salon more frequently
4. Get the client to refer family and friends
5. Get the client to buy more services from the menu
6. Get the client to buy retail from the salon



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After all a salon is a business like any other; it is in existence to make a profit for the salon owner and or the shareholders and to achieve this salon staff must be productive and their clients profitable.

It is also the salon managers and each team member's responsibility to:

- A. Communicate respectfully and politely with the client
- B. Make the client fully relaxed and at home in the salon
- C. Develop trust between staff members and clients
- D. Have complete integrity for the real needs of the client
- E. NOT to put the client under any undue pressure



Arguably the two sets of responsibilities above are contradictory, if not conflicting.

If you have been in salon management for any length of time you will have heard salon staff saying:

- *I don't retail because I don't want my client to feel pressured*
- *I'm a stylist, not a sales person*
- *My client knows what she wants so I don't try to sell her other services*
- *Clients visit the salon as often as they can afford it; nothing to do with me*
- *If my client uses a home box colour, there's nothing I can do about it*
- *If my client retention is low it's not my fault, it's because we are too expensive*

I am sure you could add many other excuses to the above list why salon employees are UN productive and UN profitable but the bottom line is simple.

- Team members who speak or think in the above terms have never had formal client development or client retention training. and
- Salon management possibly do not understand or know about formal client retention strategies.

When a new cutting, colour or therapeutic service is launched salon owners quickly organise training for it.

Please think about how often you have attended or organised salon marketing, client development, client retention and business development training for your management and your client facing staff. Creative staff can become **super-productive** creative staff!

Is there an imbalance? Is business development training part of your overall training programme?

## Client retention strategy

Good client retention is impacted via two streams.

1. By salon staff who work to meaningful Client-Stylist workflow routines. and
2. By Salon Management who implement client retention initiatives (other than point 1)

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**Point 1.** Is overseen and managed by the salon manager but it is the skill, knowledge and dedication to duty of salon staff that will make this aspect of retention good or bad and this result is dependent on employees level of understanding of client retention techniques determined by the training they have had during their career.

If salon management and their subordinates have never had formal client retention training then there should be no surprise if client retention is not what you want it to be.

**Point 2.** Is in the hands of salon management and it is not in the power of salon staff to impact on this. So salon management can never fully blame their staff if client retention is not as good as it should be.

Further. Salon management have to accept 100% of the BLAME if client retention is poor because it is salon management's job to implement client retention training and strategies.

## **CHAPTER TWO**

## ***IN-SALON CLIENT RETENTION IMPERATIVES***

In no particular order of importance attention must be paid to the following in-salon, staff-client workflow routines.

### **COMMUNICATION SKILLS**

Crucially your clients must take for granted that every member of your team is a PROFESSIONAL.

Regardless of seniority no team member should be allowed to interact with clients until and unless the salon manager is 100% certain that what the team member does, and how they convey it to the client is professionalism personified.

Body language, tone of voice and eye contact if good will increase client retention and if bad will destroy it. It is essential to receive training in this important area because even the best stylist or therapist in the world will suffer high client churn if they get this wrong.

### **BE FRIENDLY BUT NOT FRIENDS**

We do favours for our friends and we give our time, advice and support to each other freely. We treat our friends with respect but by virtue of being friends we take each other for granted. When a salon team or individual treat clients as friends the relationship subconsciously disallows the use of professional sales techniques from salon employee to client and also allows the client to expect MORE for LESS.

Allowing staff to perceive clients as friends is a lose-lose situation. Yes there is a fine line to be drawn between been friendly and too professional and there is the danger of alienating the client if the regime goes too far so if you are unsure you should get some professional training.

### **PROFESSIONAL RESPECT**

There is much talk in our industry that the relationship between a stylist/therapist and their client should be similar to the doctor/patient relationship.

For the second time in this publication I disagree with the conventional wisdom. A patient generally goes to see a doctor when they are ill or if they are concerned about health issues. Either way it is a negative, even upsetting experience in which we take for granted that the doctor knows what they are talking about and we buy the prescription and blindly do as we are instructed!

Conversely, clients have lots of choice when it comes to hairdressing and beauty and they also have a greater knowledge of style, fashion, skin and hair care than they do about the biology of the digestive tract!

A doctor or nurse commands respect because we know that they have been trained to a high standard and they are experts in their field. By virtue of their "title" they receive professional respect.

In our industry we have to earn the respect of clients by continually getting things right every time they visit the salon. A change in staff or a change in mood, a poorly trained new shampooist, a bad mood or creative tantrum can lose a long term client for good.

### ***In Team Meetings.***

During team meetings the salon manager should discuss and encourage debate about how staff can win professional respect from the client. In this way staff who would never normally contemplate this subject will willingly begin to think about and implement a more professional relationship with their clients.

### **SALON-CLIENT WORKFLOW ROUTINE**

There are 10 main touch points that salon employees are responsible for in the quest for improved client retention. The salon manager is responsible to the salon owner to ensure that perfection is achieved time after time with no exceptions allowed or tolerated.

1. Reception
2. Consultation
3. Backwash
4. The Service
5. Staff Professionalism
6. Beverages, Toilets and Linen
7. Tools and Equipment
8. The Salon Environment
9. The Client Exit
10. Follow up

### **SALON RECEPTION.**

Every salon must endeavour to employ a full time salon receptionist to ensure that stylists and therapists are not disturbed during their service with a client. The client experience must be uninterrupted from the client's entry to the salon, to their exit from the salon.

