

salon today 200

The 13th Annual Issue

The competition
to honor your
best management
practices.



You choose how you participate in the new SALON TODAY 200! This year, it's about more than growth. Check out ALL the cool categories your salon can win. Enter one, enter them all.

>The New SALON TODAY 200

The competition that was built on salon growth now is stretching beyond it to examine all the best management practices that contribute to salon success. For that reason, you'll see some big differences in this year's application process. Now, growth is only part of story—no longer the focus. But the biggest change to the competition is the flexibility to compete within the areas your salon shines, and the ability to compete in as few or as many categories as you want.

ALL SALONS MUST COMPLETE THE APPLICANT INFORMATION SECTION. THEN EACH APPLICANT MUST COMPLETE AT LEAST ONE OF THE BEST PRACTICE SECTIONS (Growth, Salary & Benefits, Retention, Customer Service, Recruitment & Training, Advanced Education, Marketing, Environmental Sustainability, Inventory Control, Retail, Salon Technology). You may complete as many Best Practice sections as you want. All essay responses should be typed on separate paper and clearly marked by Best Practice section and essay number.

**The SALON TODAY 200 WILL BE PUBLISHED IN THE JANUARY 2010 ISSUE. GOOD LUCK!
See back cover for SALON TODAY 200 eligibility and criteria rules.**

APPLICANT INFORMATION

Name of salon:

Salon owner name(s):

Salon street address:

City: State: Zip:

Business phone:

Fax:

E-mail address:

Website address:

Have you applied before? yes no If yes, have you been named a Salon Today 200 Salon before? yes no What year(s)

OFFICIAL 2010 APPLICATION

Applicant information continued ...

1. In what year did your salon business open?

_____ (year salon opened)

2. Does your business include more than one salon location?

Yes How many, including this one? _____ total salon locations
No

3. Rounded to the nearest thousand dollars, please provide your company's

2008 Gross Revenue: \$ _____

2007 Gross Revenue: \$ _____

(Please note: This data is only printed in the Salon Today 200 if you enter the growth category.)

4. Currently, approximately what percent of your salon's gross revenue is generated by each of the following categories? (The sum should equal 100%. If none in a particular category, write "0." Please round to the nearest whole number.)

Chemical service (relaxing, perming): _____ %
Hair color service sales: _____ %
Hair cutting service sales: _____ %
Nail service sales: _____ %
Retail sales: _____ %
Skin care, body care and spa-type services sales: _____ %

Total = 100%

5. How many square feet of space does your salon business occupy?

(If more than one salon, please provide the square footage for each location. Round to the nearest hundred feet. Example: 3,500)

_____ square feet _____ square feet _____ square feet

6. How many total employees do you have? _____

7. What is the average price charged at your salon(s) for a shampoo, cut and style? (Round to whole dollars.

Example: \$42) \$ _____

What is the average price of a single-process color \$ _____

8. Do any of the salon owners perform client services?

Yes How many owners perform client services? _____
How many hours per week, on average does each owner perform client services? _____
 No

9. Do you consider yourself to be either a day spa or a salon/spa?

Day Spa
 Salon/Spa

10. Have you hired a salon coach/consultant? Yes No

If yes, who?

11. What are your three best-selling retail hair care lines?

12. What three hair color lines do you use?

13. What other texturizing systems do you use?

14. What skin care lines do you use most often in salon?

15. What cosmetics do you carry in salon?

16. What nail care lines do you use most often?

17. What salon software do you use?

18. Approximately what percent of your total salon expenditure falls into each category listed below?

(If none, write "0." Round to the nearest whole number. Total should equal 100%)

Conventional employee benefits (medical, dental, 401K, etc.):	_____ %
Education/Training Benefits:	_____ %
Insurance (property and business-related policies):	_____ %
Labor costs (include owner compensation as a service provider):	_____ %
Marketing/Advertising:	_____ %
Owner compensation:	_____ %
Professional services (legal, accounting, etc):	_____ %
Profit:	_____ %
Rent/Mortgage:	_____ %
Supply costs:	_____ %
Taxes:	_____ %
Telecommunications (phone, fax and internet):	_____ %
Utilities (electricity, gas, and water):	_____ %
Other (specify): _____	_____ %
TOTAL (should equal 100%)	_____ %

19. Of which of the following industry associations are you a member? (Check all that apply)

- | | |
|---|--|
| <input type="checkbox"/> ¹ America's Beauty Network | <input type="checkbox"/> ⁷ National Cosmetology Association (NCA) |
| <input type="checkbox"/> ² Cosmetologists Chicago (CC) | <input type="checkbox"/> ⁸ Professional Beauty Association (PBA) |
| <input type="checkbox"/> ³ The Day Spa Association | <input type="checkbox"/> ⁹ Your Beauty Network (YBN) |
| <input type="checkbox"/> ⁴ Intercoiffure | <input type="checkbox"/> ¹⁰ Other (specify below): _____ |
| <input type="checkbox"/> ⁵ International Salon/Spa Business Network (ISBN) | _____ |
| <input type="checkbox"/> ⁶ The International Spa Association (I/SPA) | _____ |

