



Module 22: Salon Management - Advertising Your Services and Your Business

- Managing your salon
- Tips for working with product companies
- Money management
- About health and safety

What you will learn:

- Managing your salon
- Tips for working with product companies
- Money management
- About health and safety
- How to recruit staff
- How to advertise
- Insurance you don't want to get caught without

22.1 Introduction

 **If you own or manage a salon, there are some key things that you will need to do to make sure that everything is running smoothly.** It is a little different to being a manager of a clothing or book store, because you will need to make sure that you are keeping clean throughout the day.

You can't wait until the end of the night to clean up and then go home. You will need to be cleaning and resetting throughout the day. Think of managing a salon more like managing a doctor's office. You will need to reset for each client, keep accurate records, and look out for the client's well-being. A salon manager or owner is the heart and soul of the operation, from dealing with clients to managing staff and handling cash flow, to maintaining orders and equipment. As the salon manager, you will have to deal with client compliments and complaints, you will be responsible for the ordering and you will need to ensure you market effectively to ensure you drive customers to the salon to enjoy success moving forward. In this module, you will learn some management techniques and some more ideas on how to advertise.

22.2 Managing the Salon

 **When it comes to managing a salon, there are a few things that you have to think about.**

You will need to think about how to staff the salon. If you are in charge of the schedule, you will need to determine when most people come in so that you can schedule enough people to handle your clients throughout the day. You want to make sure that you have someone available that can perform your various services as well. For example, you may provide waxing, hair, and makeup services. You want to be able to have someone available to perform all of these duties during each time period, or you will have to tell your clients that they can only get certain services by appointment. Another function of the manager is to ensure that safety and sanitary procedures are being followed. You want to make sure that the stations are getting reset, the tools are properly sanitized, employees are washing their hands, and the common areas are being wiped down. This way you are ensuring the safety of your workers and your clients. You will also want to make sure that the employees are following proper techniques when it comes to performing the services and dealing with the clients. They need to be recording every sale, filling out consultation cards, giving information regarding aftercare instructions, and booking the next appointment. It will be important to track the inventory and ensure that it matches the sales. Ensure you don't forget the push products, to choose the products to display, and to set pricing for services. This is the business function of the job. You will need to ensure that all of the pieces are coming together and that the clients are getting the best services.

22.3 Working with the Team

 **It is imperative as the salon manager that you don't become too friendly with your team.**

Once this line is crossed it is very hard to get the team to see you as the leader that you are. You want to earn their trust and respect, while being friendly and having some fun now and again, so it is important that they respect your position. The last thing any salon manager wants is to find their team turning on them; this creates a hostile working environment and can make your clients feel uneasy.

It is your job to create a fun and enjoyable working environment where productivity is increased and clients leave happy knowing that they got the service that they paid for.

22.4 Meetings

✖ **As a salon owner you should hold regular staff meetings.** Daily or weekly meetings may be overkill in this environment, turning your happy and friendly salon into a corporate environment. Meetings bi-weekly or monthly is more than enough. During the meetings you could try creating an open-door policy where your team feels comfortable to talk about anything and everything. This is an opportunity to address concerns and any problems can be dealt with effectively right there and then. Meetings are a chance to brainstorm and come up with new ideas, whether they relate to customer satisfaction or improving the marketing of the business. Getting everyone involved gets more minds working on the problem to find a solution. It also enables team members to feel that they are part of something and that their ideas are heard and considered.

When holding a meeting it is always a good opportunity to throw in some additional training. This may be ideas of latest makeup trends you have noticed recently. Get everyone involved in the training session to ensure that everyone is learning something new with each and every meeting, including yourself.

22.5 Working with Product Companies

✖ **You are responsible for placing the orders for the salon when you notice products are running low.** What you may not realize is that your product suppliers should be working for you, you want to create a win-win situation where you both benefit. Speak to the product companies and see if they have any free products that you can give to your clients when they come in for an appointment. A small product can go a long way when it comes to customer service and the client is likely to remember you when you hand them a little something to take home. Speak to the product companies about running special promotions in your retail section and arrange a discount price on certain items. It is important for you and your product supplier to remember that there are hundreds of companies you can be ordering from. With the internet, you have a global list of suppliers ready to ship to your door right now. This gives you room for negotiation. It is imperative that you negotiate with your suppliers and don't settle on the first price they give you, as the less you pay, the higher your profit margins are going to be in the long run. Also, invite the product companies in to do a demonstration at your next staff meeting. This can be beneficial in showing team members how the product works and learn the benefits. It also enhances the staff's learning experience, making meetings a worthwhile experience rather than just somewhere they have to be each time.

