

# Pricing Right

By Linda W. Lewis



The results of our first-ever day spa service prices survey confirm what we already knew: Day spas are as varied as the individuals who own them, both in the types of services they offer and in the way they charge for them. That said, we think most of you will derive some degree of comfort from being able to compare your prices with the average prices we've established through this survey. The more than 500 completed questionnaires we received from day spas and salons with spas from all across the United States allowed us to look at service prices by location and type of clientele and, in a few cases, the area of the country. Survey forms were mailed to our complete salon and spa circulation along with the February 2004 issue of *DAYSPA*.

## Average Service Prices Nationwide

Basic 50- to 60-minute facial	\$ 62.80
Basic 50- to 60-minute massage	\$ 62.58
Cellulite wrap	\$ 77.89
Moisture wrap	\$ 73.37
Body polish	\$ 60.81
Full-leg waxing	\$ 55.77
Brow waxing	\$ 14.16
Basic pedicure	\$ 37.74
Basic manicure	\$ 20.53
Basic haircut	\$ 33.20
Basic color service	\$ 50.88
Highest priced facial	\$ 98.49
Highest priced massage	\$ 95.44
Highest priced body treatment	\$101.77
Highest priced pedicure	\$ 53.64
Highest priced manicure	\$ 31.36

### Effects of Location and Type of Clientele on Prices

While the information we received from 500 day spas across the country allows us to establish a fairly accurate national average for the various services we included in the survey, the response was not sufficient to allow us to look at prices on a true regional level. And regional or even state averages might not be helpful anyway.

While there was a significant difference between prices on the West Coast compared to those in the Great Lakes states, there was an even greater difference between prices in metropolitan areas and those in mid-size cities and small towns. By looking at the variations and comparing them to your specific situation, you should be able to derive a fairly accurate idea of average prices in your locale.

### Average Basic Service Prices by Spa Location

	Facial	Massage	Pedicure	Manicure
Metropolitan area (pop. 1,000,000 or more)	\$69	\$68	\$40	\$21
Large city (pop. 100,000 or more) or suburb	\$64	\$64	\$39	\$21
Mid-size city (under 100,000 pop.) or suburb	\$60	\$60	\$37	\$20
Small town (under 20,000 pop.)	\$60	\$63	\$35	\$20
Resort area	\$66	\$66	\$40	\$21

### Average Basic Service Prices by Type of Clientele

	Facial	Massage	Pedicure	Manicure
High-income neighborhood/business area	\$70	\$71	\$42	\$22
Moderate-income neighborhood/business area	\$60	\$60	\$36	\$20
Mixed high- and moderate-income area	\$61	\$60	\$37	\$21

### Average Basic Prices by Section of the United States\*

	Facial	Massage
California	\$67.44	\$67.17
North Atlantic**	\$65.11	\$64.34
Southeast***	\$63.66	\$63.37
Great Lakes states‡	\$61.40	\$64.05
National average	\$62.80	\$62.58

\*There were not enough respondents from other areas to compile reliable averages.

\*\*Includes Maine, Massachusetts, Connecticut, New York and New Jersey.

\*\*\*Includes Florida, Georgia, North Carolina, South Carolina, Alabama, Mississippi and Louisiana.

‡Includes Pennsylvania, Ohio, Indiana, Illinois and Michigan.

## Go Ahead, Raise Prices

Our survey respondents make it quite clear that you aren't likely to go out of business by raising prices. On the other hand, day spa owners were careful to keep price increases reasonable: More than 80% of the spas raised prices less than 15% and about 40% kept increases under 10%. Only about 7% raised prices by 20% or more. Most day spa owners notified clients of impending price increases

one to two months in advance by posting signs in the salon/spa. Some sent new menus out to the clients on their mailing list, while others mailed post cards inviting clients to come in for services before the new prices went into effect. Half had raised prices within the last two years and less than 20% had never raised prices—not bad when you consider that about half of those had been open less than two years.



## Time Elapsed Since Spa Last Raised Service Prices (% of salons)

	Facial	Massage	Salon Service
Less than 6 months	24	21	26
6 months to 1 year	24	18	24
More than 1 year but less than 2	22	23	20
More than 2 years but less than 3	7	7	7
3 years or more	5	6	5
Never*	17	25	19

\*As many as two-thirds of the businesses that had never raised prices had been open for less than two years.

