

# teens AND YOUR REVENUE STREAM

IN RECENT YEARS, SPAS HAVE BEGUN TESTING THE waters of the teen market. Are teenagers a worthy demographic to pursue? Is there a teen need to fulfill? Without a doubt, there is. Learn what mistakes to avoid and the strategies for creating a successful teen program at your spa.

## Why teens?

There are many reasons why spa owners cannot afford to ignore the teen and tween demographic. Spending by American teens and tweens (covering the ages between 10 and 17) for hair care, skin care and color cosmetics is expected to reach \$8.5 billion by 2012, according to recent reports published by Packaged Facts. This population of spenders is important for the following reasons.

- Estimates indicate that adolescents ranging in age from 12 to 14 have an average annual income of \$2,167, and teens between the ages of 15 and 17 years generate an average annual income of \$4,023.
- These young adults spend family money and influence their parents' spending on both large and small purchases.
- Young consumers are major trendsetters in our society.

The potential growth of teen influence in the spa market is significant. According to the U.S. Census, the teen population will expand to 3.5 million this year alone, making it impossible to ignore the tremendous marketing opportunities they provide. ➔

BY DORI SOKOUP

SWEET  
SIXTEEN  
AND READY  
TO SPA!



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### Market challenges

One major hurdle in marketing to teens is the recession's impact on the young adults' incomes. *Seventeen* magazine recently published a teen survey whose results showed that despite the recession, 75 percent of teens are receiving the same or larger amounts of spending money this



#### GOALS FOR HOSTING TEEN SPA PARTIES

- Generate buzz about the spa
- Attract a new target market
- Position the spa as the source for teen education on healthy skin
- Tap into a new revenue stream

year than they were last year. While two out of five claimed that they have "not been affected" by the recession, 28 percent said they are "receiving less spending money," and 35 percent said they had been "affected in another way" by the recession. However, the encouraging news for the spa industry is that teens say they want to look good no matter what—and they are proving it through their spending practices. Nearly three quarters of teens are spending the same or more this year on either cosmetics (70 percent), clothing (72 percent), hair products (71 percent) or skin care (74 percent). Another piece of positive news is that the amount of money families spend on teens for food, apparel, personal care items and entertainment is expected to grow by approximately seven percent.

Many businesses are battling for teens' attention—who now have more choices than ever—making it imperative to figure out how to capture the market.

### Fulfill their needs

Spas can address one of the biggest problems teenagers face—acne—and position themselves as a source for clear and glowing skin. It is a fact that skin disorders lead to stress, depression and social withdrawal, all of which can lead to the development of even more problems. Approximately 20 million teenagers have acne. "Acne can be especially emotionally devastating for teens because they are extremely conscious of their appearance and their image," says Hilary Baldwin, M.D., associate professor of Dermatology at State University of New York, Brooklyn. "Several studies have shown that acne sufferers can experience everything from decreased self-esteem and problems with body image to depression and anger."

Helping teens overcome their skin care challenges creates a business model to help you to capture the teen market. Successful spas are developing teen treatment menus, hosting parties for teens and offering special programs and services to this key group.

Here are some mistakes to avoid and solutions to position your teen program for success!

### Develop an effective teen program

The first mistake most spas make is not having a menu that specifically caters to teens, but instead just having one menu for all guests. That does not work.

**Solution:** Develop a separate teen menu that specifically addresses the needs and interests of the younger audience. The teen menu should have its own unique identity and imagery that connects with teens on their level. Before you print your teen menu, gather a focus group of young adults and make sure that they approve of the selections. That can ultimately save you a significant amount of time and money.

The second common mistake spa owners make is offering a treatment selection that does not interest teens. According to teen surveys, teens are interested in clearer skin, makeup lessons, fun manicures, pedicures, waxing and education on how to look and feel great.

The SPArty should be an awesome teenage spa adventure designed with one goal in mind—to show a group of young people a great time while also teaching them how to look and feel great!

