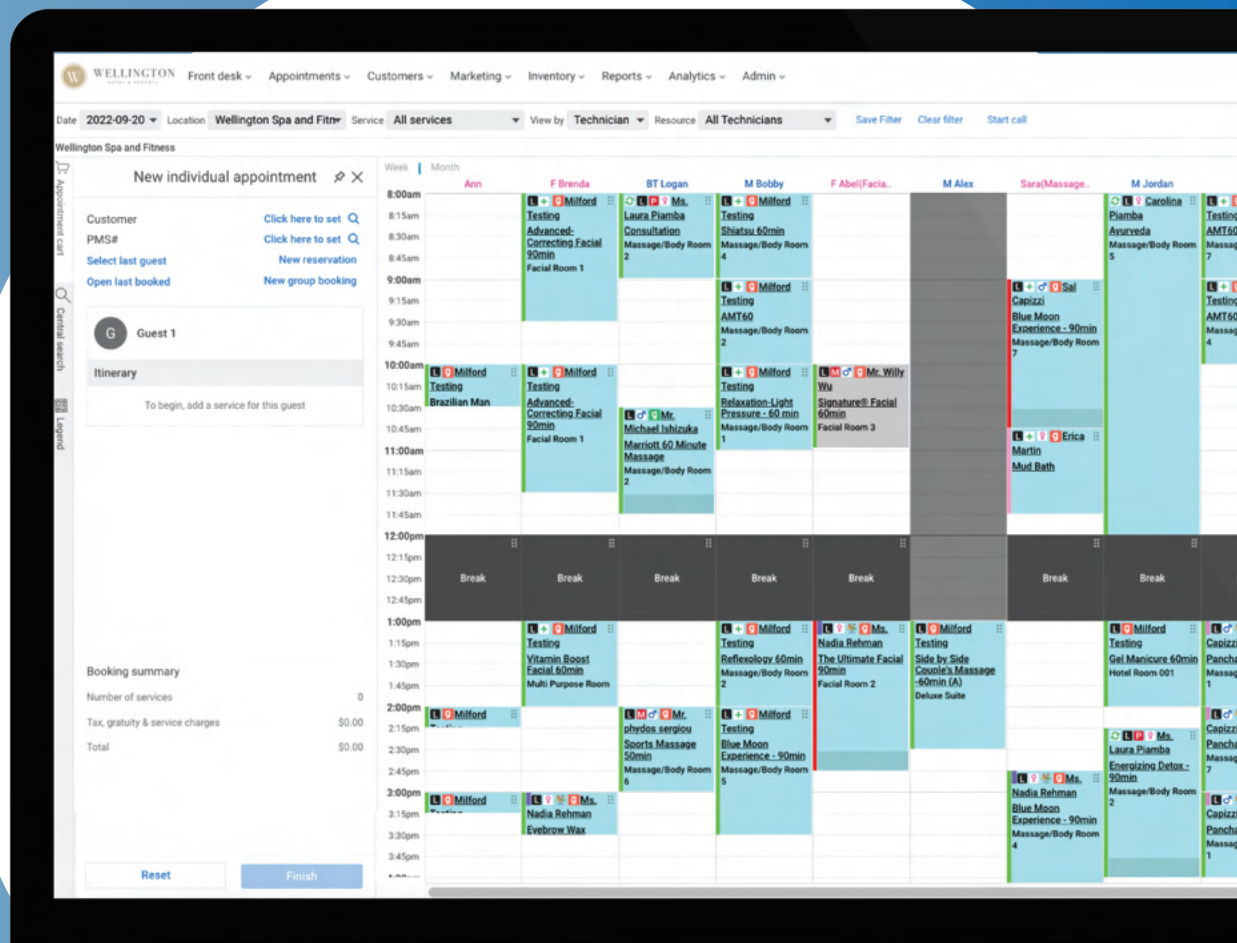


THE 2023 BUYER'S GUIDE TO PURCHASING NEW SPA & ANCILLARY REVENUE MANAGEMENT SOFTWARE



What This Guide Contains

- 10 THINGS YOUR SOFTWARE SHOULD DO FOR YOU IN 2023
- HOW TO JUSTIFY THE COST OF SPA & RECREATION MANAGEMENT SOFTWARE
- CLOUD SOFTWARE VS. ON PREMISE: 6 REASONS WHY CLOUD IS THE CLEAR WINNER
- THE EASE OF SWITCHING YOUR SPA & ANCILLARY REVENUE MANAGEMENT SOFTWARE

INTRODUCTION

Running a revenue generating department is hard work and Spa Directors, Operations Professionals and General Managers are pulled in many different directions, which can leave little time to focus on guest experience and revenue optimization.