Where a salon cannot afford a full time receptionist the salon manager must design a rota for qualified staff to take turns manning reception.

Few things antagonise a client more than continual interruptions to their service. It is the salon managers' job to ensure that this NEVER happens. There should be no compromise to this.

Further. When a client or prospect enters the salon they must be attended to immediately by a qualified receptionist, stylist or therapist or be acknowledged by the person on reception who may be already serving a client at time of entry.

### ***In Team Meetings***

Salon staff should be continually reminded of their salon reception duties. When they have a free client slot in their column they will be working on reception greeting clients and or making client follow-up calls.

### **THE CONSULTATION**

Most professionals agree that the consultation is the most important part of the client experience. In relation to client retention the consultation gives the stylist or therapist the opportunity to demonstrate their in-depth knowledge of their craft and to promote their personal professionalism which will help build the trust needed to form a long-term professional relationship between the client and the salon.

During the consultation (and later reinforced during the service) the stylist/therapist will begin to influence:

1. Client visit frequency
2. Product and secondary service sales
3. Family and friends referrals

Stylists often become complacent with clients that they know well and they skimp on the consultation. As mentioned in the consultation section this is an important step for influencing column building strategies but, importantly the consultation is an important step in the confidence and trust building strategy which leads to long-term client retention.

When stylists/therapists skimp on the consultation, you will find that they have little to talk about during the service so they end up having a personal conversation with a client which leads to a friendship being formed instead of a “professional relationship” which is reinforced by professional discussion about the service during the consultation and the service.

Many salon managers argue that you do not need to do a full consultation every time a client visits the salon because “we know our clients well”. This is ok for the weekly blow-dry client but it is not OK for the six weekly cut and colour client.

When you drop your guard and when you skimp on consultations you are not ticking all of the client retention boxes. Great confidence is gained by the client during a great consultation.

### ***In Team Meetings***

Most stylists and therapists refer to clients as “my client” because they conduct the consultation and help clients decide their wants and needs and then they carry out the technical aspect of the clients work. Although there is nothing inherently wrong with this salon staff must be reminded that a salon is a place where team-work is the real key to achieving continuous client satisfaction and long-term client retention.

The long-term relationship should not be promoted between stylist/therapist and client, it should be promoted between the salon and the client because the client interacts with many people on his or

her journey through the salon visit. Receptionist, stylist, therapist, technician and shampooist. If even one of the employees in this chain has an “off-day” you could lose a client.

Every member of the team must know their place in the client workflow routine and they must perform their duties with great pride and respect time after time.

Young staff; trainees and shampooists are often unaware of the importance of the role they play in client retention, and unfortunately many senior staff treat these young people with less respect than they should which results in weak links in the client retention chain.

In team meetings Salon Managers should explain how respect for one another and team work will enhance the client’s enjoyment of their salon visit and help improve client retention.

A philosophy of “**our-client**” should be promoted during team meetings; if you can achieve this philosophy your salon will grow exponentially and your salon team will be the envy of your town.

### **THE BACKWASH**

Again, we are not going to cover the detail of what happens at the backwash this is covered in our other publications.

In my experience (which I have to say is extensive) most salon juniors, trainees, apprentices and shampooists:

- Have low recognition of the importance of the role that they play
- They have little self confidence
- They do not consciously consider themselves to be a professional
- Their communication skills are weak
- Clients and staff often view them as menial

Many trainees develop low personal esteem because their colleagues see them (and sometimes treat them) as being unimportant and do not aid the professional development of their young minds. This is always reflected, if only subtly in their demana and body language which of course is picked up by the client who then has a less than perfect client experience.

Try asking all clients, “How was the shampoo”? If the answer is not constantly Fantastic, or brilliant or Exhilarating, or some other power-filled answer then the backwash experience was not good enough and training needs to be initiated.

Trainees and shampoosits need to be trained and be confident enough to compliment and confirm what was discussed during the stylist’s consultation and until a trainee can consistently attain this level of excellence and professionalism it should be explained to the client that the shampooist is still in training so their feedback on the trainee’s performance would be appreciated.

This way if the backwash is less than perfect the client will feel like they have performed an important service by reporting how the experience could be improved and they will not engender ill feelings about the poor shampoo experience they just had.

### ***In Team Meetings***

Remember that trainees are very young people who need more encouragement than your senior staff. Make an extra effort to make a fuss of them and make them feel like part of the family. This will pay dividends in the long run.

Make a fun scoring system or wow chart for the number of times and the expressions that clients use to describe their experience at the backwash.

Your trainees will take their lead from your qualified salon staff and as human nature dictates a weak trainee will be more influenced by the weakest member of your team than the strongest, unless you step in to rectify this at an early stage. So the way that they dress and the way that they conduct themselves will be a reflection of the person “they” see as their mentor.

## **THE SERVICE**

Following on from the consultation, when the client returns from the backwash the stylist will reconfirm what they are going to do and get the clients agreement. Then with purposeful confidence the stylist or therapist will carry out the service whilst using a combination of commentary cutting/colouring/therapy interspaced with chat about:

- Family, friends and colleagues (to ascertain referral opportunities)
- Hobbies and lifestyle (to ascertain future service and product recommendations)
- Work-life and work location (to ascertain best service dates/times)

If the stylist/therapist leads with meaningless chit-chat the client will either give yes or no answers or respond with more meaningless chit-chat. Meaningless chit-chat does nothing to reinforce the professionalism and trust that is needed for long-term client retention and actually drives down the clients’ opinion of your staff as professionals and your salon as a centre of excellence.