## Client Reaction to Latest Price Increase

Lost few clients, replaced them quickly . . . . .	47%
Lost up to 20% of clients, replaced them quickly . . . . .	5%
Lost 10%-20%, having trouble replacing them . . . . .	2%
Lost more than 20%, replaced them in a few months . . . . .	<1%
Lost more than 20%, still trying to replace them . . . . .	<1%
Other* . . . . .	28%
No answer** . . . . .	17%

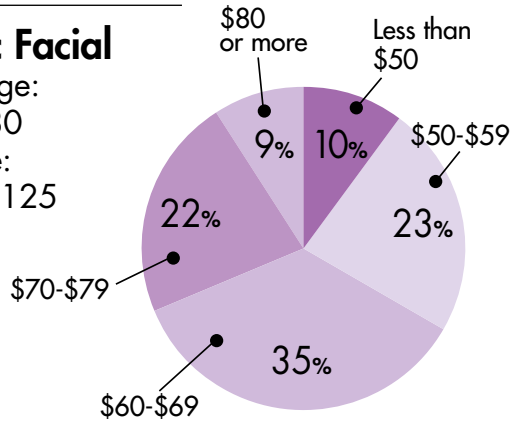
\*Mostly positive responses, such as didn't lose any clients, have annual increases and no one has ever complained, a few grumbled but no one left.

\*\*Note that 17% had never raised prices, which accounts for the "no answer" responses.

