



Data is King. Analyzing data allows leaders to make informed decisions that reduce costs, save time, increase profits, and can even lead to game-changing industry breakthroughs. For this, a reporting dashboard that provides a visual representation of your spa's KPIs and metrics is essential.

GUIDE TO DASHBOARD REPORTING FOR YOUR SPA



Successful leaders across all industries these days know what an important tool data analytics is for business success. Companies generate huge amounts of data related to their customers, sales, and industry. Analyzing this data allows leaders to make informed decisions that reduce costs, save time, increase profits, and can even lead to game-changing industry breakthroughs.

This is why your spa should have comprehensive reporting dashboards like those offered by Book4Time.

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What is a Reporting Dashboard?

A reporting dashboard is a functionality of your spa software system that provides a visual representation of your business's KPIs and metrics. These metrics are then analyzed to achieve the aforementioned results in key areas.

The more information you have available to you, the better your chances of making the best decisions. A 2020 report from [Microstrategy](#) found that companies are using data analytics to:

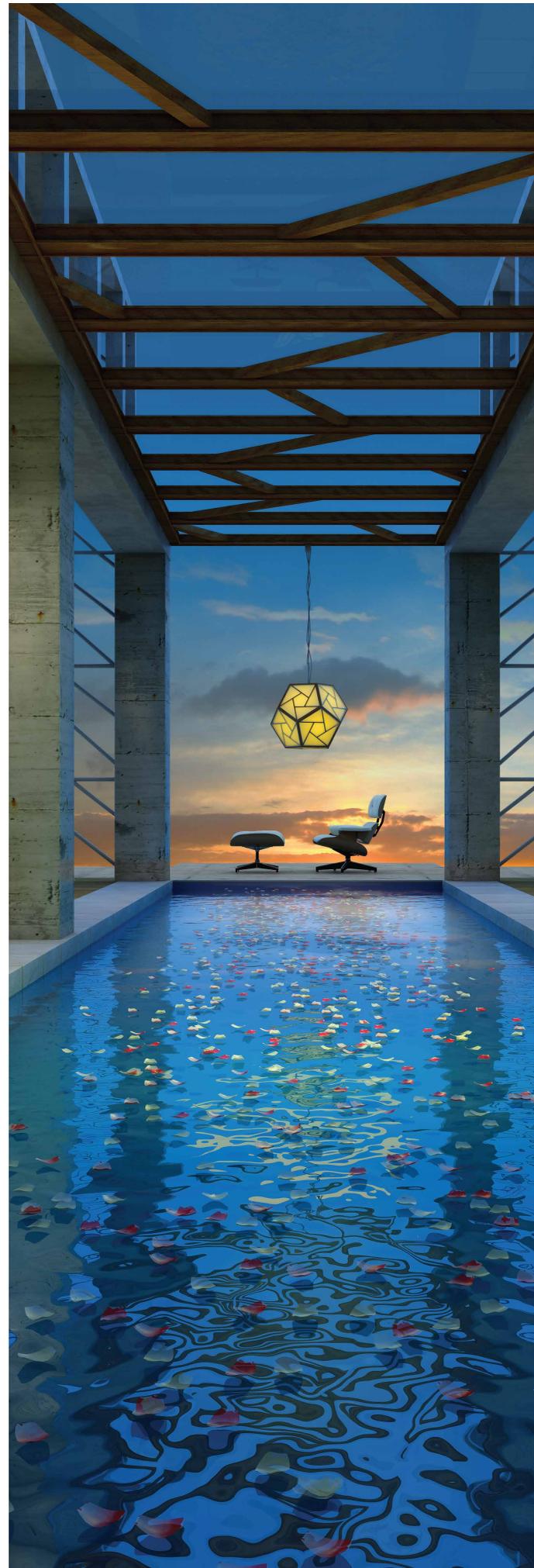
- ✓ Improve efficiency and productivity
- ✓ Make faster, more effective decisions
- ✓ Drive better financial performance
- ✓ Reinvent existing business models and create new ones

Companies that are not using data analysis are at a disadvantage when competing against those that do. A spa software system with a comprehensive and easy-to-use reporting dashboard is what you need for this purpose.

Companies that have used data analysis to grow and thrive

Some of examples of companies that have successfully used data analytics to make decisions and drive business include:

- ✓ **Netflix:** Uses big data to create widely successful original series and movies and uses collected data about your viewing habits to personalize user experiences and make viewing suggestions.
- ✓ **Uber:** Holds a vast database of drivers with whom to instantly match riders, calculates fares using GPS, street data, and Uber's own algorithms.