### ***In Team Meetings***

Reinforce the need for commentary-cutting etc, and the need for investigative (natural sounding) conversation. Eventually the stylist/therapist will build up (from memory and record cards) knowledge of clients family members and gently cajole for referral business. Ask for details about opportunities for winning business/referrals from the client’s work place and recommend products to be used relevant to the lifestyle and hobbies that the client participates in.

These techniques must be discussed in team meetings as well as during staff appraisals. Employees who are weak at this must be trained and must be set timely objectives for improvement.

## **STAFF PROFESSIONALISM**

Good salon staff will arrive at work early before the salon opens and ensure that they are looking 100% and that their styling station or treatment room is in perfect order ready for a brilliant day.

Real professionals have the ability to switch on and be ready to set their clients world on fire the moment they walk through the door, for these professionals there is never a time when they are on a downer at work. They are professionalism personified in their thoughts, deeds and actions.

True salon professionals have an air of confidence about them which is subconsciously transmitted to, and absorbed by their clients. This confidence is born from great training and craft knowledge.

Most salons have a dress code set out in their salon employee handbook and all staff should be made (disciplined if necessary) to adhere to the letter of this code. If a member of staff turns up for work looking less than fantastic then they should be sent home to change or tidy themselves up.

Client retention has never been more important for a salon than it is today and any defections from this professional track can seriously undermine a salons capacity for client retention, profitability and growth.

A client will pay more for services and stay longer with a salon that they have developed a professional respect for. And, they will give many more referrals than those clients who only visit the salon because it is the cheapest.

Salon staff with the capacity to work to these professional principles will eventually leave a salon which does not promote professionalism for one that does.

### ***In Team Meetings***

Without embarrassing individuals always highlight lapses in professionalism and dress code infringements and always reinforce the need to be professional at all times.

Praise good standards in team meetings, but remonstrate or discipline offenders in private.

### **BEVERAGES TOILETS AND LINEN**

Now there's a mixed bag.

I have clumped these three subjects together because they form areas that have an impact on client retention and because they are so obvious that even the most disciplined salons sometime slip-up.

#### **Beverages:**

Beverages should be served in clean glasses and cups with saucers, NEVER mugs. The maker of the beverage should ask how the client likes their drink to be made; strong, weak, sugar, milk and then the beverage should be made to that exact recipe. Confirmation should always be made that the beverage is to the clients liking. Never take the obvious or granted!

#### **Toilets:**

No one likes toilet duties, but the salon manager should inspect the toilets three or four times every day. Toilets should be clinically clean, warm and be fitted with regulatory sanitary equipment and have a supply of fresh clean hand towels.

I am frequently surprised when I visit salons that do not have towels in the toilets, mainly because someone forgot to put a clean one in. When a client visits the toilet and there is no towel for him or her to use, they are frustrated. But worse, they now think that your staff must be using the toilet without washing their hands before meeting and shaking hands with them!

## **Linen:**

Towels and cutting gowns are constant offenders.

Towels or cutting gowns which are thread-bare or smell foisty are a big turn-off for clients and clients that notice this will probably not return for a second visit. Both towels and gowns must be in a good state of repair, smell fresh and be crease-free.

Again I am constantly surprised by seeing crumpled gowns and foisty smelling towel bins in salons that should know better. Please do not overlook the obvious; it's so easy to do.

Enough said on this subject but if it is left to chance it will trip you up.

## **STYLING TOOLS AND EQUIPMENT**

Without wanting to sound like a record that is stuck, I am constantly surprised to see dirty styling tools and equipment in salons where you would not expect to find such sloppy behaviour.

Combs, brushes, clippers and trimmers with the last clients hair matted in them are simply not acceptable. I see everything from hairdryer filters to hud-dryer internals that are dirty, stylist cases and or trolleys that are untidy and dirty, and electrical tools such as straighteners and curlers that are matted with burnt on styling products.

Salons that allow this risk losing clients.

### ***In team meetings***

It must be made clear in team meetings that each individual employee is ultimately responsible for the cleanliness and hygiene of the tools that they are working with; blame cannot be passed to cleaners or trainees.

## **THE SALON ENVIRONMENT**

In a service environment such as ours it is vital that the overall cleanliness and hygiene of the whole building is always to the highest standard.

I frequently see clients being invited to sit in chairs that still have remnants of the last clients clipping in the seat, over the foot rest and on skirting boards. When this happens clients don't say anything but believe me they notice it and it makes them feel uncomfortable.

Other offending areas which need careful attention are retail shelves and products that are dusty, mirrors that are smudged, windows that are dirty and or untidy and magazine racks which are full of old magazines.

Individually none of these are a big issue but collectively they send a message to the client that says you don't really care very much about them.

### ***In Staff Meetings***

Simply remind all staff that it is their responsibility that they must check and ensure that their area is pristine in time for the next client. If the junior or cleaner is not available they must do it themselves.

### **THE CLIENT EXIT**

When the client is de gowned and is happy with his or her service the stylist/therapist should accompany the client to reception and personally take payment, book the next appointment and offer any retail products. This is not the responsibility of the receptionist.

The receptionist does not have enough knowledge of the consultation or products used and were not party to any conversation there may have been regarding visit frequency.

Salons who allow stylists to pass clients to receptionists to handle the exit are losing possible 15% to 20% profitable revenue because of a lack of congruence in the receptionist's knowledge of the client service and client needs.