# Percentage of Spas Offering Services at Specific Price Points

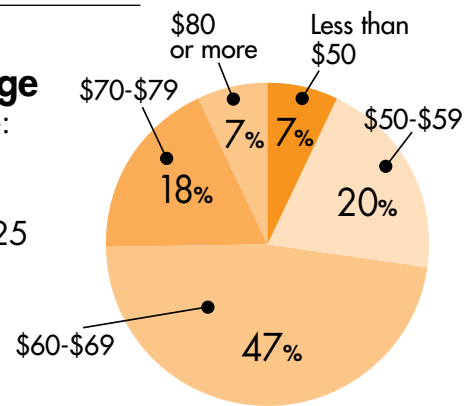
## Basic Facial

Average:  
\$62.80  
Range:  
\$25-\$125



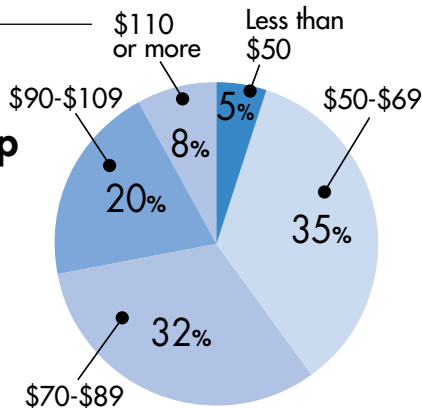
## Basic Massage

Average:  
\$62.58  
Range:  
\$25-\$125



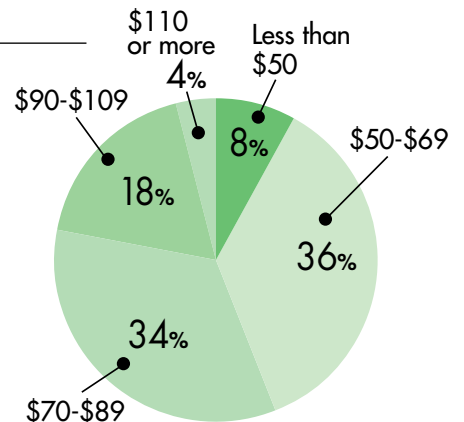
## Basic Cellulite Body Wrap

Average:  
\$77.89  
Range:  
\$40-\$159



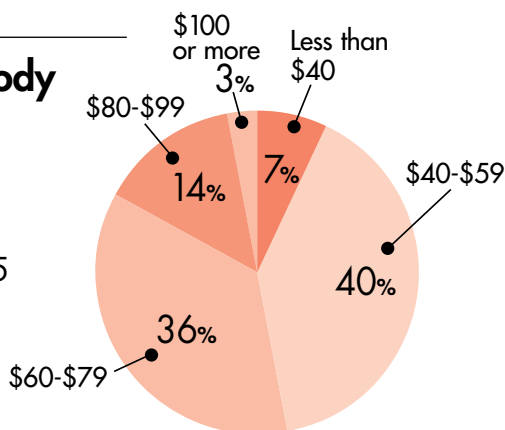
## Basic Moisture Body Wrap

Average:  