This is problematic, because guest experience is what makes a spa stand out from the competition and, in a market this competitive, standing out is key to success. Also, like any business, if there isn't time for revenue optimization, you will face a constant struggle to stay afloat.

Spa & ancillary revenue management software can help with all of this. The right software system can take care of almost all of the day-to-day minutiae of running a spa business, and help you optimize your revenue and increase profits.

In this paper we'll look at why software is so important for your spa, wellness, and hospitality business, how to choose one, and how easy it is to switch systems.

Let's start with what your software – and software provider - should be doing for you in 2023.





10 THINGS YOUR SPA & ANCILLARY REVENUE MANAGEMENT SOFTWARE SHOULD DO FOR YOU IN 2023

Your business software should make your life easier and, to do that, there are some non-negotiables that should come with a system designed to support spa and ancillary revenue in spa and hospitality. Here are 10 things your software should do for you in 2023.

1. Capture More Revenue

Your software should help you spot opportunities for revenue management. For example, offering your highest revenue generating services during peak times, and lower revenue generating services during slower times. Your chosen platform should have a built-in Point of Sale (POS) and the ability to process multiple payment options, including cash and credit cards.

2. Track Turn-Away

You probably turn customers away every week. Knowing the reasons can help you recapture that lost revenue and inform operational changes. This can be difficult to track yourself and it can easily fall by the wayside with everything else you've got going on.

Your software should do this for you.

3. Book Appointments Through A Custom Online &

Mobile Booking Site

People want to do things on their own time; to book appointments when the mood strikes, whether it's at 11pm or 3 am. A custom online booking site designed specifically for your spa reduces missed appointments and call abandonment during high traffic times or when the spa is closed.

4. Manage Business Intelligence, Reporting & Payroll

Keeping track of all your KPIs is time consuming, and manual reporting leaves a lot of room for error. Your software should feature real-time, comprehensive dashboards and central reporting on operational efficiency, sales, staff performance, customer buying trends and demographics, and more, for all of your locations.

5. Keep Data Secure

Your guests want to know that their health, personal, and payment information are secure. In 2023, this shouldn't be something you have to wonder about. Your software provider should be able to guarantee GDPR and HIPAA compliance, and that your customer data is safe.

6. Manage Staff & Payroll

Spa software should take care of your staff scheduling and shift management, and eliminate conflicts. It should offer automatic tracking of commissions and spiffs, and track upselling and cross selling. Software should manage your payroll and allow you to track KPIs and performance, and offer performance-driven rewards.

7. Manage Inventory

Manual processing of inventory takes a lot of time and can easily result in a shortage of a product you need and abundance of one you don't. Spa software should take care of auditing and adjustments in real time across multiple locations, and track your purchasing, receiving, and product sales.

8. Customer Relationship Management (CRM)

Your promotions, loyalty program, gift card sales, memberships, and surveys should be managed by your software. Doing these things manually is not a good use of your time, and means potentially missing opportunities to improve the guest experience, like the opportunity to personalize your memberships and reward programs.

9. Communicate Across Multiple Properties

If you are an enterprise business, your software system should communicate across all of your properties, sharing customer and inventory information, among other things. Guests should not have to provide their contact and health information more than once, and being able to share this information allows you to seamlessly create a personalized guest experience whenever a guest visits any of your spas.

10. Be There For You When You Need It

For many software companies, customer service and support are afterthoughts rather than priorities. Your software should come with excellent and responsive customer service that is available 24/7.

If your software isn't doing all of the above 10 things, it's time to look at other options.♥





HOW TO JUSTIFY THE COST OF YOUR SOFTWARE

So, you know how important the right software is and that it's among the best investments you can make. Decision makers, however, can be reluctant to make changes and may raise objections, and a manager or director may be asked to justify why software is worth the "expense."

Let's look at some of the main reasons why spa software is not, in fact, an expense but a necessary investment into your business success.

Revenue Management Can Save Hundreds Of Thousands Of Dollars In Losses

Revenue management is the use of analytics to predict consumer behavior and optimize product availability and price to maximize revenue growth. Simply put: it's "selling the right product to the right customer at the right time for the right price and with the right pack." One element of revenue management is yield management, which is the process of frequently adjusting the price of a product or service in response to market factors like demand or competition. It's most commonly applied when there is limited or finite capacity, such as with seats on an airline, or, in a spa, a service provider's time and energy.