22.6 Dealing with Client Complaints

✖ **While you will have the wonderful job of dealing with client compliments, you are also the one they will call when they are less than happy.** Dealing with client complaints takes patience and empathy. You need to really take the time to listen to the client and think how you can make the situation better, what you can do to improve their perception of the company so that they come back. Your aim should be to get every single one of your clients back through the door. Consider apologizing and providing them with a gift card which they can use on their next visit. Explain that you understand that they are not happy with the service and you will address the matter and rectify it as quickly as possible. Ensure you apologize and remember that the client is always

right.

The rule in any business is the client is always right, even when they may be wrong.

22.7 Money Management

✖ One of the areas that so many salon managers struggle with is money management.

Managing clients and staff is one thing, but trying to manage money is a whole new ball game. You will want to set up reporting structures and spreadsheets that you can understand to help you manage the finances effectively. Ideally, you will have a bookkeeper or accountant that you will be using, but you still need to keep your finger on the pulse. Set up a simple cash sheet you can use to balance the till each night. The cash sheet should include the total amount received, then separated into cash and card sales. The two should balance out. You will also want to set up a simple profit and loss sheet. This can be done in Excel and is a sheet where you capture all your expenditure and income for the month to see if you are making a profit or a loss. Expenditure will include space rental, insurance, utilities, staff wages, products, equipment and any other things you may spend your money on in terms of the business. Weigh this against the monthly income to determine if you are in the red or in the black.

22.8 Don't Become a Cheap Salon

✖ While holding a promotion now and again is a fantastic opportunity to generate income, doing it too often can lower your standards and make you look like the cheap salon of choice. Don't make this mistake; hold a promotion once or twice a year for your customers to take advantage of. Holding one every month or every second month is only going to leave you looking desperate for business.

22.9 Health and Safety

✖ As the salon manager it is your duty to ensure all health and safety rules and regulations are adhered to. This includes everything from a clean area to reducing client contamination. Have set procedures in place for the staff to abide by, offer regular training and be prepared for unexpected visits from your health officer to ensure that you are meeting the government requirements in terms of sanitization and sterilization in the work place.

22.10 Fire Safety

✖ Something that you will be responsible for is to ensure effective fire safety protocols are in place. It doesn't matter if you have a small salon with only one entrance, you need to conduct the fire safety requirements in an orderly manner and ensure you have ticked all the boxes when the fire marshal comes to visit. You will need to conduct a proper risk assessment, which means going through the salon from top to bottom to identify high-risk areas. This may include areas where

flammable chemicals are kept or high traffic areas where there is hot equipment, such as the kitchen. Once you have identified each high risk area, you need to look at how to reduce the fire risk in the area. In the event you cannot reduce the risk, then you have to look at what safety measures you can put in place to protect the area.

As salon manager, you will also be responsible for ensuring that you have adequate fire extinguishers and that you have the right type of extinguisher. These will need to be serviced annually with a full service every five years.

Ensure your staff are all trained on the procedures they must follow in the event of a fire to ensure their safety and the safety of your clients at all times.

22.11 Recruitment

 **Recruitment can be one of the biggest headaches for any salon manager.** While recruitment is essential to the growth and productivity of the salon, retaining staff is just as important. Being able to hold on to staff members and not have them leave can save you money in the long run. When it comes to recruitment it is always advisable to hire a recruitment agency that specializes in your industry. This can save you time and give you the time you need to concentrate on the daily matters of the business rather than trying to make your way through hundreds of resumes and shortlist potential applicants. Once you receive the shortlist from the agency, you can set up appointments based on your schedule. Do your research and read through each of the resumes and draw up some questions you feel you need answered. Don't make a decision immediately. Meet with each applicant. Let them have a walk around and meet the other staff members. Ask staff members for feedback on who they liked the most and take this into consideration. You want them to all work as a team, so take their input on board when it comes to making any final decisions.

Always get the applicant you feel is the right match to come in for a trial run. They can spend the day at the salon, maybe put their skills to the test, but it also provides them with the opportunity to see if they are going to be happy with you in the long run.