### **FOLLOW UP**

Failure to follow up with clients is one of the biggest causes of poor client retention so we will cover this in more detail in the next chapter. But for now and as minimum, first follow up with existing clients (Not new clients) should take place the day after each service when you should send a text message which reads.

“Thank you for visiting (Your Salon Name) we really appreciate your custom. On a scale of 1 to 10 how would you rate our service”?

All sent and received texts should be recorded and monitored for measurement & analysis.

Salon text messages should be set up as templates on your computer in Microsoft outlook so that they are dead easy to send. Each salon should also have a dedicated salon mobile phone to receive text replies and for staff to use to send and receive bespoke client texts and calls.

Best follow up practice. Send a text message to the client thanking them for their business

## CHAPTER THREE

## SALON MANAGERS RESPONSIBILITIES

### Salon Management Implemented Client Retention Initiatives.

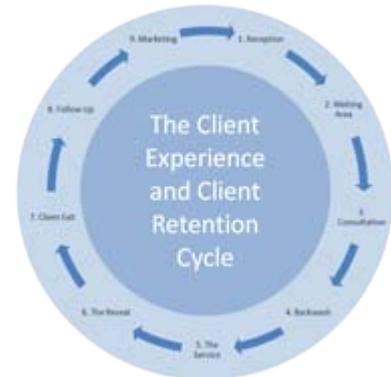
The reality is that your client will pretty much forget about you 2 to 3 days following a service and will not think about you again until their next service is due. The likelihood of losing a client to the competition increases as the length of time between salon visits increases.

Salons that have a formal client retention strategy will grow faster and more profitably than those that don't.

In the future salons that don't have viable client retention strategy will not survive.

Imperatives for client retention must include a client retention culture based on:

1. 1<sup>st</sup> class craft skills
2. Expert consultative skills
3. Sales techniques
4. Client Follow up
5. Keeping ahead of trends, new services and products
6. Constant, timely and meaningful contact



Great client retention is achieved when a salon focuses upon a **client experience cycle**.

The focal point of the client experience is the salon visit but the client experience must extend beyond the visit and "touch" the client at least fortnightly via a combination of meaningful marketing methods.

**Point 1.** First class craft skills are a basic requirement for all salon employees. All staff should be qualified to, or be working towards achievement of NVQ level 3 as a minimum requirement.

**Points 2 and 3.** These are covered in:

- The Salon Managers Guide (for owners & managers)
- The Stylists Column Building Guide (for stylist)

**Points 4, 5 and 6** are covered below.

## CLIENT FOLLOW UP

Client follow up can only be initiated when all relevant contact details have been collected.

By our very nature we humans are not keen on giving our contact details away as we are suspicious of what people will do with them. We always fear a torrent of junk mail and spam.

For efficient follow up and future marketing you need to collect the following client information.

- Email Address
- First Name
- Last Name
- Street Address
- Town/City
- Post Code
- Birth Day (not date of birth)
- Mobile Telephone
- Home Telephone

In order to collect the most relevant details needed for follow up and for future marketing you need to use a little bit of psychology. As mentioned we don't want to give away our details but we are more likely to give them if there is something in it for them.

Also official looking forms turn us off so try to design your client sign up form to take away a little of the fear, do this by adding images of healthy smiling people and giving the client something tangible in return for their details.

Giving them something in return for their details also adds to their sense of being respected and treated with integrity, which is yet another tick in the satisfaction and client retention boxes.

When a client is first introduced to the salon they should be asked to take a seat and offered a coffee whilst waiting for their stylist/therapist to give them their first consultation and then asked to complete their initial client record card whilst sitting in comfort with their drink.

### When should you follow up?

#### New clients

We should follow up with new clients the day after their first visit to ask if everything was ok with their service. They are more likely to tell you if they were unhappy with something over the phone rather than to your face in the salon. You now have the opportunity to ask the client to call back into the salon to put any issues right, thus retaining a happy client.

If all was well with the service the client will give you "brownie points" for caring enough to ring and ask. Another tick in the client retention box!

## Existing Clients

With regular clients it is enough to send a text message two days after their service, something like:

*“Hi Pat, thank you for visiting (Your Salon Name) we really appreciate your custom. On a scale of 1 to 10 how would you rate our service”?*

During the service stylists and therapists should inform clients that they will receive a text from the salon asking them to rate their service on a scale of 1 to 10 with 1 being terrible and 10 being fantastic. The client will be expecting the text and will respond to it honestly.

Another tick in the client retention box; and you’ll receive brilliant feedback as a bonus.

## No Shows

When a salon implements a structured client retention plan, no-shows will be negligible, if not ZERO.

If a client fails to turn up for an appointment a member of staff should telephone the client the day following the missed appointment to ask if all is well. If the client does not answer the telephone a message should be left and or a text message sent.

Always use scripts for telephone calls and text messages to ensure that communication is of the same high quality by every team member.

*“Hi Pat this is Mick from QSV Hairdressing, how are you”?*

Allow the client to answer:

*“We had you scheduled for a 3 o’clock appointment yesterday and wondered if you would like to rebook?”*

Allow the client to respond. The client can only answer 3 ways:

1. Oh Soot, I am so sorry, I forgot, can you fit me in on Wednesday! Or
2. I was ill can I call you back later. (they probably won’t) or
3. I wasn’t happy with my last cut so I’m going elsewhere.  
(you can only apologise and ask how you can put things right)

## Clients who don’t re-book appointments on the day but do return at irregular intervals.

1. At eight weeks try to telephone the client:

*“Hi pat its Mick from QSV hairdressing; we have not seen you at the salon for a while and were hoping everything is ok?”*

The caller will have to add lib when the client responds to this question.