A successful yield management system will optimize intake, minimize downtime, increase revenue, and keep your spa appointment book filled and your staff happy.

Figuring out how to manage your yield and revenue manually, however, can sometimes be a nightmare. There are too many variables and too much opportunity for error. Reports estimate that implementing revenue management increases revenue by anywhere from 2% - 20%. According to ISPA, the average annual revenue per spa location in the US in 2019 was \$826,000. If we average the revenue increase to the median 12% and look at those numbers, that is a possible revenue increase of \$99,120 a year, or \$8,260 a month. Book4Time can cost less than that monthly cost for a full year. Can you afford to leave that money just sitting on the table?



\$826,000

average annual
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possible
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Book4Time



Turning Away Customers Is Turning Away Revenue

You're losing more revenue than you realize from turning away potential customers that you're unable to accommodate for one reason or another, like walk-ins. On average, a spa may lose about 15% of a day's business from turning away. So, if you lose 15 out of 100 appointments a day at \$150 dollars on average, that's \$2,250 a day. For a spa that is open seven days a week and closed only at Christmas and New Year's, that's a total annual revenue loss of \$816,750 – more than three quarters of a million dollars.



So, if you lose 15 out of 100 appointments a day at **\$150 dollars** on average, that's **\$2,250 a day**. For a spa that is open seven days a week and closed only at Christmas and New Year's, that's a total annual revenue loss of **\$816,750** – more than three quarters of a million dollars.

Every day your spa turns away customers -- maybe the desired therapist is booked, the time slot is filled, or the person wants a male massage therapist and there isn't one available. A regular customer will probably call back, but research suggests that first-time potential customers who are turned away never call back - they end up going to another spa. That's where you will lose the most business.

You're probably not logging the reasons for turning away – and even if you were, this would be nearly impossible for anything bigger than a small business to manage manually. Turn-Away Tracking removes the guesswork by automatically logging the reasons for every turn away. The system then creates an analytics report, and once you know why you're turning away, you can optimize your scheduling and facilities to accommodate the clients you're currently losing.



If You're Not Offering Online Booking You're Setting Your Business Up For Failure

Increasing numbers of people want to book appointments online, and if you don't accommodate them this will cost you. One study in the healthcare industry found that 77% of patients think that the ability to book, change or cancel healthcare appointments online is important. This is particularly important to millennials, who make up about a third of the global population. ISPA's Consumer Snapshot Volume VII, Millennial Perceptions and Preferences found that a majority of millennials are "spa-goers" and that nearly half of them did not book their last appointment over the phone.

When asked, "Thinking about your most recent visit to a spa, how did you book an appointment?" 40% of respondents booked by phone and 17% booked in person.

Of The Remainder:

- **24% booked via website on a laptop or PC**
- **7% booked via social media**
- **4% booked via mobile app**
- **8% booked via website via smartphone or tablet**

That's a total of nearly half (43%) of millennial respondents who used web or mobile technology, rather than a phone, to make their appointments.

Millennials actually don't want to make phone calls. Research conducted in 2016 by OpenMarket found that, given the choice between only being able to text or call on their mobile phones, 75% of millennials would rather lose the ability to talk versus text, and 76% said they prefer texts over calls from companies.

If that isn't convincing enough, research suggests that between 30% - 40% of appointments are booked outside of business hours (so, presumably, through a means other than the phone). Averaging those numbers and even allowing for half of those people to call back during business hours, losing just 17.5% of 100 appointments a day at \$150 is a loss of \$952,875 a year – or nearly a million dollars.



Averaging those numbers and even allowing for half of those people to call back during business hours, losing just **17.5%** of **100 appointments** a day at **\$150** is a loss of **\$952,875** a year – or nearly a million dollars.



There is also evidence that people spend more money online. Book4Time's team has found that people spent an average day-spa ticket price of \$120.44 when booking online versus \$105.92 when booking by phone or in person, that's a 12% spend differential.



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Time Is Money. It Doesn't Make Sense To Spend It On Tasks That Will Take Care Of Themselves

Manually tracking reports, including inventory and payroll can take a lot of time. Tracking payroll alone can take several hours a week, which means labor costs for time that would be better spent on other things.