- ✓ **Uber Eats:** Uses data to predict the time it will take to prepare a particular meal and deliver it a certain distance while it's still warm. Uber even [employs meteorologists](#) to predict the weather and its impact on delivery times.

Obviously you don't have to start out as an enterprise giant to succeed with business analytics. Netflix began as a mail order service for DVD rentals. These companies leveraged data to become what they are today.

Benefits of reporting dashboards and data analysis in your spa

In a spa, data analysis can help you make decisions about treatment menus, hours, scheduling, product offerings, and revenue management. It can help you increase occupancy, reduce downtime and cancellations, create exquisite personalized guest experiences, manage your team members, and much, much more.

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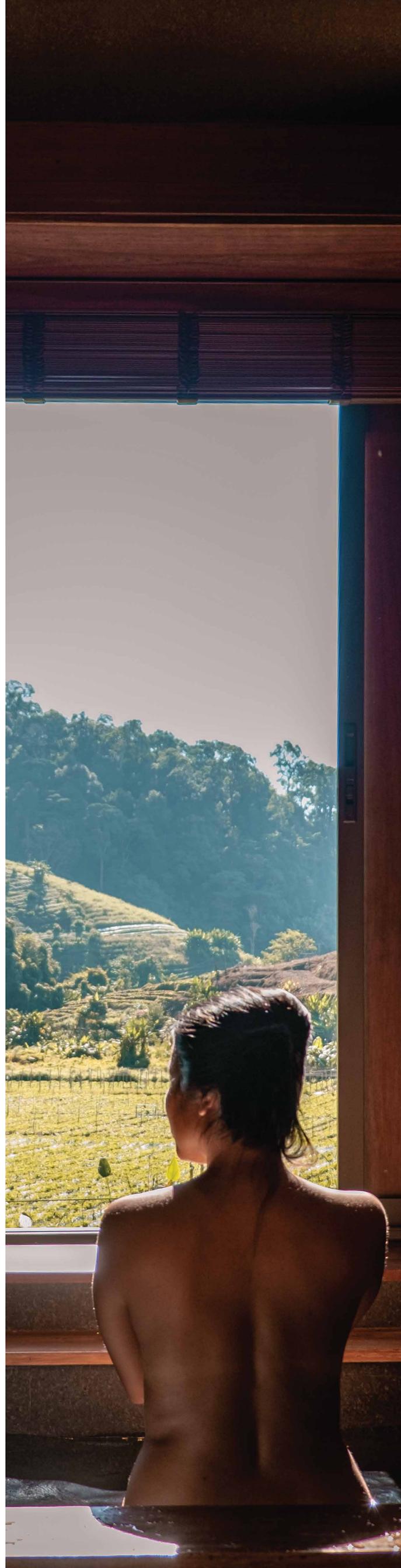
Advantages of dashboard reporting and business analytics include but are not limited to:

1. Better Decision Making

Dashboards show data reports from a wide range of sources and display them in an easy-to-read interface to provide a detailed overview of your business. This allows leaders to gain the insight required to make the best decisions regarding operations. You can't decide how to increase revenue and occupancy, which retail products to stock, and which of your service providers to promote or give additional support to without proper information.

2. Saved Time

Manually inputting data into spreadsheets and calculating metrics yourself leaves a lot of room for error and is very time consuming. A spa software system with a reporting dashboard is a game changer. Shane Bird, EVS Operations at Turning Stone Resort and Casino, who oversees the resort's Skana and



Ahsi spas, said in an interview a few years ago that, before he started using the Book4Time system, it was taking 5-6 hours every day for someone in finance to sit and audit the spas' transactions. Bird said, "Book4Time has eliminated all of that." Time saved is money saved.

3. Improved Performance & Efficiency

Dashboards allow you to measure operational performance and make appropriate changes. They allow you to see the times when your spa is busy and when it's not. They show which service providers and which times of day, week, month, and year are most in demand. They show you which retail items are selling and which ones are not. This data allows you to make changes and adjustments that improve efficiency and productivity.

4. Increased Motivation

When team members are able to see their own performance represented numbers it can increase motivation to work harder, do better, improve results, get more bookings, and increase retail sales and add-ons.

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5. Increased Revenue

All of these things listed allow you to increase revenue and profits while decreasing stress, time spent, and effort. Your dashboard shows you exactly where your business is performing well and where it is not doing as well. Armed with this information, you know exactly where you need to focus your time and energy to improve things.