- B. At 14 weeks post a flier with a hefty discount or free add-on for their regular service.

## KEEPING AHEAD OF CURRENT TRENDS, SERVICES AND PRODUCTS

As an example; over the last few years the “permanent” or “everlasting” blow-dry” keratin treatment/service has taken off and is now a mainstream salon service. Many salons however were very slow to pick up on the benefits of this service possibly because it was so expensive.

As a result many thousands of salons who do not offer the keratin based treatment have lost clients to salons that do offer the service. (See: <http://www.keratincomplexuk.co.uk>)

## WHAT FACTORS INDUCE CLIENT DEFECTION?

There are 4 main reasons why a client will leave their regular salon for a competitor:

1. They received a bad cut, colour, therapy or poor customer service
2. Their regular salon became too expensive.  
(Either because of a price increase or a reduction in the clients disposable income)
3. Lack of contact and or incentives form their current salon
4. A competing salon offer/promotion enticed them away

**Point 1.** Sometimes we just plain get it wrong or we make a mistake, this should be rare but if your client retention is poor or if an individual stylist/therapist retention is worse than other team members you may need to look at their craft skills.

**Point 2.** Each salon should have a multi-price menu for clients to choose from. This way you should be able to compete on price with every salon in your vicinity.

**Point 3 and 4.**

**The Client Experience Cycle** (extended beyond the salon)

I believe that this is the most important chapter in this book and that points 3 and 4 above are responsible for around **70% of the client defections that lead to poor client retention.**

To disagree with the above statement means that your teams craft skills and or your salon managers team management skills are not as good as they should be!

This is not a matter for discipline or falling out with your team, it is a wake-up call to do something about it. Ultimately you the salon owner must shoulder the responsibility.

That said: If your craft skills are good and I am sure that they are, then you like thousands of other salons have fallen into the time-lag trap.

## THE TIME LAG TRAP

At Salon International in 2004 I presented a Business Extra seminar entitled “Past-Present-Future” During this seminar I warned salon owners that although we were enjoying unparalleled growth in the hairdressing and beauty industry the future is going to be very different because our clients are evolving and we as an industry are not keeping up.

The stark warnings I gave back in 2004 about salon client evolution have all happened and by far the vast majority of salons have still not evolved and in many cases salons are still not aware of the changes they need to make to their businesses to survive between now and 2020.

### CLIENT LOYALTY 2010

During my 2004 seminar I warned that the way clients perceive their relationship with their regular salon is changing and by 2010 client loyalty drivers will change from being friendship and quality orientated to a, ***what's in it for me*** orientation.

I warned that because the shampoo and set salon was being evolved out of our society that many more high quality, high grade cut and blow salons would open and this would mean more competition at the same level and only those salons who adopt futuristic marketing techniques will prosper (or survive).

The same warnings I gave then stand true today but the need for change has now accelerated.

### The Golden Apple of Client Retention.

I am sure that many readers of this book will disagree with my "***what's in it for me***" analogy and they will insist that consistent high quality service and fair pricing together with a friendship philosophy will win the day.

However, it is the same salon owners who insist that I am wrong, who are asking me how they can improve client retention and decrease client defections?

*This simply makes no sense at all !*

The No1 most frequently asked question by salon management is:

- How can we cost effectively win more new clients in the face of stiff competition?

The 2<sup>nd</sup> most frequently asked question by salon management is:

- How can we improve our client retention?