\$73.37  
Range:  
\$35-\$150



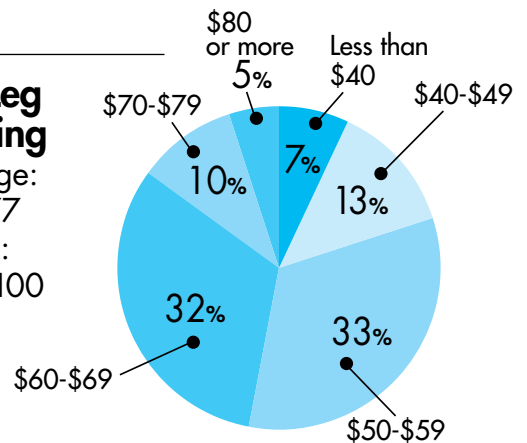
## Basic Body Polish

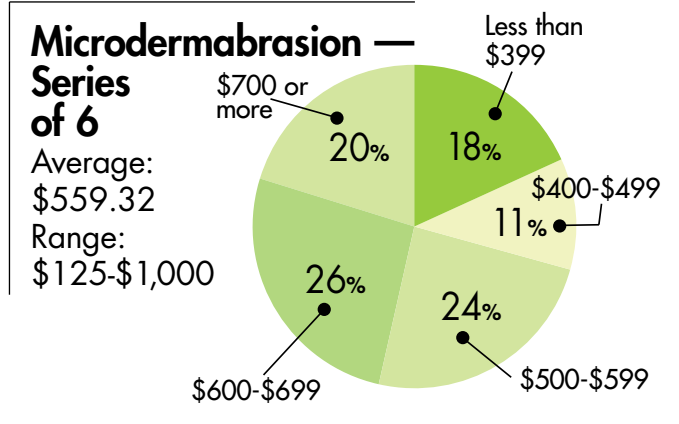
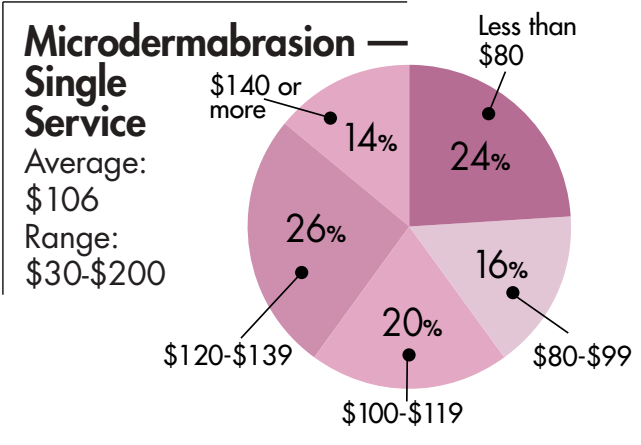
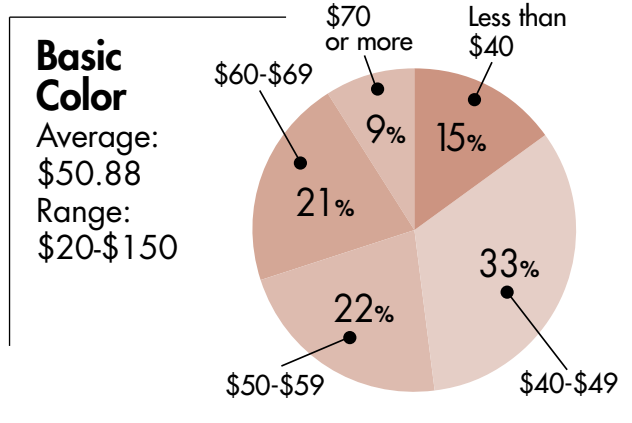
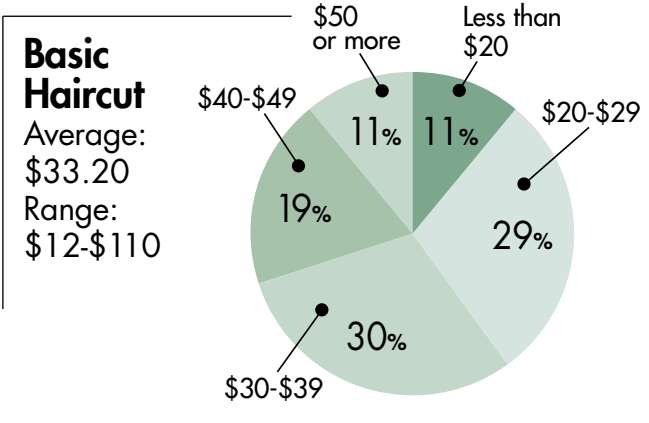
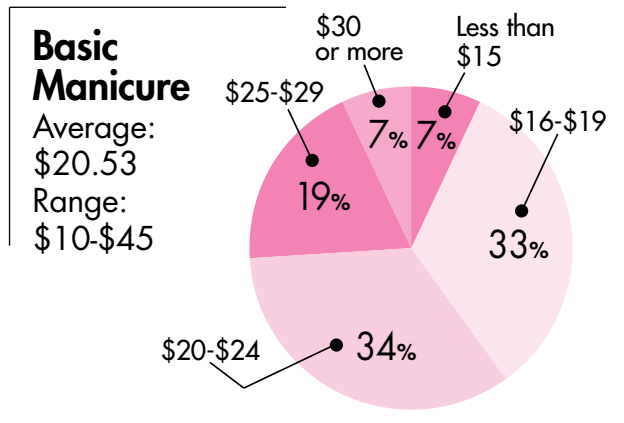
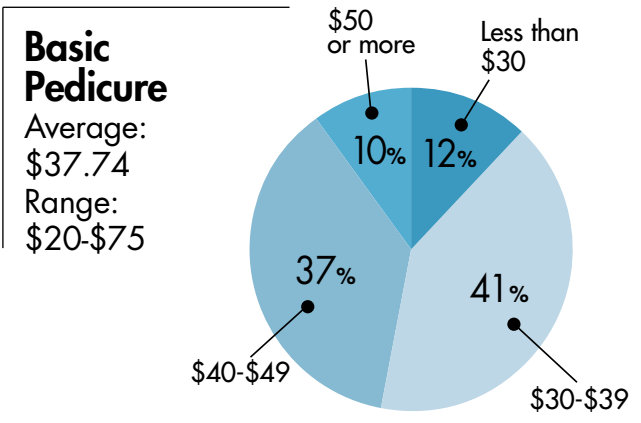
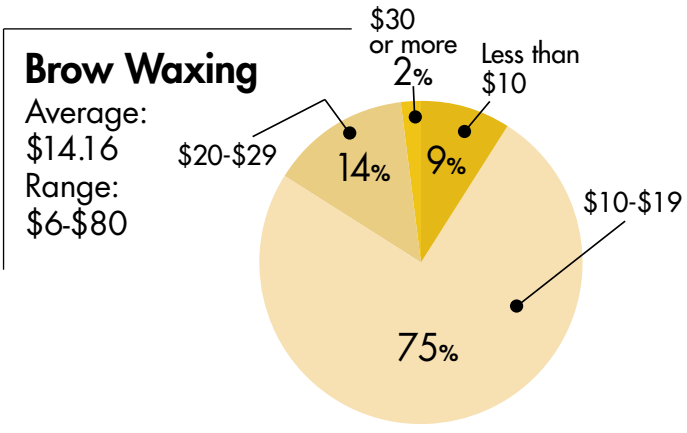
Average:  
\$60.81  
Range:  
\$25-\$175