For example, Shane Bird, Director of Spa and Environmental Services Operations at Turning Stone Casino, who manages the property's SKANA and AHSI spas, has said that using Book4Time's booking and payment systems reduced time spent on payroll from 6-7 hours a week to about 15 minutes. This is saving 350 hours, or nearly nine work weeks, per year in labor!

And that's just booking and payroll. Overall, Bird estimated that Book4Time reduced time spent on administrative tasks at Turning Stone's spas by a stunning 92%.





If a spa director earns \$110,000 a year (per Salary.com), 350 hours at \$52.85 an hour is a total time expenditure of just under \$18,498 a year.

A comprehensive reporting dashboard frees up this time to focus on the guest experience and revenue optimization.

You Can't Put A Value On Security

A good software management system, particularly a cloud system, can help protect your company against potentially devastating losses in the event of a compliance issue or security breach. The cost of getting hacked can be enormous. Jason Karn, Chief Compliance Officer for Total HIPAA Compliance, told Book4Time that ransomware cost organizations \$209 billion in the first quarter of 2016 alone. "It's a multi-billion dollar industry at this point" Karn said.

Federal fines for HIPAA violations can also be massive, ranging from \$100 to \$50,000 per violation. Violations can also carry criminal charges that can lead to jail time.

This is not a risk you want to be taking with your customer's personal information. It could cost you for the rest of your life. And let's not forget the simple value of knowing that your guests' information is safe in your hands and that they can rely on you to keep it that way.

At the end of the day, it should be easy to justify the cost of software with any one of the above examples, let alone all five together.

Understanding the benefits of spa software can help demonstrate that it is a wise business decision that will prove its worth sooner rather than later. 💎



CLOUD SOFTWARE VS. ON PREMISE: 6 REASONS WHY CLOUD IS THE CLEAR WINNER

Once we realize the importance of the investment into software and the great returns it can generate, it's time to look at the options. When choosing a software solution to manage the ancillary revenue streams like spa and amenities for your hospitality business, you want one that is within your budget with the functionality to successfully run your company. To find those things, you're going to have to decide between a cloud solution and an on-premise one.

Which should you go for? The answer is actually simple: The cloud is a better option for almost every business.

Cloud Software Vs. On Premise: What Are We Talking About?

Before we get into comparisons, let's answer the question of what we're talking about when we say "cloud" software vs "on premise." "Cloud computing" means storing, managing and processing your data and programs on a network of remote servers, rather than on a local server or personal computer. Examples of cloud solutions include iCloud, Gmail, Google Drive, Dropbox, and Salesforce. Conversely, "on premise" means storing and accessing data and programs on your computer's hard drive or a central

server somewhere on your premises. Examples include, purchasing a Microsoft office license and installing it on your computer.

Now we can talk about comparisons between the two and highlight some key differences.

Six Reasons Cloud-based Software Is A Better Option For Your Hotel Or Resort

1. Accessibility

When it comes to accessibility, there is no competition between cloud and on prem. The cloud is accessible from anywhere in the world where there is internet access. This opens up a whole new world of user access. For example, hotel/resort spa employees can view their schedules, client information, and more, in real time from wherever they are. Even better is that, if your business has multiple locations, cloud software makes it easy to share information across all of them. Yoga instructors or excursion guides can see their schedules and how full a class or excursion is. On-premise software can't offer this functionality, as its use is limited to the computers and servers on which it has been installed.

This is a guest experience game changer.

A guest can go to the spa at any of your hotels or resorts, for example, without having to share their personal and credit card information more than once. And, if you offer cabana rentals at a resort, the person overseeing cabana reservations for the day can automatically see when someone has added a fruit platter and drinks package onto their reservation and can let the bar and kitchen know, without the guest having to do anything.

2. Cost

Cost is one of the biggest advantages of cloud software solutions. On-premise software requires that you pay the full price of the software upfront, and then for any additional licenses, should you wish to add more users at a later time. Cloud software is purchased by subscription, meaning payments are more manageable, and cloud software typically uses a utility pay structure by user and access level, meaning you only pay for what you use, and services can be added or removed as needs change. Cloud software also saves the cost of the IT staff that would be required to maintain an on-premise solution, as well as the cost of the IT infrastructure you would have to put in place if you haven't got one already.

