

KLAMATH COMMUNITY COLLEGE

Klamath Community College provides accessible, quality education and services in response to the diverse needs of the student, business, and community. The College supports student success in workforce training, academic transfer, foundational skills development, and community education.

TRANSMITTAL PAGE

Klamath Community College Bachelor of Applied Science Business Management – Salon Emphasis

Please accept this Statement of Need and supporting documentation for our application to offer a Bachelor of Applied Science in Business Management – Salon emphasis degree at Klamath Community College. The Klamath Community College Board approved Action Item IX.C Bachelor of Applied Science Business Management – Salon Degree on December 3, 2024. We look forward to working with you to advance this project to increase educational opportunities for our community.

Dr. Roberto Gutierrez, President, Klamath Community College

gutierrezr@klamathcc.edu

541-880-2210

7390 S. 6th Street

Klamath Falls, OR 97603

Secondary Contact:

Jamie Jennings, Vice President of Academic Affairs, Chief Academic Officer

jennings@klamathcc.edu

541-880-2228

HECC contact:

Luis Juarez, 971-375-5231

luis.juarez@hecc.oregon.gov

K.C. Andrew, 503-979-5670

kc.andrew@hecc.oregon.gov

Shalee Hodgson, 971-372-0889

shalee.hodgson@hecc.oregon.gov

Emailed to:

HECC.AB@HECC.Oregon.Gov

Mailing address: 3225 25th Street SE, Salem, OR 97302

Documents Attached:

Statement of Need

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U.S. Spa Industry Studies from 2019, 2022, and 2024

Degree Flowchart

Credit for Prior Learning to Degree Flowchart

Letter of Support

Bureau of Labor Statistics

Economic Data: Lightcast report - Occupation Overview - Hairdressers, Hairstylists, and

Cosmetologists in Klamath County

Bachelor of Applied Science Business Management – Salon Emphasis Statement of Need

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Response to Standards:

BACKGROUND:

Klamath Community College offers a wide variety of programs to serve the local community, the region, and the State of Oregon as a whole. Of those programs, cosmetology and business are two of the largest programs offered. Since Fall 2021, Business has had a total enrollment of 721 and Cosmetology has had 273 students. In addition, KCC is the only public institution with an Associate of Applied Science (AAS) in Cosmetology in Oregon. Creating this Bachelor of Applied Science (BAS) Business Management – Salon Emphasis provides a unique opportunity to provide a seamless pathway for cosmetologists, and spa and salon professionals to complete a business management degree.

NEED:

The salon and spa areas of focus are multibillion-dollar industries. The [global market size of the spa industry](#) is expected to grow from around 95 billion U.S. dollars in 2021 to over 185 billion U.S. dollars by 2030. Due to the growth and expansion of the industries, there is a tremendous need for Spa and Salon Managers and Directors. That also means there are and will continue to be more jobs than graduates for these fields in Oregon, the western region, and throughout the United States. The BAS is intended to help fill this supply gap.

It is noted that thousands of licensed cosmetologists do not have degrees. If a licensed cosmetologist wants to pursue a degree, their industry coursework and experience does not usually count toward a bachelor's degree. However, KCC offers the only credit for prior learning articulated pathway toward degree completion for licensed cosmetologists in Oregon. KCC is well suited to support industry professionals who are seeking formalized development opportunities and who need a flexible part-time online learning opportunity will find this BAS works around their careers and families. Providing this BAS at a public institution also means student funding opportunities are available. Industry professionals may need Title IV funding to pay for school. There are a very limited number of bachelor's degree programs in the country that cater to the unique needs of beauty industry professionals which means KCC has an opportunity to serve the local community as well as the region, the State of Oregon, and the nation as a whole.

KCC currently offers the following related degrees and certificates:

Cosmetology

Associate of Applied Science

- [Cosmetology AAS](#)

One Year Certificate

- [Cosmetology - Barbering Certificate](#)
- [Cosmetology - Esthetics and Nail Technology Certificate](#)
- [Cosmetology - Hair Design Certificate](#)

Less-Than-One-Year Certificate

- [Cosmetology - Esthetics Career Pathway Certificate](#)
- [Cosmetology - Nail Technology Career Pathway Certificate](#)

Business Administration

Associate of Applied Science

- [Business Administration AAS \(Emphasis in Business Management or Marketing\)](#)

One Year Certificate

- [Business Administration Business Management Certificate](#)
- [Business Administration Marketing and Sales Certificate](#)

Less-Than-One-Year Certificate

- [Business Administration First-Line Supervisor Fundamentals Career Pathway Certificate](#)

Cosmetology Business

Associate of General Studies

- [Cosmetology Business](#)

Licensed cosmetologists can receive credit for prior learning for cosmetology licensure that can articulate to coursework in the AAS Cosmetology or AGS Cosmetology Business. All but the licensure courses can be taken online.

The BAS offers a degree pathway for underserved students who would otherwise be unable to achieve a bachelor's degree. Klamath Community College is proposing to offer a Bachelor of Applied Science (BAS) Business Management – Salon Emphasis degree to meet local and regional workforce needs. KCC is regionally accredited through the Northwest Commission on Colleges and Universities (NWCCU) and has been supporting our community with Associate of Applied Science Cosmetology graduates since 2022. KCC's district boundaries lie inside of Klamath and Lake counties, an area covering more than 14,000 square miles and containing a population of approximately 74,000. Official district boundaries include 7,500 square miles and a population of 68,000. In the last year, the College served nearly 6,000 students generating 2,110 FTE.

Standard 1

STATEMENT OF NEED	
STANDARD	CRITERIA: Draft your responses to the criteria below.
1. Relationship to institutional mission and goals, and Oregon's educational goals.	<p>a. Describe how this program serves Oregon's residents to obtain a bachelor's degree that provides technical/professional knowledge and skills required for specific career positions with Oregon's local, regional or statewide employers.</p> <p>b. How does this program serve Oregon's education diversity and equity goals?</p>

1. Relationship to institutional mission and goals, and Oregon's educational goals.

Klamath Community College's (KCC) mission is "to provide accessible, quality education and services in response to the diverse needs of the student, business, and community. The college supports student success in workforce training, academic transfer, foundational skills development, and community education."

The proposed BAS Business Management – Salon Emphasis degree at Klamath Community College aligns closely with the institution's mission to provide accessible, quality education tailored to the diverse needs of students and the community. In alignment with our mission, a priority strategic planning initiative is to offer "future focused education and services" that meet "future regional and national job market changes." This BAS degree supports Oregon's educational goals by offering a pathway for licensed cosmetologists to advance their careers through higher education, addressing the state's 40-40-20 goal (40% of Oregonians have a bachelor's degree or higher-40% have an associate's degree or undergraduate certificate-20% have a high school diploma or equivalent). By integrating business management principles with technical skills, the program enhances career opportunities for cosmetologists, contributing to workforce development and economic growth in the region. Additionally, the program promotes diversity and equity by providing flexible, part-time, and online learning options, making higher education more accessible to underserved populations.

a. Describe how this program serves Oregon's residents to obtain a bachelor's degree that provides technical/professional knowledge and skills required for specific career positions with Oregon's local, regional or statewide employers.

BAS Business Management – Salon Emphasis degree and stackable credentials in hair design, barbering, esthetics, and nail technology align well with KCC's mission and strategic initiatives. In addition, the cosmetology degree is complimentary to KCC's current offerings of the AAS

Cosmetology, AAS Business Management, Human Resources certificate, health and business-related degrees and coursework. This degree and related certificates will help to address the local need for qualified, quality, beauty professionals in the Klamath Basin.

KCC's current AAS Cosmetology program targets student populations to include: high school accelerated learning students, traditional students that are recent high school graduates, non-traditional students, transfer students, industry providers that have not received degrees or certificates and could be given prior learning credit, General Education Diploma (GED), Adult Basic Education (ABE), English as a Second Language (ESL), High School Equivalency Program (HEP) students, community education and workforce students, Workforce Innovation Opportunity Act (WIOA), Supplemental Nutrition Assistance Program (SNAP) participants, veterans and military families, and English Language Acquisition (ELA) and Limited-English Proficiency (LEP) students. The BAS Business Management – Salon Emphasis degree will expand our targeted population to include licensed cosmetologists through the state that need a seamless transferable pathway to an associate degree. Upon completion of the AAS Cosmetology, AAS Business Administration – Business Management Emphasis, or the AGS Cosmetology Business degrees, students can apply for the BAS Business Management – Salon Emphasis degree.

In today's competitive beauty industry, the role of a licensed cosmetologist extends beyond technical skills to include business skills and management capabilities. A degree, particularly a Bachelor of Applied Science in Business Management with a salon emphasis, equips cosmetologists with essential knowledge in marketing, financial management, customer service, and regulatory compliance. This comprehensive education ensures that cosmetologists are not only proficient in their craft but also capable of effectively managing and growing their businesses. By integrating business management principles with salon-specific training, cosmetologists can enhance their career prospects, improve customer satisfaction, and contribute to the overall success and professionalism of the beauty industry.

In the evolving beauty industry, it is essential to recognize the value of prior learning and licensure. A bachelor's degree in cosmetology ensures that the hard-earned skills and knowledge of licensed professionals are acknowledged and built upon. This approach not only validates the expertise of industry professionals but also creates flexible workforce pathways, allowing individuals to transition smoothly between educational pursuits and professional practice. By offering a structured yet adaptable educational framework, cosmetologists can advance their careers without redundancy, fostering continuous professional development and enhancing the overall quality and professionalism of the industry.

In our community, in southern Oregon, in Oregon, regionally, and nationally there is a need for bachelor's degree-prepared salon, spa, and beauty industry marketing, sales, and management professionals.

Klamath Community College is well suited to provide this degree program for our community and the state. Currently, KCC is the only degree-offering cosmetology program in the state. Our college has a history of proven student success rates for serving and supporting our diverse local student populations. A local option to pursue a BAS offers students in our community the opportunity to continue working while attending classes in an environment that is familiar to the students, easily accessible, and at a cost significantly below other BAS programs.

The KCC option will be more affordable, be local student friendly, will have flexible schedules, will offer smaller class sizes, and will provide seamless transfer. KCC's holistic approach to student support services will provide academic, health, socio-emotional, financial, and logistical support. Wraparound support services are important for all students but have been shown to be particularly critical and impactful for low income, first-generation, non-traditional, and students of color.

The BAS proposal aligns well not only as a complement to our current programming but also by providing opportunities for unmet needs of community members who have earned a cosmetology license but have not obtained an associate degree or have obtained an associate's degree but have not attained a bachelor's degree. The BAS degree will provide practicing cosmetologists increased career opportunities and paths to beauty leadership positions. Increasing the number of BAS graduates from our community also contributes to the quality and sustainability of the beauty workforce as well as a likelihood that cosmetologists have linguistic and cultural backgrounds that mirror their clients.

Our local and statewide workforce will be well supported with this programming. KCC has significantly expanded credit for prior learning (CPL) opportunities from work as a result of a Future Ready Oregon Credit for Prior learning Grant. CPL is used to grant college credit for learning that has occurred outside of the traditional academic environment. Past, current, and future licensed cosmetology practitioners will be able to receive CPL toward our proposed certificates and associate of applied science degree. The AAS Cosmetology, AAS Business Administration, and AGS Cosmetology Business will transfer seamlessly into the BAS degree.

There is a significant need for cosmetology professionals in the workforce. Overall employment of barbers, hairstylists, and cosmetologists is projected to grow 19 percent from 2020 to 2030, much faster than the average for all occupations. According to the [Occupational Outlook Handbook](#), about 85,300 openings for barbers, hairstylists, and cosmetologists are projected each year, on average, over the decade. Many of those openings are expected to result from the need to replace workers who transfer to different occupations or exit the labor force, such as to retire.

This BAS degree will be available to flex the offerings for part-time and full-time and will be offered online to meet the needs of working professionals.

KCC has the only community college cosmetology program in the state of Oregon. Diversified funding sources will be available for this student population that were not available to trade school students. Besides having access to traditional financial aid, KCC students also have access to Oregon Opportunity grants, Oregon Promise, KCC foundational grants, and the College has recently been approached by a local benefactor with an established cosmetology scholarship program. Local high school students will be able to take advantage of free dual credit opportunities and reduced cost College Now opportunities. Our dual credit program allows students to earn college credit at their high schools from KCC-approved high school instructors. Through College Now, high school students enroll directly in KCC classes.

This BAS degree requires 180 credits including 60 upper-division credits and career technical education (CTE) credits transferred from an Associate of Applied Science (AAS) Cosmetology, and AAS Business Administration, or a mix of cosmetology licensure courses and business coursework in an Associate of General Studies (AGS) Cosmetology Business degree. The BAS includes 42 general education credits in which students will develop critical thinking and problem-solving skills, communication skills, cultural competence, professional competency, self-efficacy skills, and teamwork skills.

The six unique upper division salon management classes in the business management degree offer a comprehensive education that will significantly benefit students and their future careers in the salon, spa and wellness, retail, and related industries.

BUS 480 – Introduction to the Salon Service Industry provides a broad overview of the personal care sector, including Cosmetology, Barbering, Esthetics, Nail Technology, and Makeup Artistry. This course helps students understand the history, philosophy, technology, and research in these fields, which is essential for recognizing industry trends and enhancing revenue and profitability.

BUS 481 - Salon Marketing and Sales Mastery focuses on marketing and sales strategies specific to the salon industry. Students will learn about brand building, customer relationship management, market analysis, and creating effective marketing plans. This course also covers product and service marketing, trend analysis, and influencer engagement, all of which are crucial for driving revenue through pricing, scheduling, and treatments.

BUS 482 - Salon Operations Excellence covers the operational aspects of running a salon, including client services, service training, and sustainability practices. It teaches standard procedures for salon management, time and menu management, and environmental practices. This course ensures students understand hygiene, health and safety, client expectations, and how to handle difficult clients, providing a complete understanding of salon operations.

BUS 483 - Salon Facilities Layout and Design offers an in-depth look at designing and planning salon facilities. Students will learn to develop a capital budget, apply value

engineering principles, and calculate the real cost of equipment. The course covers both front-of-the-house and back-of-the-house planning, emphasizing long-term design strategies to support efficient operations.

BUS 484 - Salon Retail Sales and Inventory equips students with the skills to manage and optimize retail sales and inventory in a salon or spa setting. This course is essential for ensuring that products are well-stocked, and sales are maximized, contributing to the overall profitability of the salon.

BUS 485 - Salon Marketing and Feasibility provides students with the knowledge and skills necessary to manage and grow a successful salon business. The course emphasizes marketing strategies and feasibility analysis, helping students understand how to create and implement effective business plans.

The above listed courses collectively provide a well-rounded education in salon management, covering everything from industry fundamentals to advanced marketing and operational strategies. This comprehensive approach ensures that graduates are well-prepared to succeed in the competitive salon industry.

There are seven upper-division courses that provide not only a capstone for the degree, but also specialized training in business.

BUS 306 – Fundamentals of Management This course provides an analysis of the organizational environment and the processes of management in business enterprises. Content focuses on concepts, methods, and strategies of the planning, organizing, directing, and controlling functions of the modern manager. The impact of these processes on workplace relationships, organizational culture, and ethical issues are also addressed.

BUS 324 – Managing Human Resources This course provides an overview of the role of human resource professionals in today's organizations. Recruitment, selection, employee development and appraisal, retention, compensation, and labor relations are examined. Implications of legal and current issues such as diversity training, sexual harassment policies, and rising benefit costs are analyzed. Best practices will be explored, and opportunities will be provided to apply concepts to workplace scenarios.

BUS 326 – Business Law Fundamentals This course covers the legal aspects of common transactions that businesses face in the course of daily operations. Content will include the law of contracts, agency, negotiable instruments, government regulation, product liability, property, and other related components of private and business law.

BUS 328 – Accounting Information Systems & Management This course is designed to provide students with an overview of the organizational systems contributing to the collection, processing, and reporting of financial accounting information. Considerable emphasis will be given to transaction cycles, internal accounting controls, and system

documentation techniques.

BUS 346 – Management Across Cultures This course builds a comprehensive understanding of cross-cultural management issues including leading culturally diverse workforces and managing diversity in the workplace. The content emphasizes theoretical foundations and best practices to address workplace scenarios involving employees, customers, suppliers, and other business stakeholders.

BUS 350 – Innovation, Development, and Entrepreneurial Thinking Fundamentals of entrepreneurship are applied to solve actual problems for real companies. Students will gain a thorough understanding of project management processes (agile, lean six sigma, sprints, etc.) and learn how to effectively execute a project from inception to final deliverable.

BUS 491 - Capstone This course explores how firms can build competitive advantage. Focus is the strategic planning process, including analyzing the external environment, assessing internal strengths and weaknesses, establishing objectives and strategies and implementing strategic plans.

And an upper division general education communication course:

COM 419 – Communication for Leaders Personal leadership and communication skills. Focuses on self-awareness for leading, persuading, and working with others; effective business writing and speaking; and team development.

b. How does this program serve Oregon’s education diversity and equity goals?

KCC’s BAS Business Management – Salon Emphasis degree will advance Oregon’s efforts with education, diversity, and equity goals. This will also work toward Oregon’s 40-40-20 Education Attainment goal.

Diversity

Comparing enrollment of underrepresented populations to service area demographics is an indicator of KCC’s ability to meet the needs of diverse populations through programs and services. Having employees that reflect a global workplace is critical to the success of the College in the 21st century. By creating a diverse faculty, schools can encourage increased success among groups that have been traditionally underrepresented on campus. When students and the community see themselves reflected in the makeup of the staff, they are often encouraged to reach for higher standards of performance. Enrollment is an indicator of access for at-risk student populations.

Oregon Ethnic/Race Diversity

Race/Ethnicity	%
Hispanic/Latino	12%
American Indian or Alaska Native	1%
Asian	4%
Black or African American	2%
Native Hawaiian or Other Pacific Islander	0%
White	66%
Two Or More Races	9%
Races And Ethnicity Unknown	6%
Number Of Responses	4,826,013

Source: <https://data.census.gov/table/DECENNIALCD1182020.P8?g=040XX00US41>

KCC consistently engages a more diverse student population than what is experienced in our community.

Community Ethnic/Race Diversity

Race/Ethnicity	2023	2022	2021	2020	2019	2018	2017
Nonresident Alien	0%	0%	0%	0%	0%	0%	0%
Hispanic/Latino	15%	15%	15%	15%	14%	13%	12%
American Indian or Alaska Native	2%	2%	2%	2%	5%	5%	3%
Asian	1%	1%	1%	1%	1%	1%	1%
Black or African American	1%	1%	1%	1%	1%	1%	1%
Native Hawaiian or Other Pacific Islander	0%	0%	0%	0%	0%	0%	0%
White	73%	76%	76%	73%	75%	77%	79%
Two Or More Races	7%	5%	5%	7%	4%	4%	4%
Races And Ethnicity Unknown	1%	1%	0%	0%	0%	0%	0%
Number Of Responses	70,003	69,500	69,506	70,212	68,238	67,653	66,018

Data in this table is based upon US Census data for Klamath County.

Our student body represents greater diversity than the local community; contributing to a richer educational experience, preparing our students for a globalized workforce, and fostering a more inclusive and understanding learning community.

Academic Students Ethnic/Race Diversity

Race/Ethnicity	2023	2022	2021	2020	2019	2018	2017
Nonresident Alien	0%	0%	0%	0%	0%	0%	0%
Hispanic/Latino	20%	22%	19%	19%	18%	18%	19%
American Indian or Alaska Native	3%	3%	2%	3%	3%	3%	3%
Asian	2%	1%	1%	1%	1%	1%	1%
Black or African American	1%	1%	1%	1%	1%	1%	1%
Native Hawaiian or Other Pacific Islander	0%	0%	0%	0%	1%	0%	0%
White	63%	62%	65%	66%	66%	68%	67%
Two Or More Races	6%	4%	4%	4%	4%	3%	3%
Races And Ethnicity Unknown	6%	7%	7%	5%	6%	6%	6%
Number Of Responses	1936	1580	1245	1492	1715	1514	1683

Data in this table reports Fall enrollment demographics reported to IPEDS.

The staff at KCC resembles our local community. The diversified faculty and staff enrich a student's educational experience, promote equity, and contribute to our high student success rates.

Full-Time Faculty and Staff Ethnic/Race Diversity

Race/Ethnicity	2023	2022	2021	2020	2019	2018	2017	2016
Nonresident Alien	1%	0%	0%	0%	0%	0%	0%	0%
Hispanic/Latino	18%	16%	14%	11%	9%	10%	9%	5%
American Indian or Alaska Native	1%	1%	1%	1%	1%	2%	3%	5%
Asian	3%	2%	1%	2%	2%	2%	2%	2%
Black or African American	2%	1%	1%	1%	1%	0%	0%	1%
Native Hawaiian or Other Pacific Islander	2%	1%	1%	1%	1%	1%	0%	0%
White	72%	74%	77%	83%	84%	82%	83%	87%
Two Or More Races	1%	2%	1%	1%	1%	1%	1%	0%
Races And Ethnicity Unknown	1%	2%	4%	1%	2%	3%	3%	0%
Number Of Responses	156	147	140	121	114	122	112	110

Data in this table reports percentages of race/ethnicity for fulltime staff and faculty employees reported to IPEDS in the November 1 Human Resources snapshot.

40-40-20

The Klamath Community College service area faces a large gap in its progress toward meeting Oregon's educational goal of 40-40-20, in which 40% of Oregonians have a bachelor's degree or

higher, 40% have an associate's degree or undergraduate certificate, and 20% have a high school diploma or equivalent.

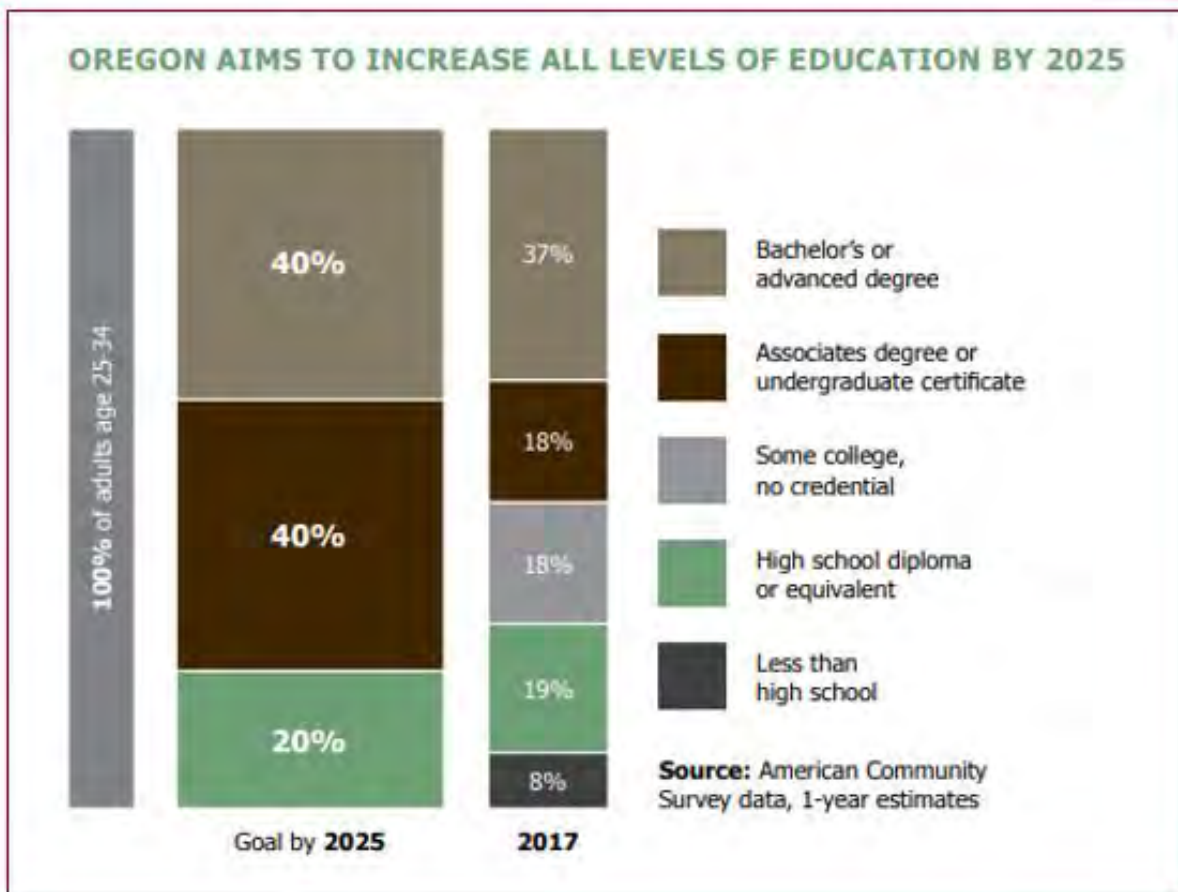
In Oregon, large education attainment gaps exist by geography. With 56% of Oregonians living in urban or mixed counties having postsecondary credentials, only 42% of Oregon's residents living in rural counties have one.

Oregonians with postsecondary credentials

Year	Rural	Urban/Mixed
2016	40%	53%
2017	40%	53%
2018	41%	54%
2019	41%	55%
2020	42%	56%
2021	42%	56%

U.S. Census, Table S1501 for each year[index]

Our rural, sparsely populated, large geographical service district faces significant challenges to meeting Oregon's 40-40-20 goals.



Although the statewide gap in educational attainment is 3%, **in Klamath County only 19% of adults have a bachelor's degree or higher, a gap of 21 points to meet the goal.** Adding the KCC rural BAS option can help move the needle of inequitable achievement of bachelor's degree attainment for both Klamath and Lake counties. By creating this BAS with transferable knowledge, students can benefit by having the ability to apply for unrelated management positions as well, opening the market to greater opportunities.

Transfers

While some cosmetology associate degree graduates from KCC complete an associate degree and transfer on to a four-year university, a large number of students do not.

