

ARE YOU PREPARED?

The Post-Crisis
Threat to the Health
of Your Business

vish

What you do during this downtime is essential to protecting and strengthening the post-crisis health of your business. One thing salon experts know for sure, your customers are excited for you to open.

Are you prepared?

We have been consulting with salon owners across our network since the beginning of the crisis. This is what we've learned:

- Salons are taking on debt or using savings to provide much needed short term relief
- Dealing with current stress has been consuming and salons haven't had much time to focus on improving systems and processes
- Carrying costs and increased debt will squeeze already thin margins when they reopen

More color will be needed for every color service; increasing costs and destroying profit margins

Fact is, most guests will return with bad hair. How long is their regrowth? Did they color their hair at home? How much correction is needed? Should you increase prices? According to data from our system, the top three services in a salon are:

Color Retouch

(6 Weeks)

*40g + 60g
developer*

Toner

(6 Weeks)

*30g + 60g
developer*

Highlights

(6 Weeks)

*60g + 120g
bleach + developer*

Immediately following Covid-19, your guests' absences will be more than their typical 6 weeks. The cost per application is going to increase with each additional month...

Let's look at the numbers...

Cost per Application:	Typical	+1 Month	+2 Months	+3 Months
<i>Color Retouch</i>	\$11.20	\$15.68	\$21.95	\$30.73
<i>Toner</i>	\$7.10	\$9.94	\$13.92	\$19.48
<i>Half Head Highlights</i>	\$8.60	\$12.04	\$16.86	\$23.60

Using your pre-crisis pricing structure in a post-crisis environment is going to cost you. Without making any changes to your pricing strategy, and while providing guests with services they have longed for months, the extra product costs are going to take money out of your pocket. Don't let that happen.

Vish recommends implementing a clear pricing strategy with the use of Vish Front Desk. Keep your service costs consistent to pre-crisis levels and use Vish Front Desk to accurately charge for extra product charges.

Using the example of a typical 6 chair salon that performs 175 color retouches, 175 toners, and 150 half head highlights each month, here's how the dollars add up:

Extra Color Costs:	+1 Month	+2 Months	+3 Months
<i>Color Retouch</i>	\$2,744.00	\$3,841.60	\$5,378.24
<i>Toner</i>	\$1,739.50	\$2,435.30	\$3,409.42
<i>Half Head Highlights</i>	\$1,806.00	\$2,528.40	\$3,539.76
Total	\$6,289.50	\$8,805.30	\$12,327.42

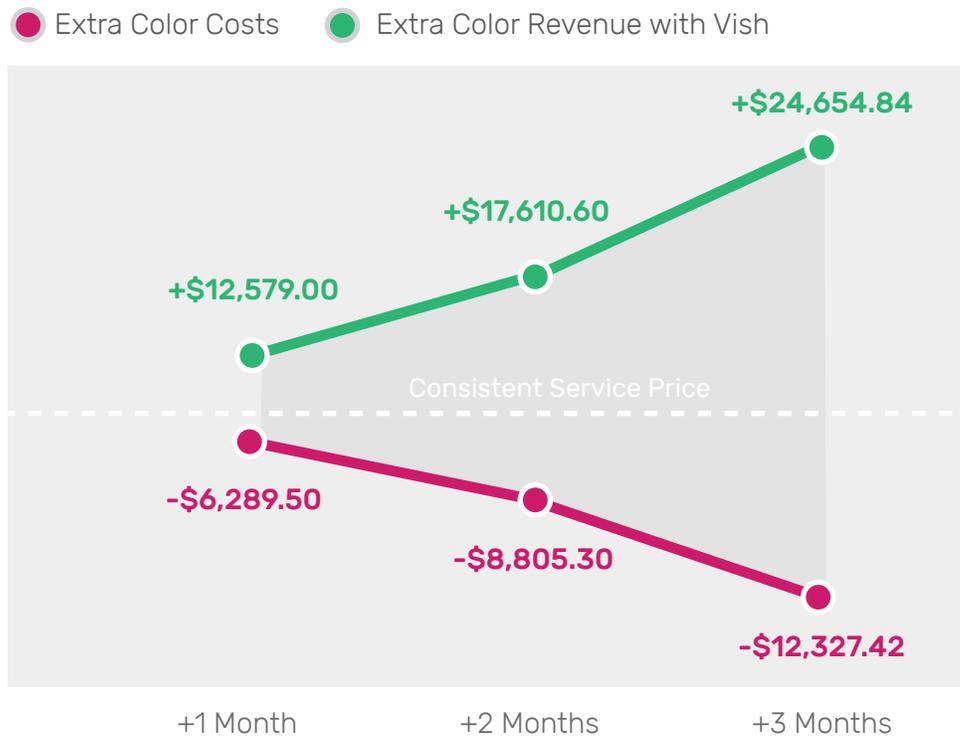
Using Vish Front Desk to charge for additional color at a 100% markup (recommended), here is the potential extra revenue.

Extra Color Revenue	+1 Month	+2 Months	+3 Months
<i>Color Retouch</i>	\$5,488.00	\$7,683.20	\$10,756.48
<i>Toner</i>	\$ 3,479.00	\$4,870.60	\$6,818.84
<i>Half Head Highlights</i>	\$ 3,612.00	\$5,056.80	\$7,079.52
Total	\$12,579.00	\$17,610.60	\$24,654.84

What does this mean?

| The Vish Difference

The chart below illustrates the financial impact COVID-19 can have on color costs compared to the positive impact Vish Front Desk can have on capturing extra color revenue. It's clear to see the Vish difference.



There is no doubt your salon will experience pent up demand when it's able to reopen. And there's no doubt your color costs will increase dramatically to meet their needs. The question is will you be ready to maximize your post-COVID recovery?

Contact us today to learn more and take this opportunity to set up a winning pricing strategy.



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