

In-Spa Sunning

From analyzing the market to training staff, Anderson and Associates considers the logistics of offering tanning services in the spa.

Q. I want to expand my menu of services beyond the basics of facials, massage, and manicures/pedicures. I'm considering offering tanning treatments. What are the logistics of adding tanning services to my spa, and are they profitable?—*Sunny Outlook*

A. Dear Sunny Outlook: Savvy spa owners are always evaluating their businesses and looking for opportunities to grow and better serve their clients. You're wise to ask if your menu still satisfies and excites your clientele.

Regarding the addition of tanning services, you ask about the logistics, implying you would like to know what steps to take to implement an on-site program? In other words, what is the best equipment to invest in, and how many square feet will the service require? Although these are important questions, before jumping in, you need to start with a couple of crucial analytical steps.

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• **One: Market and Operational Analysis** First, we recommend you poll your market to discover if there's an interest, a need, or a desire for your new service. Your market research can be as simple as a client comment card placed at the front desk or as thorough as a fully supported market analysis. Use the information you gain as the starting point for your decision making.

Next, you should consider the new treatment's revenue potential. We are great fans of evaluating spas' treatments and offerings on a revenue-per-square-foot basis. This financial equation tells you each service's gross, which in many ways is meaningless unless it is evaluated in the context of its costs. Costs include capital investments for equipment, operational expenses such as payroll and supplies, and—the less easily discerned—opportunity costs. The first two, capital and operational expenses, are relatively straightforward. Opportunity costs are not.

Simply put, unless you're The Donald, your real estate—your spa's square footage—is finite. When evaluating opportunity costs, your job is to determine what service will yield the highest

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Some skin conditions respond well to the ultraviolet light in tanning beds.

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dollar-per-square-foot revenue without compromising your spa's mission statement. This is not just a math exercise. A number of variables factor into the equation, including an estimate of utilization levels, an evaluation of alternate uses for the space, and the synergy that services such as tanning create (or distort) from your spa's story.

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Imagine, for example, a spa specializing in skincare also offering tanning beds. Is it talking out of both sides of its well-tanned face? While this is a blatant juxtaposition, you are wise to carefully consider your spa's mission when adding to the menu. After completing an opportunity-costs analysis, you may be surprised to find that investing in staff training or in a piece of technical equipment may yield higher profits for your spa over the long haul.

• **Two: Equipment Analysis** If you do elect to add tanning services to your spa, it is then appropriate to determine which ones are best for your clients. The three most popular types are ultraviolet (UV) beds, spray booths, and self-application of skintone treatments by a cloth or from a bottle or tube. UV beds are often perceived as down-market and dated, but some skin conditions respond well to UV light. These conditions are best treated by trained dermatologists who understand the ramifications of using this type of treatment and its potential hazards. Unless you are prepared to offer professional dermatological services as well, think through your choices carefully. Remember, you're the custodian of your client's safety.

Spray booths and self-application products are similar in approach. The booths offer more professional full-body results. The capital investment in this type of equipment is moderate, approximately a few thousand dollars, and the profit margin is extremely favorable. However, if space is an issue, self-application programs can be offered as a reasonable alternative.

• **Three: Treatment Analysis** Your spa's tanning program is not complete without a comprehensive prevention and policing program. Spa professionals are in the client-care business. To that end, all therapists should be trained to identify skin markings that may be precursors to melanoma or other potentially dangerous skin problems. This is where the statement “an ounce of prevention...” comes into play. Proper training of therapists allows your staff to identify possible problems from an informed perspective and enables them to help clients seek proper medical care.

Training also helps your staff serve your guests better by empowering them to recommend complementary services. For example, clients who enjoy the sun may want to know that early research indicates regular microdermabrasion treatments help minimize the risk of developing melanomas. Regularly removing the damaged surface layers of the dermis may reduce the chance of damaged cells developing into harmful growths.

From choosing between tanning options to client-care considerations, you must plan your tanning treatments carefully. As with all spa services, providing clients with results-oriented, relaxing tanning experiences is still the goal. Taking a comprehensive approach as you plan your program will increase your chance at a successful launch and will help your staff prepare for all your guests—even when George Hamilton checks in for his next massage.—**Peter C. Anderson and Michele A. Chandler**

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