Using Reporting Dashboards to Track KPIs in Your Spa

The first thing you have to do, before you can parse data, is collect and read it. There was a time, not so long ago, when information about sales, occupancy, and service provider usage had to be manually put into a spreadsheet by a human being. Today, multiple data points can be captured and tracked by your spa software system.

Book4Time allows you to track your spa's KPIs all in one place and view reports quickly and easily.



If you're not sure which KPIs to focus on, we can help. Your dashboard can collect and display a lot of information and many metrics. Not all metrics, of course, are KPIs. Your sales comparison by gender, for example, is a metric but it's not a KPI. Your cancellation rate is also a metric that is not a KPI.

Let's take a look at 13 important spa KPIs (Trent Munday [also has a list here](#)).

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13 important spa KPIs

- ✓ **Total Daily/Weekly/Monthly/Annual Revenue Growth:** Total revenue generated by the spa during any given period of time compared year-over-year, month-over-month, etc.
- ✓ **Capture Rate:** The number of spa guests as a percent of guests who are staying at the hotel or resort where the spa is located during a period of time.
- ✓ **Retail Capture Rate:** How many guests purchased retail products as a percent of spa guests. Potentially more useful if kept specific to spa guests who book aesthetic appointments, such as facials or microdermabrasion, and body-treatments.
- ✓ **Repeat Guest Rate:** The number of people who return to the spa after an initial visit as a percent of the number of spa guests over a period of time.
- ✓ **Return Request Rate:** A deeper dive into your returning customers providing information about your frequent guests and an understanding of their customer profiles, including the service providers they request.
- ✓ **Add-On Revenue:** Calculation of additional revenue that adds no more time to a service, like aromatherapy, CBD upgrades, and eye masks. Can be facilitated with online booking, where a spa allows guests to build on top of a basic service.
- ✓ **Average Transaction Amount:** Total revenue generated over a period of time divided by the number of guests during that period. For example, \$1,500 in sales in a day divided by 10 customers is an average transaction of \$150.
- ✓ **Average Monthly Retail Sales:** Total retail sales revenue generated by month and compared month over month.
- ✓ **Therapist Utilization Rate:** Amount of time a practitioner is booked as a percent of their available time. If John is



working a six-hour day and is booked for five of those hours, that's an 83% utilization rate.

- ✓ **Spa Occupancy:** The number of booked appointments as a percent of available total treatment hours. Total available treatment hours is calculated using the number of treatment beds (and possibly chairs), rather than rooms in your spa, multiplied by the number of operating hours.
- ✓ **Treatment Room Utilization:** Total treatment hours sold divided by total treatment room hours available (an eight-treatment room spa open for 10 hours = 80 available treatment hours)
- ✓ **Revenue Per Available Treatment Hour:** Total treatment revenue divided by the number of available hours (treatment rooms multiplied by numbers of business hours).
- ✓ **Outside Customer Percentage:** For hotel and resort spas, the percent of guests who are not hotel guests.

Reports like these are generated in a comprehensive reporting dashboard and will inform all of your business decisions. These KPIs will help you create strategies for marketing, customer acquisition and retention, and revenue and yield management. They can help inform your loyalty and membership program strategies.

For example, knowing who is coming to your spa, and when, allows you to schedule accordingly, and facilitates creating personalized experiences. Your occupancy and revenue-per-hour numbers will help you make decisions about revenue and yield management. You might, for instance, offer your highest revenue generating services only during peak hours and lower revenue generating services during less busy hours. Your outside guest percentage can influence your revenue management strategy, perhaps in the form of different pricing or offers for different types of guests. Members, for example, or hotel guests, may get a percent off of spa services while local residents pay a different price. Your add-on revenue can influence decisions about additional treatment offerings.

Your therapist utilization rate, repeat request rate, and retail sales can help inform your training and performance management strategies.

More On Performance Management

Your people are everything. They make or break your spa as much as, or more than, your treatment menu, products, and facilities. No matter how wonderful those things are, customers will judge their experience on how it was delivered over what was delivered. There are any number of spas offering wonderful treatments and services out there.



Your people are your differentiator. Your people listen and respond to guest needs, go above and beyond the call of duty, and offer a sympathetic ear on a stressful day. Your hot stones and ginger body scrub don't do that.

Analyzing information on therapist utilization and retail sales will allow you to see who could benefit from additional coaching and training, and who should be moved up a tier if you are using a tiered compensation strategy.