3. Ease of implementation and maintenance

Cloud software is fully accessible online and requires no hardware or installation on your part. The software company takes care of these things for you, and complementary training documents and videos are typically offered by the company to help get you up and running. Some, like Book4Time, will also come to you and provide on-site training. On-premise software, on the other hand, must be installed on your computer and/or servers and requires in-house IT infrastructure and a team to maintain it and make regular updates. With cloud software, the vendor is responsible for maintaining the data warehouses and any hardware on their end.

Updates are made regularly and are shared with the customer as the product continues to improve.

4. Security

Security is a top priority for any company that stores data – a loss of data or breach can be devastating. You might think your company data is safer in your own hands on your own property, but is it? Cloud storage providers typically have 24/7 security teams, are always updating security measures, and monitoring for threats. A breach would ruin them, so someone is always paying attention. It's their business to notice suspicious activity and to alert you immediately. Can you, with confidence, say the same of anyone running your in-house IT service? While it's possible for on-prem data security to provide equal, or even better, security than the cloud, the cost of this is out of reach for most businesses. Moreover, the ability to control access levels lets you limit who has high-level access to data, which can ease concerns about an inside breach (an estimated half of breaches are inside jobs). That being said, not all cloud companies are created equal. It's important to ask pointed questions regarding security before purchasing a software, and choose a company that has the right measures in place.

5. Durability and availability

Data durability and availability are important concerns for your business. "Durability" refers to protecting your data against events like server failures and "availability" refers to the ability to access your data on demand. Cloud servers back up your data regularly and run frequent checks to ensure that your data is safe. Book4Time uses Amazon Web Services (AWS), which offers 99.99999999% durability, meaning, according to Tom's Guide, that the odds of losing your data is one in 100 billion in any given year. AWS also promises that your data is available on-demand 99.99% of the time. On-premise data storage is very unlikely to be able to offer these levels of durability and availability.

6. Customer support

On-premise software often has the advantage with customer support, because users can turn directly to their in-house IT team. Getting customer support from a cloud software company can be a whole other story, and it can sometimes take days to get a response to a request, meaning stretches of downtime interrupting business operations. However, there are companies out

there, like Book4Time, that take customer support very seriously, won't leave you waiting, and will work with you until your issue is resolved. Because keeping your business up and running is our business. Always ask about a company's customer support and turnaround time on support requests before making a purchase decision. If they can't give you a satisfactory answer, run.

There is obviously a lot to consider when purchasing software for your hospitality business. Do your research and ask all the important questions. If you want to keep costs down with an easily accessible solution, you'll probably find that a cloud software solution is the right choice. ♡





THE EASE OF SWITCHING YOUR SPA & ANCILLARY REVENUE MANAGEMENT SOFTWARE

Changing the software you use for your spa or wellness business can be a daunting prospect. If you think switching spa management software systems has to be a difficult and stressful experience, here's some good news for you: it doesn't.

As with anything in life, even when things are not working as well as we would like, we fear that something else might be worse. However, while change is scary, it's necessary to keep pace with developments in the world around us. This applies to biology and businesses alike. Animals that can't adapt to changes in their ecosystem become threatened, and the same thing happens in business.

Technology is changing everything, and those who don't adapt will fall behind.

History is replete with examples of businesses that serve as cautionary tales against ignoring the proverbial writing on the wall. Newspapers, analog camera companies, and even former dotcom giant Yahoo! are all cases in point, often held up as examples of what not to do when faced with change. Newspapers thought people would always read them, Kodak seemed to think digital photography would never take off, and Yahoo miscalculated the importance of search.

Legacy systems can leave you stuck in the past. If you're running on a legacy system, there's a good chance that you're missing out on important technological advances that can make or break your business success in the new world. As discussed above, these include revenue management, turn-away tracking, inventory management, CRM capabilities, and more.

Change Is Easiest With A Software Partner That Will Elevate Your Business To Where It Should Be

Change might sound scary, but it doesn't have to be, depending on the spa software provider you choose. With the wrong company, switching can be a nightmare; with the right company, switching can be painless. When evaluating a new provider, it's important to look at more than just the features. Let's take a deeper dive into some of the services you should evaluate when picking a partner.

Five Services A Software Provider Should Offer To Make Switching Easier

1. Remote Setup & Installation

Often, when you switch software, you have to have teams come onto your site to set up and install servers. This is the case with on-premise solutions, but not with cloud software. Cloud software can be set up entirely remotely, requiring no disruption in your spa space. It also takes up no room, as the server is stored in the cloud.