BEST PRACTICE SECTION

To be eligible for the SALON TODAY 200, **you must complete at least one of the following Best Practice sections A-K.** After that, you may apply for as many of the Best Practice sections as you want. You should select Best Practice sections that best reflect the areas in which your salon excels. Please place an "X" in the box next to sections you are completing and answer all questions and essays in that section. For the essays, please type responses on a separate sheet of paper and clearly mark with essay number (example A1) for each question in all of the categories for which you are applying. Do not answer essay questions for sections in which you are not applying.

A. GROWTH

1. Rounding to the nearest thousand dollars (example \$252,000) please provide your company's:

2007 Gross Revenue \$ _____ 2008 Gross Revenue \$ _____

(Please refer to documentation instructions on page 8 for information on verifying gross revenue.)

2. Based on your salon's growth for the first six months of this year (2009), by what percentage will salon gross revenue for 2009 exceed salon gross revenue for 2008?

(Round to whole number, please. Example: 11%) _____ %

Essay Questions: (Please answer all)

A1. What has been the biggest contributor to your growth the past 18 months?

A2. What has been the most profitable business decision you've made this past year?

A3. What specifically did you do to maintain growth during a tough economy?

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B. SALARY & BENEFITS

1. What is the average annual income (including salary, bonuses and commissions—before taxes) for a full-time stylist in your salon?

- | | | | |
|---|---|---|---|
| <input type="checkbox"/> Less than \$20,000 | <input type="checkbox"/> \$30,000 to \$39,999 | <input type="checkbox"/> \$50,000 to \$49,999 | <input type="checkbox"/> \$70,000 to \$79,000 |
| <input type="checkbox"/> \$20,000 to \$29,999 | <input type="checkbox"/> \$40,000-\$49,999 | <input type="checkbox"/> \$60,000 to \$69,999 | <input type="checkbox"/> \$80,000 or more |

2. How are your service providers paid?

- Salary
- Commission
- Combination

Other: _____

3. Which of the following traditional employee benefits do you offer? (Check all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Medical Insurance | <input type="checkbox"/> Profit Sharing |
| <input type="checkbox"/> Dental Insurance | <input type="checkbox"/> Paid Vacation Time |
| <input type="checkbox"/> Vision Insurance | <input type="checkbox"/> Structured on-site education program |
| <input type="checkbox"/> Disability Insurance | <input type="checkbox"/> Education Reimbursement |
| <input type="checkbox"/> Life Insurance | <input type="checkbox"/> Flexible Hours |
| <input type="checkbox"/> 401K/Retirement Savings | <input type="checkbox"/> On-site daycare |
| <input type="checkbox"/> Flexible Spending Accounts for Daycare/Medical | <input type="checkbox"/> Other _____ |

4. On average, how much do you pay for benefits per employee? (Round to the nearest dollar) \$ _____

Essay Questions: (Please answer all)

B1: Why are candidates attracted to your salon? Why are you considered a top employer in your area?

B2: Beyond the traditional benefit options, what other creative benefits do you offer employees?

B3: And, one essay for your employees: Please ask one member of your team to submit an answer to the following question— Why is your salon a great place to work? Please include team member's name, position and signature.

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C. RETENTION PROGRAMS

1. What is your salon's average new client retention rate? _____%
2. What is your salon's average return client retention rate? _____%
3. What is your salon's average pre-booking rate? _____%
4. Do you have a loyalty program that rewards clients for service or retail purchases? Yes No
5. Is advancement in your compensation structure tied to individual retention and/or pre-booking rates? Yes No

Essay Questions: (Please answer all)

C1. Describe your process for tracking retention and pre-booking rates, for communicating individual rates to employees and for coaching them to improve upon them.

C2. How does your loyalty program track and reward client behavior?

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D. CUSTOMER SERVICE

1. Do you have a mystery shopping program? Yes No
If yes, do you share the results with staff? Yes No
2. Do you have an employee or a team of employees on staff who are charged with monitoring and improving customer service? Yes No
3. Are your front desk/booking operators scripted? Yes No
4. Do you train on customer service initiatives? Yes No

Essay Questions: (Please answer all)

D1. In detail, describe your customer service initiatives.

D2. How do you monitor whether your staff carries through with customer service initiatives?

D3. How do you measure the return on investment in your value-added customer service initiatives?