**Solution:** When deciding which treatment options to offer, limit the massage services. Instead, present teen offerings as a necessity rather than a luxury. Most parents are willing to pay for necessary treatments and educational services such as facials and skin care products, but less willing to fork over cash for massages or pampering treatments. If you are not selling teen retail products for home care, you need to start doing so. Treating acne and other problematic skin conditions should be your main focus. Creating an acne program that includes a series of classes and/or a monthly spa membership is the best way to position your teen spa program. You can sell many products by setting them up on an automatic reordering program. There are several skin care companies that have recently launched teen lines that focus on problematic skin, and many others are in the process of developing specialty products for this market segment. An additional measure you can take is to create a teen membership program that includes a monthly facial to maintain healthy looking skin. As mentioned before, many studies indicate that teen acne is linked to depression, lack of self confidence and social withdrawal. Parents are willing to invest in services that contribute to their child's health and well-being. I



can personally confirm this to be true. As the concerned mother of a teenage son, I pay for him to receive regular facials to ensure that his skin is healthy.

The third mistake we often see spas make is that when they host a teen party, they try performing private treatments. That kills the party environment. Teens are all about being with their friends, not going into a room by themselves.

**Solution:** Provide group demonstrations and interactive hands-on product introductions. Develop a theme and make it fun. Try the following marketing strategy and watch your sales go up!

### **Effectively marketing teen parties**

The first step of deciding on a theme. Examples of successful “SPArty” themes include prom, graduation, birthdays, holidays, friendship and other special occasions. Be creative and give signature names to your events! The SPArty should be an awesome teenage spa adventure designed with one goal in mind—to show a group of young people a great time while also teaching them how to look and feel great!

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65 percent of American teens use online social networks. So it is important for you to seek their feedback in places where they communicate with their friends.

On the night of the party, set up your spa in stations for teens to experience and enjoy. For example, the first station can be the “Best Face Forward” facial station. Have all the teens gather and watch an esthetician give a mini demonstration on how to properly cleanse, tone, mask and moisturize their skin. Give each person their own products to suit their individual skin needs and let them apply the techniques that they just learned.

The second station can be the makeup station, and it can be called something like “Glam Me Up.” Do a mini demonstration on the dos and don’ts of makeup application, and give everyone products to test on themselves.

The third station can be hair and nails or “The Perfect 10.” Teach the teens how to style their hair in the latest trend. Braid or use fashionable beads to make a unique statement. Have a nail tech give them a lesson on maintaining their hands and feet, and let them select a color of their choice and give them a nail polish. Adding nail decorations and embellishments can make it even more exciting.

The fourth area can be the “Refresh Me” station where healthy snacks and drinks are served.

Finally, make sure to send every guest home with a gift bag that includes a teen starter kit so they can practice using the products on their own and developing healthy skin care habits.

Hosting a teen party can be educational and fun at the same time. If you do a good job of impressing teens, the word will quickly spread and you will find yourself booking teen parties on regular basis.

### Benefits to the spa

- Parties can be hosted when the spa is closed so you are not interfering with the normal hours of operation.
- You can charge a flat fee for each person.
- Fewer team members are needed to work the party.
- It expands your customer base and services.
- Teaching teens good skin care habits and proper product usage can turn them into regular clients.
- The parties increase your bottom line and team performance.

Note: The party introduces your spa to the teen market. Your goal should be to convert at least 50 percent of the party attendees into regular customers or monthly spa members. The party is a marketing tool to increase your teen clientele.

### Measuring success

According to Pew Research, 65 percent of American teens use online social networks. So it is important for you to seek their feedback in places where they communicate with their friends. Whether it is Facebook, MySpace or Twitter, teens can talk about their spa party in a matter of seconds. Creating a memorable event will ensure that they spread positive comments about your spa.

### Setting the right price

Charge a flat fee for each person. The rate depends on your area and the type of spa you have, but as a rule of thumb, you can charge up to \$49 per person. Do not make it too expensive. The party is a tool for you to obtain new spa members and clients. So even if you just break even, you have the opportunity to add the party attendees to your membership program, or even gain a lifetime client who you will benefit from for years to come. ■

**Dori Soukup** is an executive coach, author, professional speaker and the founder of InSPAration Management. Her Spa BizTools and strategies have helped thousands of spa professionals experience exponential growth and profits! Dori can be reached at [info@inspationmanagement.com](mailto:info@inspationmanagement.com).