The current BAS options provided by Oregon four-year colleges and universities are not meeting our local student needs. For licensed cosmetologists that graduate from private beauty schools, a barrier to enrollment in a Bachelor of Applied Science Business Management – Salon Emphasis program is due to a lack of opportunities for credit for prior learning for their industry certifications. Since the cosmetology program began in 2021, KCC has had 7 students graduate from the AAS program since the degree began being offered, 2 enrolled in a four-year institution and only 1 has completed a bachelor's degree.

Every year, a growing number of KCC's AAS graduates would benefit from a local BAS option. A local option to pursue a BAS allows students in our community to continue working while attending classes in an environment that is familiar to them, easily accessible, and at a cost significantly below comparable BAS programs.

The cosmetology management profession lags in matching the ethnic and racial identity of our community. As the chart below indicates, racial/ethnic minority groups are under-represented in Oregon's workforce compared to the racial/ethnic makeup of the state's population, although this representation is improving.

Community Ethnic/Race Diversity

Race/Ethnicity	2023	2022	2021	2020	2019	2018	2017
Nonresident Alien	0%			0%	0%	0%	0%
Hispanic/Latino	15%	15%	15%	15%	14%	13%	12%
American Indian or Alaska Native	2%	2%	2%	2%	5%	5%	3%
Asian	1%	1%	1%	1%	1%	1%	1%
Black or African American	1%	1%	1%	1%	1%	1%	1%
Native Hawaiian or Other Pacific Islander	0%	0%	0%	0%	0%	0%	0%
White	73%	76%	76%	73%	75%	77%	79%
Two Or More Races	7%	5%	5%	7%	4%	4%	4%
Races And Ethnicity Unknown	1%			1%	0%	0%	0%
Number Of Responses	70,003	69,500	69,506	70,212	68,238	67,653	66,018

Data in this table is based upon US Census data for Klamath County.

Academic Students Ethnic/Race Diversity

Race/Ethnicity	2023	2022	2021	2020	2019	2018	2017
Nonresident Alien	0%	0%	0%	0%	0%	0%	0%
Hispanic/Latino	20%	22%	19%	19%	18%	18%	19%
American Indian or Alaska Native	3%	3%	2%	3%	3%	3%	3%
Asian	2%	1%	1%	1%	1%	1%	1%
Black or African American	1%	1%	1%	1%	1%	1%	1%
Native Hawaiian or Other Pacific Islander	0%	0%	0%	0%	1%	0%	0%
White	63%	62%	65%	66%	66%	68%	67%
Two Or More Races	6%	4%	4%	4%	4%	3%	3%
Races And Ethnicity Unknown	6%	7%	7%	5%	6%	6%	6%
Number Of Responses	1936	1580	1245	1492	1715	1514	1683

Data in this table reports Fall enrollment demographics reported to IPEDS.

Ethnicity				
Ethnicity	AY 2022-23		AY 2023-24	
	Count	%	Count	%
American Indian or Alaska Native	1	2%	7	7%
Asian	0	0%	1	1%
Black or African American	1	2%	2	2%
Hispanics of any race	17	30%	26	26%
Two or more races	2	4%	8	8%
Unknown	7	13%	9	9%
White	28	50%	47	47%
Grand Total	56		100	

Our college serves a significantly more diverse student population than the Oregon workforce population. KCC's cosmetology program student demographics are more diverse than current workforce demographics. In the AAS program in the past 2 years, our student populations consisted of 26% Hispanic, 8% of two or more races, and 7% American Indian/Alaska Native.

Standard 2

<p>2. Maximizes use of state resources and achievement of state educational goals, while avoiding unnecessary duplication.</p>	<p>a. Identify similar programs at associate and baccalaureate levels offered by other education institutions in the region and state and describe meaningful points of similarity and difference between those programs and your proposal.</p> <p>b. Describe how your institution will collaborate with other colleges, universities, industry, or community organizations to:</p> <ul style="list-style-type: none"> · minimize costs to students and maximize effective use of state resources; · enrich teaching & learning, and · facilitate students' preparation to enter and succeed in post- graduation employment.
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2. Maximizes use of state resources and achievement of state educational goals, while avoiding unnecessary duplication.

The proposed BAS program maximizes state resources by utilizing the existing systems and capital resources of the community college to provide a bachelor's degree path highly desired by both employers and students. Providing more options for AAS and AGS earners in cosmetology- and business-related fields to reach a bachelor's degree aligns with Oregon's educational goals ([40-40-20 Oregon.gov](http://40-40-20.Oregon.gov)). Leveraging the knowledge, faculty, and physical resources of the community colleges' current programs eliminates costly duplication of effort and reduces costs for students.

a. Identify similar programs at associate and baccalaureate levels offered by other education institutions in the region and state, and describe meaningful points of similarity and difference between those programs and your proposal.

KCC is the only cosmetology degree-offering college in Oregon. While there are no other public BAS - Cosmetology programs in the state, there are private institutions with high tuition costs that focus on non-transferable certifications. Institutions without credit for prior learning will not accept the completed hours of training. The following universities offer a bachelor's degree in a related degree field in a traditional 4-year BS/BFA program: Savannah College of Art and Design (SCAD) and the Fashion Institute of Design & Merchandising.

Institution of Higher Education	# of graduates (2022-23)	Points of Similarity and Differences
Savannah College of Art and Design	30	4-year private university, B.F.A. in Business of Beauty and Fragrance
Fashion Institute of Design and Merchandising	25	4-year private university, B.S. Beauty Business Management

b. Describe how your institution will collaborate with other colleges, universities, industry, or community organizations:

Industry Partnerships

The concept of the BAS Business Management – Salon Emphasis grew out of leadership in salon and wellness in our local community. Lynelle Lynch, owner of Running Y Ranch Resort in Klamath Falls, Oregon and owner of [Bellus Academy](#), North America’s top beauty academy, serves on KCC’s Cosmetology Program Advisory Committee. Lynelle Lynch is the founder of the Beauty Changes Lives Foundation, a non-profit that has raised more than \$5 million dollars to equip and empower future beauty and wellness professionals. An advocate for connecting career education with the greater community, Lynch has helped Bellus Academy earn the California Association of Private Post-Secondary Schools’ “Gold” Award for Excellence in Community Service in 2017 and 2018. She recognized the opportunity at KCC to support local, regional, and national needs through a BAS Business Management–Salon Emphasis. KCC continues to collaborate with this key partner as we build the BAS degree.

Other notable industry partners include Chris Huffstutter, the Summit Salon Business Center consultant, and Syler Veloz, the employee trainer and regional manager of Great Clips, in Klamath Falls, Oregon. Both serve on the Cosmetology Advisory Committee.

These industry partnerships will continue to guide the implementation and continuous improvement process for the BAS Business Management – Salon Emphasis so that the program meets Oregon industry needs, particularly the [1,192](#) of effective managers, directors, and other business leaders in salon, wellness, and related retail sectors.

College and Cosmetology School Partnerships

KCC’s BAS Business Management – Salon Emphasis will offer a degree pathway for graduates of Bellus Academy’s four campuses without having to leave their current locations. Students graduating from Bellus Academy can take advantage of KCC’s [Credit for Prior Learning \(CPL\) program](#), which is discussed in detail below. The CPL allows students to earn credit toward their degree via licensure and career experience. This is where industry training and certification intersects with college credit. Students who have accrued work hours from other programs that have completion-time requirements instead of courses can have that time credited to their college transcript. This cuts down on redundancy and loss of time and other resources.

Many colleges on the West Coast and nearby states are potential partners for articulation agreements for associate degrees and certificates to BAS Business Management – Salon Emphasis. Some examples include Walla Walla Community College and Everett Community College in Washington, Santa Monica College and San Diego City College in California, College of Southern Nevada, and Salt Lake Community College in Utah—all offer training in salon-related fields. Additionally, any community college in Oregon can articulate from an AAS Business to the BAS at KCC. Through this online BAS, we have the potential to develop meaningful articulated pathways with these colleges and many more colleges throughout the United States.

Community Organization Partnerships

The KCC Cosmetology Program provides integral services for numerous community partners. For example, KCC cosmetology students provide free and reduced costs services for local assisted living facilities, nursing homes, and veteran's services both at the KCC Cosmetology building and on location at the partner organizations. These partnerships offer students valuable hands-on learning and experience while serving community needs. These partnerships and those not yet imagined will provide learning opportunities for BAS Business Management – Salon Emphasis to gain experience in management of the services, products, client experience, and partnerships themselves.

Standard 3

3. Employers in relevant community area have substantive demand for graduates with **baccalaureate level** degree and specific competencies students are expected to achieve in this program.

a. Demonstrate that employer demand exceeds the regional supply of graduates with bachelor's degrees in the employer-desired field of study. This must be substantiated, for example, by the number of positions lacking a sufficient candidate pool or by other information within letters of support from industry employers. Calculate the estimated annual gap between employer demand and supply of graduates.

Note: Text that synthesizes your key data can help reviewers better understand your analysis and conclusion of employer need better than just attaching a generated data report.

3. Employers in relevant community area have substantive demand for graduates with baccalaureate level degree and specific competencies students are expected to achieve in this program.

Recent data shows there are thousands of certified cosmetologists who do not have their BAS, and that Oregon is far from the goal of having 40% of the population with a bachelor's degree or higher. Currently, there are 8,111 salon management positions in the U.S. with high demand in high populations cities (>250,000). Klamath Community College will supply 20-30 students per academic year. This will be the only BAS with a salon emphasis in the US.

It is emphasized that many well-respected retailers such as Ulta Beauty encourage bachelor's degrees or higher for management positions. According to Indeed.com, there are 458,000 management jobs that require a bachelor's degree. This lends itself to the idea that employers today are seeking driven employees who are capable of providing high-quality service with solid decision-making characteristics, supervision of personnel and support staff, and training of new members to their business community.

a. Demonstrate that employer demand exceeds the regional supply of graduates with bachelor's degrees in the employer-desired field of study. This must be substantiated, for example, by the number of positions lacking a sufficient candidate pool or by other information within letters of support from industry employers. Calculate the estimated annual gap between employer demand and supply of graduates.

A current review of Oregon's cosmetology manager worker shortage completed in 2025 suggests that there is a growing need for salon and spa service providers who can provide management with culturally and linguistically responsive care with a need to improve the diversity of cosmetology providers due to changing population demographics. There should also be clear educational pathways that increase skills, pay, stability, and impact that can directly and indirectly address the unequal distribution of providers with greatest need in rural areas.

To justify this assessment:

- [Bureau of Labor Statistics](#) (January 2025)
- [Oregon's Migration Policy Institute](#) (2022)
- [Oregon Health Authority](#)
- [Job Search](#)

It should be noted that most AAS/AGS graduates who complete degrees at community colleges find that it is recommended by employers, both implied by application and directly in job description requirements, that more BAS programs be regionally developed rather than require students leave their locales to seek education services elsewhere.

These key findings from a recent Oregon Employment Department Job Vacancy Survey (May 2019) support the need for the BAS at KCC. At the current time, Oregon's private employers had 58,000 job vacancies. They reported difficulty filling 33,000 (or 57%) of those job vacancies.

Even with a long stretch of annual job growth, and two years of Oregon's unemployment rate at a record low, there is a lack of qualified applicants. This has been one of the greatest staffing challenges that businesses face. Often, difficult-to-fill job vacancies require previous work experience that can be substituted with education.

Job vacancies requiring education beyond high school generally offer higher than average starting wages and are more likely to require previous experience that can be achieved in an AAS-BAS transition.

Having a BAS will help to ensure cosmetologists and business management students are well-prepared to enter the workforce and will meet the expectations. Within management occupations, most occupations include a bachelor's degree or higher as a minimum requirement. Even more require a bachelor's degree or higher to be competitive, despite a lower minimum qualification. The current workforce does not have the training required to

fulfill these requirements for management positions. Employer demand for bachelor's degrees and higher qualifications is over double the current rate of degree attainment in the local population.

Achieving the BAS also allows licensed cosmetologist to continue into master's degree programs which furthers the profession, provides more qualified options in the salon, spa and wellness, and retail management communities, provides more business acumen, and provides qualified instructors to continue the professional pipeline. By doing so, this degree feeds into faculty in private industry as well.

Employers report the importance of leadership as a desirable employee characteristic. National survey results reveal that individuals with strong leadership skills are better positioned to gain and maintain employment, cutting attrition and hiring costs, as well as improving company success rates ([NACE](#)).

Additional employment data from the Oregon Employment Department 2023-2033 employment projections¹, shows that higher educated management demand is expected to remain strong, as well as opportunities for those who seek positions that go beyond the BAS.

Oregon Employment Projections

Occupation Title	Employment 2023	Projected Employment 2033	Growth	% Change	Typical Entry-Level Education
Management	51,100	54,200	3,100	6%	BAS/BS
Leisure and hospitality*	14,160	15,830	1,670	12%	AAS/AGS/BAS
Professional Services*	9,850	10,820	970	10%	AAS/BAS

*emphasis on east Cascades

The employment statistics for Klamath Community College's service area align with state metrics, the demand for BAS-prepared salon managers significantly exceeds supply. The BAS will meet the current demands as well as overcome the shortage of qualified professional managers mentioned above.

¹ <https://www.qualityinfo.org/mid-valley>

Oregon Employment Department Regional

Area	Title	Base	Projected	Change	% change	Base Year	Projected Year
Oregon	Cosmetologist	4890	6050	1160	23.7	2023	2033
Oregon High-wage/ high-demand	General and operations managers	48,582	53,134	4,552	9.4%	2023	2033

<https://qualityinfo.org/web/guest/data>

*High-wage, High-demand is considered when >620 available jobs with >\$51,500 annual salary

According to the Oregon Employment Department Workforce and Economic Research Division statistics, the Regional (East Cascade Occupational Employment Projections) and Local (South Central Occupation Employment Projections) indicate a considerable need for bachelor's prepared salon managers. The supply of salon managers is woefully inadequate and will fall well short of meeting the current demands. Over 30% of the managerial postings require a BS or BAS effectively shutting certificate holders out of higher paying, more stable positions with opportunities for growth.

According to the Bureau of Labor Statistics, Oregon has one of the lowest quotients in the US, ranging between 0.2-0.4 depending on year. Oregon has one of the highest starting-pay rates in the US, between \$41,000-65,000. The state offers better opportunities with higher pay than the national averages.

National

Employment (1)	Employment	Mean hourly	Mean annual	Wage RSE (3)
National US	RSE (3)	wage	wage (2)	
294,840	2.6 %	\$ 20.09	\$ 41,780	0.9 %

Oregon Specific

Occupation code (OR)	Employment Oregon Specific	Employment RSE	Employment per 1,000 jobs	Location quotient	Median hourly wage	Mean hourly wage	Annual mean wage	Mean wage RSE
39-5012	2,190	5.1%	1.128	0.58	\$16.86	\$22.48	\$46,760	5.9%

<https://www.bls.gov/oes/2023/may/oes395012.htm>

Salon-Spa Connection reports that “salons are tightening their belts with an unstable economy and hiring less new grads [with certificates only]...Demand for experienced salon pros is very high.”

According to the Oregon Employment Department (qualityinfo.org) management occupations requiring a bachelor's degree are expected to increase by an average of 11% in the next decade in the Mid-Willamette Valley and southern Oregon regions. Over 40,000 job openings are projected to be available.

There is also a considerable annual wage difference depending on education level. While most salons are managed by an employee who is also a practicing cosmetologist, many positions require business acumen that is not generally taught in-depth at the AAS level.



Standard 4

4. Applied baccalaureate program builds upon academic, professional or technical degree program(s) or courses already offered.	a. Describe the existing professional and technical degree program(s) that will be used as the foundation for this applied baccalaureate program. Include how long the program has been in existence, the date of its last review by its department within the college, and the enrollment history of the program(s) over the past six years. b. How might this existing program need to be revised to better integrate with an applied baccalaureate program?
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4. Applied baccalaureate program builds upon academic, professional or technical degree program(s) or courses already offered.

KCC's BAS Business Management – Salon Emphasis builds upon the existing Associate of Applied Science (AAS) degrees in Cosmetology and Business Administration, as well as the Associate of General Studies (AGS) in Cosmetology Business. These foundational programs provide the technical and professional knowledge necessary for the BAS degree, ensuring a seamless transition for students. The BAS integrates credits from these associate degrees, allowing students to advance their education without redundancy. This approach leverages KCC's established expertise and resources, enhancing career opportunities for graduates in the salon, spa and wellness, related retail, and business management fields.

a. Describe the existing professional and technical degree program(s) that will be used as the foundation for this applied baccalaureate program. Include how long the program has existed, the date of its last review by its department within the college, and the enrollment history of the program(s) over the past six years.

The AAS Cosmetology and the AAS Business Administration are the existing professional and technical degree programs that serve as the foundation for the BAS Business Management – Salon Emphasis. These two AAS degrees are also KCC's largest programs, with 721 students enrolled in Business and 273 enrolled in Cosmetology since Fall 2021. The new AGS Cosmetology Business degree provides an alternative pathway for students interested in pursuing the BAS. The BAS Business Management – Salon Emphasis degree will require 180 credits total. All of the AAS and AGS credits will seamlessly transfer to this BAS.

AAS Cosmetology

The Associate of Applied Science (AAS) Cosmetology degree prepares students for employment in a broad array of areas in the beauty field. Students participate in realistic training through the student-operated salon. This program provides the theory and practical application necessary to take Oregon cosmetologist certification exams and meet employment

performance requirements, with 21 general education credits and 77 technical core credits for a total of 98 credits. Students take the state board examination upon the completion of program requirements and class time required by the state of Oregon. After passing the state examination, the students receive a license to practice in their new career.

Klamath Community College's Cosmetology program has existed since 2021 and is regionally accredited through NWCCU. The Cosmetology program will complete its first program review in 2026 – program reviews take place on a 5-year cycle. KCC is the only Cosmetology degree-offering college in Oregon. The program is in its fourth year and since its inception, 235 students have been admitted, 38 students are currently in progress of completing their degree, and 7 students have graduated. The previous numbers are specific to those seeking the AAS and excludes those who are seeking pathway certification in a particular field only. There are 96 students working toward cosmetology certificates. These certification paths include barbering, hair design, nails, and esthetics.

AAS Business Administration – Management Emphasis

An emphasis in business management is most appropriate for students interested in general business management or ownership; it can lead to promotional opportunities for students already employed in a business occupation or with substantial background in that industry or management. This AAS is typically the best option for students who plan to continue their education and complete a bachelor's degree in business or a closely related area. This degree consists of 90 credits: 36 general education credits, 10 elective credits, and 44 credits of technical core coursework in accounting, management, personal finance, business law, human resource management, economics, and computer applications.

The Business Management program was originally accredited in 2002 as Business & Management – Business Services. The program is regionally accredited through NWCCU, with regional accreditation reaffirmed in 2019. The Business Management had a program review on the 2nd of March, 2023. Over the last six years, the Business Administration – Management program has admitted 221 students, 84 students are currently in progress of completing their degree, and 82 students have graduated.

AGS Cosmetology Business

The purpose of AGS Cosmetology Business degree is to offer an alternative option that is designed to prevent loss of credit for students who earn credits in Business and/or Cosmetology classes, but not enough in either specialized area to earn the AAS Cosmetology or the AAS Business Administration – Management but who are interested in pursuing a management role in salon, wellness, or related retail industries. The proposed BAS in Business Management – Salon Emphasis program will align with the current AGS Cosmetology Business degree to assure that AGS graduates can receive credit for their prior education. KCC's AGS Cosmetology Business degree consists of 42 general education credits and 48 credits of cosmetology, business, and related courses, for a total of 90 credits. The BAS Business Management – Salon Emphasis degree will require 180 credits total. All of the AGS credits will seamlessly transfer to the BAS in Business Management – Salon Emphasis.

Target students can come from the salon or business industries and take advantage of this flexible AGS to seamlessly transfer to the BAS Business Management – Salon Emphasis. This will benefit students who have taken cosmetology classes but have not completed licensure and want to pursue a role in management within the industry. It will also benefit students who are interested in salon or spa management who do not hold a state licensure. While there is not a program review for AGS degrees, the AGS Cosmetology Business degree requires classes assessed in both KCC's AAS Business Administration – Management and AAS Cosmetology degree programs, which ensures a high-quality education. This pathway is new and there is not yet enrollment or graduation data available.

Certifications as Pathways to the Associate and Bachelor of Applied Science

KCC's Associate of Applied Science (AAS) Cosmetology degree is aligned with industry-recognized certifications. One-year certificates of hair design, barbering, esthetics and nail technician roll seamlessly into the AAS Cosmetology degree program. Pathways certificate of esthetics and pathways certificate nail technician stack seamlessly into the esthetic and nail technician one-year certificate. Students can complete a pathway certificate and roll it directly into an AAS Cosmetology degree and then to a BAS Business Management – Salon Emphasis.

Credit for Prior Learning (CPL)

KCC practices a robust [Credit for Prior Learning](#) (CPL) process to support professionals who have prior learning through work, certifications or licenses and return to college. CPL is used to grant college credit for learning that has occurred outside of the traditional academic environment. Adult learners who earn credit through prior learning are 17 percent more likely to complete their degrees, compared to those without CPL. Professionals in the fields related to cosmetology, wellness, and salon can use their licenses to apply for CPL and advance themselves through the Cosmetology AAS to the BAS Business Management – Salon Emphasis. Likewise, Business Administration professionals seeking the BAS could also apply for CPL toward their degree.

b. How might this existing program be revised to better integrate with an applied baccalaureate program?

The BAS Business Management – Salon Emphasis was built to seamlessly support students who complete the AAS Cosmetology, AAS Business Administration - Business Management, and AGS Cosmetology Business degrees. A team of faculty from Cosmetology, Business Management, and General Education, along with administrators who oversee these programs, designed this BAS to ensure that students retain all previously earned credits and industry experience. Students will benefit from KCC's robust Credit for Prior Learning (CPL) program that awards credit for previous industry experience, and KCC will also establish articulation agreements with other colleges that offer cosmetology certificates, AAS degrees, and related training so that students have strong pathways to the BAS. This will lower the likelihood for students to sign up for courses that are redundant. The lower division pre-requisite course requirements for KCC's AAS Cosmetology, AAS Business Administration – Business Management, and AGS Cosmetology

Business programs will transfer into the BAS Business Management – Salon Emphasis as either general education requirements or lower division elective credits.

Having a seamless transition process would allow students to plan for the BAS Business Management – Salon Emphasis, know in advance what credits will be counted towards transfer, be able to continue with their supportive cohort in an institution that they are familiar with, and save the cost of transferring in time, effort, and expenses.

Attachments

2019 Spa Industry Study-Compensation

2022 Spa Industry Study

2024 Spa Industry Study

Degree Flowchart

CPL to Degree Flowchart

Letter of Support

Lightcast Report

Occupation Overview -Hairdressers, Hairstylists, and, Cosmetologists in Klamath County



2019 ISPA U.S. SPA INDUSTRY STUDY

20th Anniversary Edition



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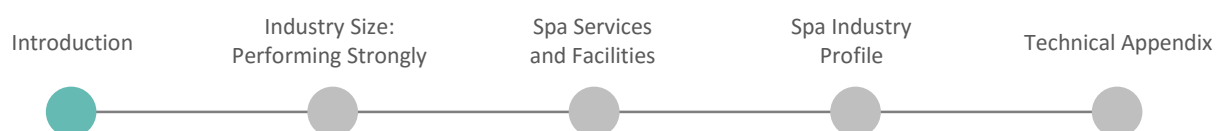
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Introduction

This report presents the findings from the 2019 U.S. Spa Industry Study. The study was commissioned by the International SPA Association (ISPA).

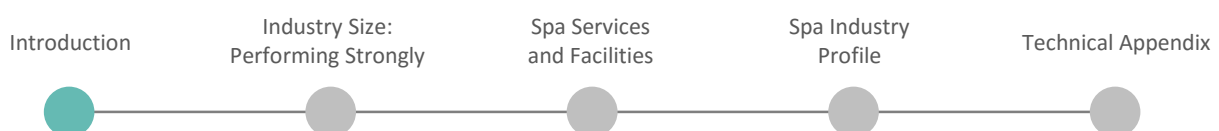
Established in 1991, ISPA has been recognized worldwide as the professional organization and voice of the spa industry, representing health and wellness facilities and providers in more than 70 countries. Members encompass the full spectrum of the spa experience, from resort/hotel, destination, mineral springs, medical, cruise ship, club and day spas, to service providers such as physicians, wellness instructors, nutritionists, massage therapists and product suppliers.

ISPA advances the spa industry by providing educational and networking opportunities, promoting the value of the spa experience and speaking as the authoritative voice to foster professionalism and growth.

This 2019 study marks the twentieth anniversary of the Spa Industry Study, which was first conducted in 2000 highlighting the spa industry in 1999. The study has been conducted on an annual basis since 2010. Prior to 2010, industry studies were also conducted in the 2002, 2004, 2006 and 2007. Shorter-tracking studies were commissioned in 2003, 2005, 2008 and 2009.

This report presents the state of the industry in 2018, as indicated by total revenues, spa visits, average revenue per visit, the number of spa locations and staffing levels. These are referred to as the 'Big 5' statistics. The information required to compile the 'Big 5' statistics was collected through a large nationwide survey of spa businesses which was conducted in spring 2019.

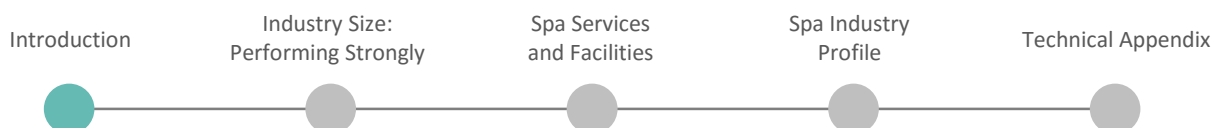
The 2019 Survey also collected information on a range of employment related issues, including: compensation levels of full-time employees in the spa industry; compensation structures for service provider employees (estheticians, massage therapists and nail therapists); and unstaffed positions. Those topics are the subject of a separate supplementary report, which is being provided only to survey respondents.