E. RECRUITMENT AND TRAINING

1. Which of the following best describes how you recruit for new employees? (Check all that apply)

- Place a want ad
- Recruit through salon's website
- Recruit through existing staff members
- Talk and recruit through local schools
- Host a job fair
- Own a training salon/school and recruit from within
- Maintain a running list of interested prospects

2. Do you have an in-house training program? Yes No

If yes, on average, how long does your program last? _____ months

On average, how many hours of instruction do new hires receive per week? _____ hours

On which of the following topics do trainees receive instruction? (Check all that apply)

- cutting
- coloring
- chemical services
- extensions
- skin care services
- nail care services
- customer service
- consultation
- retailing
- salon business
- personal life strategies
- other, please describe _____

3. Do new hires receive an employee handbook? Yes No

4. Do new hires receive specific training about the salon's culture, policies and expectations? Yes No

5. Are new hires paired with a mentor as an assistant? Yes No

6. On average, how many trainees do you have in the system at any one time? _____ trainees

Essay Questions: (Please answer all)

E1. Describe in detail all your initiatives for recruiting new employees.

E2. Outline your selection process. Who does the interviewing? What are the stages in the process? Is there a skills test involved? Do candidates take a personality evaluation? Who determines whether or not they are hired? Is there a trial evaluation period?

E3. Detail the steps in your training program. How long does it last? What does a typical first year look like? Who conducts the training sessions, when are they held? How do trainees progress through the system, how are they evaluated, how and when are they introduced to the floor?

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F. ADVANCED EDUCATION

1. Do you maintain a structured on-site advanced education program for employees? Yes No

2. Which best represents how often you offer advanced education classes in the salon?

- Once a week
- Once a month
- Once a quarter
- Once a year

3. Who serves as the instructors? (Check all that apply)

- the owner
- the salon's education director
- other employees
- representatives from salon manufacturers
- representatives from salon distributors
- community leaders and experts
- industry leaders and experts

4. Does the salon contribute financially to an employee's advanced education for outside the salon events? Yes No

If yes, on average how much do employees receive per year for education expenses? \$ _____

5. Are advanced education hours required for employment? Yes No

Essay Questions: (Please answer all)

F1. Describe your in-salon advanced education program.

F2. Describe how the salon encourages and supports employees' efforts to seek external education programs. How do they share what they've learned with other employees?

F3. How are advanced education efforts communicated to clients?

G. MARKETING

1. To the nearest thousand dollars, how much did you spend on marketing in the following years?

2008 _____ Budgeted for 2009 _____

2. In general, what percentage of your salon's marketing efforts fall under the following categories? (Do not use decimals, numbers should total 100 percent. If none in a category, list "0.")

- | | |
|---|--|
| _____ Newspaper advertising | _____ Printed or e-mail newsletters |
| _____ Magazine advertising | _____ Direct mail campaigns |
| _____ Radio advertising | _____ Direct e-mail campaigns |
| _____ Television advertising | _____ Donations to charitable causes |
| _____ In-salon advertising (posters, shelf-talkers, mirror talkers) | _____ Fees for marketing, public relations or advertising agencies |
| _____ Public relations campaigns | _____ Other |
| _____ Salon website | = 100% |

Essay Questions: (Please answer all)

G1. Describe in detail your most successful marketing campaign last year. What did you do? How was it promoted? What were the results?

G2. What is your process for determining a marketing initiative's success?

G3. Describe the process for developing your average marketing campaign. Who on staff is involved? How do you generate ideas? Do you work with any outside agencies?

H. ENVIRONMENTAL SUSTAINABILITY

1. On average, what did you spend in 2008 per square foot on energy costs (water, electric, gas)? \$ _____ per square foot

2. Which of the following best describes your salon's green initiatives? (Check all that apply)

- | | |
|--|---|
| <input type="checkbox"/> In-house recycling programs | <input type="checkbox"/> Environmental education programs for staff/clients |
| <input type="checkbox"/> In-house energy reduction initiatives | <input type="checkbox"/> Donate time or funds to environmental causes |
| <input type="checkbox"/> Incorporate green materials in salon design | <input type="checkbox"/> Other, please describe _____ |
| <input type="checkbox"/> Carry green product lines | |

3. Have you ever hired an environmental consultant? Yes No

Essay Questions: (Please answer all)

H1. In detail, describe your salon's environmental sustainability efforts.

H2. How are your efforts communicated to employees, clients and the local community?

I. INVENTORY CONTROL

1. On average, how many SKUs does your salon carry?

2. On average, approximately how many dollars are tied up in current inventory? \$ _____

What percentage of your annual retail sales does this represent? _____ %

For 2008, retail sales equaled what percentage of your overall sales? _____ %

3. Do you have an inventory manager, or an employee designated to controlling inventory and ordering product? Yes No

Essay Questions: (Please answer all)

I1. Please detail your process for controlling inventory, including how you determine top-selling products, how you make sure you are stocked on those products, your ratio for turning over product, and how you deal with slow sellers.