Take note: spa service providers are often driven in their career journeys by a desire to help and heal and may not be natural salespeople. In many cases, they can benefit from coaching and training. Be cautious, however, about jumping to conclusions about a therapist's value based on their retail sales numbers. It's possible, if not probable, that there are service providers who are in high demand precisely because of their low-key personalities and/or because they are not aggressive about sales. These people may have higher return request rates and utilization numbers that can balance out lower retail revenue. This information can, of course, be found in your dashboard analytics.

Justifying Decisions with Dashboard Reporting

Something that reporting dashboards can facilitate is justifying development costs with decision makers and stakeholders. Decision makers in larger organizations can be reluctant to make changes and invest money, and may raise objections to recommendations that you know will improve things and ultimately pay for themselves. If you are asked to justify an initial spend, reporting dashboards and data analytics can help you do that.

If you need to invest in hiring more service providers, for example, your therapist utilization can help you justify that. If you need to spend money on equipment or expansion, your occupancy and treatment room utilization can help justify that.

In one real-life example, Daisy Tepper, Spa Director at The Post Oak Hotel at Uptown Houston, a Forbes Five Star property owned by billionaire Tilman Fertitta, told us in an interview for a case study that Book4Time's reporting dashboards helped her justify the cost of a new treatment room.

"The reports are really good," said Tepper. "The treatment room utilization shows us how much money our rooms are pulling in and what we can do better regarding occupancy. This report actually allowed me to justify the cost of a new treatment room for the spa."



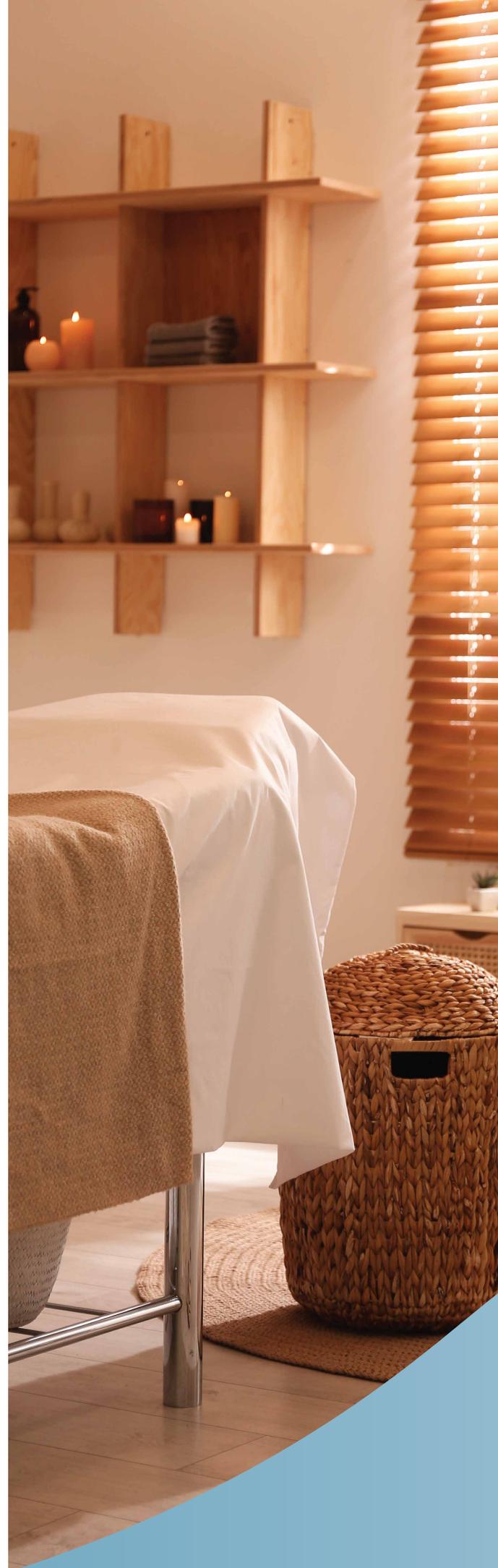
“The owner of the Post Oak is all about performance and he needs to see justification before he can decide if he's going to expand the spa and how. I ran the report and he could immediately see the benefit, so he gave me the money to build another one. I'm happy to report that we're getting a beautiful new couples suite with a fireplace!”

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This is the age of analytics. Data is king. You can't manage what you don't measure. All of your metrics and KPIs are available for you to have right at your fingertips with the click of a button. This has changed everything about how businesses are run and will continue to be run in the future. There is no excuse for being uninformed about what is going on with your spa business. With this knowledge comes the power to create your own success.



Book4Time's spa software solutions have helped the best, most awarded spas around the world analyze and improve their operations and can do the same for you. Schedule a demo today.

[Schedule a demo today!](#)

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