Research Objectives

The research objectives of the 2019 U.S. Spa Industry Study are as follows:

- Determine the size of the spa industry in the United States, specifically in terms of the 'Big 5' statistics:
 - Number of establishments
 - Revenues
 - Number of visits
 - Revenue achieved per visit and
 - Employment.
- Estimate the growth rate of the industry.
- Determine current and future industry trends and challenges.
- Develop a profile of the U.S. spa industry using criteria such as regional distribution, spa type, ownership structure and service/product offerings.
- Evaluate compensation levels of full-time employees within the spa industry. A separate supplementary report has been prepared on that topic.
- Manage the ISPA database of key industry statistics.



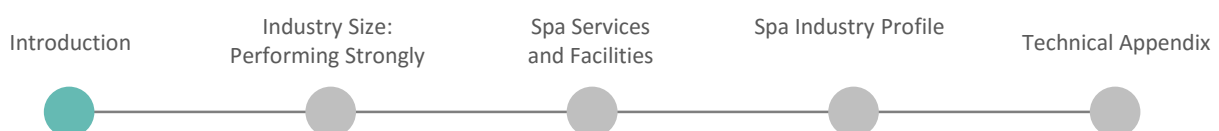
Definitions

For the purpose of the ISPA study, a spa is defined as a place of business that enhances the overall well-being of a person through a variety of professional spa services that encourage the renewal of mind, body and spirit. To be qualified as a spa, a business must offer at least two of the following three services: massage (full body); skin care treatments (i.e. facials); or body treatments (i.e., hydrotherapy or body wraps/scrubs).

The spa industry categories used in this study are as follows:

- Club spa: Primary purpose is fitness. Offers a variety of spa services on a day-use basis.
- Day spa: Offers spa services to clients on a day-use basis.
- Destination spa: Historically a seven-day stay, encompassing spa services as part of a program whose primary purpose is guiding individual spa-goers to develop healthy habits.
- Medical spa: Operates under the full-time on-site supervision of a licensed health care professional. Primary purpose is to provide comprehensive medical and wellness care in an environment that integrates spa services.
- Mineral springs spa: Offers on-site source of natural mineral, thermal or sea water used in professionally administered hydrotherapy services.
- Resort/Hotel spa: A spa located within a resort or hotel.

Throughout the report, data is analyzed by type of spa. Day and resort/hotel spas are generally listed with the remaining spas combined into the 'other' spa category, due to their sample sizes in the survey undertaken for this study.



Structure of Report

The remainder of the report is structured as follows:

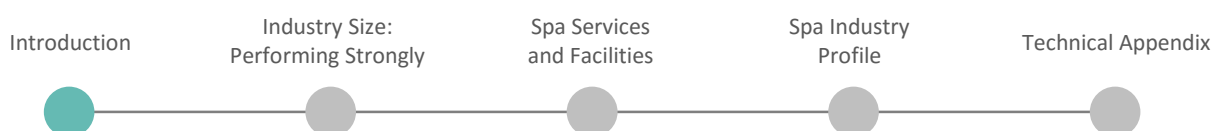
Section 2 Industry Size – Performance and Prospects: This section provides an industry level overview and begins with the estimated 2018 out-turn for the 'Big 5' statistics. It then reviews recent trends in key business indicators before concluding with a look ahead to 2019, including respondents' views on the next big new trends that will shape the spa industry.

Section 3 Spa Services and Facilities: This section presents a picture of the facilities and services that spas offer to their visitors. This section comprises four main parts, including the range of services and treatments offered by spas, the retail component and their programs and treatment offerings in 2018. For the 2019 study, spas were also asked whether they had CBD (cannabidiol) offerings available in 2018 and the range of online booking features that they had in place in 2018.

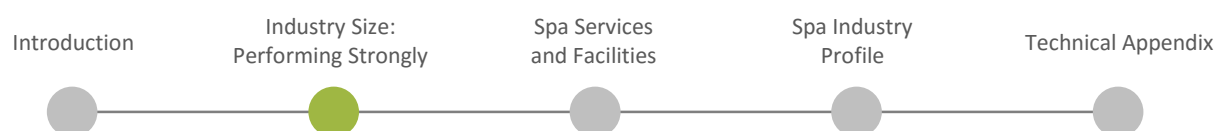
Section 4 Spa Industry Profile: This section presents a profile of spa establishments, including composition by type of spa, size differences and the geography of the industry.

Section 5 Technical Appendix: This section contains further more detailed information on how the survey was undertaken.

Note: All percentage calculations are based on un-rounded figures; therefore, totals or sub-totals may differ due to rounding.



Section 2 | Industry Size: Performance and Prospects



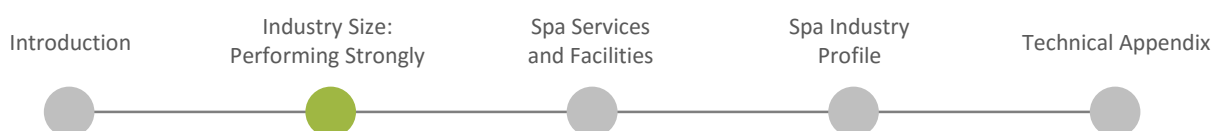
Section 2: Introduction

This section presents the survey findings for the size of the U.S. spa industry.

The following topics are addressed:

- What is the size of the spa industry in the U.S., as measured by revenues, visits, locations and employment?
- What is the average revenue per client visit?
- What are the recent trends in client visits, spending per client visit, revenue and staffing?
- How did the sector perform in terms of profitability in 2018?
- Looking ahead – what do the survey respondents believe will be the next big new trends that will shape the U.S. spa industry?

This section commences with an overview on the national economic context, especially the pace of growth in the U.S. economy during 2018 and into the first quarter of 2019.



The Economic Context

Across a range of indicators, the U.S. registered strong growth in 2018, at a pace that has carried through to 2019.

As measured by the Gross Domestic Product (GDP), in 2018 the U.S. economy grew at 2.9%, up from 2.4% in 2017. The economy has now recorded positive GDP growth for nine years in a row. The pace of growth remained solid through the first quarter of 2019 (+3.1%), albeit ticking down to 2.1% in the second quarter.

Employment continued on an upward trajectory, rising by 1.7% in 2018. New jobs continued to be added in the first two quarters of 2019, at an annualised rate of 1.6% in the first quarter and 1.7% in the second quarter. With labor demand remaining on an upward path, the unemployment rate continued to tick downwards, falling below 4% in 2018. By mid-2019, the unemployment rate had dropped to 3.7%.

Spurred by growth in the number of jobs, compensation of employees rose by 5% in cash terms in 2018. Personal consumption expenditure on services has also been growing, up 2.5% in 2018 in real terms (after adjusting for inflation) and 5.3% in cash terms. The trend in consumption expenditure has been more mixed in the first two quarters of 2019.

Inflation picked up slightly in 2018, with the Consumer Price Index up by 2.4% compared to a rise of 2.1% in 2017. Through the first half of 2019, however, price inflation has dropped back below 2%.

The U.S. economy:

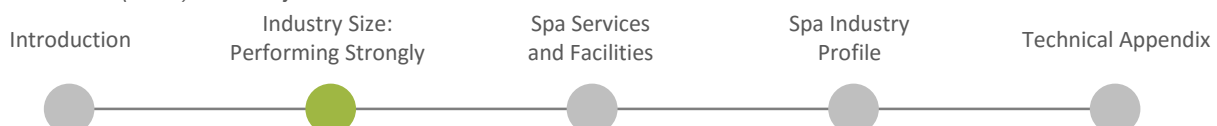
Selected indicators, annual percent change

	2017	2018	2019(Q1)	2019(Q2)
GDP (Constant 2009 \$)	2.4%	2.9%	3.1%	2.1%
Employment	1.6%	1.7%	1.6%	1.7%
Unemployment	4.4%	3.9%	3.8%	3.7%
Compensation of Employees				
Current \$	4.5%	5.0%	9.2%	4.7%
Personal Consumption Expenditure *				
All services				
Current \$	4.5%	5.3%	2.3%	5.3%
Constant (2009) \$	2.0%	2.5%	1.0%	2.5%
Consumer Price Index				
All items	2.1%	2.4%	1.9%	1.6%

Sources: Bureau of Economic Analysis (BEA); Bureau of Labor Statistics.

*Personal consumption expenditure is a measure of how much consumers spend on durable goods, consumer products, and services. The figures shown above relate to spending on services.

GDP, income and expenditure data extracted from revised estimates published by BEA in July 2019. Rates shown in constant (2009) \$ are adjusted for inflation.



The Big Five Statistics: 2018 Out-Turn and Percent Change Over 2017

Each of the Big 5 statistics registered positive growth in 2018.

Total spa industry revenue is estimated to have increased from \$17.5 billion in 2017 to \$18.3 billion in 2018, a rise of 4.7%.

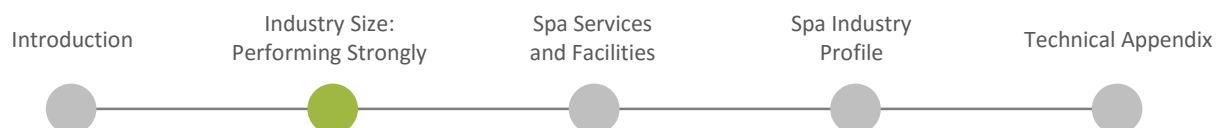
The number of spa locations increased from 21,770 in 2017 to 22,160 in 2018, a rise of 1.8%.

Spa visits rose by 1.6%, reaching 190 million in 2018.

The average revenue per visit increased to \$96.5, representing a 3% advance on the 2017 average of \$93.7.

Total employment is estimated to have grown by 1.6% to 377,900. Spas added part-time employees at a faster pace (+2.6%) than full-time jobs (+0.6%). In contrast to previous years, the number employed on a contract basis is estimated to have increased slightly in 2018 (+.4%).

	2017 (Year End)	2018 (Year End)	% Change
Revenue	\$17.5 billion	\$18.3 billion	4.7%
Spa visits	187 million	190 million	1.6%
Locations	21,770	22,160	1.8%
Revenue per visit	\$93.7	\$96.5	3.0%
	2018 (May)	2019 (May)	% Change
Total Employees	372,100	377,900	1.6%
Full-Time	170,900	172,000	0.6%
Part-Time	173,900	178,500	2.6%
Contract	27,300	27,400	0.4%



Spa Establishments

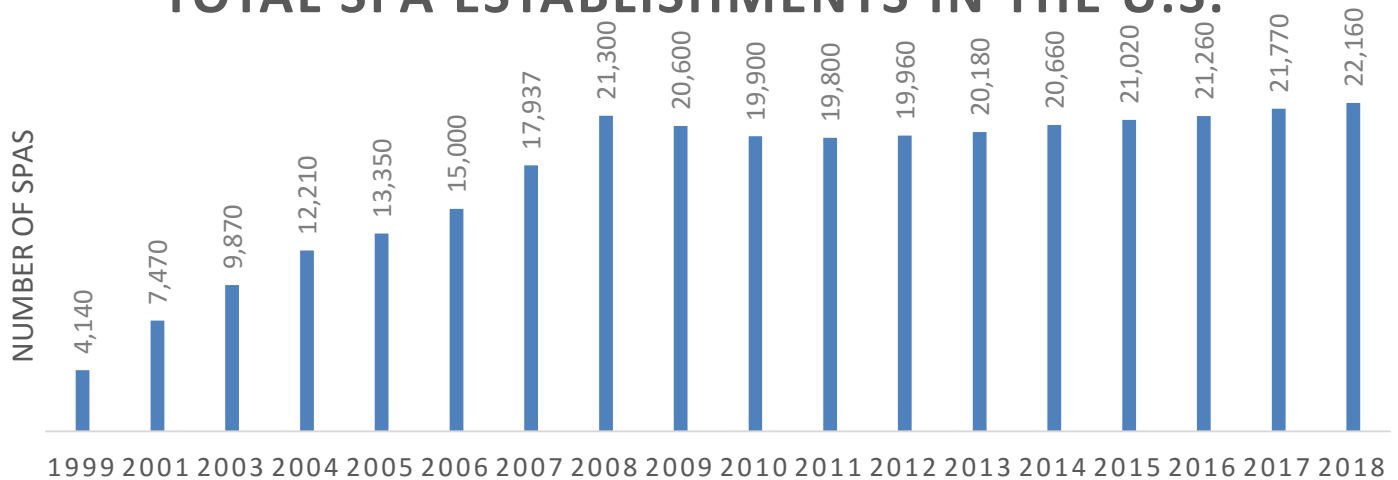
In 2018, spa openings out-paced spa closures by nearly 400, bringing the number of spa locations to a record level of 22,160, representing a 1.8% increase on the 2017 position (21,770 locations).

The number of spa locations is estimated to have risen from 21,770 in 2017 to 22,160 by the end of 2018, an increase of 1.8%. The number of locations has now surpassed 22,000 for the first time.

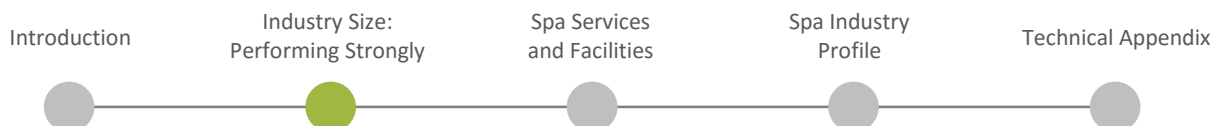
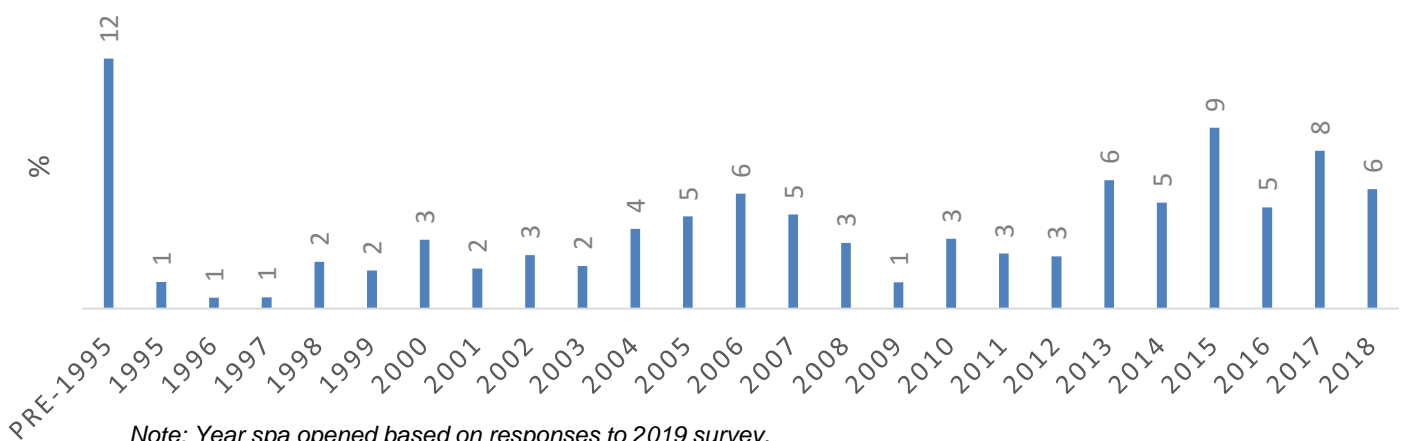
The increase in the number of spa locations reflects the excess of new spa openings over closures of existing spas.

In 2018, there were an estimated 940 new spa openings, adding 4.3% to the number of spas in operation at the end of 2017. The new spa openings were partly offset by an estimated 540 spa closures over the course of 2017 (-2.5%). The net effect was the addition of nearly 400 spa locations by the end of 2018 (+1.8%).

TOTAL SPA ESTABLISHMENTS IN THE U.S.



YEAR SPA OPENED



Establishments by Type of Spa

Day spas continue to predominate within the spa industry, accounting for just over 79% of the total of 22,160 establishments, followed by resort/hotel (9%) and medical spas (8%).

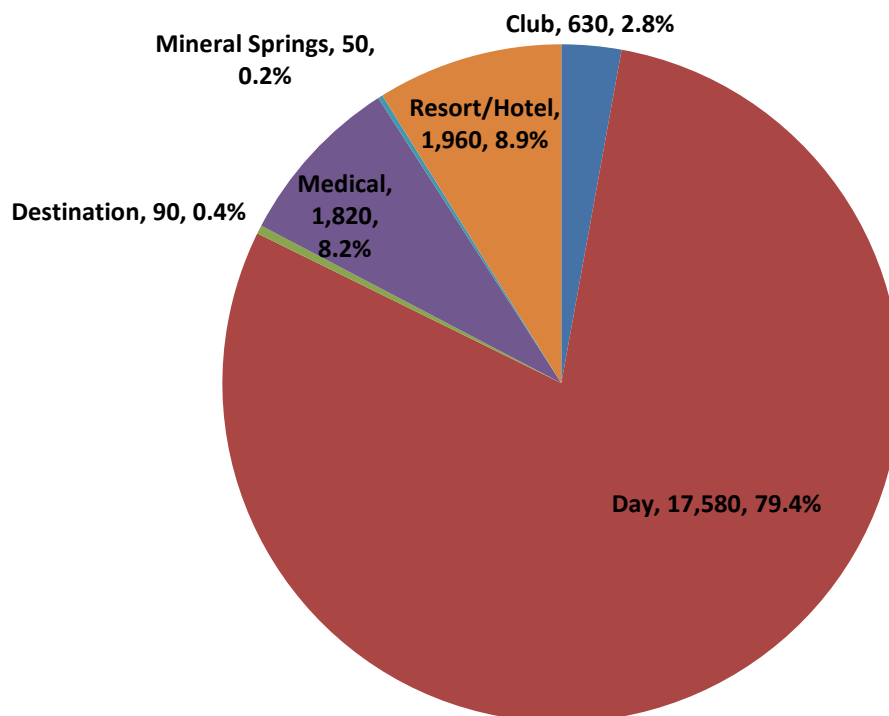
According to the latest industry study estimates, there are now 17,580 day spa establishments operating across the U.S., an increase of 1.4% compared to the 2017 estimate (17,330).

The number of resort/hotel spas at the end of 2018 is estimated at 1,960, representing a rise of 4.3% on the 2017 level (1,880).

The number of medical spas is estimated at 1,820, a rise of 2.5% compared to 2017.

Club spa locations are estimated to have risen to 630, an increase of 1% compared to the number of such spas in 2017.

Type of spa



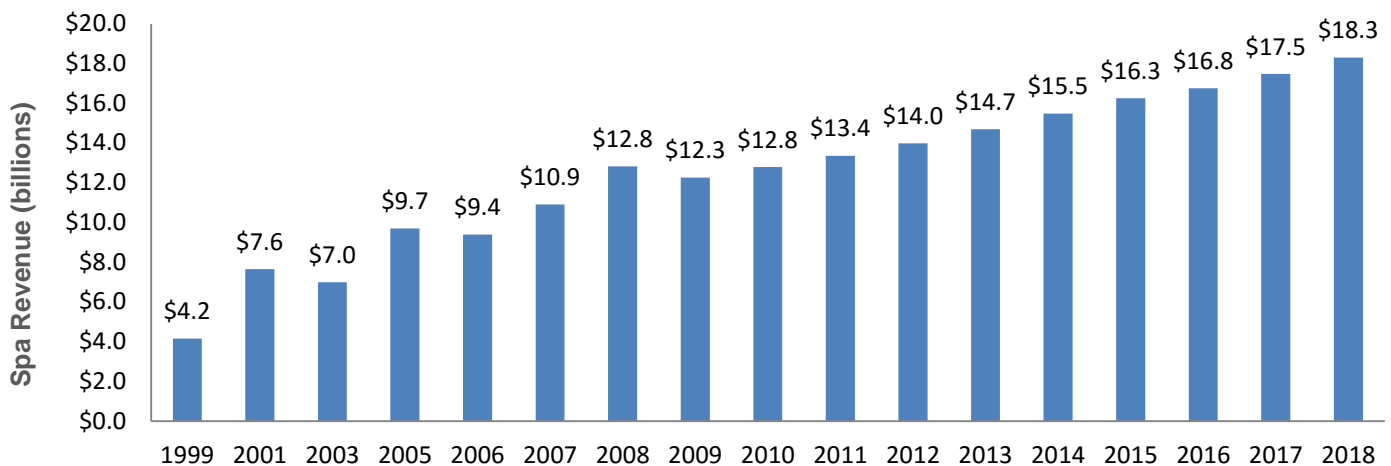
Spa Revenues

Now into its ninth successive year of expansion, the spa industry posted a solid growth performance in 2018.

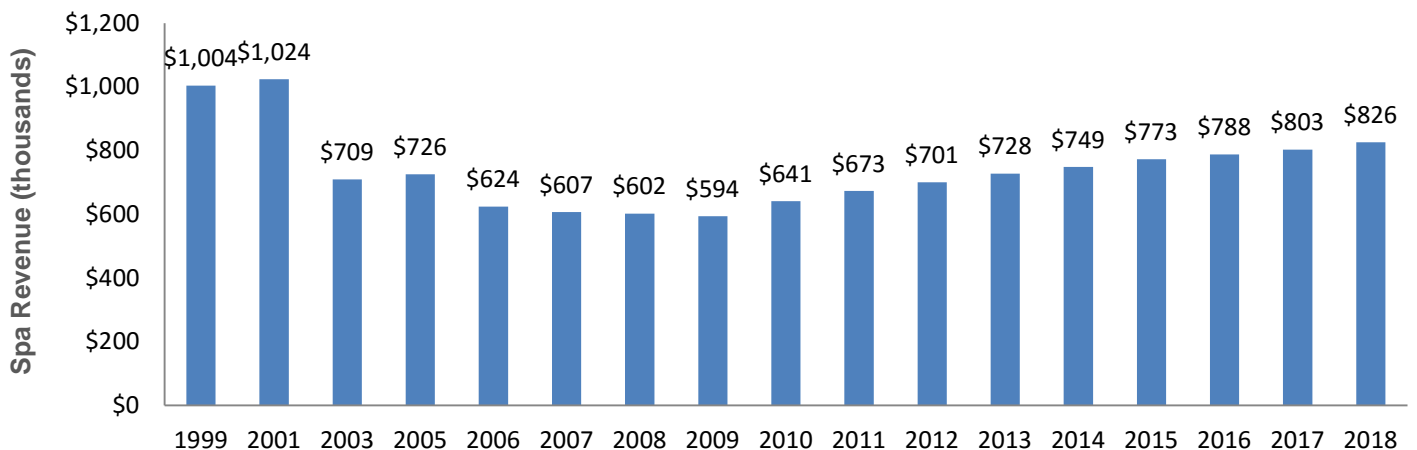
Total spa revenues for 2018 are estimated at \$18.3 billion, an increase of \$0.8 billion (+4.7%) on total revenue in 2017 (\$17.5 billion).

Spa industry revenues have now passed the \$18 billion threshold and, with average revenue per spa establishment reaching \$826,000, the 2018 out-turn represents a further positive step forward for the industry.

Total spa revenue in the U.S. (billions)



Average revenue per establishment (thousands)



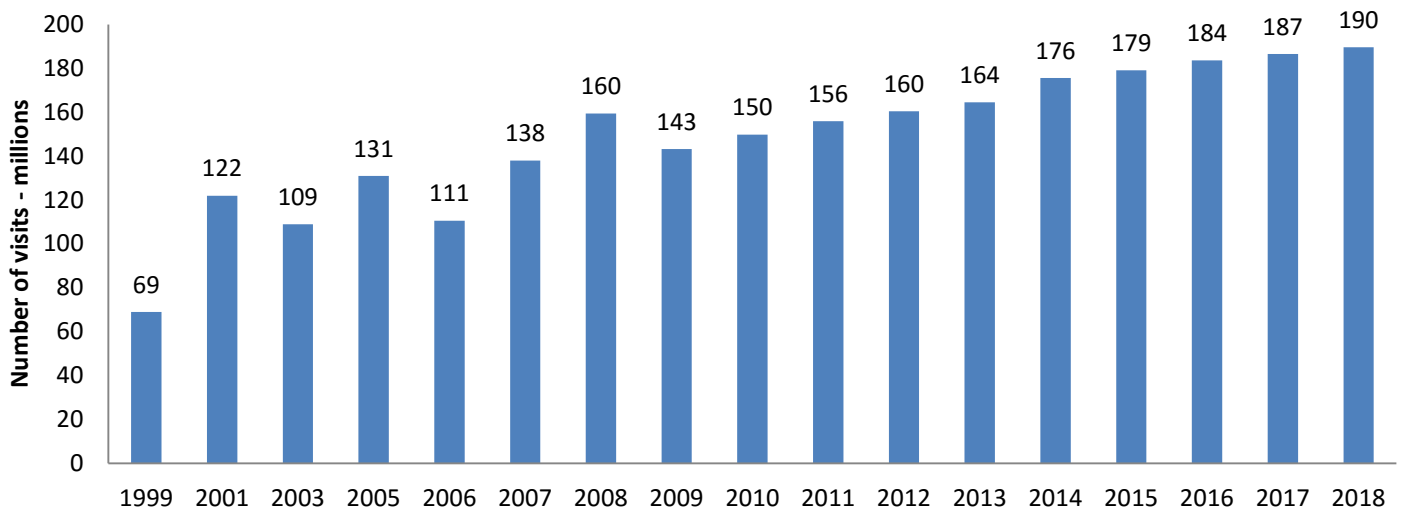
Spa Visits

The total number of visits to spa establishments is estimated to have risen from 187 million in 2017 to 190 million in 2018.