2. Gradual Implementation

It's not unheard of for a business to have to shut down for a week or so for installation, setup, and training on a new software system. You probably can't afford that. Ideally, a software company allows you to take your time and can do the installation, set up, and training over the course of several weeks, rather than cramming everything into a few days. For example, you can take one training session a week, if you like, and continue running your business uninterrupted. This allows time to adjust and get things right, and relieves the stress you would feel if placed under a time limit. Also, with a cloud-based system, you can do your training from anywhere, because you don't have to be on site to access it.

3. Subscription Payment Model & Minimal Upfront Cost

The upfront cost of switching to an on-premise system can be huge (plus the cost of additional licenses, should you wish to add them later). Cloud software is purchased by subscription, meaning there is no big initial spend and payments are more manageable. Cloud software implementation also doesn't require the purchase of a server or the IT infrastructure you would have to put in place with on-premise software.

4. Data Importing

Some software companies, particularly legacy systems, require that you manually enter all your own data, including product, service, gift card, and customer contact information when switching. This can take days. It's no wonder switching sounds like a scary prospect! A good software company, however, allows you to provide them with information, imported into a spreadsheet, and will input it for you, electronically. Note that, if you have been using an older system for several years, this is a good time to clean out old and irrelevant information.

5. Multi-Location Business Management

Nobody wants to have to install and implement software one spa location at a time. An enterprise-level business needs an enterprise-level software that only has to be installed once, and can then go live across multiple locations. Only a few adjustments are required, like entering staff schedules and product information for items that may differ between locations.

It may never feel like the right time to switch your spa software, because it's a big change. If you choose carefully, however, and do your research, switching can be much easier than you expect, and the rewards will be worth it. 💎

Why Book4Time

At Book4Time, we work hard to make the transition from another software as easy as possible. Many spa customers have made the switch from other software solutions to Book4Time, and we've heard a lot of great things about the experience. Here's one example:

"The setup was great. The Book4Time team was really proactive about setting up conference call/training times and made it so nice for our team. This software is super versatile -- you can use it for not only spa but also retail outlets as well. Super user friendly and assistance is always available if you run into a question!"

We pride ourselves on the customer support we provide during your transition and beyond, because your success is our success.

About Book4Time

Book4Time is a global leader in spa, wellness and leisure activity management solutions for the hospitality market. As the leading enterprise SaaS technology in the hospitality wellness industry, Book4Time manages the end-to-end guest experience for international hotels, resorts, casinos, golf and private member clubs located in more than 100 countries worldwide.

Book4Time is the first cloud-based software for the wellness industry to provide a centralized multi-location platform. With 60+ hotel system integrations, we publish new updates every 4-8 weeks, have the industry's highest uptime at 99.99%, support 15 languages and have LIVE 24/7 phone and email support through strategically located global customer support centers. Visit book4time.com for more information.

We are Hotel Tech Report Customer Support certified.

Reliable. Secure. Compliant.

Book4Time is hosted in the world's most secure cloud — Amazon EC2, offering unparalleled uptime at over 99.99%. Plus, we are PCI, HIPAA, and GDPR compliant,

and conduct annual SSAE / ISAE 3402 Type II audits. When it comes to the important stuff, we've got you covered.

World-Class Customer Service

Tired of tickets and templated responses? We hear you. With 24/7 live phone and email support, dedicated customer success managers, and unlimited refresher training for your staff, it's no wonder we have a 97% client retention rate.

Experience Matters

We've been working with the world's leading spa and wellness brands for nearly 20 years, and we love to hire former spa directors as customer success managers.

Successfully handling the needs of the largest and most sophisticated spa operations, we continue to develop a host of advanced features — like group booking, yield management, Turn-Away tracking, and wait list management.

Seamless Integrations

Already set up with a credit card processing system? Got a tried-and-true loyalty program you can't live without? Not a problem. Book4Time integrates with your existing solutions, from hotel PMS and inventory management, to payment services and membership programs, to make your life easier. We support more than 60 integrations to leading software products on the market.

Relentless Innovation

Want to provide your guests with a Forbes Travel Guide 5-star standard-worthy experience? Look no further. Book4Time has been voted the most innovative company by the International Spa Association and a finalist in the Hotel Tech Report Awards. We're constantly adding new features and enhancements based on customer feedback and industry trends. Innovating is what we do.

Talk to an in-house spa management expert, to answer your product questions and help you find a tailored solution. ♥



Ready To Upgrade? or [Schedule a Demo Today!](#)

www.book4time.com

1 905 752 2590

sales@book4time.com

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