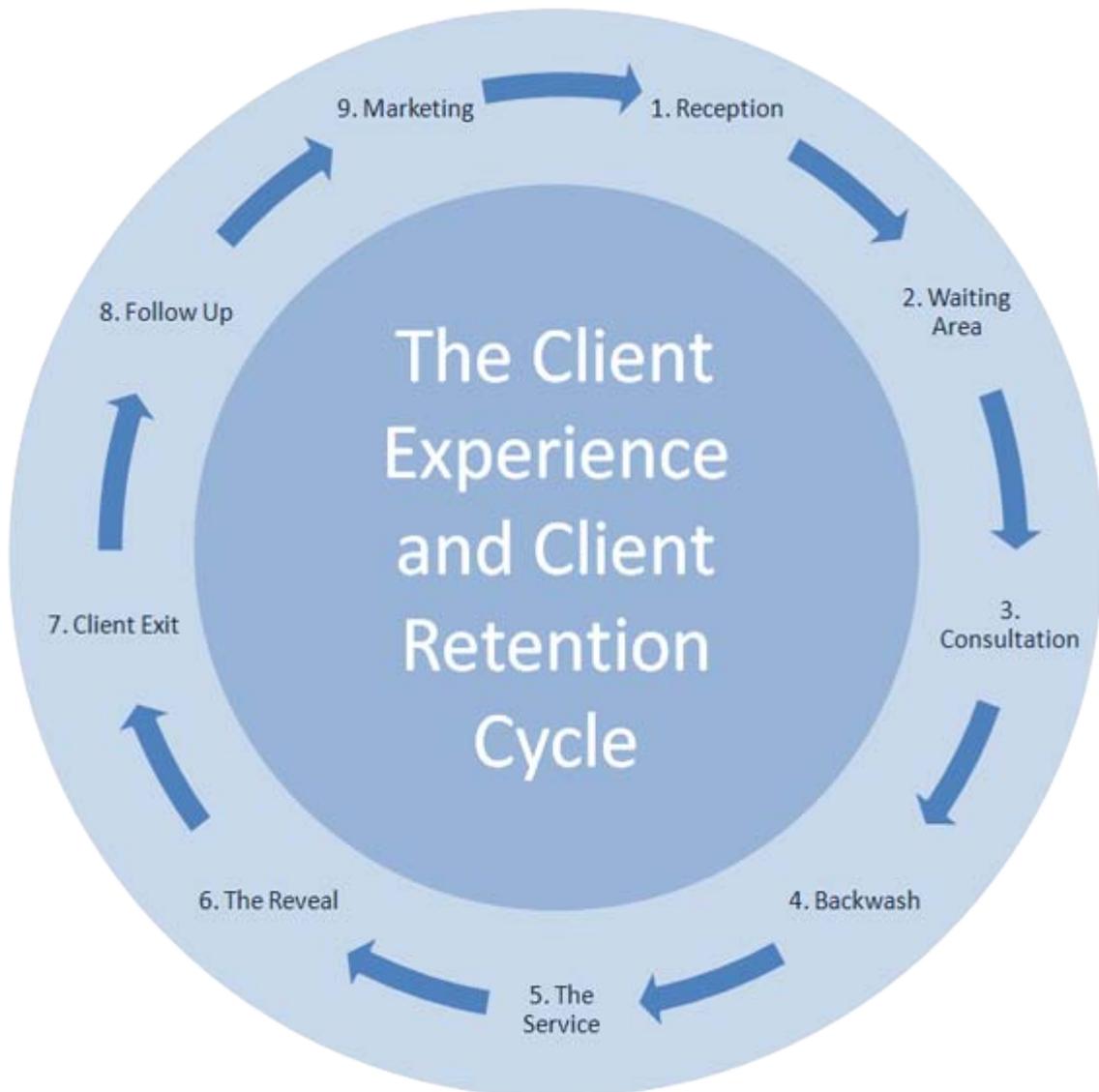
I am of course in full agreement that consistently high quality service and client care is crucially important and as a salon business consultant I am not qualified to give creative advice, but I can tell you this:

- If your craft and client care skills are good, and
- if your salon menu has 4 or 5 pricing tiers, and
- If you implement a salon workflow routine ([see salon managers Gide](#)) and
- If you implement the strategies below

Your salon will not just survive into the future it will thrive beyond your greatest expectations.



## The Client Experience Cycle



*This entire document above this point has been concerned with points 1 to 8 of the Client Experience and Client Retention Cycle. Our Managers Academy Level 2 subscription will help you to perfect points 1 to 8 and will further support profitable growth.*

*Salon Managers Academy Level 3 Subscription will give you the tools to become expert in Point 9*

### MARKETING IN THE CLIENT EXPERIENCE CYCLE

Today consumers buy stuff they need without any emotional attachment, however when it comes to shoes, clothing and hairdressing and beauty they for sure have an emotional motive and given the right encouragement they will **join** the salon that can connect with those emotions.

Most salons are very good at this connection whilst they have the client in the salon. But the client visits the salon too infrequently for the salon to hold onto these emotions.

Today client loyalty and retention is built upon frequent meaningful contact and a constant connection with the client and this is coordinated via the Salon Website, Online Marketing and permission based salon email marketing.

If you're Salon Website or your online marketing skills prohibit this then we strongly suggest that you consider subscribing to the [Salon Managers Online Marketing Academy](#) which has been developed to provide salons with the tools and resources needed to become expert in this field.

To ignore this advice today could have serious implications for your salon business in the future.

## **EASY AND DIFFICULT.**

### **EASY:**

Once you have a platform and a basic knowledge of how to use it, constant online marketing contact and emotional communication with your clients and prospects is dead easy.

### **DIFFICULT:**

What is difficult is finding the right vendor who understands the hairdressing and beauty business and is also expert in online marketing technologies and strategies.

We developed the Salon Managers Online Marketing Academy to provide affordable online marketing platforms for salons and spa's who realise that embracing online technology is the key to client retention and for more cost effective new client acquisition.

We provide online marketing platforms for our clients which include a NEW State-of-the-Art Salon website with blogging AND even has content management built in and we also provide the training and resources' you need to become an online salon marketing expert all in one low price.

### **REAL EASY:**

Once you have an online marketing platform (see this example: <http://www.hairdresserinkent.com/>) it is really easy to amplify and project a Mega-Brand Salon image and profile which people will want to join and connect with.

This is what one of our Salon Website clients said: Quote.

*"I am very happy with the results from my new website, thanks to you, the hand behind the scenes. I am very satisfied with your work and I love the fact that you always continue to work to improve things.*

*The day when I found you, I was searching the web for a salon website designer, after so many frustrating previous experiences I wanted to give it another try, and I think God was watching me, and put you in front of my eyes!*

*Thank you so much for all your good and hard work.*

*Sincerely, Sandra". Havana Nights Nails and Spa*

*End Quote*

## THE HOLY GRAIL OF CLIENT RETENTION

Assuming then that your craft skills are of the highest order and your salon-client workflow routine has been honed to perfection; you are now ready to take your business to the next level by locking-existing-clients-in and by winning new clients on a 24/7 autopilot system.