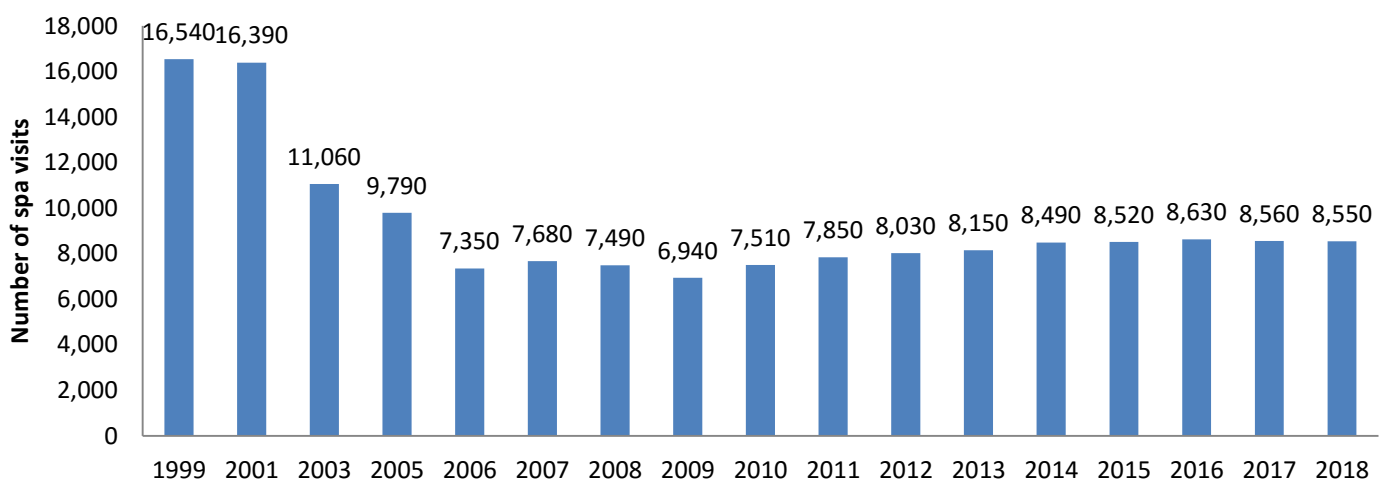
In 2018, total spa visits were 1.6% higher than in 2017.

With the number of spa establishments growing at a comparable pace to the rise in visits, the average number of visits per spa in 2018 (8,550) was very similar to the 2017 average (8,560).

Total spa visits in the U.S. (millions)



Average visits per establishment



Average Spa Revenue Per Visit

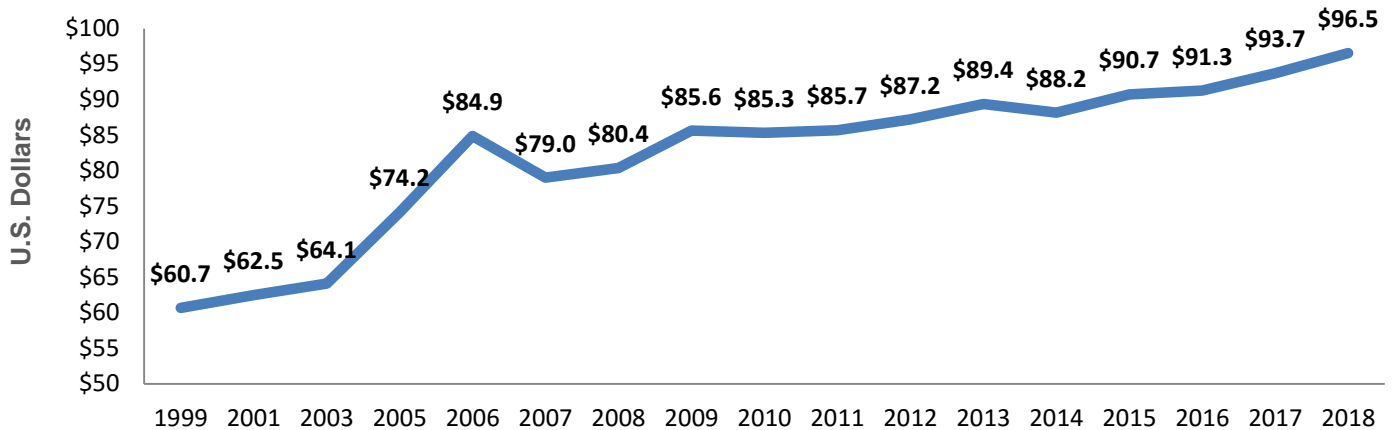
The average revenue per visit in 2018 is estimated at \$96.5, an increase of 3% on the 2017 out-turn.

The 3% increase in the average spa revenue per visit reflects the faster pace of revenue growth (+4.7%) when compared with the increase in revenues (+1.6%).

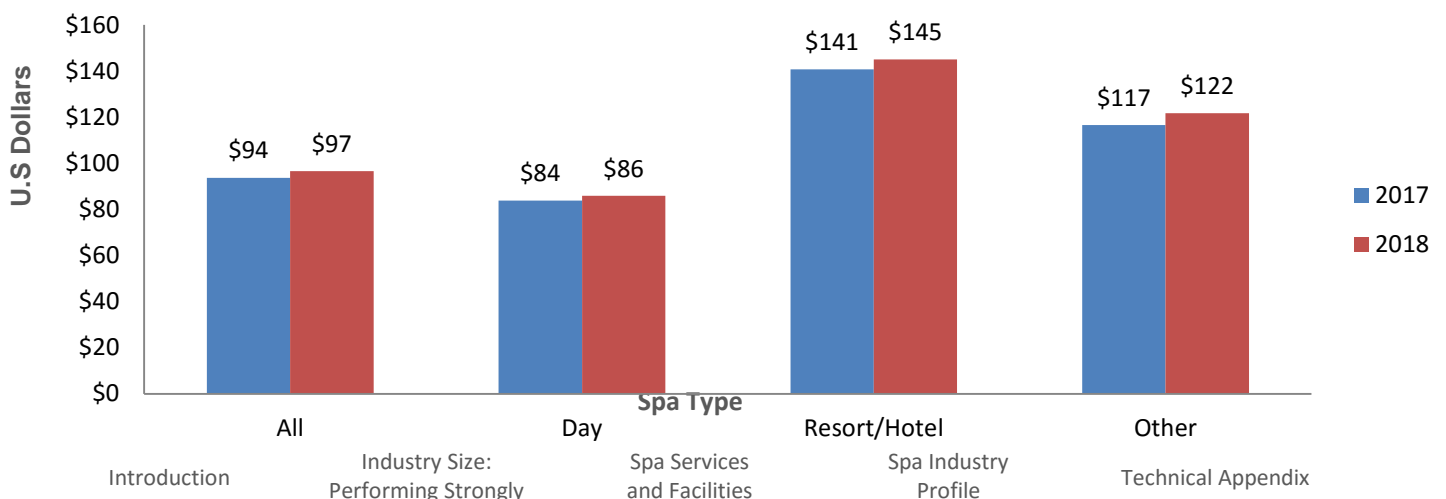
Average spend per visit also varies by spa type, ranging from \$86 for day spa visits to \$145 for resort/hotel visits. Compared to 2017, day spas are estimated to have seen a 2.5% rise in average revenue per visit with resort/hotel spas gaining a 3.1% increase.

The average amount that clients spend when they visit a spa is influenced by a range of factors, including the mix of services and treatments that clients purchase and the pricing of those services in a competitive market. Nonetheless, it can be seen from the historical trend that the per-visit average has been moving in a broadly upward direction. Since 2014, spa revenue per visit has averaged growth of 2.3% per annum.

Average revenue per spa visit (\$)



Spa revenue per visit



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Employment

Overall total employment is estimated to have risen to 377,900 as at May 2019, a rise of 5,800 (+1.6%) compared to the same period in 2018 (372,100).

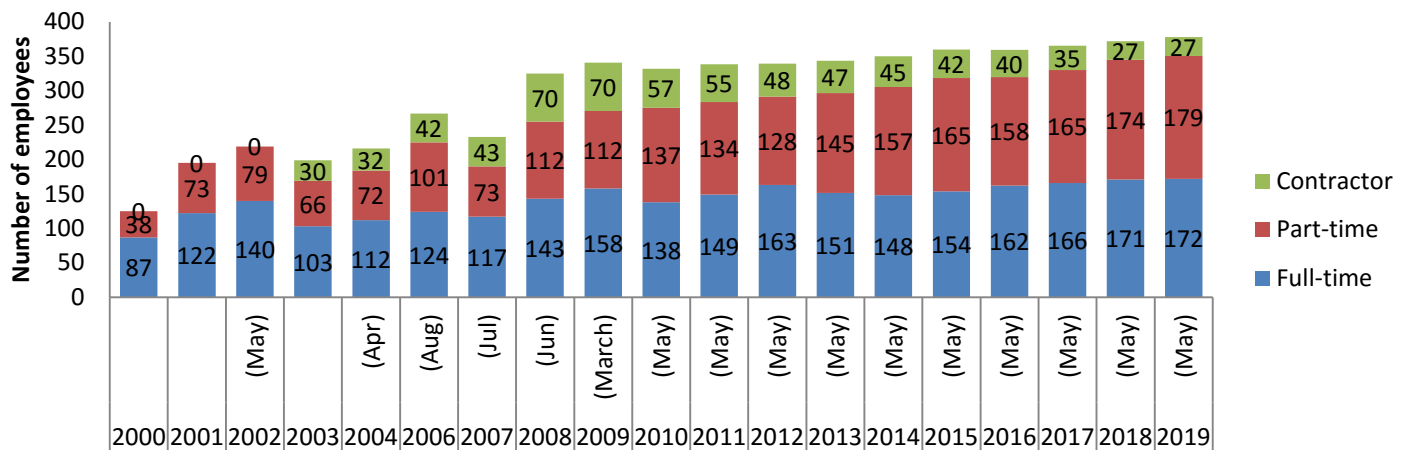
The number of full-time employees is estimated to have risen from 170,900 in 2018 to 172,000 in 2019, a net increase of 1,100 (+0.6%). The part-time employee count is estimated to have risen at a faster pace (+2.6%), with a net number of new hires adding 4,600 to the spa workforce.

The number of part-time workers is estimated to have risen from 173,900 in 2018 to 178,500 in 2019. In recent years, the part-time workforce has tended to grow more quickly than the full-time complement so that, as of May 2019, the number of part-time workers exceeded the number of full-time employees by a margin of 6,500.

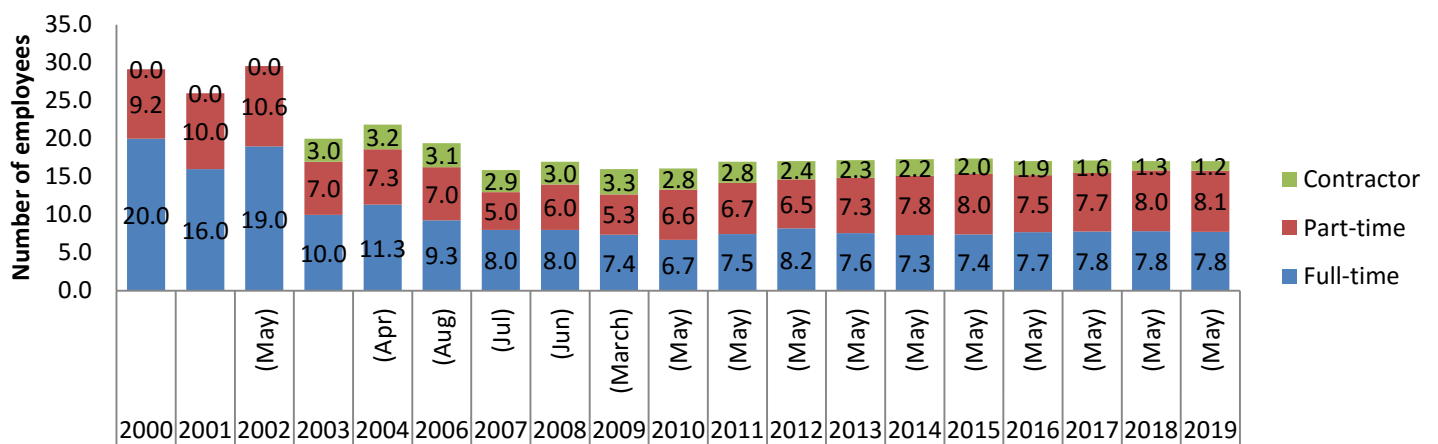
The number of independent contractor positions is estimated to have risen slightly, from 27,300 in May 2018 to 27,400 by May 2019. The estimated stability in the number of independent contractor positions can be contrasted with the historical trend, from 2007 onwards, of a steadily reducing number of such workers. As with any survey, there is a degree of uncertainty around the estimates and further data points will be required to identify whether the 2019 result signals a reversal of the historic trend that will be sustained into the future.

Note: On average, spas consider service providers need to work 30 or more hours per week to be considered a full-time employee.

Total employees in the U.S. (thousands)



Average employees per establishment



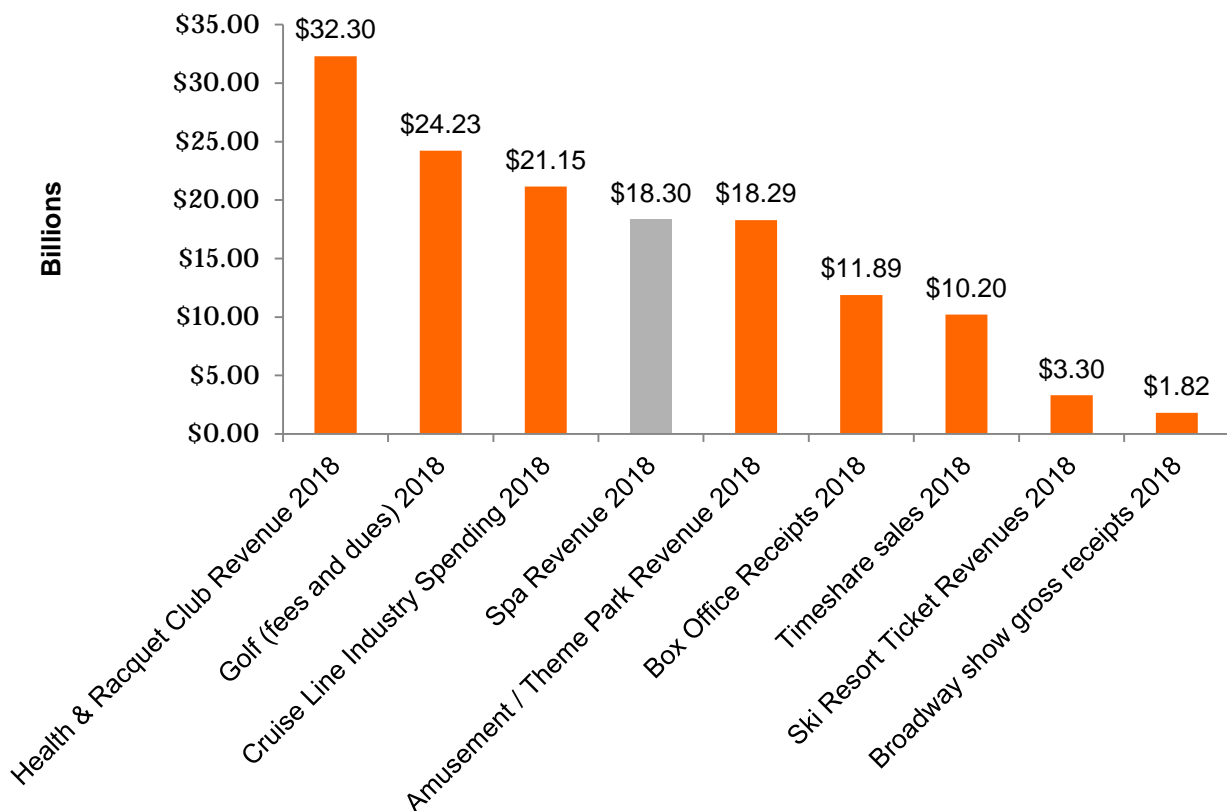
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Comparative Size of the Spa Industry

The accompanying chart shows the size of the spa industry in 2018 compared with the estimated sizes of other U.S. leisure industries, as measured by annual revenues. With revenues of \$18.3 billion in 2018, the spa industry falls within the middle of the range of leisure industries shown below.

Based on the updated industry estimates, the 2018 ranking in revenue terms across the various leisure industries has remained broadly unchanged from the position in 2017.

Estimated sizes of U.S. Leisure Industries



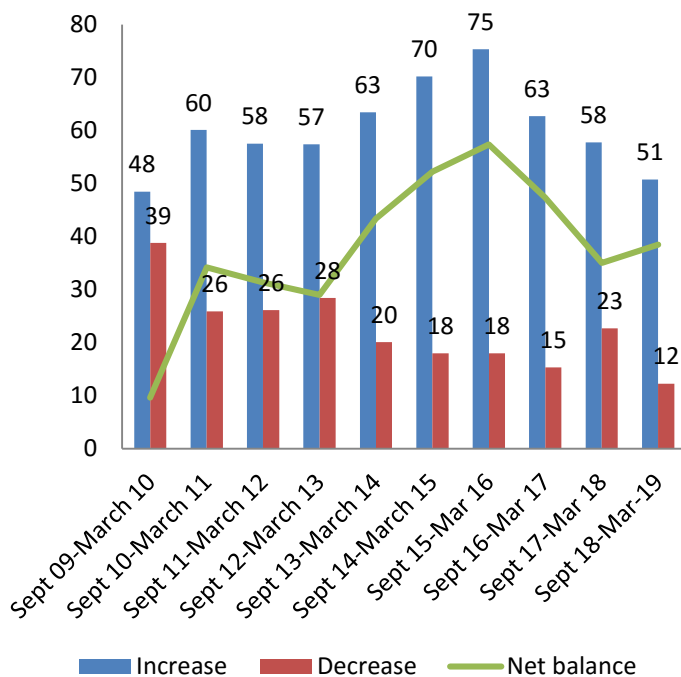
Recent Demand Trends

In order to track more recent trends in the industry, survey respondents were asked to say whether, in the period from September 2018 to March 2019, they had experienced an increase, decrease or no change in relation to client visits, spending, revenue and staffing levels, when compared to the same period the previous year.

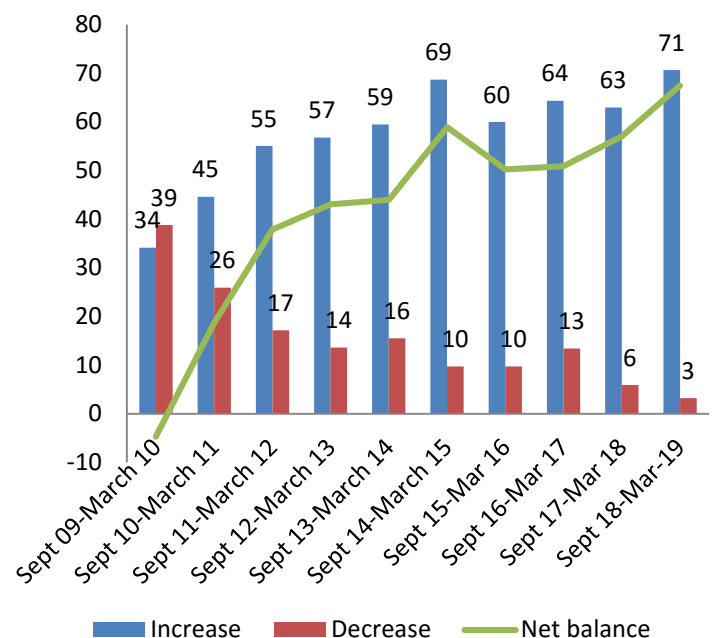
A little over one in two spas (51%) said that spa visits had increased in the period September 2018 to March 2019. One in eight spas (12%) said that visits were down. The net balance between the proportion reporting an increase (51%) and those reporting a decrease (12%) was +39%, slightly up on the six-month period to March 2018 when the net balance was +35%.

By contrast, spending per visit remains on an upward trend. Over seven in 10 spas (71%) said that spending per visit was up in the period September 2018 to March 2019, compared to 3% reporting a reduced spend per visit. Therefore, the net balance (+67%) was strongly positive and represented a ten point rise in the period to March 2018 (+57%).

Visits



Spending per visit



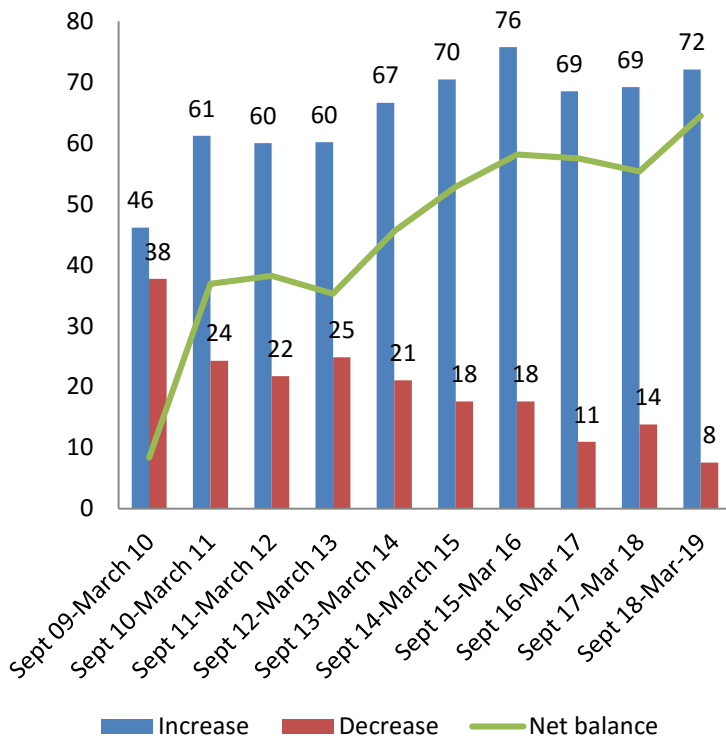
Recent Demand Trends

For the majority of spas (72%), revenues were increasing in the six months from September 2018 to March 2019. Staffing levels were mostly stable, with 25% reporting an increase and 10% a decrease, leaving 65% with an unchanged workforce.

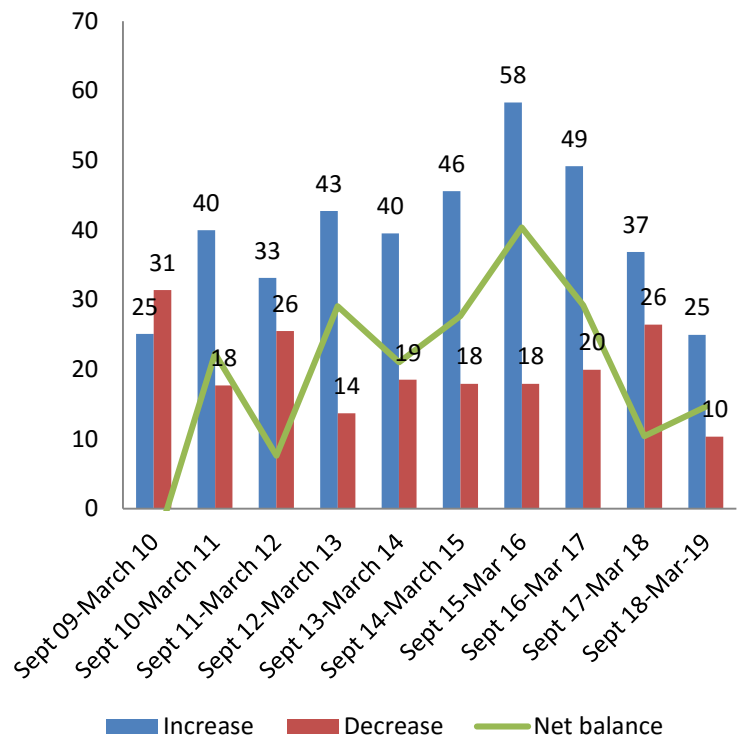
Over seven in 10 spas (72%) said that revenues had increased in the six months from September 2018 to March 2019 compared to the same period in the previous year. Fewer than one in 10 (8%) reported a decrease, giving a positive net balance of +65%, up from +55% in the six-month period September 2017 to March 2018.

One in four spas (25%) said they had increased staffing levels in the last six months compared to the same period in the previous year with 10% reporting that their staffing levels were decreasing. While there was a positive net balance (+15%), the majority of spas (65%) said that their staffing levels had remained unchanged in the six months to March 2019 compared to the same period in the previous year.

Revenue



Staffing



Recent Demand Trends by Spa Type

The survey results for recent demand trends by type of spa are shown in the table overleaf and summarized below.

The main point to note is that on each of the indicators considered, more spas said they were experiencing an increase rather than a decrease compared to the same period 12 months previously.

Spa visits

In the six months from September 2018 to March 2019, resort/hotel spas were most likely to report an increase in spa visits, with almost two in three (66%) saying visits were up compared to fewer than one in two day spas (45%). Among day spas, 13% said visits had decreased, giving a positive net balance of +32% of spas reporting increasing rather than decreasing levels of visits. The net balance in the resort/hotel sector was higher, at +53%.

Client spending per visit

Within both the day spa and resort/hotel spa sectors, large majorities said that client spending per visit had increased in the six-month period from September 2018 to March 2019; 69% of day spas and 76% of resort/hotel spas. Among day spas, just 2% said spending per visit was decreasing, giving a positive net balance of +67%. At +66%, the net balance in the resort/hotel sector was almost identical.

