

You see an ad for a new restaurant in your area, remember friends raving about it and decide to give it a try.

When you call to make a reservation, a person answers after several rings but immediately puts you on hold. As you wait patiently for someone to pick up again, the automated message tells you over and over how important your call is to the business. By the time you've heard the message for the third time, you know that it's the restaurant owners, not you, who need to be reminded this call is important to their business.

Do you know what kind of impression your own clients receive when they call your day spa? Does your telephone system allow you to give your clients the optimum in speed, responsiveness and service?

There was a time when you simply ordered phone service from your local telephone company. The technician came, installed the number of phones and lines you requested, and that was pretty much the end of the story. Today, day spa owners need to plan their telephone systems along with potentially complex computer systems because the two work together as tools to help run the business. No longer is telephone service a matter of calling the local service provider; it involves navigating a sea of vendors—communications consultants, broadband providers, integrated voice and data specialists—and choosing from a dizzying array of options. To get you started, we'll examine several of the most important.

Choosing a Lifeline

By Lisa M. Starr

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Selecting a System

If you're just starting out and have a small facility, basic service may still be an option. You can order a few lines from your phone service provider and buy handsets from a retailer. To pick up calls when you're busy or closed, you can sign up for the call-answering service for a small monthly fee. This type of minimal system costs about \$90 per telephone handset. The phone line installation charge will probably run about \$100 for the first line and half that for each subsequent line.

Unfortunately, in this scenario you're now your own telephone vendor. You'll have to pay the telephone company to run any wiring that you need, and when you hear static in the line or a handset breaks, you're also your own service department. Most spa owners find that their businesses outgrow this type of phone system within a year. By that time, they generally have a long list of things

they want from their telephone system.

To move to the next level, you'll need to work with a telecommunications equipment and systems dealer. Gerry Gordon, owner of Liberty Communication and Data Systems in Marlton, New Jersey, advises that you check listings in your local telephone directory, get recommendations from friends with businesses, and ask for referrals from your local phone company or chamber of commerce to compile a list of possible vendors.

The interview process itself will tell you a lot. Most of the time, the companies you're interviewing will know more about what you need than you do, and their representatives should be able to suggest solutions that fit your needs and your pocketbook. If they don't have a lot of information to offer, they're probably not the vendor for you. Gordon says that even companies that can't provide what you need should be willing to "refer you to one that can."

Here are some issues to consider when selecting a provider:

- What products do they distribute?
- What area do they service?
- How many technicians do they have?
- What is their service guarantee?
- Do they offer cable installation and consulting as well as equipment?
- Does the company representative seem knowledgeable and willing to provide you with all the information you need?

Companies such as ESI and Intertel now market mid-size systems that are affordable and come with a vast array of features that were available only on very expensive systems a few years ago. For one of these systems, you can now expect to pay between \$530 and \$1,000 per telephone, installed. High quality systems substantial enough for most spa



A small operation can function efficiently with several telephone lines and a call-answering service for after hours.

Mid-size businesses can opt for high-tech yet streamlined integrative phone systems such as ESI's IVX 128, pictured here.



Courtesy ESI

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businesses can be installed for between \$650 and \$700 per phone.

This price does not include cable installation. If you hire someone to

install cable for both computers and telephones at the same time, you can expect to pay about \$150 for each wired workstation. Beware, though. While local telephone company technicians are experienced with residential facilities, business phone systems are different. You'll get a better job from someone familiar with business installations. Ask for referrals from the property manager or your equipment vendor.

For most day spa businesses, leasing is a popular alternative to buying a system of this size; most manufacturers have leasing companies they'll recommend. Leasing companies usually require proof that the business is established (incorporated for two years) or a personal guarantee for lease approval. Typically, after three years of leasing you can buy the system for 18% to 20% of the original cost.

Optional Features

Automated attendants. Debate still rages over the merits of automated attendants in customer service businesses. While most customers prefer to speak with a live representative, this isn't always an option in smaller operations. In our industry, calls for information and to book appointments can tie up your available customer service help for up to 10 minutes per call. As a result, automated attendants have become more widely used to help funnel calls to appropriate parties and to provide general information such as directions and hours. In a small salon with three lines ringing off the hook, an auto attendant can enable one person to handle all three lines.

Although most clients were initially resistant, experience has made many clients accepting of auto attendants that are properly programmed. It's important to give the caller no more than four options during the initial pick-up; fewer options are even better. And always offer the option of holding for a customer service representative.