I2. Please detail your process for considering a new line. Who makes the decision and approximately how often do you evaluate and add a new line?



J. RETAIL

1. What is your average retail \$ per ticket? \$ _____

2. For 2008, retail sales equaled what percentage of overall sales? _____%

3. Do you pay a commission on retail sales?

If yes, how much? _____

4. Which of the following are components of your retail program? (Check all that apply)

- specific service provider education on product lines
- specific front desk/retail staff education on product lines
- needs analysis as part of consultation
- client education about products at chair/shampoo bowl
- client product education events
- product prescriptions
- professional recommendation
- pulling recommended products for checkout
- computer tracking of past retail purchases
- regular product promotions
- employee/client product contests
- product purchase rewards programs
- other, please describe _____

Essay Questions: (Please answer all)

J1. From the time a client books an appointment to the time she pays and exits following the appointment, describe your salon's retail process.

J2. Describe competitions your salon has held to encourage retail sales.

J3. How are employees encouraged to share successful retail sales strategies with other staff members?



K. TECHNOLOGY

1. Which of the following are components of your salon's technological capabilities?

- salon management software
- management by computer reports
- salon website
- e-mail newsletters/promotional campaigns
- automated appointment confirmations via phone
- automated appointment confirmations via text
- online booking
- online gift card purchasing
- salon paging system
- WiFi access for clients
- computers for use by employees
- salon-sponsored social networking sites (Facebook, Twitter, MySpace, etc.)
- Other _____

2. What year did you salon first become automated? _____

3. What year did you establish a website? _____

Essay Questions: (Please answer all)

K1. How has technology helped streamline your business, boost growth and control costs?

K2. How do you use technology to manage, motivate, educate and promote employees?

K3. How are you using technology to communicate and form relationships with clients and/or prospects?

What's Your Salon's Story?

SHOW US YOUR STUFF

Got a great photo of you or your staff? Send it in! SALON TODAY publishes the photos of as many ST200 honorees as space allows. (Note: Digital files must be 300 dpi and at least 4" x 6". Please submit digital images on CD only. You may also submit photos. Film negatives and slides will not be accepted.

We're also collecting outstanding promotional pieces for our Marketing section. Send us samples of your business cards, salon menus and any other promotional piece you've created this year.

ALL ENTRIES MUST BE SIGNED AND DATED BY OWNER: To the best of my knowledge, all of the information I have provided for the 2010 SALON TODAY 200—including financial documentation—is accurate. In the event my salon is included in the ST200, I hereby agree that the information I have provided may be published in SALON TODAY magazine and/or the web at salontoday.com.

Signature _____

Date _____



Eligibility & Criteria salon today 200

1. Your salon opened on or before January 1, 2007.
2. Your salon has generated annual service and product sales revenues of at least \$250,000 per year since 2007.
3. Your business is primarily a provider of professional salon services including, but not limited to, one or more of the following: hair care, nail care, skin care, body care and spa treatments.
4. You submit documentation to verify financials for 2008. (If you also enter the growth portion of the competition Section A, you will also need to provide documentation to verify financials for 2007.)
5. You completely fill out the Applicant Information portion of this form.
6. You completely fill out at least one Best Practice section, sections marked A-K (you may choose to fill out as many as you think you qualify for). The more you complete, the more likely you are to make the list.
7. You pay the \$60 processing fee.

DOCUMENTATION INSTRUCTIONS

To qualify for the Growth, Section A, portion of the SALON TODAY 200, you must include verification of gross revenues excerpted from your business's 2007 and 2008 tax forms. Copies of a single page will suffice. For example, if your salon is set up as a corporation, include the pages from your 1120 tax forms showing your gross revenues. Please sign and date the above section if your signature does not already appear there. Financial documentation is only used for verifying revenue and calculating revenue growth, if applicable.

DEADLINES AND PROCESSING

All entries MUST BE POSTMARKED no later than August 30, 2009, and sent to:
SALON TODAY magazine, SALON TODAY 200
400 Knightsbridge Parkway, Lincolnshire, IL 60069
Attention: Joyce Alverio

Entries MUST INCLUDE a \$60 processing fee. Checks can be made out to SALON TODAY magazine.

Did you remember to ...

- Fill out your Applicant Information
- Choose from one of 11 questions in the Best Practice section, including essays on a separate sheet of paper
- Include financial documentation
- Include \$60 processing fee
- Sign application (page 8)
- Include photo
- Include marketing pieces

www.salontoday.com



? QUESTIONS

Call Joyce Alverio at 847-415-8037 or e-mail jalverio@vancepublishing.com with any questions about the Salon Today 200.