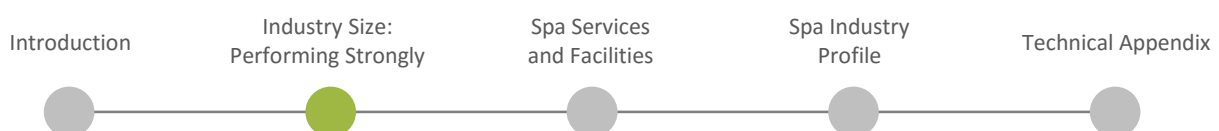
Revenues

A broadly similar picture was apparent in respect of revenues. In the day spa sector, 70% said revenues had increased while just 7% reported a decreasing trend, giving a positive net balance of +63%. Within the resort/hotel sector, 78% reported an increasing trend while fewer than one in five (16%) said revenues were decreasing, giving a net balance of +62%.

Staffing levels

The majority of day spas (71%) said that their staffing levels had remained unchanged in the six months to March 2019 compared to the same period in the previous year. One in five (20%) said they were increasing staffing levels while 9% reported a reducing trend, giving a net balance of +11%. In the resort/hotel sector, spas were also more likely to say that their staffing levels were unchanged (43%). A little under one in three resort/hotel spas (31%) said they had increased staffing levels compared with 26% reporting a decreasing trend, giving a net balance of +5%.

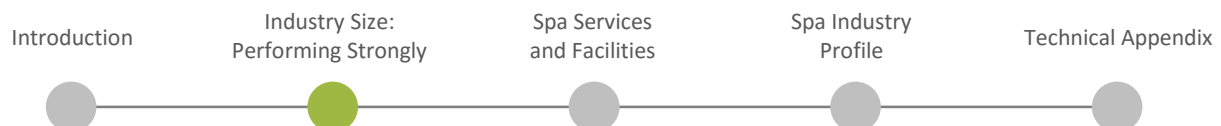
Staffing issues, including unfilled positions and compensation levels, are examined in greater detail in the Compensation Report, published separately.



Recent Demand Trends

Experienced increase in past six months (September 2017 to March 2018):

Spa visits	All	Day	Resort/Hotel	Other
Decreased	12%	13%	13%	5%
No change	37%	42%	21%	17%
Increased	51%	45%	66%	78%
Client spending per visit				
Decreased	3%	2%	10%	4%
No change	26%	29%	13%	20%
Increased	71%	69%	76%	76%
Revenue				
Decreased	8%	7%	16%	4%
No change	20%	23%	6%	12%
Increased	72%	70%	78%	84%
Staffing levels				
Decreased	10%	9%	26%	6%
No change	65%	71%	43%	39%
Increased	25%	20%	31%	55%



Profitability

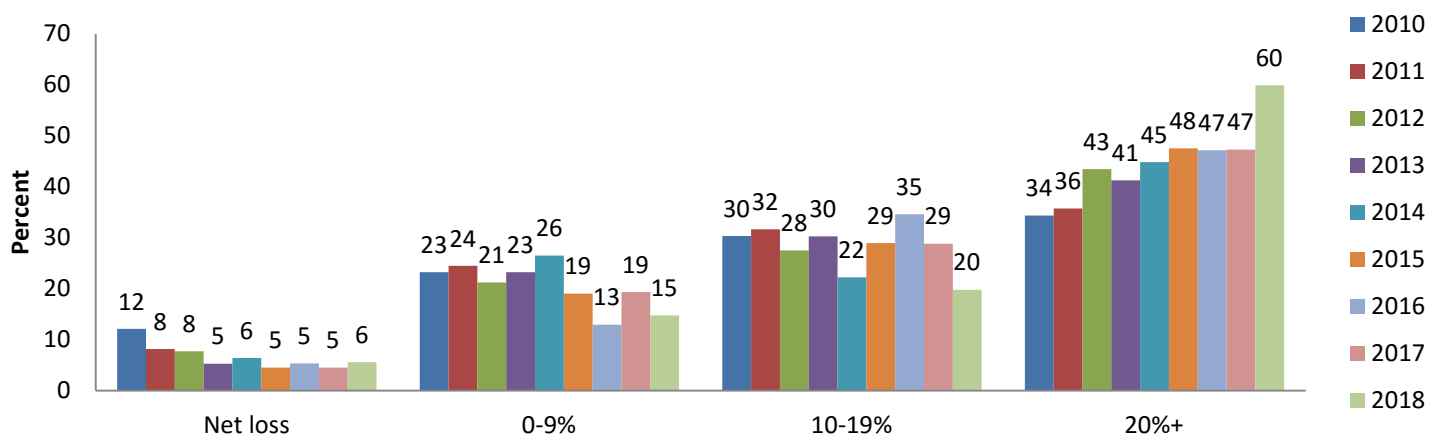
In the resort/hotel sector, six in 10 spas (60%) said their spa profit percentage was 20% or more, up from 47% in 2017. The profitability performance of spas in other sectors also showed an improvement in 2018. Excluding the resort/hotel sector, 75% of spas reported a 2018 profit percentage before fixed charges of 10% or more, up from 70% in 2017. Only 3% reported a net loss in 2018.

Since many resort/hotel spas are part of a larger enterprise, survey respondents in the resort/hotel sector were asked to give their approximate spa profit percentage for the spa operation only and not the entire business. All other types of spa establishments were asked to give the approximate spa profit before fixed charges percentage.

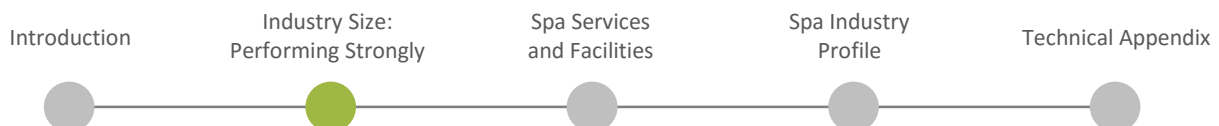
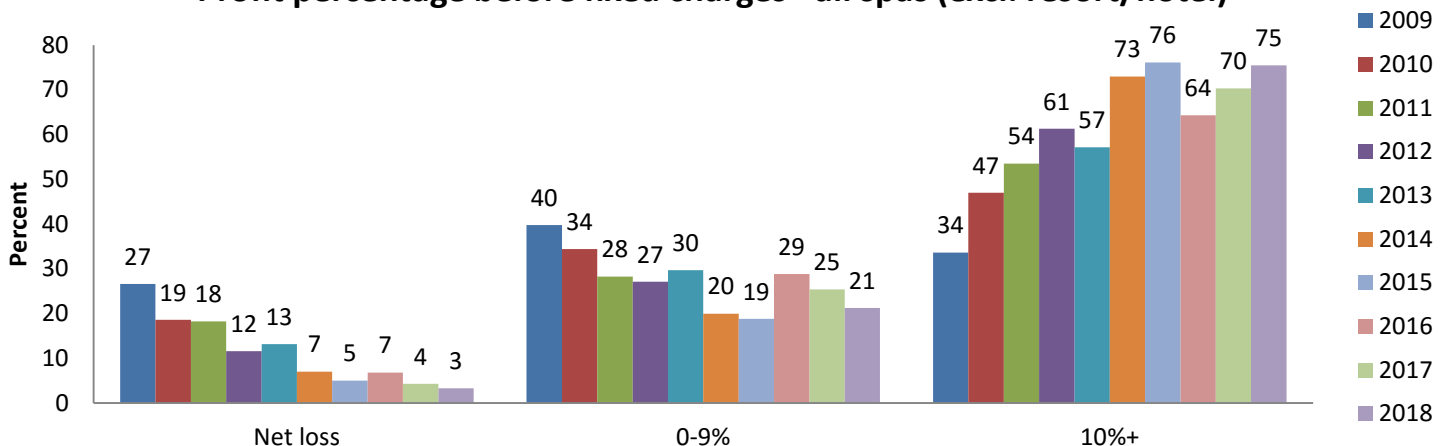
Within the resort/hotel sector, six in 10 spas (60%) reported a spa profit percentage in excess of 20% for 2018, up from 47% in 2017. In total, 35% of resort/hotel spas reported a profit percentage in the range 0-19%, down from 48% in 2017.

Excluding the resort/hotel sector, 75% of spas reported a 2018 profit percentage of 10% or more, an increase compared to the 2017 out-turn, when 70% reported profits of 10% or more. There was a corresponding decrease in the proportion of spas with a more modest profit performance, in the range 0% to 9%, down from 25% in 2017 to 21% in 2018.

Spa profit percentage - resort/hotel spas



Profit percentage before fixed charges - all spas (excl. resort/hotel)

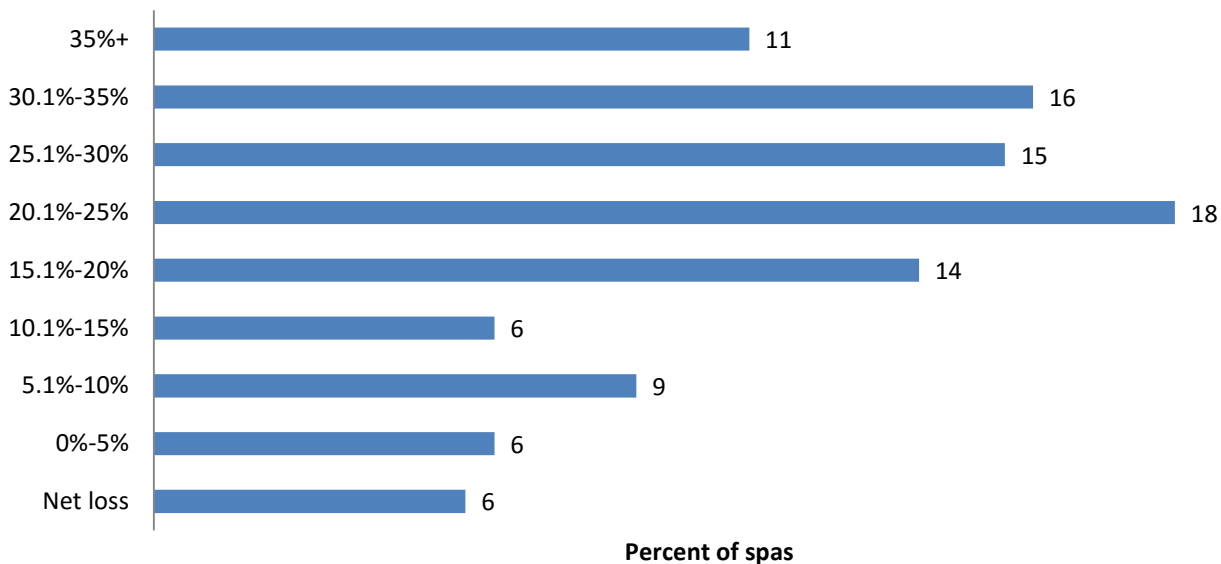


Profitability

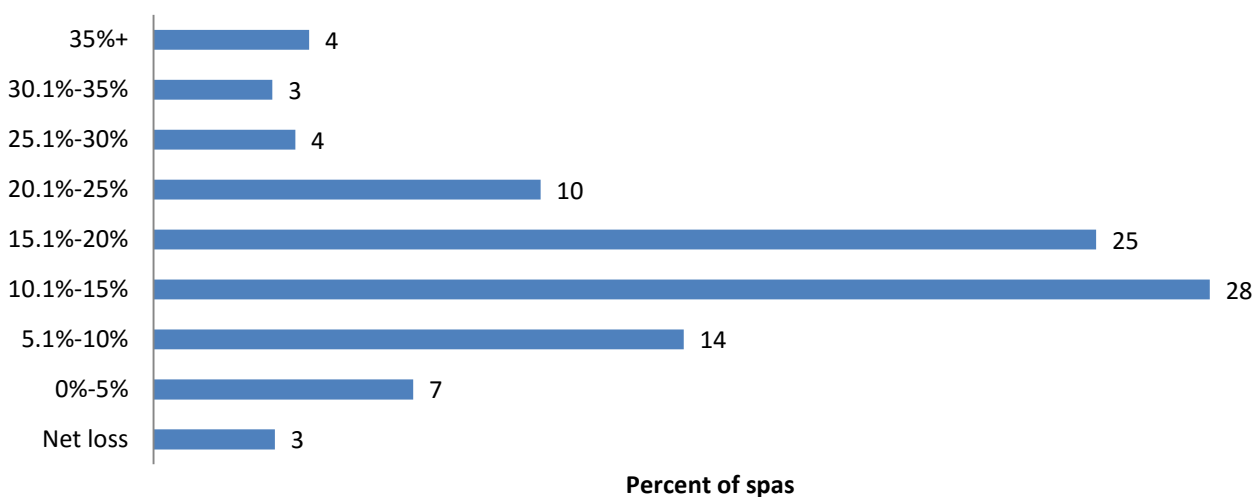
The detailed profit percentage results indicate that, in resort/hotel spas, in 2018 the most frequently reported profit percentage was in the range 20.1%-25% (18% of spas). Most notably, however, the distribution of spa profit percentages was skewed towards the 25.1% and above ranges.

Excluding the resort/hotel sector, the most frequently cited profit percentage before fixed charges was 10.1-15% (28% of spas). One in four (25%) reported a profit percentage in the range 15.1-20%.

Spa profit percentage, 2018 - Resort/hotel spas



Profit percentage before fixed charges, 2018 (All spas excluding resort/hotel spas)



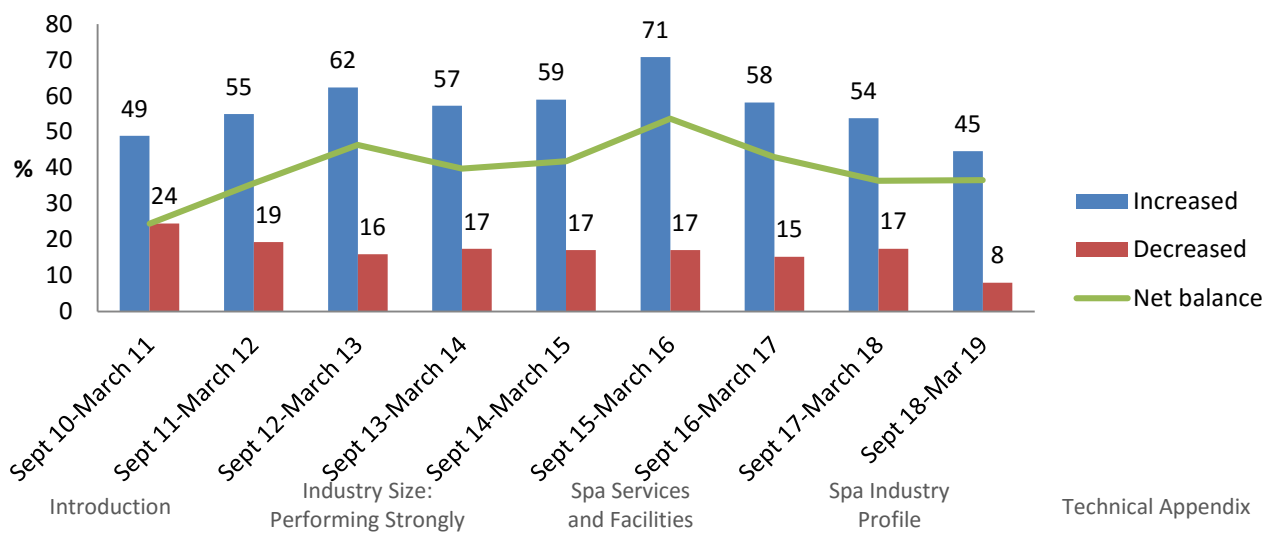
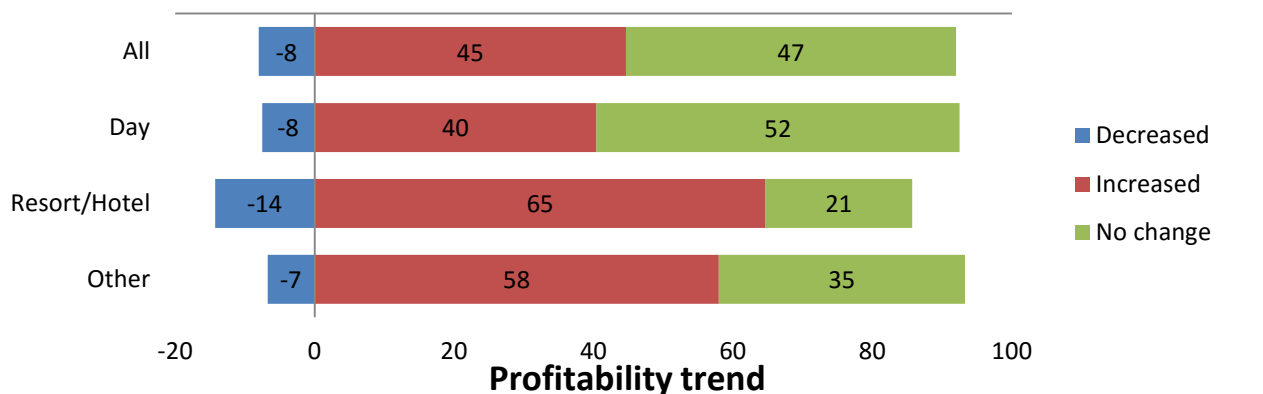
Profitability: Recent Trends

When asked about their more recent experience in the six months prior to the survey (September 2018 to March 2019), almost one in two spas (45%) said that profitability had improved compared to the same period one year previously. Fewer than one in 10 (8%) said profitability was on a decreasing trend, giving a net positive balance in favor of an increasing trend of 37% (the difference between spas reporting an increase and those reporting a decrease).

The positive net balance in profitability was apparent across the different spa industry sectors. The proportion reporting increased profitability over the six months September 2018 to March 2019 ranged from 40% in the day spa sector to 65% among resort/hotel spas. Relatively few spas said that profitability had fallen in the six-month period; 8% of day spas and 14% of resort/hotel spas.

Compared to previous years, while the proportion of spas reporting increased profitability dropped in the 2019 survey, from 54% in 2018 to 45%, so too did the share of spas saying profitability was reducing (from 17% to 8%). Hence, the net balance for the six months ending March 2019 (+37%) was almost unchanged compared to the period ending March 2018 (+36%).

Profitability by spa type
Experienced in past six months (Sept 2018 to March 2019)



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Looking Ahead

Survey respondents were asked to say what they think will be the next big new trend that will shape the U.S. spa industry.

The main message is that for many respondents, wellness has moved beyond being a trend and is now, to a considerable extent, how the spa industry sees its role: providing services that are part of a healthy lifestyle that focuses on self-care, prevention, managing stress, anxiety and pain, nutrition and keeping mind and body in balance. So, diet counselling, fitness, meditation, sleep therapy, mindfulness, energy work, movement (Pilates/Tai Chi) and other therapies and services are becoming important aspects of the business. However, beauty and luxury/pampering still remain a prominent feature.

Within the wellness theme, the main trends mentioned by spas were as follows:

CBD/Cannabidiol products and treatments. Overwhelmingly the biggest trend, cited by 43% of respondents, either solely or in concert with other trends. Respondents noted the growing number of CBD products and treatments. Retail is also growing fast. CBD is now used in isolation tanks, for pain relief, massage therapy etc.

Alternative, complementary treatments. Salt was cited most often, but other treatments mentioned included: float tanks, cryotanks, LED, oxygen, zero gravity, infrared sauna, forest bathing, halo therapy, Balneology (Waters of Nature), crystals, sound therapy, acupuncture, Reiki and metaphysical treatments, meditation, mindfulness, mind-body, sleep therapy.

Massage. Continues to be very important with new therapies, 'gadgets' and technologies, sometimes in combination with CBD oil. However, getting trained staff is an issue.

Tailored. Customized, personalized 'human touch' treatments; targeted and results driven.

Other trends mentioned included:

Technology. Greater use of technology in treatments, both beauty and wellness. Also to improve operational and customer service functions, such as online booking, administration, customer information and to help mitigate staff shortages.

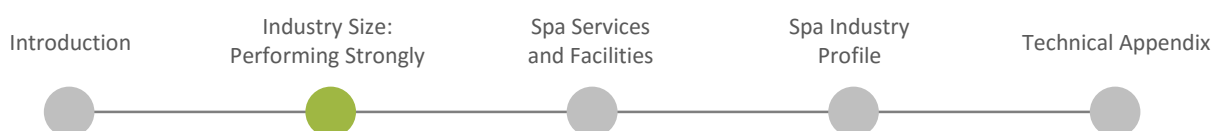
Express. Shorter treatments for time-constrained customers.

Mobile and in-home services. Bringing the treatment to the customer in their offices and homes. Retailing products and packages (advice/products) that customers can take home.

Skincare continues to be a major area with new products and technologies.

Organic, natural and vegan products and treatments.

Market expansion. Targeting new customer groups, in particular men, but also athletes, couples, oncology patients, groups, Gen Z.



Key Points Summary

The industry in 2018: Solid growth

Now into its ninth successive year of expansion, the spa industry posted a solid growth performance in 2018.

Total spa revenues for 2018 are estimated at \$18.3 billion, an increase of \$0.8 billion (+4.7%) on total revenue in 2017 (\$17.5 billion). Spa industry revenues have now passed the \$18 billion threshold and, with average revenue per spa establishment reaching \$826,000, the 2018 out-turn represents a further positive step forward for the industry.

In 2018, spa openings out-paced spa closures by a margin of 400, bringing the number of spa locations to a record level of 22,160, representing a 1.8% increase on the 2017 position (21,770 locations).

The total number of visits to spa establishments is estimated to have risen from 187 million in 2017 to 190 million in 2018 (+1.6%).

Average spend per visit has also been rising, with the average revenue per visit in 2018 estimated at \$96.5, a 3% increase on 2017 (\$93.7).

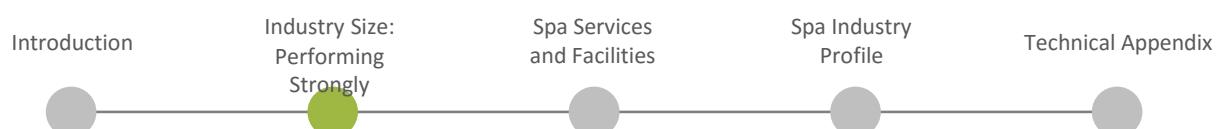
The number of jobs in the spa industry has continued on an upward path. Total employment is estimated to have risen to 377,900 as of May 2019, a rise of 5,800 (+1.6%) compared to the same period in 2018 (372,100).

The number of full-time employees is estimated to have risen from 170,900 in 2018 to 172,000 in 2019, a net increase of 1,100 (+0.6%). The part-time employee count is estimated to have risen at a faster pace (+2.6%), with new hires adding 4,600 part-time jobs to the spa workforce.

The number of independent contractor positions is estimated to have risen slightly, from 27,300 in May 2018 to 27,400 by May 2019. The estimated stability in the number of independent contractor positions can be contrasted with the historical trend, from 2007 onwards, of a steadily reducing number of such workers. As with any survey, there is a degree of uncertainty around the estimates and further data points will be required to identify whether the 2019 result signals a reversal of the historic trend that will be sustained into the future.

Profitability

The industry's solid growth performance has underpinned improving profitability. In the resort/hotel sector, six in 10 spas (60%) said their spa profit percentage was 20% or more, up from 47% in 2017. The profitability performance of spas in other sectors also showed an improvement in 2018, with 75% reporting a 2018 profit percentage before fixed charges of 10% or more, up from 70% in 2017.



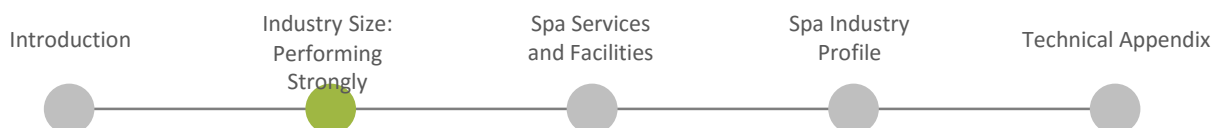
Key Points Summary

Recent trends: Demand remains positive

When asked about their more recent experience in the six months prior to the survey (September 2018 to March 2019), over 70% of spas said spending per visit and revenues had increased compared to the same period in the previous year.

The trend in spa visits was less pronounced, with 51% reporting an increasing trend. However, only 12% said that spa visits had reduced with the remaining 37% saying that spa visits were unchanged in the six-month period to March 2019.

One in four spas (25%) said they had increased staffing levels in the last six months compared to the same period in the previous year. Decreasing staffing levels were reported by just 10% of spas, with the majority (65%) saying that their staffing levels had remained unchanged in the six months to March 2019 compared to the same period in the previous year.



Section 3 | Spa Services and Facilities



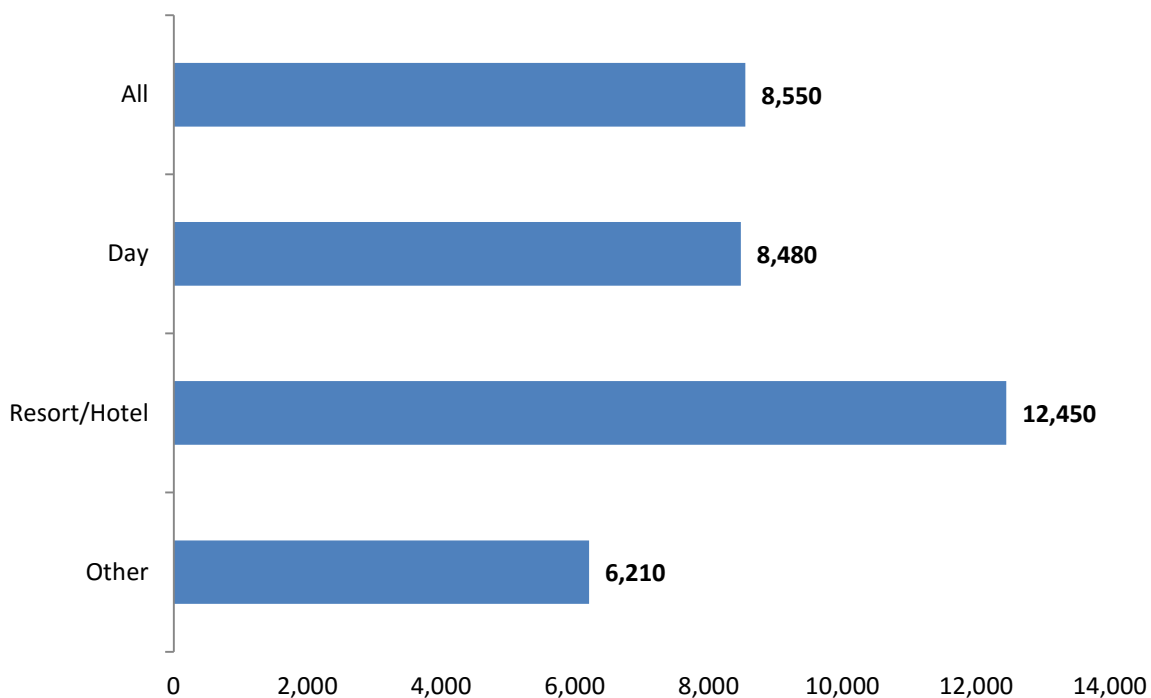
Section 3: Introduction

In 2018, spas received an estimated 190 million client visits, an average 8,550 per spa establishment. This section describes the facilities and services that spas offered to their clients.