Voice mail. Even though we discourage staff members from receiving personal phone calls, we know that they still do. They get phone calls from their clients as well. Voice mail ensures that messages get to your staff members. Most mid-size systems have voice mail as an option, but you will need to ask questions to be sure the system will meet your needs:

- Does the system have enough ports to accommodate your staff? If you don't have enough ports, you will limit the number of people who can access voice mail at any one time—which would mean a caller routed to voice mail could be dropped if no port was available.



A dedicated call center increases booking efficiency and frees up front desk staff to help spa visitors.

Allow those answering the phone to focus on that task.

- Are there enough mailboxes for everyone? Remember, you're not just doing this to enable your staff to get personal messages. Voice mail can be a very useful communication tool for management. Broadcast messages sent through voice mail are more personal and quicker than writing memos, but you need to be able to reach everyone!

Pagers. Pagers are still used in many spas as a quick, effective way for the front desk to communicate with technicians. Although pagers aren't usually tied into your phone system, this feature is often an option. Many spas are now emulating some large retailers and opting for two-way radios with headsets as a better way of communicating. The two-way radio is a completely separate system that can support as many as 30 people with instantaneous live communication. It's totally wireless and comes with clip-on radios and headsets. Each radio in the system will cost approximately \$200.

Call centers. Once your spa gets busy enough, you'll want to move your information and booking agents to a

separate area, away from the reception desk. This will allow your front desk staff to focus on greeting customers and rebooking and selling products to exiting customers, while allowing those answering the phone to be totally focused on that task. This type of setup is also much more pleasant for clients, who will no longer have to stand at the front desk waiting to be recognized by customer service staff who are all on the telephone.

When establishing your call center, you'll want a feature called ACD, or automatic call distribution. This is an efficient way of routing calls to the next available operator to minimize hold time. You'll also want accounting software that can track information, such as who takes the most calls, the duration of the calls, where the calls originate and many other useful things. These statistics will help you to staff efficiently and measure the success of your call center or booking room.

Wide Area Networks

Rizzieri Salon and Spa, which has locations in Marlton and Washington Township, New Jersey, employs 130 people, serves 2,500 clients per week and will see revenues of \$8 million this year. The operation requires a very sophisticated telephone system. Recently, the company moved its booking office to an off-site location and installed a wide area network using T1 lines—a type of "broadband line"—to carry both voice and data. (The term "broadband" refers to any system capable of transmitting greater amounts of data than a regular telephone line, which carries approximately 64 kilobits of data per second. A T1 line, for example, has the capacity of 24 regular telephone lines.)

Rizzieri's purpose was to consolidate

Sophisticated telephone booking systems allow appointments to be registered on the spa's computer system almost instantly.



Advances in technology
make new options
available every year.

staffing in the booking area, and allow those staffers to concentrate on properly booking, upselling, using a centralized waiting list, and confirming all Rizzieri appointments. Clients call the telephone number of their local salon, and the call is forwarded over the T1 lines to the booking center. The telephone handset displays the number the client called, allowing the customer service representative to respond appropriately. Appointments booked at the call center show up in the appropriate day spa's computer immediately.

T1 lines are billed by distance, and Joe Stezzi, Rizzieri's chief operating officer, estimates that his line charges are now about \$800 per month. In addition, he estimates the cost of installing the entire system, software and hardware, at about \$60,000. He believes, however, that the system will allow Rizzieri to be much more proactive with its appointment bookings.

Rizzieri installed new salon/spa software and then switched over to the new phone system a month later. Knowing what he knows now, Stezzi

says he would have proceeded more cautiously. "I would have allowed more time with the software before switching over to the new phone system," he says. "I believed the technical experts when they told me it could be done that soon." Unfortunately, as is often the case with computer implementations, there were many unforeseen technical difficulties, which took time to resolve.

Stezzi also regrets not making more effort to involve clients and train staff more thoroughly before the change-over. Customers calling the Marlton location were accustomed to an automated attendant, but Washington Township clients were used to getting a live person when they called. At first, they were resistant to the new system. They also complained that the booking agents were not familiar with all of the technicians at both locations, which is something advance training could have prevented.

In response to the complaints, Rizzieri decreased the number of choices in the auto attendant, which originally numbered four. Now when the phone rings, it goes straight to central booking and staffers forward calls as needed. The client complaints have stopped, and Rizzieri is perfectly positioned to turn client phone calls into bookings and to maximize the productivity of their appointment book.

Moving Forward

Clearly, your telephone system is your lifeline to the outside world, and it can play a major role in serving your current and future clientele. The needs of your clients and your business are constantly changing and evolving, and the phone system should be flexible enough to change and grow with you. Constant advances in technology make new



Impressions

options available every year. Make sure that you are aware of the latest developments and how they can make this vital element of your business perform to its fullest capability. ♦

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