Your next step is to begin communicating with your clients and your prospects in a way that shows them that you really care and that you really do value them as clients.

### The First Important Point to Note is this Marketing Truth

*“People buy when they are ready to buy, not when you are ready to sell”*

### The Second Important Point to Note is this Marketing Truth

*“If you cannot be found online then increasingly in the eyes of your clients you will cease to exist”*

In 2003 I quoted Andy Grove, when he said:

*“Internet deployment is happening. Broadband is happening. Everything we ever said about the Internet is happening. And it is very, very early. We can’t even glimpse IT’s potential in changing the way people work and live.”* (Business Week August **2003**)

In 2004 I quoted Tom Peters who said:

*“The internet is coming man - the Internet and other associated technologies are changing everything. The leader must take direct charge of the full-bore implementation of the new technologies. The wise leader is his own Chief Information Officer”.* (Leadership 11, Master class)

## A CLEAR AND UNDENIABLE MESSAGE

The messages hear are clear, and for seven years I have been standing on my online marketing soap box and warning salons about the dangers of not being involved in online marketing strategies.

But increasingly over these years salon owners have complained that it has not worked for them or they have built a website that had no response or “we bought a website and we were ripped off”

## MY POINT IS AND ALWAYS HAS BEEN THIS

*“A website is not enough”*

OK, to the uninitiated this is a BOLD if not confusing statement, but if you need convincing please watch this short video on the [“social web”](#) if you are not convinced after watching this you are indeed a hopeless case!

A traditional website is made up of pages that rarely change, mainly because the website owner does not have the knowledge to write in code to update the pages. These websites cost a hefty sum when you ask your web designer to make even small updates.

*Our Salon Websites are not really websites at all, they are highly tuned State-of-the-Art Online Marketing Platforms on Steroids! TECHNICALLY speaking they are super-blogs designed for the social web with owner content management built-in.*

### **Website Content Management (CMS)**

*Don't tell everyone but we deliver our salon websites to clients with content management built in so you can easily log in to amend and create new content YOURSELF from any computer browser. Man that's cool! The ability to update your own website and never have to pay a web master another penny. That's cooler!*

### **Salon Website Design**

Our State-of-the-Art Salon Marketing Platforms are built for the Social Web and have "value added" built-in for your visitors. If the website is to generate an income for your business it has to be structured and developed to contain features which will instantly grab the attention of and be a BENEFIT to:

- Your current salon clients
- Your prospects
- Accidental website visitors

We understand that some of our techniques may seem alien to some of our readers but you have to take a leap of faith and trust that our knowledge of the social web and salon websites designed for it, is as intense as your knowledge of hairdressing and beauty.

### **Salon Websites Designed for the Social Web**

We are used to calling the World Wide Web the Internet, today however experts in the field refer to it as the social web because this is what it has become.

*"If you cannot be found online, in the eyes of your consumers you will soon cease to exist"*

Consumers are becoming increasingly dependent on online services in their everyday lives and savvy business owners are using this knowledge to their advantage by using the "social web" to attract your clients to their salons.

The only way you are going to avoid client degradation in the future is to be ahead of the game by nurturing your clients and attracting new prospects and if you have any sense of how commercial marketing has evolved you will know that this needs to be initiated via online marketing utilising a State-of-the-Art Online Salon Marketing Campaign.

## Website? Blog? Marketing Platform? What's the difference?

The difference between the above is very simple.

### A website:

Generally Speaking a website is set of static web pages that change infrequently and is a simple brochure of products and services. It is normally tended to by a web designer who charges for design and copy updates. The website owner generally has very little control.

### A Blog:

Actually a blog is a website! However a blog is a website which is designed to interact with its visitors allowing them to enter into a conversation with you live from your website. There is consumer expectation that a blog will offer better quality information and "bloggers" are more highly regarded as experts in their field which wins trust and respect.

Further, if the developer knows how to set it up, a blog can be automatically distributed, not just to all of your clients but to facebook, twitter and a whole host of other blogging platforms. This is a very powerful free mass marketing tool.

Also blogs have been designed from the ground up to be edited by the blog owner straight from the computer screen without the need for special coding skills. If you can type, you can write a blog it's that simple.

### A Salon Marketing Platform:

We develop our Salon Marketing Platforms by combining all of the above technologies and then we wrap a distinctive scientifically calculated and designed "website skin" around it. So in essence our Salon Websites are literally State-of-the-Art Salon marketing platforms which combine all of the benefits of a website and a blog and they are designed for the social web.

### Website Design Metrics

Website user metrics from Google indicate how users view and interact with websites: Armed with this knowledge we design our Salon Websites to match with the most successful conversion trail. Because we design for the consumer using the combined knowledge and teaching of the best on-line marketers in the world our designs will not be what you are used to seeing! But this is what makes them successful.

A spa owner was sceptical about our design technique but she took the leap of faith and said:

*"Mick, the site rocks!!! Thank you!*

*I know I will finally have an award winning website, thanks to you. This makes me feel good. My previous experiences with websites have been very frustrating but so far, working with you has been fantastic. I feel comfortable and confident. Thank you again for your great work and professionalism"*

Sandra Casanova

Salon Owner

## FEATURES AND CAPABILITIES:

### So what will an online salon marketing platform do?

#### Salon Website Goals.

Everything we do in our business lives is driven by goals. Goals set to achieve many business objectives which ultimately lead to improved performance and increased profitability for the business owners.



**Salon Websites** should be no different. Our Salon Website Designs incorporate new client generation and profit building goals.