This section presents the Industry Study findings for the following topics:

- The core types of services offered by spas and average prices per service
- The treatments that spas provide, with further detail on massage services and complementary/alternative or mind, body and spirit programs
- Whether CBD (cannabidiol) offerings in place in 2018
- The retail element in spa facilities – range of product types and average value of purchases per guest
- Revenue from sales of gift cards
- Offerings in place in 2018
- Online booking features in place in 2018

Average number of spa client visits per spa



Types of Services Offered

The main services provided by spas are **massage services (95%)** and **skin care services (88%)**, followed by **body services (61%)** and **salon services (48%)**. That picture is unchanged from previous Industry Studies.

The range and mix of services offered varies by type of spa. Reflecting their larger size, resort/hotel spas typically offer a wider range of services; an average of 5.8 types of services compared to 3.6 among day spas.

Body services are available in almost all resort/hotel spas (98%) compared to 56% of day spas and 65% of spas in the combined other spa category. Salon services are available in 87% of resort/hotel spas compared with 45% of day spas.

In addition to their core spa and salon services, many spas offer their visitors a diverse range of treatments and programs. Hydrotherapy services are offered by almost one in five spas (17%), ranging from 39% of resort/hotel spas to 13% of day spas and 33% of establishments in the other spa category.

Two in five spas (40%) said they provide fitness or sports services, including almost two in three resort/hotel spas (65%) and 38% of day spas.

Complementary or alternative therapies or mind, body and spirit programs, such as acupuncture, reiki and yoga, are available in 19% of spas, including 60% of resort/hotel spas and 13% of day spas.

One in five spas (19%) said they offer healthy living programs (i.e., smoking cessation, weight loss, etc.).

Almost one in 10 spas (9%) offer medically supervised services. Reflecting the medical spa effect, such services are most often found in the other spa category (55%).

Types of services offered



Product Offering: Core Spa Services

	All	Day	Resort/Hotel	Other
Massage services	95%	97%	100%	75%
Skin care services	88%	87%	100%	90%
Body services	61%	56%	98%	65%
Salon services	48%	45%	87%	38%
Fitness or sports services	40%	38%	65%	34%
Healthy living programs	19%	13%	34%	48%
Complementary/alternative therapies or mind, body & spirit	19%	13%	60%	26%
Hydrotherapy	17%	13%	39%	33%
Medically supervised services	9%	3%	2%	55%
<i>Average number of services</i>	<i>4.0</i>	<i>3.6</i>	<i>5.8</i>	<i>4.6</i>



Types of Treatments Offered

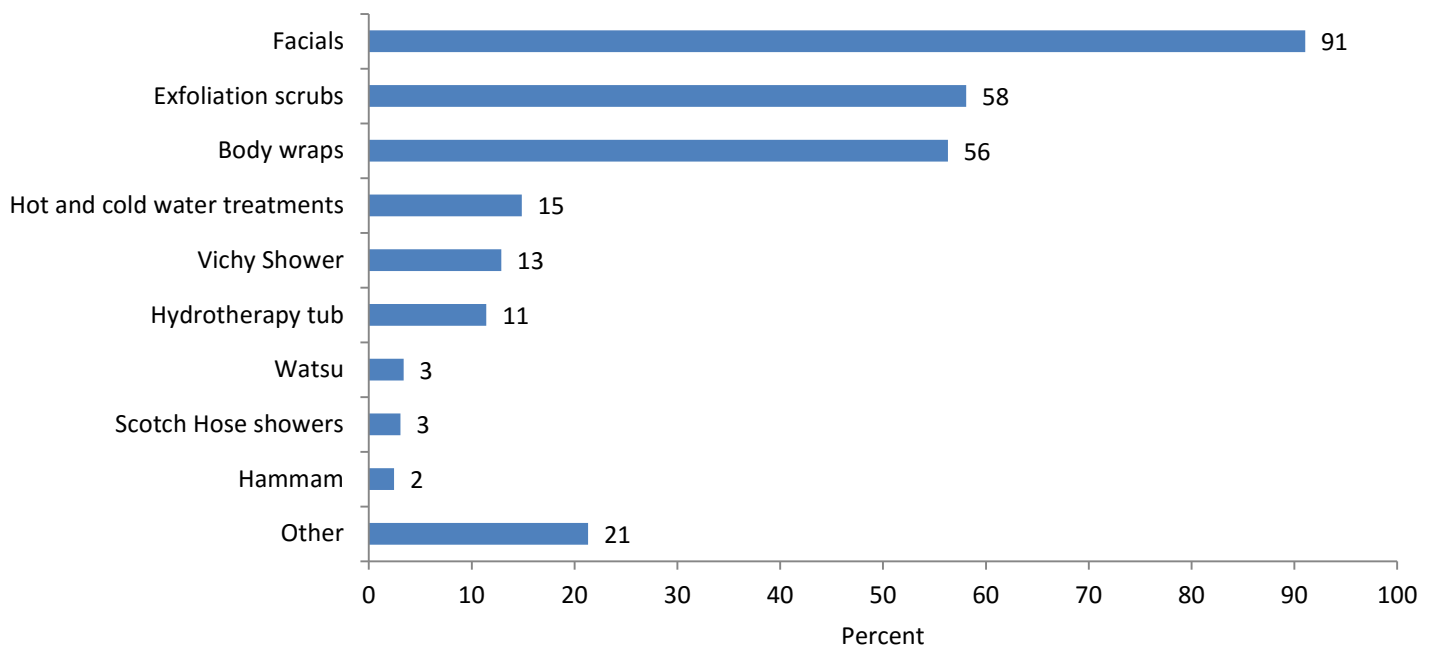
The main treatments offered by spas are facials (91%), exfoliation scrubs (58%) and body wraps (56%). The ranking of those treatment types does not vary by type of spa.

Almost all resort/hotel spas offer facials (99%), scrubs (97%) and wraps (95%). Hydrotherapy tubs are offered at 43% of resort/hotel spas. A similar proportion (42%) offer hot and cold water treatments while almost one in three (31%) provide Vichy showers. A little under one in five offer Scotch showers (19%) and/or Watsu (17%).

Almost all day spas also provide facials (89%), with 54% offering scrubs and 53% offering body wraps. Vichy showers (11%) and hot and cold water treatments (10%) also feature among the treatments offered by day spas.

Within the combined other spa category, which includes mainly club spas and medical spas, all offer facials (100%), followed by scrubs (58%) and body wraps (51%).

Types of treatments offered



Product Offering: Types of Treatments Offered

	All	Day	Resort/Hotel	Other
Facials	91%	89%	99%	100%
Exfoliation scrubs	58%	54%	97%	58%
Body wraps	56%	53%	95%	51%
Hot and cold water treatments	15%	10%	42%	29%
Vichy Shower	13%	11%	31%	14%
Hydrotherapy tub	11%	5%	43%	28%
Watsu	3%	0%	17%	14%
Scotch Hose showers	3%	0%	19%	10%
Hamman	2%	1%	10%	6%
Other	21%	23%	4%	20%

Massage Treatments Offered

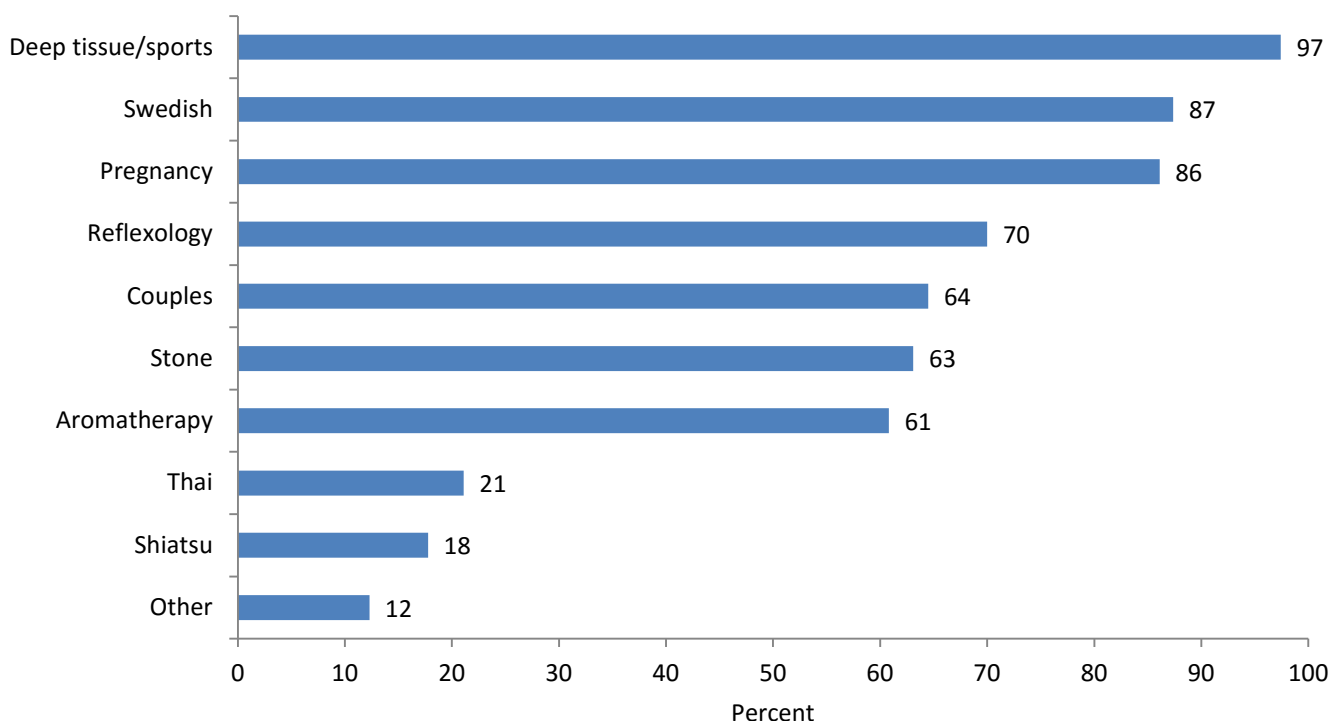
Spas offer a wide range of massage treatments. On average, spas offer six of the massage treatments listed in the chart below.

Almost all spas which provide massage treatments offer deep tissue/sports (97%), followed by Swedish (87%), pregnancy (86%) and reflexology (70%). Regardless of spa type, the majority of spas also offer couples (64%), stone (63%) and aromatherapy (61%) massages. Thai (21%) and Shiatsu (18%) are less frequently found.

The main variations by type of spa are as follows:

- Couples – available in 93% of resort/hotel spas compared to 62% of day spas
- Aromatherapy – available in 87% of resort/hotel spas compared to 58% of day spas
- Thai – cited by 44% of resort/hotel spas versus 18% of day spas
- Stone – mentioned by 81% of resort/hotel spas compared with 61% of day spas

Massage treatments offered



Base: Spas offering massage treatments.



Product Offering: Massage Treatments Offered

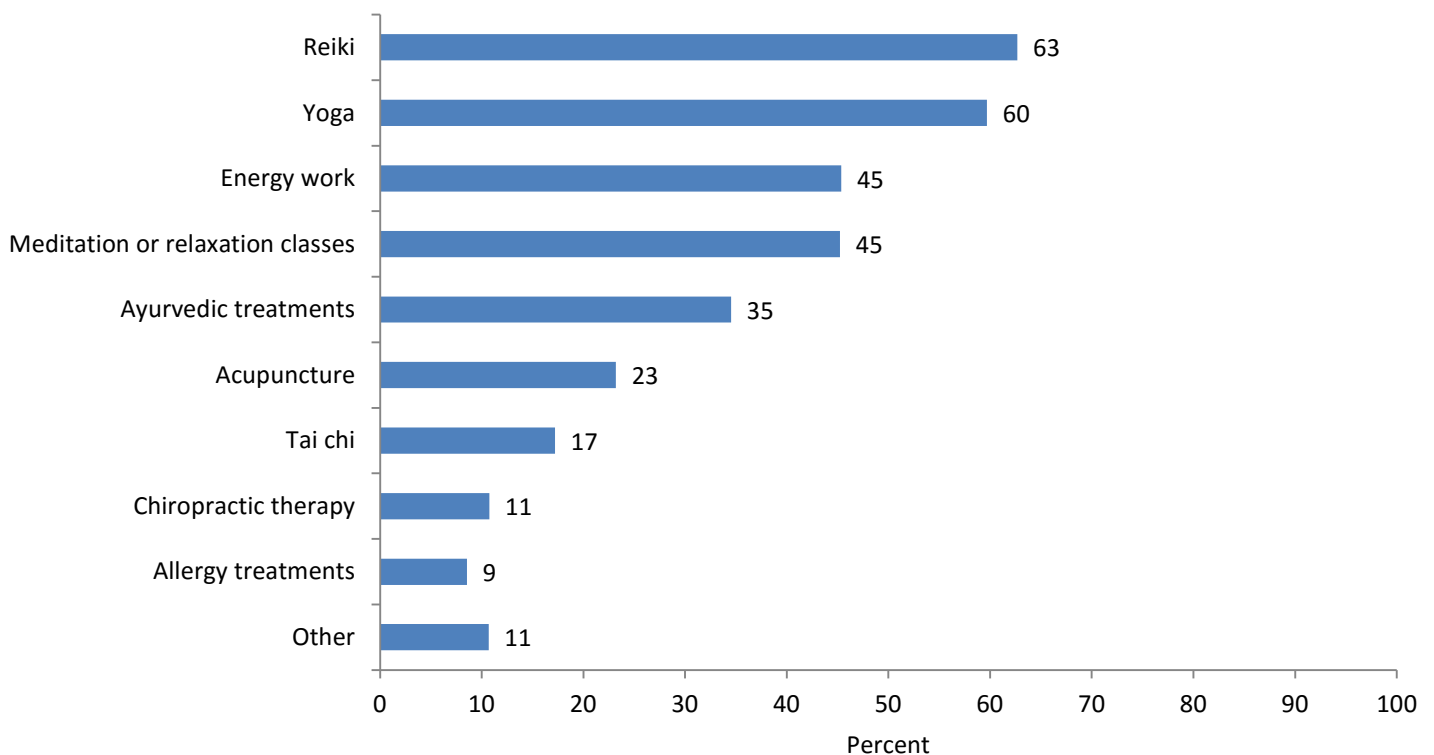
	All	Day	Resort/Hotel	Other
Deep tissue/sports	97%	97%	96%	98%
Swedish	87%	85%	97%	95%
Pregnancy	86%	86%	95%	76%
Reflexology	70%	69%	73%	73%
Couples	64%	62%	93%	60%
Stone	63%	61%	81%	66%
Aromatherapy	61%	58%	87%	63%
Thai	21%	18%	44%	28%
Shiatsu	18%	15%	27%	31%
Other	12%	11%	18%	16%
<i>Average number of services</i>	<i>5.8</i>	<i>5.6</i>	<i>7.1</i>	<i>6.1</i>

Complementary/Alternative, or Mind, Body & Spirit Programs

Among the 19% of spas that provide complementary/alternative, or mind, body and spirit programs, 63% offer Reiki (53%) followed closely by Yoga (60%). Energy work and meditation or relaxation classes are offered by almost one in two spas (45%) with complementary/alternative programs.

The range and mix of complementary/alternative, or mind, body and spirit programs varies by type of spa. For example, among resort/hotel spas providing such services, 87% said they offer yoga, compared with 47% of day spas.

Complementary/alternative, or mind, body & spirit programs



Base: Spas offering complementary/alternative, or mind, body & spirit programs



CBD (Cannabidiol) Offerings Available in 2018

Almost one in five spas (18%) said they had CBD (cannabidiol) offerings available in 2018. The proportion varied widely by region, from 42% in the South West to 3% in the North and South Central regions.

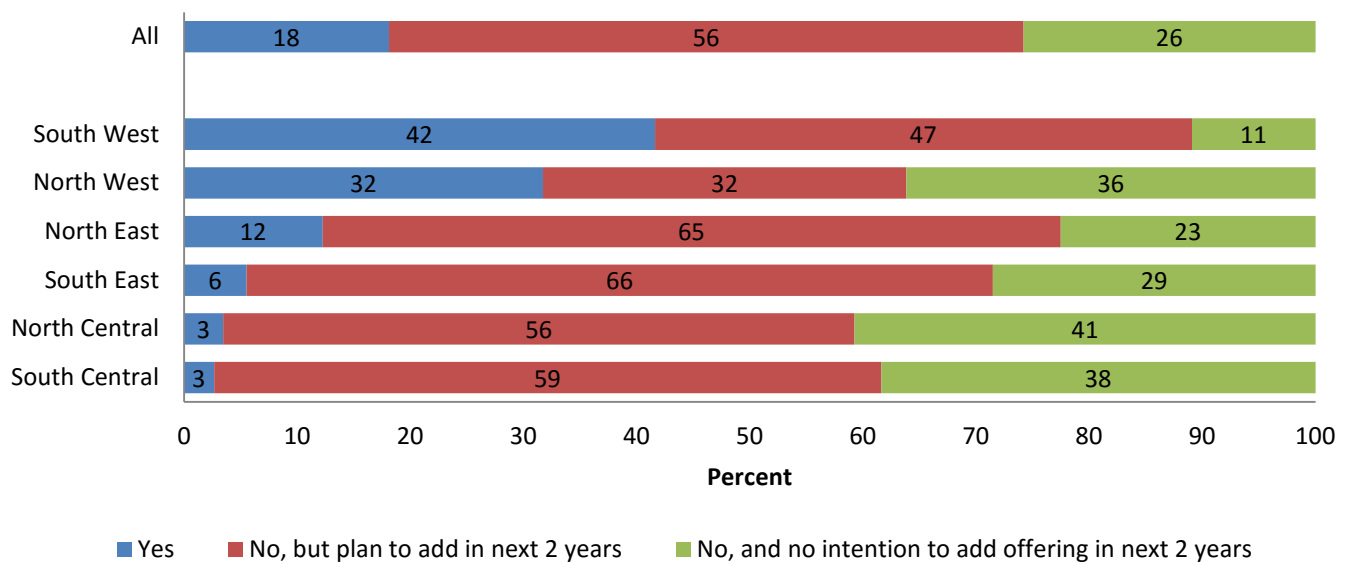
A majority of spas (56%) plan to add CBD offerings in the next two years. If realized, those plans would bring the proportion of spas with CBD offerings up from 18% to 74%, close to three in four spas.

Compared to other sectors, resort/hotel spas were more likely to have CBD offerings in 2018. One in three resort/hotel spas (33%) said they had CBD offerings in 2018 compared to 16% of day spas. However, day spas were more likely than resort/hotel spas to say they plan to add CBD offerings within the next two years, by a margin of 58% to 48%.

At a regional level, plans to add CBD offerings within the next two years range from 32% in the North West to 66% in the South East. The proportion of spas with no intention of adding a CBD offering in the next two years is highest in the North Central region (38%) and lowest in the South West (11%).

	All	Day	Resort/Hotel	Other
Yes	18%	16%	33%	18%
No, but plan to add in next 2 years	56%	58%	48%	48%
No, and no intention to add offering in next 2 years	26%	25%	19%	34%

CBD offerings available in 2018, by region



CBD (Cannabidiol) Offerings Available in 2018

Among the 18% of spas with CBD offerings in 2018, 86% incorporated a CBD product in a massage treatment. A little under one in three spas (30%) offered a facial treatment featuring a CBD product with almost one in five (19%) offering a body treatment with a CBD product. Three in four spas (75%) sold CBD product(s) in their retail area.

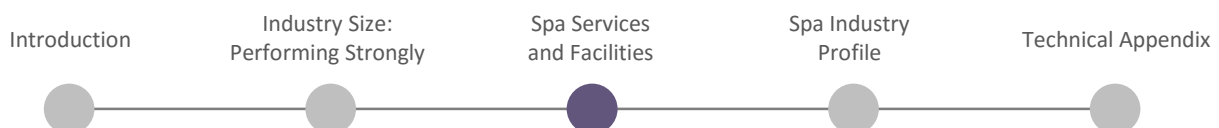
Of the one in three resort/hotel spas with a CBD offering in 2018, almost all (94%) had a massage treatment with a CBD offering. A similar proportion offered CBD products in their retail area.

Among the 16% of day spas with a CBD offering, the incorporation of a CBD product into a massage treatment was also most frequently cited (85%), followed by 70% with a CBD product in their retail area.

On average, day spas with a CBD offering mentioned two of the four treatment and service offerings listed in the table below. The average number of CBD offerings was highest in the other spa category (2.7 per spa), followed closely by resort/hotel spas (2.6).

	All	Day	Resort/Hotel	Other
Massage treatment incorporating a CBD product	86%	85%	94%	81%
Facial treatment	30%	30%	36%	19%
Body treatment	19%	11%	8%	84%
CBD product(s) sold in the spa retail area	75%	70%	94%	82%
Other offer incorporating a CBD product	6%	2%	30%	1%
<i>Average number of offerings</i>	<i>2.2</i>	<i>2.0</i>	<i>2.6</i>	<i>2.7</i>

Base: Spas with CBD offerings available in 2018.



Prices Per Service

The average price per spa service in 2018 is estimated as \$96, up by 2% compared to 2017, when the average price per service was \$94.

Average prices vary depending on the type of service provided, ranging from \$47 per nail service to \$114 per body treatment. At \$96, the average price per massage occupies an intermediate position within that range. The differences in average prices by type of service have been consistent over the past five years. It should be appreciated that these are average prices which will vary across spa establishments depending on type, location, etc.

The average price per massage (\$96) in 2018 was unchanged on the 2017 average. Average prices for body treatments (\$114) are estimated to have increased by 4.5% with facials up by 1.3%.

The average prices shown for hair services and nail services tend to be more variable from one year to the next, due to smaller sample sizes for spas offering those services. Percentage changes should therefore be interpreted with caution.

Average prices, 2018 compared to 2017, 2016, 2015 and 2014

	2014	2015	2016	2017	2018
Per massage	\$88	\$93	\$94	\$96	\$96
Per facial	\$97	\$100	\$101	\$102	\$103
Per body treatment	\$105	\$110	\$109	\$109	\$114
Per hair service	\$76	\$82	\$78	\$82	\$83
Per nail service	\$45	\$43	\$44	\$45	\$47
Per service	\$88	\$90	\$92	\$94	\$96

Note: For each type of service, survey respondents are asked to report the 'actual' average price based on their P&L statement, rather than the 'list' price of treatments.

Prices Per Service by Type of Spa

The average price per spa service tends to be higher in resort/hotel spas than in day spas.

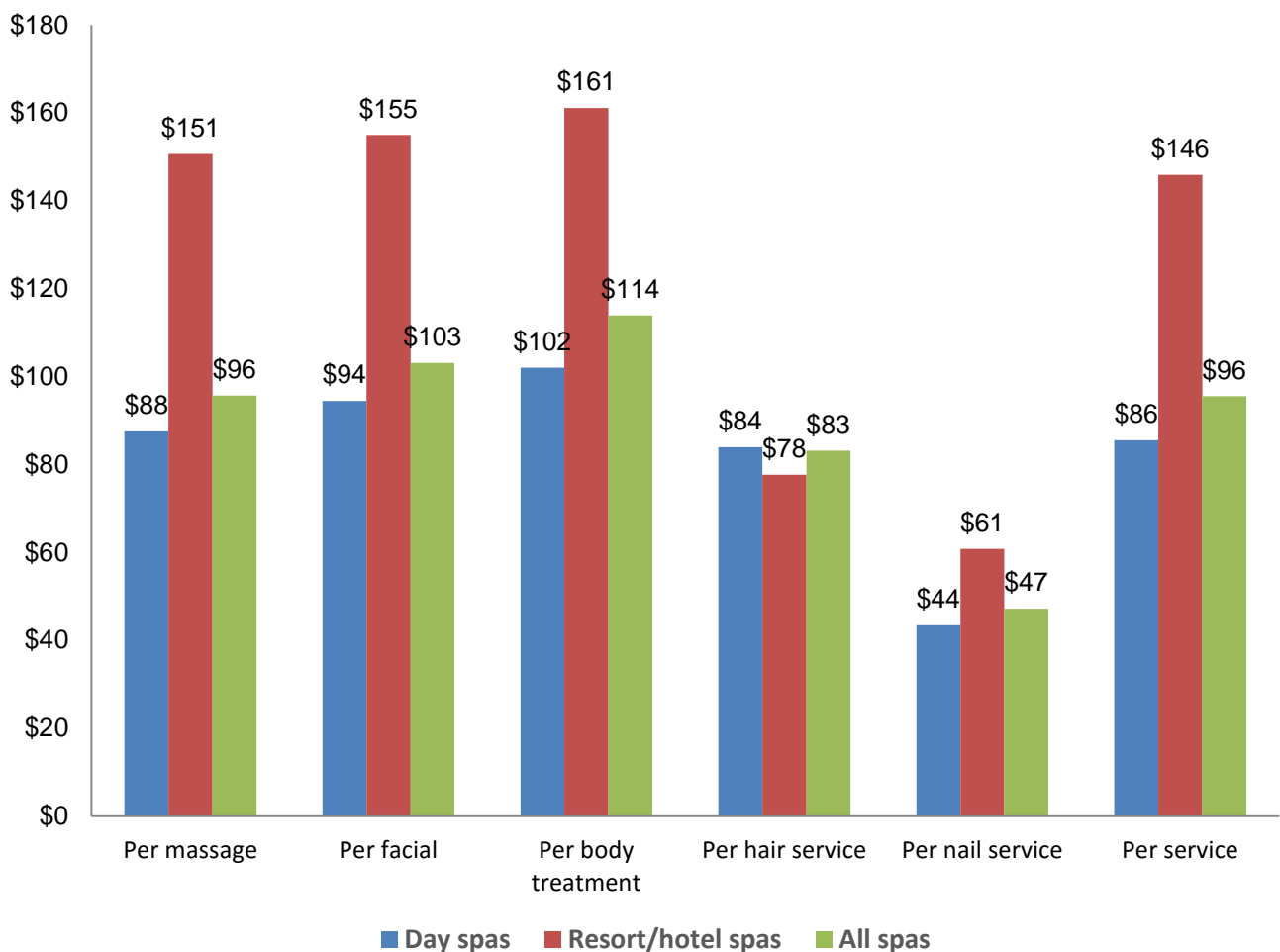
In 2018, the overall average price per service in resort/hotel spas was \$146 compared to \$86 per service in day spas, a differential of \$60 (71%).