## Full-Leg Waxing

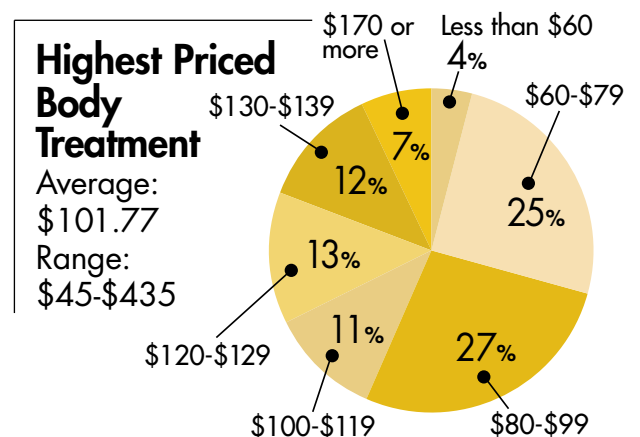
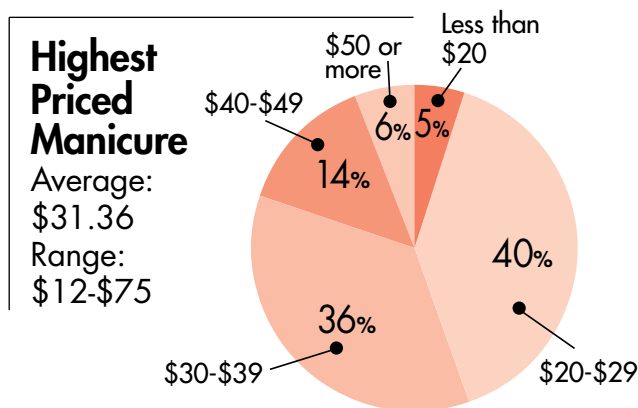
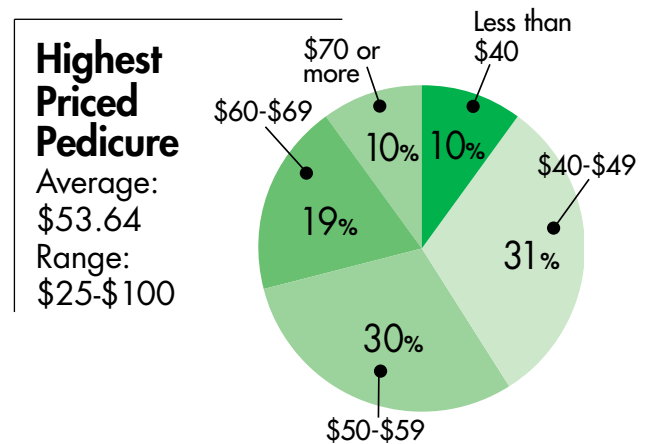
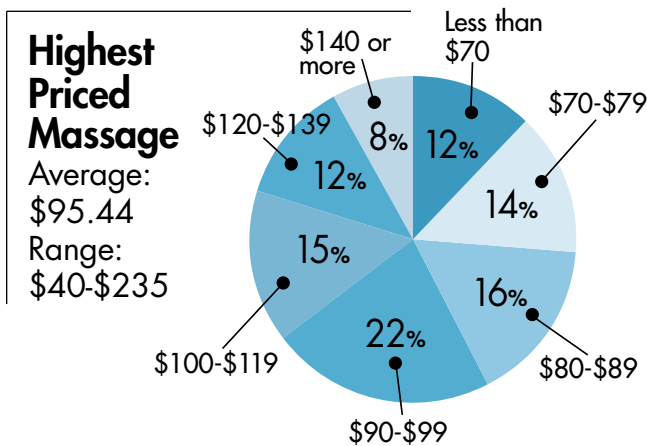
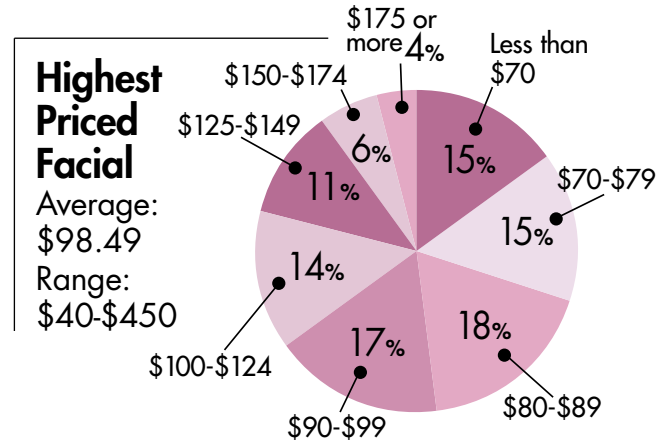
Average:  
\$55.77  
Range:  
\$15-\$100





# Percentage of Spas Offering Premium Services at Specific Price Points

Because we asked spa owners to list the highest priced service of each type—facial, massage, body treatment—on their menu, the prices listed cover a wide range of service times, amenities and products. In some spas, there's little or no difference between the basic and premium services. Other spas offer a wide selection of increasingly complex treatments. Facials might include all of the basics plus an extra, customized mask; an added microcurrent or microdermabrasion treatment; or a hot rock hand and arm massage with customized aromatherapy. The highest priced massage might include two therapists working in tandem or run 90 minutes and involve multiple massage techniques.



### Pricing Packages

As you can see from the price range, packages vary hugely from spa to spa. We were surprised at how many spas offer no packages; the menu simply says you can combine any services you want, and there is no discount for packages. Others offer a dozen or more distinctive packages including some that involve multiple visits. A typical half-day package might include a 60-minute massage, a relaxing facial and a spa pedicure for \$150 to \$250. Full-day packages usually run five to six hours and include massage, facial, manicure, pedicure, makeup application, styling, a spa lunch and a home-care kit for \$450 to \$550.

Packages that go beyond the \$550 price point usually include multiple visits. For example, the Spa at the Mill in Kingston, Ontario, Canada, offers a postpartum package, which consists of three visits filled with relaxing, slimming treatments after the baby arrives, for \$640. The highest priced packages offer a year of services. One spa in Miami, Oklahoma, offers A Year of Health and Beauty package that includes 12 classic facials, 12 manicures, 12 pedicures and 12 reflexology treatments for \$1,300. What do clients get for \$3,500, our survey's highest priced package? At The Salon and Spa on Spring Creek in Edmond, Oklahoma, they enjoy a day of beauty every month for an entire year!

### Highest Priced Package

Average: \$309.88

Range: \$45-\$3,500