#### Salon Website Structure

Salon Website structure is determined by Salon Business goals & objectives and because we are leaders in **Salon Business Development** techniques and Online Marketing we are the best people to design your **Salon Website** in order to ensure that it achieves its revenue building goals.

#### Minimum Salon Website Goals:

1. Be found on the first page of Google by local internet searchers.
2. Initiate the Sale of Salon Services, Products and Vouchers.
3. Project credibility and trust.
4. Amplify the salon brand, image and profile.
5. Demonstrate expertise in your specialist area/s
6. Display salon service menu and prices.
7. Advertise and Promote Big-Ticket services.
8. Offer new client promotions.
9. Offer existing client promotions.
10. Collect prospective new client names and email address from every page.
11. Convert Prospects to Clients

To achieve all of the above and to ensure that a large proportion of your viable website visitors sign-up to your website to receive marketing messages from you the website designer needs to have the following:

- In depth knowledge of the industry.
- Expert knowledge of client buying habits.
- A working knowledge of hairdressing and beauty.
- Expert website design skills.
- Website development expertise.
- Online marketing expertise.
- Search Engine Optimisation expertise.
- SEO Copy writing expertise.

This list of skills and attributes are very rare in the website design and development community, but they are all available "under-one-roof" to Salon Managers Academy clients.

## Salon Website Goal Funnel

Online Marketing delivers a larger return on investment (ROI) because unlike traditional marketing, the website and subsequent email marketing promotes your business to people who are actively seeking your kind of services or are already interested in what you have to offer.

This goal-funnel demonstrates the kind of return you could expect from website visitors. That's twice the ROI of traditional advertising.



### Website Goals in Action:

1. Good Search Engine Optimisation delivers viable visitors to your salon website
2. Good design and initial landing page message attracts the visitor to stay and read more
3. Strong "call-to-action" gets the visitor to sign up to the website and or contact the salon
4. % of Visitor become clients after 1 to 3 visits to the website
5. % of visitors become clients after receiving between 1 and 7 email marketing messages.

### Mega-Brand Mentality

We will design your **Salon Website** to work on your behalf and to generate a mega-brand image that truly reflects the quality of your salon and win new business.

A Really good mega-brand website from Full Column could literally put your salon on the map and over its life-time will generate countless thousands in NEW revenue.



### CONSTANT CONTACT:

Your online marketing platform should be capable of communicating:

- Monthly newsletter as a blog, automatically distributed to your clients, twitter and facebook
- Have the ability to collect prospect contact details
- Automatically send an email to website visitors who sign up to your newsletter
- Send Valentines, birthday, mother's day, father's day, Christmas and new year's promos
- Instantly send out bespoke special offers to your client list
- Instantly send out standby appointment notices

### A salon Website (Online Salon Marketing Platform)

A website capable of all of the above is not manufactured over night and regardless of what cheap website design companies may tell you it will take up to 12 months to develop a website to its full potential and to propagate to a wide and deep local audience with thousands of members.

There has never been a better time to begin building your online business and with the help of the Salon Managers Online Marketing Academy you can do this more quickly and with greater quality and accuracy than with any other website design vendor.

With the added bonus that the website owner has access to add and edit their own high quality content from any computer screen anywhere in the world without special equipment.

**CHAPTER FOUR**

**CLIENT ATTRACTION**

Other than word-of-mouth and in-salon client referral schemes, traditional new client marketing has been conducted via local newspaper adverts, radio advertising, fliers and direct mail.

Increasingly traditional new client marketing techniques are failing in their effectiveness as consumers become more reliant on permission based email marketing and website marketing initiatives.

Today when a consumer researches a new product or service they consult Google, not the yellow pages so it is vital that your salon website is optimised for local search traffic in order to be at the top of Google to provide local searchers with the answers and the services that they are seeking.

**Traditional marketing –vs- online marketing.**

Traditional marketing is intrusive because you “push” your marketing messages at prospects who are not currently interested in the service that you are promoting at the time that you are promoting it, so conversion rates are quite small.

Conversely when you own a well optimised online marketing platform you join with prospects who are actively seeking your services, therefore conversion rates are higher and the cost-per-new-client-acquisition is lower.

Many savvy salons have now abandoned traditional marketing methods and concentrate solely on online marketing strategies.

**CHAPTER FIVE**

**WHAT NEXT?**

If you have drawn any inspiration from this client retention guide, please consider the training resources available from the Salon Managers Academy.



Mobile Telephone: 07719 061 835

**Salon Managers Academy – Salon Business Growth:**

Visit the Salon Managers Academy and Study our [Level 4 Advanced Salon Business Development](#)

Subscription which includes all of our salon business development resources including a State-of the Art Salon Marketing Platform.

Thank you for reading this guide:

Mick Say  
the Salon CEO

If you have drawn any inspiration from this client retention overview, please consider the training resources below and please be sure to read through the [Salon Managers Academy](http://www.salonmanagersacademy.com) website.

## Salon Business Development Training Books

Client Retention Guide

Salon Managers Guide

Stylists Column Building Guide



This set of three salon business development Books are available at only £17.70+ VAT each from the Salon Advice web store. <http://www.salon-advice.co.uk/salon-books.html>

**Salon Managers Academy – Salon Business Growth Resources:**

Visit the Salon Managers Academy and Study our [Level 2 Salon Business Development](#) Subscription which includes all the books above + all of the Human Resources documents & much more.