The largest difference between resort/hotel and day spas was for massage services, with the estimated average price in resort/hotel spas standing at \$151 compared to \$88 in day spas. Similar differences can be observed in relation to facials (\$155 in resort/hotel spas versus \$94 in day spas) and body treatments (\$161 in resort/hotel spas compared with \$102 in day spas).

Average prices for hair services in day spas (\$84) are estimated to be slightly higher than in resort/hotel spas (\$78).

Price comparisons by type of spa should be made with a degree of caution. The averages shown in the accompanying chart will vary across individual spas according to a range of factors such as location.

Average price per service by type of spa



Retail: Product Types

Almost nine in 10 spas (86%) contain a retail element. Skin care products are offered by all spas containing a retail element, followed by cosmetics (75%) and hair care products (64%).

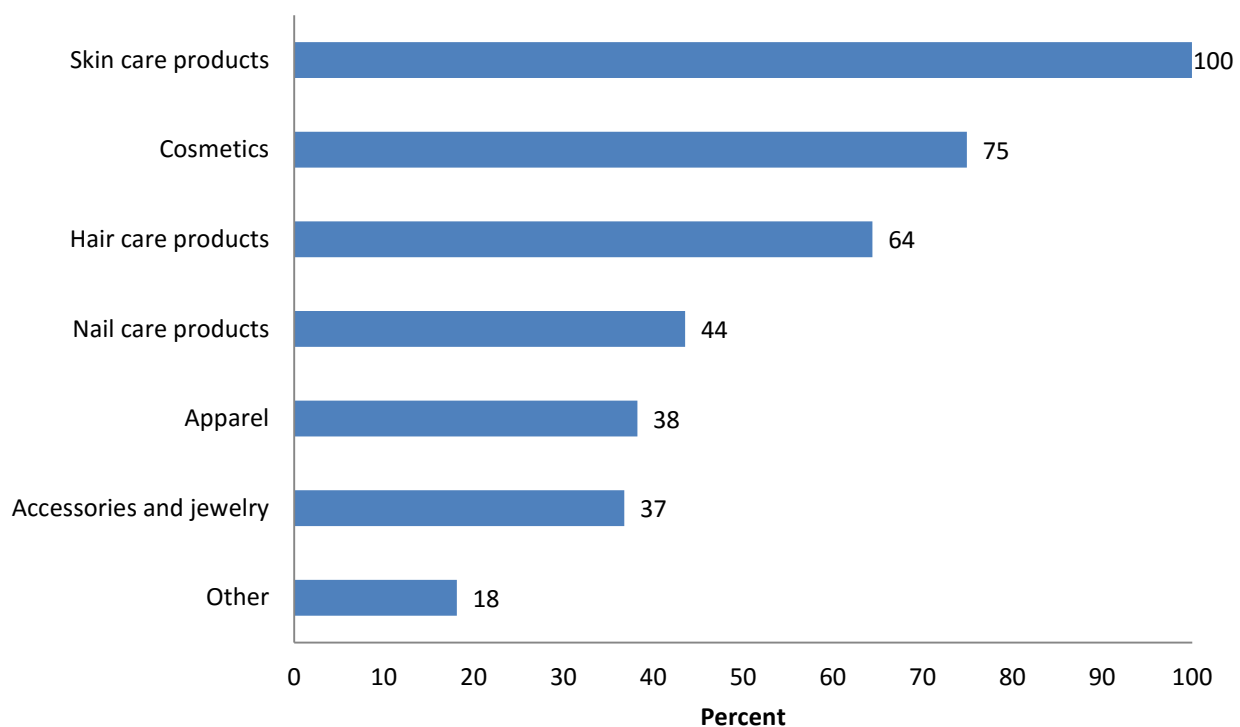
Resort/hotel spas tend to offer a wider range of retail products when compared with the industry average (see table on next chart). When asked about the types of products that they sell as part of their retail operation, the typical resort/hotel spa mentioned five of the seven categories listed in the accompanying table. Among day spas, the average number of product types sold was four.

The availability of skin care products does not vary by type of spa, with all respondents indicating they offer such products. A little under four in five day spas (78%) offer cosmetics within their retail section, only slightly below the proportion of resort/hotel spas (83%).

Compared to resort/hotel spas, day spas are less likely to offer retail products such as: hair care products (66% versus 84% of resort/hotel spas), nail care (42% compared to 82% of resort/hotel spas), apparel (33% versus 88% of resort/hotel spas) and accessories and jewelry (29% of day spas compared to 87% of resort/hotel spas).

In 2018, the average dollar value of retail purchases was \$38.

Retail - Types of products offered



Retail: Product Types

	All	Day	Resort/ Hotel	Other
Retail section				
Yes	86%	86%	98%	75%
No	14%	14%	2%	25%
Types of products (% of spas with retail section)				
Skin care products	100%	100%	100%	100%
Cosmetics	75%	78%	83%	41%
Hair care products	64%	66%	84%	31%
Nail care products	44%	42%	82%	23%
Apparel	38%	33%	88%	27%
Accessories and jewelry	37%	29%	87%	45%
Other	18%	17%	24%	23%
Average dollar value of retail purchases per guest				
Average	\$38	\$34	\$41	\$65



Gift Card Revenues

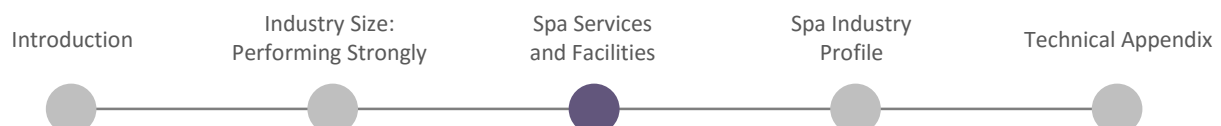
Over nine in 10 spas (91%) said they sell gift cards, ranging from 95% of day spas to 91% of resort/hotel spas and 61% of the other spa category. Among those spas, gift-card sales averaged \$85,200, representing 10% of their total revenues in 2018. That equates to an industry-wide total of \$1.69 billion, accounting for 9% of total spa industry revenue.

Among the 91% of spas offering gift cards, the average gift card revenue per spa is estimated to vary from \$72,600 in the combined other spa category to \$82,200 in the day spa sector to \$124,100 among resort/hotel spas.

Focusing on those spas that offer gift cards, the revenues generated from gift card sales accounted for 10% of total revenues, on average, ranging from an average of 11% among day spas to 7% in the resort/hotel sector.

At the overall industry level, the grossed-up revenues from gift card sales are estimated to contribute 9% to total spa industry revenue. That proportion also varies by type of spa, being highest in the day spa sector (11%).

	All	Day	Resort/ Hotel	Other
Gift cards sold in the spa				
Yes	91%	95%	91%	61%
No	9%	5%	9%	39%
Gift Card Revenues				
Average per spa offering gift cards	\$85,200	\$82,200	\$124,100	\$72,600
Total industry gift card revenues (\$ billion)	\$1.69	\$1.36	\$0.22	\$0.11
Percent of revenue				
Spas offering gift cards	10%	11%	7%	10%
Total spa industry revenue	9%	11%	6%	6%



Spa Offerings

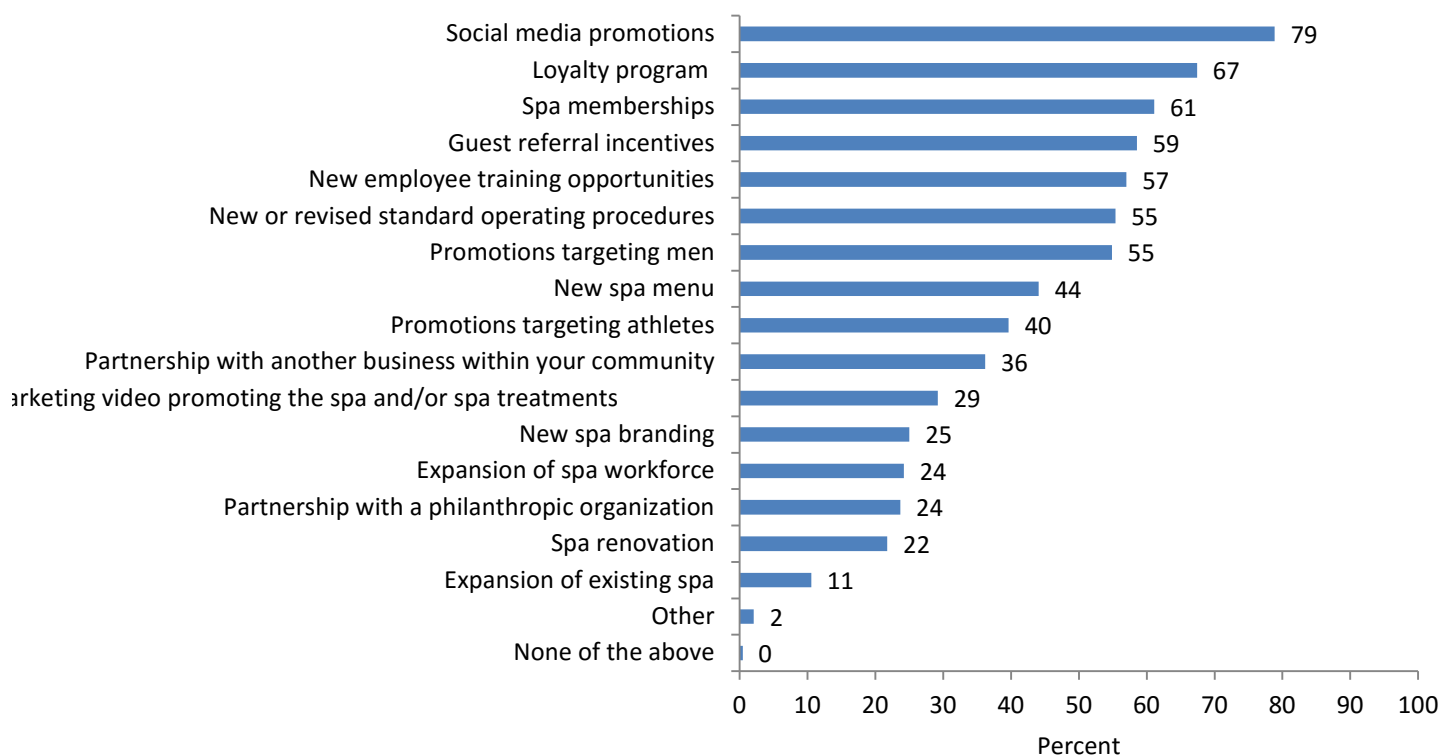
When asked about the offerings or activities that they had in place in 2018, the four most frequently cited were all customer-facing; 79% quoted social media promotions followed by 67% mentioning loyalty programs, 61% with a spa membership offering and 59% offering referrals for guest incentives. Spas also undertook activities to enhance their spa's capabilities; 57% mentioned new employee training opportunities with a similar proportion (55%) quoting new or revised standard operating procedures.

The table following this page shows offerings in place in 2018 by type of spa. Across the spa types, social media promotions rank first (day spas and the other spa category) or second (resort/hotel spas). New employee training programs were most often mentioned by resort/hotel spas (78%), compared with 55% of day spas.

Other points of contrast by spa type included:

- Day spas were more likely than resort/hotel spas to have offerings aimed at customer retention. Thus, almost three in four day spas (74%) offered loyalty programs compared with 51% of resort/hotel spas. Similarly, 66% of day spas have a membership option compared with 46% of resort/hotel spas. And 63% of day spas offered guest referral incentives compared with 23% of resort/hotel spas.
- A marketing video promoting the spa was mentioned by 53% of resort/hotel spas compared with 27% of day spas.

Offerings or activities in place in 2018



Spa Offerings or Activities in 2018

	All	Day	Resort/Hotel	Other
Social media promotions	79%	83%	68%	59%
Loyalty program	67%	74%	51%	39%
Spa memberships	61%	66%	46%	40%
Guest referral incentives	59%	63%	23%	55%
New employee training opportunities	57%	55%	78%	58%
New or revised standard operating procedures	55%	56%	64%	48%
Promotions targeting men	55%	60%	45%	29%
New spa menu	44%	40%	68%	57%
Promotions targeting athletes	40%	46%	26%	9%
Partnership with another business within your community	36%	36%	51%	24%
Marketing video promoting the spa and/or spa treatments	29%	27%	53%	28%
New spa branding	25%	24%	33%	27%
Expansion of spa workforce	24%	21%	47%	31%
Partnership with a philanthropic organization	24%	22%	46%	20%
Spa renovation	22%	20%	43%	21%
Expansion of existing spa	11%	7%	34%	17%
Other	2%	2%	2%	4%
None of the above	0%	0%	1%	1%



Online booking features

In 2018, a large majority of spas (88%) had one or more online booking features in place. The proportion did not vary greatly by type of spa, illustrating the widely spread adoption by the spa sector of online capabilities for improving the efficiency and effectiveness of client reach and contact.

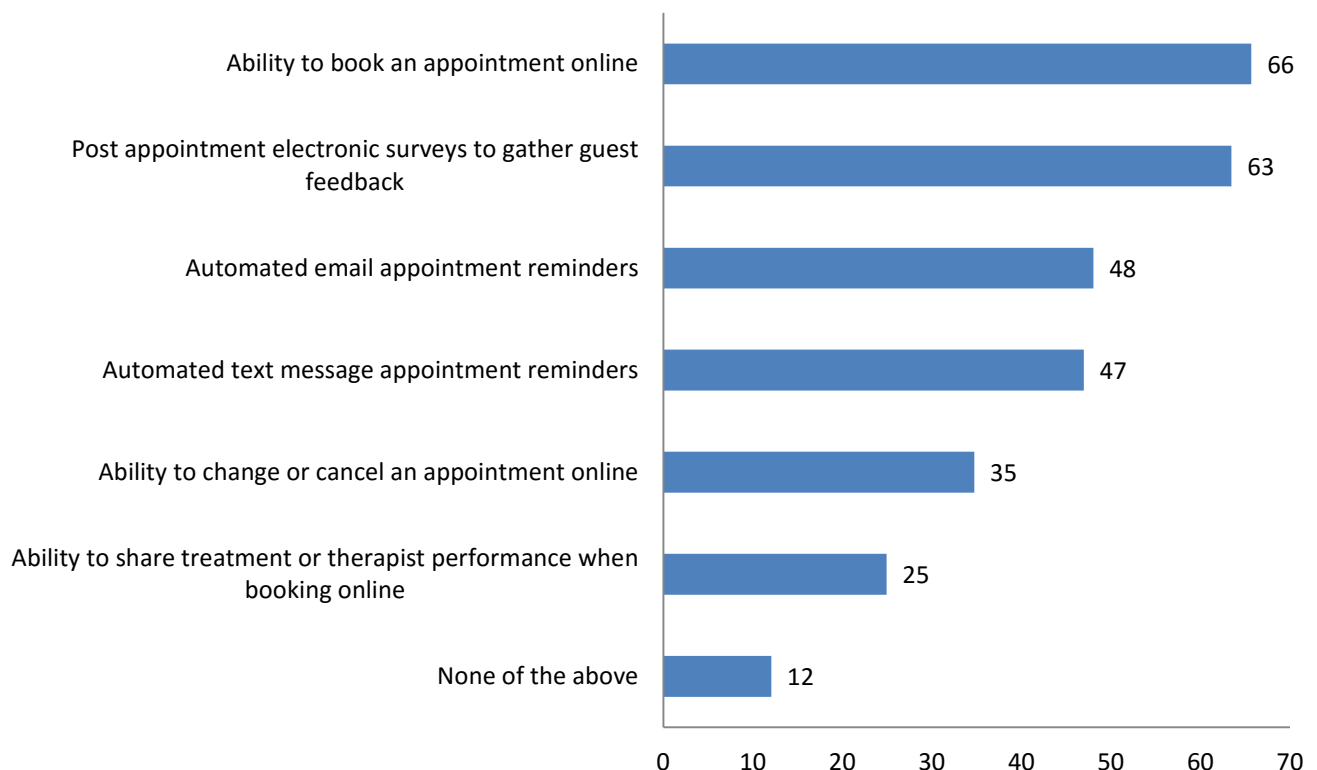
The most frequently mentioned online booking feature that spas had in place in 2018 was the ability to book an appointment online, mentioned by two in three spas (66%), ranging from 49% in the resort/hotel sector to 69% of day spas.

Spas also used online features to help their clients choose treatments and/or therapists, with 63% sharing relevant performance data online.

Online features are also being used to help clients manage their appointments, including reminders by text message (48%) and/or by email (25%), as well as the ability to change or cancel appointments online (47%).

Spas are also using their online capabilities to enhance their own performance and client insight, with 35% gathering post appointment guest feedback through electronic surveys.

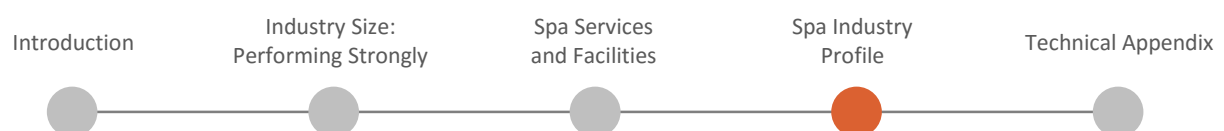
Online booking features in place in 2018



Online booking features

	All	Day	Resort/Hotel	Other
One or more online booking features	88%	89%	87%	82%
Booking features mentioned (% of all spas):				
Ability to book an appointment online	66%	69%	49%	58%
Ability to share treatment or therapist performance when booking online	63%	66%	54%	54%
Automated text message appointment reminders	48%	46%	52%	59%
Ability to change or cancel an appointment online	47%	46%	40%	60%
Post appointment electronic surveys to gather guest feedback	35%	35%	32%	35%
Automated email appointment reminders	25%	26%	24%	20%
None of the above	12%	11%	13%	18%
<i>Average number of features per spa</i>	<i>2.8</i>	<i>2.9</i>	<i>2.5</i>	<i>2.9</i>

Section 4 | Spa Industry Profile

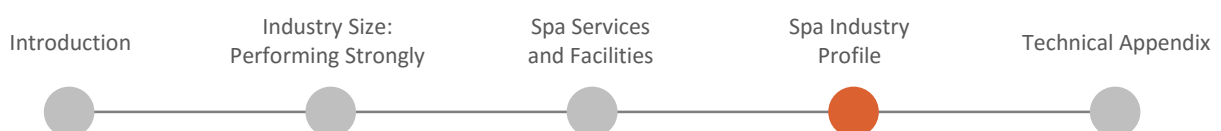


Section 4: Introduction

This section presents a profile of the estimated 22,160 spa industry establishments located across the U.S. The spa industry is diverse, with establishments varying by size, facilities, range of services offered, as well as the people who work in spas and the clients they serve.

This section focuses on the following spa establishment categories:

- What is the composition of the industry by type of spa?
- What are the main contrasts by type of spa establishment in respect to industry size statistics, i.e., average revenues, visits and employment?
- Where are spas located?
- What is the age profile of spa establishments, as measured by year of start-up?
- How many spas are single location operations or affiliated to a larger entity?



Key Ratios

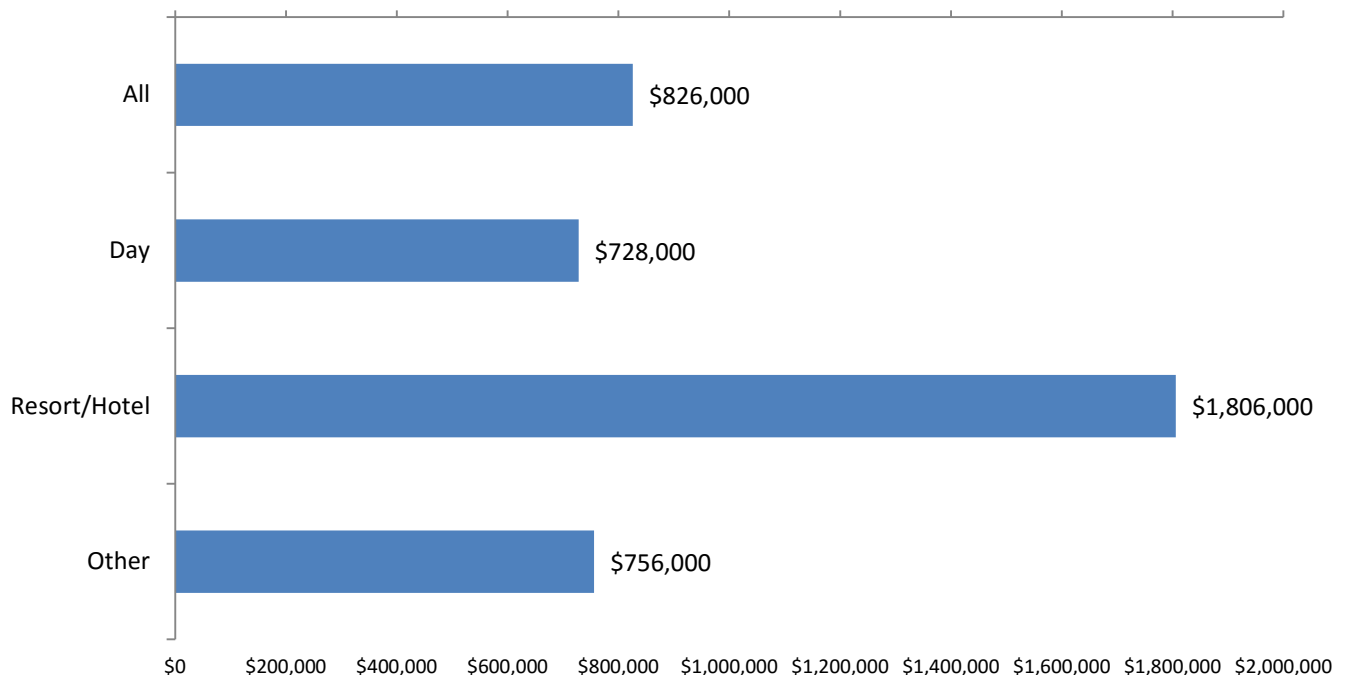
Key size indicators vary by type of spa. As in previous years, average revenues and visits per resort/hotel spa are higher than for day spas.

The key size indicators are shown for the main spa types in the Key Ratios table on the following page. For comparability with previous studies, floor space ratios are also shown.

Also shown are revenue ratios, including revenues per visit and per employed person. Resort/hotel spas generate higher average revenues per visit (\$145) compared to day spas (\$86).

Reflecting their larger average size, revenue per resort/hotel spa (\$1.81 million) was approximately 2.5 times the average for day spas (\$728,000). Similarly, average total employment per resort/hotel spa (35.6) is more than twice the day spa average (15.4).

Average revenue by type of spa

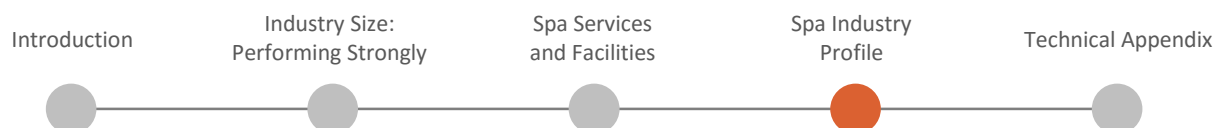


Note: The key ratios by spa type should be interpreted with caution. They are estimates based on a sample of spa establishments and will therefore be subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry Studies as the estimates in those previous reports will also exhibit variability due to sampling error.

Key Ratios by Spa Type

	All	Day	Resort /Hotel	Other
Revenue per spa	\$826,000	\$728,000	\$1,806,000	\$756,000
Per visit	\$97	\$86	\$145	\$122
Per employed person	\$48,440	\$47,430	\$50,750	\$51,280
Visits per spa	8,550	8,480	12,450	6,210
Total employees per spa	17.1	15.4	35.6	14.7
Full-Time	7.8	7.1	16.1	6.2
Part-Time	8.1	7.1	18.0	6.8
Contract	1.2	1.1	1.5	1.6

Note: As they are based on a sample of spas, the key ratios by spa type should be interpreted with caution. Please see note on previous page when making comparisons with previous Spa Industry Studies.