When both sides are in agreement, then draw up the contract outlining work procedures, health and safety, salary and anything else you feel is imperative to their success in the business moving forward. Once the contract is signed and you have any other essential information, such as emergency contacts, copy of their driver's license, and certificate W-4 form, ensure you store their information safely to protect them at all times, the same as you would with your client information.

22.12 Equipment Records

 **Your equipment is essential to the success of your business, so you want to ensure you keep accurate records of all the equipment you have in the salon at any given time.** This can include everything from computers and telephones to hair dryers and more. Keep note of when these were last serviced, when the guarantee expires, who to call if something goes wrong. Keeping accurate equipment records can help you identify when a piece of equipment is nearing the end of its life. You can then go through your budget to identify if the funds are available to replace it any time soon. You may want to consider a rental option, which allows you to replace it with a new one when the lease comes to an end.

22.13 Stock Takes

✖ **While you make a list of items you are running out of regularly, it is just as important to do a regular stock take to ensure that the stock you believe you have on the shelf is in fact there.** This doesn't mean anyone is stealing from you, but stock is money you have invested in the business and if the stock isn't there, you need to be able to identify where it has gone. Stock sitting on the shelf is money just waiting to be made.

Stock take should take place at least once a month to ensure that what you think you have in stock is in fact in stock.

22.14 Advertising

✖ **When it comes to advertising for your business, the best thing to remember is that referrals are very important.** You can utilize this by coming up with tools to advertise through your clients. You can give discounts for referrals, contests, gift cards, and other incentives for spreading the word. You need to market yourself and your services. Have promotions, join shows, put ads in the paper, on television, but most of all get out and talk to people. The best way to advertise your business is to get out there in person. There are a lot of salons out there that are offering the same services. You need to set yourself apart from the rest. You can send out flyers around the area. Find places where people may be looking for your services. Think about events that are going on in the area and use that information to advertise your services. For example, around prom time, go to the most popular prom shops and ask if you can put up a flyer. See if you can get your flyer into a bridal shop. Connect with a hair salon or other salon that offers different services and allow them to advertise in your shop if you can advertise in their shop. There really are a lot of ways to get the word out there for specialty services. When you are running a salon, it is up to you to not only make sure that everything is running smoothly, but to get everything going in the right direction when it comes to bringing in new clients. Be creative and find ways to get your clients to help you advertise and spread your business and connect with other businesses that give complementary services.

Branding

The first part of advertising that you need to focus on is your branding. You need a logo, a slogan and a great sign to hang over the door. These should tie together and make a statement. They should be very clear about the services you provide and not leave people standing outside trying to guess what type of business you have.

Website

A website is imperative in today's technological market. You need a website to advertise the business effectively. Don't fall into the trap of cheap or free website designs. This is an area of marketing you want to spend money on, get a professional website that your clients can read through, learn more about you and then phone or send a form online to make a booking.

Email Marketing

When your clients complete their client forms when they first visit your salon, include a section for their email address and ask them if they would like to receive news from your salon moving forward. Failing to ask them this is seen as spamming and can lead to the salon being seen in a very negative light. With email marketing you can email to your existing, past and potential customers, advising them of new promotions, product offers or even introduce them to new team members. It is a great way to interact with your clients without having to pick up the phone and speak to them.

SEO

SEO, search engine optimization, is not an easy task, yet it is cheap and effective. This usually requires hiring a company to assist you with your online marketing. They will rewrite your website using special keywords your clients will use when looking for a salon offering the services you provide. Over time you will notice when you type in keywords you believe your clients would use, your name comes to the top. Most clients will only look at the first, maybe the second page of results when searching online, so it is imperative that you get to the front of the list.

Pay-per-click Advertising

Pay-per-click advertising is an affordable online advertising tool where you only pay for real results. When you choose this option you set a daily budget and when someone clicks on the link that directs them to your website, you pay. If no one clicks on the link, then you don't pay. The good thing with this is you can set up various advertising campaigns and then monitor them to see which ones are producing results and which ones you are wasting your money on.

Referrals

One of the great advertising methods is to provide customers with discounts if they refer a friend or family member. If you have a client that visits regularly and are thrilled with the service they receive, offer them this option. Ask them to refer someone they know and they will be discounted on their next visit. The more they refer who make an appointment and keep it, the more discounts they will enjoy. This is a great way to give back to your clients and it helps you at the same time.

Gift Certificates

Gift certificates are a great advertising tool and it's completely paid for, which is always advantageous. Providing gift cards gives your clients the opportunity to buy a gift card for a friend or family member for their birthday or special occasion, but at the same time they are introducing a new person to your business.

The gift card should clearly display the amount given, your salon name, logo and slogan, along with your contact details.

Local Advertising

With the introduction of the internet, so many people have forgotten about old fashioned local

advertising. Consider putting an advert in your local newspaper or have a flyer printed that you can hand out as people pass your door. You want as many people to know who you are and where you are. You want to be the first name that pops into their head when they think of a beauty salon and the only way to achieve this is through effective branding and marketing.

22.15 Insurance

 **As a salon manager or owner, it is your responsibility to ensure that in the event something goes wrong outside your control that you are covered.** There are so many important elements to take into consideration when it comes to insurance, some things you may not have even thought about, which need to be covered to save you money in the long run. It is always worthwhile to look at three companies that specialize in salon insurance. You can then compare and review them to identify which one is going to meet your needs the best and which one you should sign with moving forward.

Never sign anything until you have read the entire policy, including the small print and you are happy with what it says. Only once you feel completely satisfied should you put pen to paper. Below are a few examples of insurance you may need.

General Liability Insurance

Every company operating needs to have this cover in place. This cover protects you in the event a client injures themselves while on your property. If you own a mobile service, it can cover you for accidental damage you may cause while carrying out your services. It is important to note that you will be held personally responsible for one of these claims, so if you don't have adequate insurance in place and the company cannot afford to pay, the client can claim directly against you as the salon manager or owner. This is also a good reason to check with your insurance broker to ensure that you are personally covered in the event a claim is moved from the business to you personally. Imagine one of your clients slipping and falling on the wet floor in the salon and breaking their leg. This may result in them being unable to work. They are going to turn to you and file a claim for loss of income, distress. If they required specialist surgery at a private hospital, they may even claim for medical expenses since it was not through the U.S. Public Health Service (USPHS). As you can imagine, this could easily end up costing a lot of money and has the potential to completely destroy a company financially.

Commercial Property Insurance

If you own the building that you are operating from, then you are going to want to protect it. You may already have this cover in place if you purchased the building and took out a mortgage, the bank or lender would have required you to protect the building against fire, flood, natural disasters, and even vandalism. This ensures, in the event that the building is damaged in any way, you can claim and have it repaired as quickly as possible.

Business Interruption Coverage

Business interruption coverage pairs well with commercial property insurance. If your salon is damaged to a point where you cannot work while repairs are being carried out. Business

interruption coverage will help replace your lost profits for an agreed period of time. This means you will be able to continue paying bills and paying staff without ending up in serious financial distress.

Professional Liability

This is another necessary form of insurance and is useful in case there are any technical issues with the services you have rendered. For instance, if you or an employee of yours uses makeup that gives the client a rash or allergic reaction, you have a means of mending the situation. This is especially useful if there are any medical expenses following an incident.

Money Coverage

Again, money cover isn't a requirement, but it can be a useful one to have, especially when you do have clients paying you cash for the services provided in your salon. You may find sometimes you store the cash in the safe overnight as the banks are already closed by the time you lock up shop for the night. This money is sitting there and ready to be stolen. In the event that you are broken into and the cash or even the safe is taken, then you are covered for your loss. In some instances, you can also get cover to transport the cash from your shop to the bank, just in case you get robbed along the way.

Legal Expenses

Another insurance that many insurance companies provide is legal expenses. This often comes as part of your cover and, in the event that you have a claim against you, whether it's a public liability claim or a professional indemnity claim, the legal expenses will be paid for; again, a way to save you money in the long run. Be aware that there isn't a single company that can go without insurance anywhere in the world. While you may think that you are saving money by not taking out the relevant coverage, you will find that it will cost you money in the long run, which isn't worth the effort or risk.

Module Summary

In this module, you learned about managing a salon and about advertising for your business. You discovered essential tools when it comes to being a salon manager, from holding regular staff meetings to working effectively with your team to improve productivity. You also learned some valuable tips when working with product companies and how to manage your money effectively. This also offered advice on health and safety in the salon environment, recruitment and essential advertising every salon manager needs to know about to ensure you enjoy increased brand visibility and improved revenue moving forward.

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