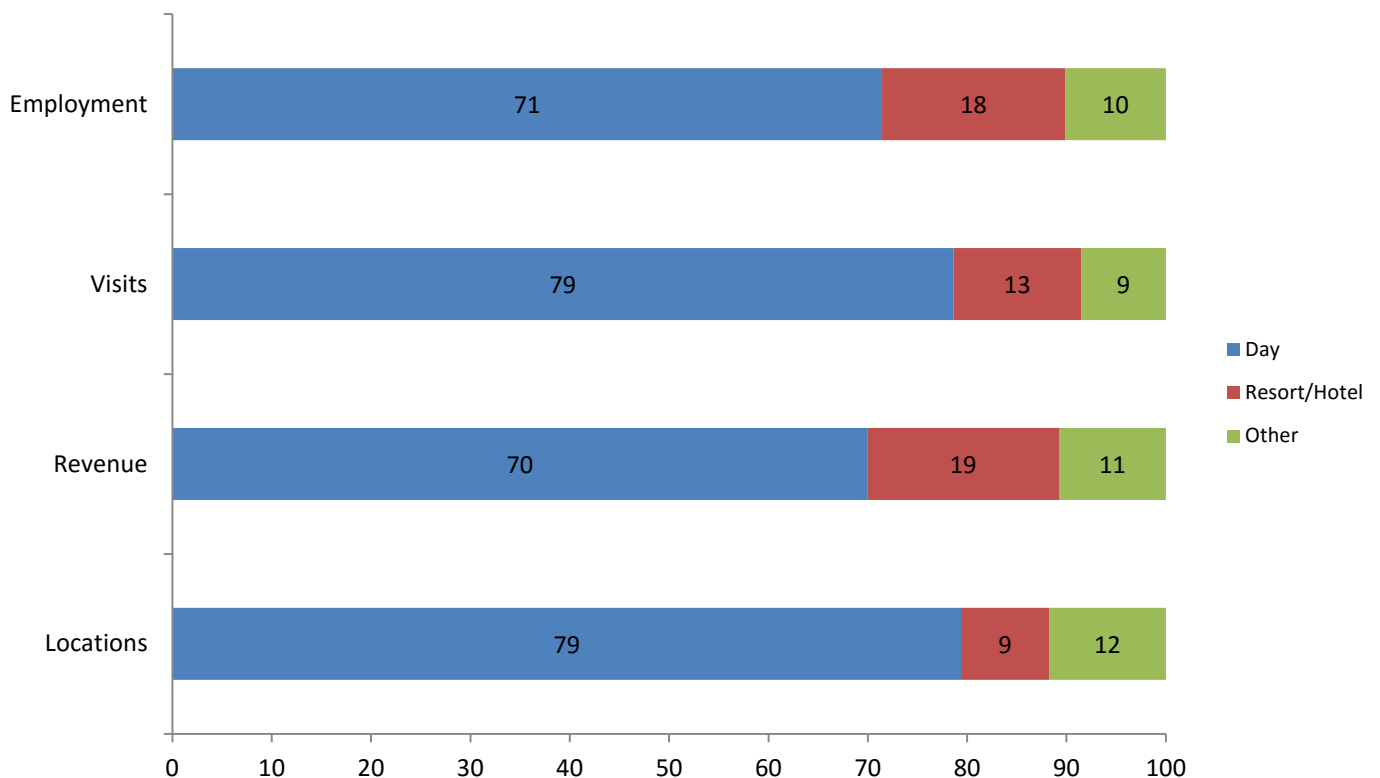
The Big 5: Composition by Spa Type

The composition of various size indicators by spa type varies according to differences between spas in key ratios such as average revenues and visits.

While they account for 9% of locations, resort/hotel spas account for almost one-fifth of total spa industry revenue (19%) and 18% of employment. The contrast reflects the larger scale of resort/hotel spas compared to the industry averages for revenue and employment.

Day spas account for 70% of total revenue, compared to 79% of locations. This is because spend per visitor in the day spa sector (\$86) is below the industry average (\$97).

Composition by spa type



Geography of the Spa Industry: Distribution of Spa Types by Region

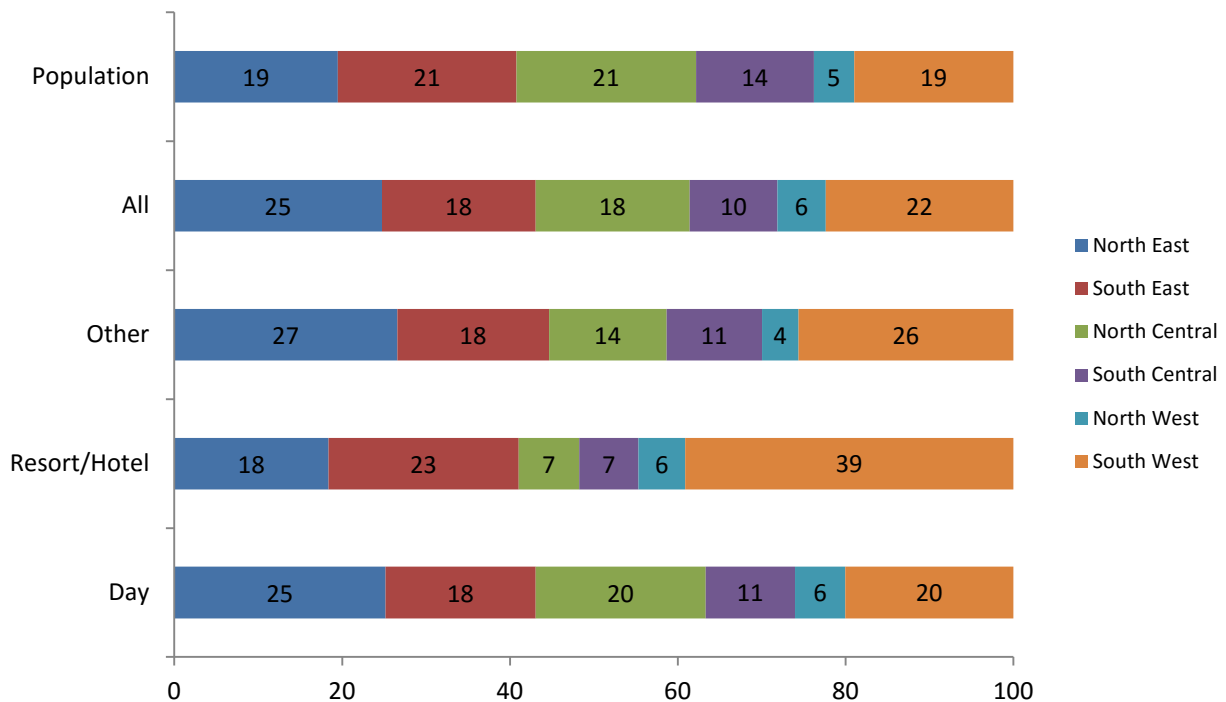
The distribution of spa types by region in 2018 shows little change from the historic pattern.

Compared to the general population, resort/hotel spas are more heavily concentrated in the South West region; 39% of such spas are located in the South West, i.e., over two times the region's 19% population share.

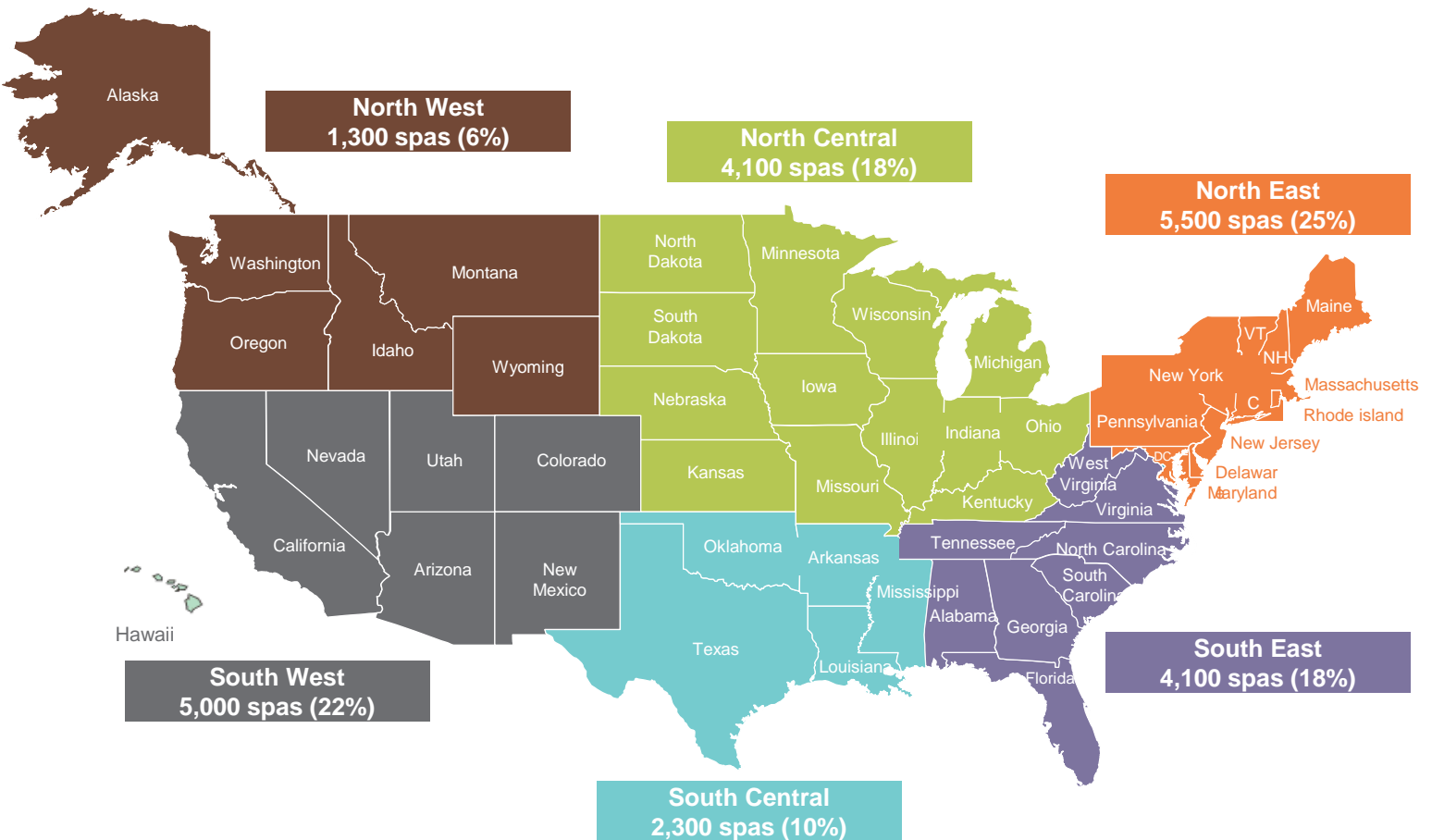
The regional distribution of day spas more closely follows the general population; such spas typically serve the population living in the areas where they are located.

The map of spa establishments by region is shown on page 53. Key ratios by region are shown in the table on page 54.

Distribution of spa types by region



The Distribution of Spa Establishments by Region



Introduction

 Industry Size:
Performing Strongly

 Spa Services
and Facilities

 Spa Industry
Profile

Technical Appendix

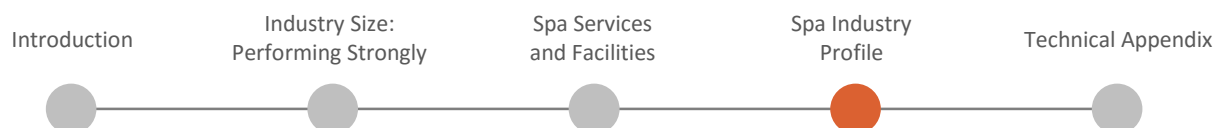


Key Ratios by Region

	All	North East	South East	North Central	South Central	North West	South West
Revenue per Spa	\$826,000	\$829,000	\$830,000	\$736,000	\$801,000	\$788,000	\$918,000
Per visit	\$97	\$98	\$98	\$86	\$97	\$88	\$104
Per employed person	\$48,440	\$50,330	\$47,570	\$48,690	\$45,480	\$49,080	\$48,240
Visits per Spa	8,550	8,450	8,450	8,560	8,290	8,950	8,820
Total Employees	17.1	16.5	17.4	15.1	17.6	16.1	19.0
Full-Time	7.8	7.5	8.2	6.6	9.1	6.9	8.2
Part-Time	8.1	8.3	8.0	7.2	7.5	8.2	8.8
Contract	1.2	0.6	1.2	1.3	1.0	1.0	2.0
Locations*							
Total	22,200	5,500	4,100	4,100	2,300	1,300	5,000

*Regional number of locations rounded to the nearest hundred.

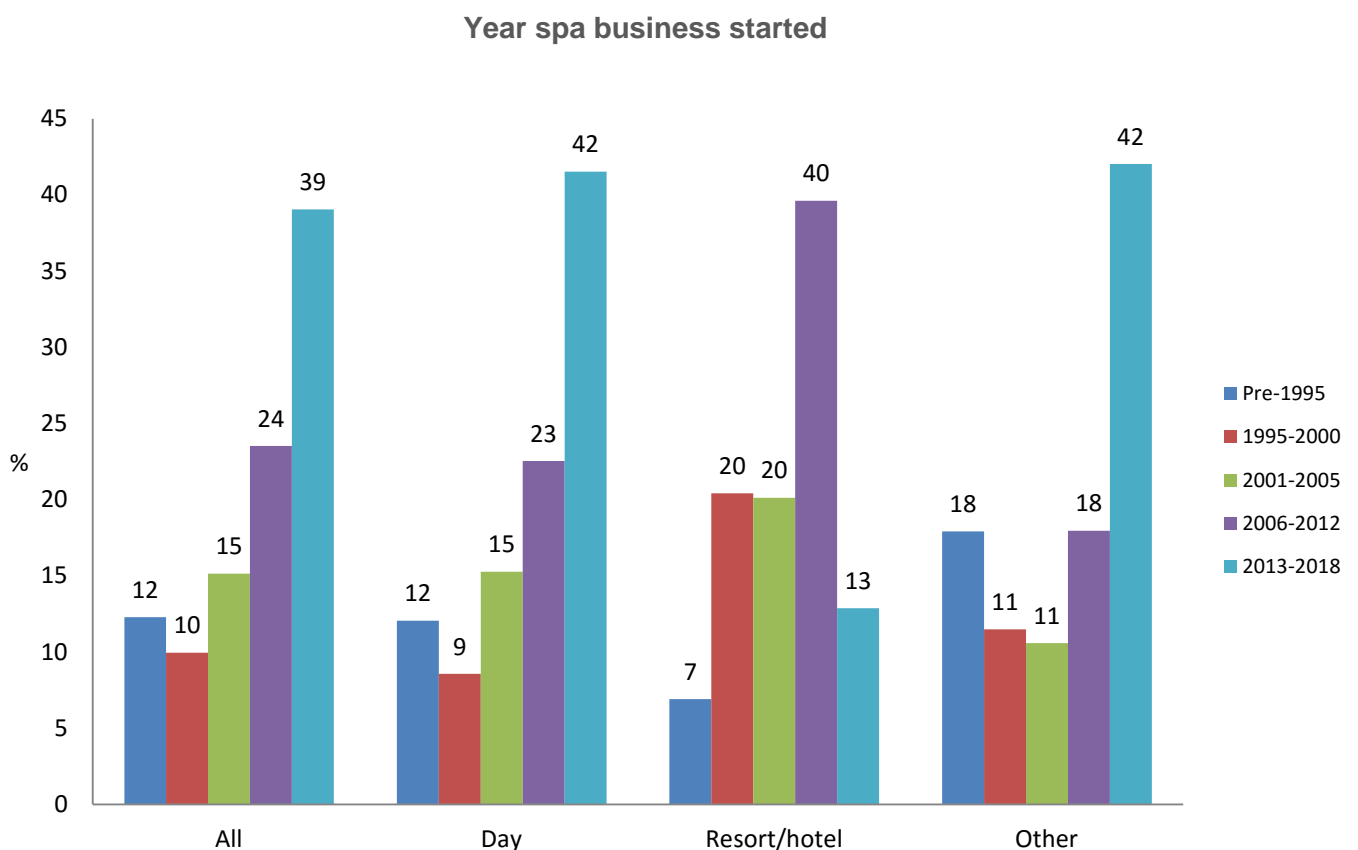
Note: The key ratios by region should be interpreted with caution, particularly when comparing with the national average statistics. Similarly, changes compared to previous years will reflect sampling variability. Please see key ratios note on page 49.



Year Spa Business Started

Among those spas in business at the end of 2018, 39% said they started in the period from 2013-2018. A further 24% said they started between 2006 and 2012. The remaining spas include 12% that have been in business since before 1995.

The proportion opening in the last five years (2013-2018) was highest among day spas (42%). The majority of resort/hotel spas (60%) started between 2000 and 2012.



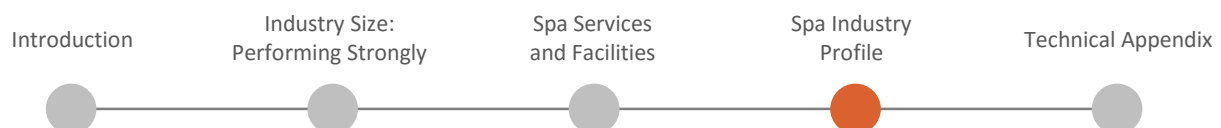
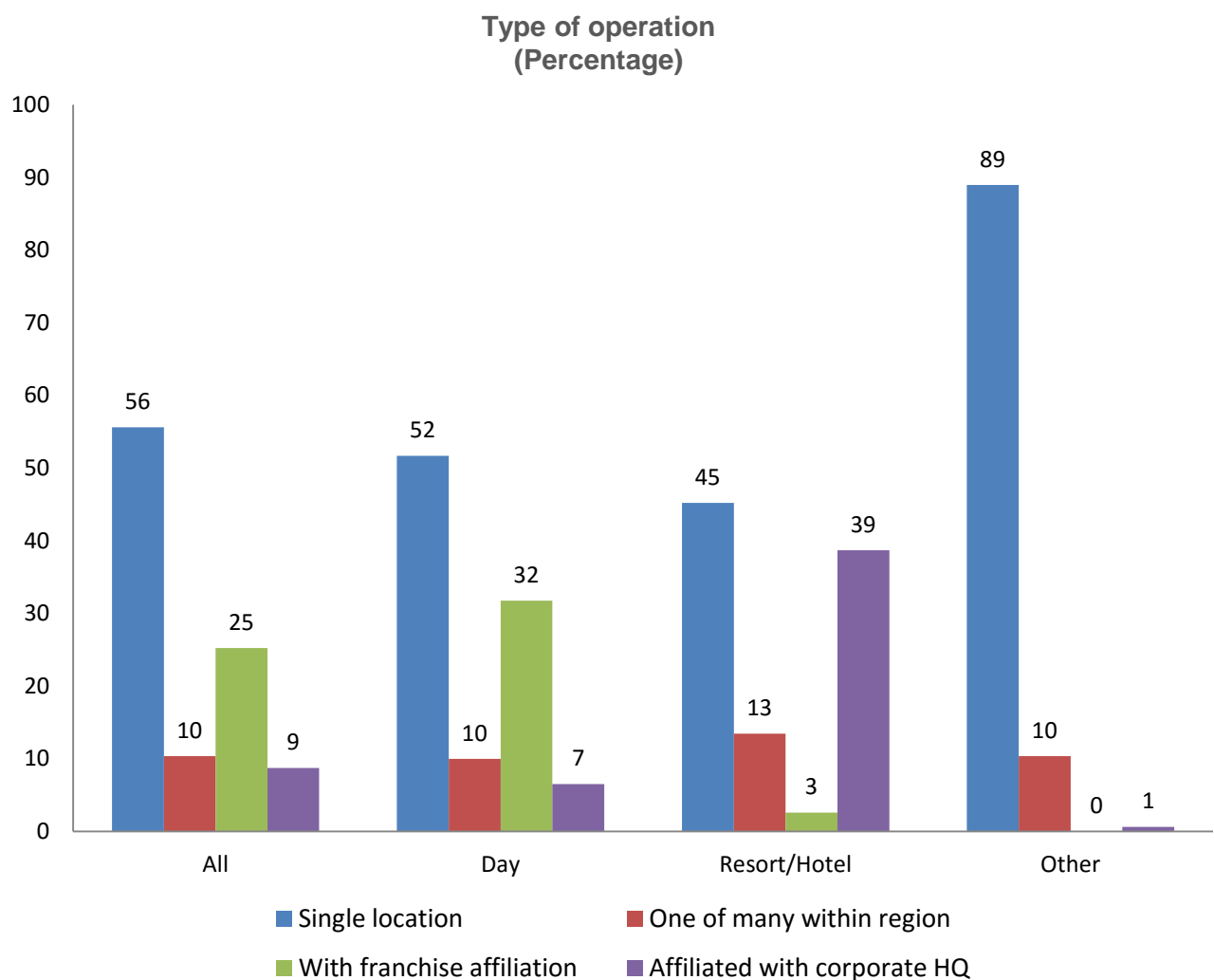
Type of Operation

The majority of spas (56%) describe themselves as single location operations.

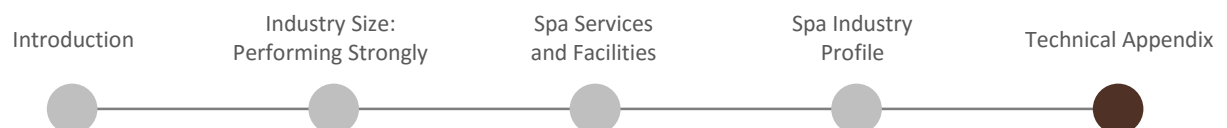
One in 10 spa businesses (10%) said they are one of a number of locations within the same state or region and owned by the same owner/company.

Operations with a franchise affiliation account for 25% of spas. The proportion is highest among day spas (32%).

Overall, 9% of businesses said they are affiliated with a national corporate headquarters. The proportion with such an affiliation is highest among resort/hotel spas (39%).



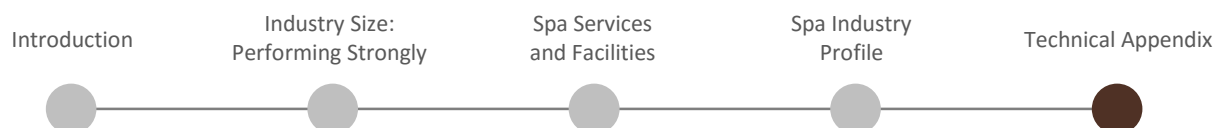
Section 5 | Technical Appendix



Section 5: Introduction

This section describes the approach to the 2019 U.S. Spa Industry Study, under the following headings:

- Overview on the methodology
- The questionnaire
- Survey outcomes
- Comparability over time



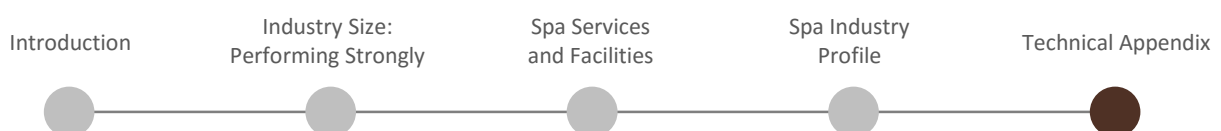
Survey Methodology

A large-scale quantitative survey of spa establishments was undertaken to collect the information required to estimate the key statistics for the ISPA 2019 U.S. Spa Industry Study. The full survey was launched in January 2019 and completed in April 2019.

The survey questionnaire was divided into two main parts. The first part asked respondents to provide details for each of the 'Big 5' key statistics, including 2018 revenues and visits and employment levels in 2019.

The second part sought information on operating characteristics of spas, such as core spa services and compensation of employees. Spas were also asked about their service offerings in 2018, whether they had cannabidiol offerings in 2018, online booking features available in 2018 and recent trends in their experience of key indicators, i.e., visits, client spending, revenues, hiring and profitability.

Contact details for spas invited to participate in the survey were obtained from the ISPA database of spa locations, containing information on over 10,500 contacts.



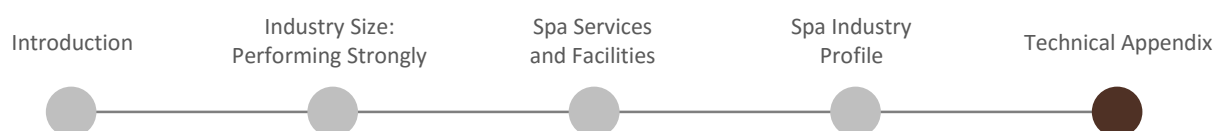
The Questionnaire

The questionnaire for the 2019 Industry Study was based on the questionnaire used for the 2018 Industry Study. This was to ensure continuity and consistency with the 2010, 2011, 2012, 2013, 2014, 2015, 2016 and 2017 U.S. Spa Industry Studies. The questionnaire was developed in consultation with ISPA and refined through expert review and in-house testing of the structure and routing of the questionnaire.

As in the previous Industry Studies, the final version of the questionnaire comprised two main parts. The first part focused on collecting the information necessary to estimate the key statistics per spa establishment, i.e. revenues, visits and employment. This section also asked spas about their 2018 profit percentage.

The second part of the questionnaire asked respondents to provide information on the operational aspects of their spa establishment, under the following headings:

- Staff compensation and benefits
- Product offering: Core spa services
- Retail products and revenues
- Spa offerings in 2018
- The availability of cannabidiol offerings in 2018
- Online booking features in 2018
- Market trends
- The respondent's view on the next big new trend that will shape the U.S. spa industry



Survey Outcomes

The survey was launched on a bespoke Internet registration site in January 2019 and ran until April 2019.

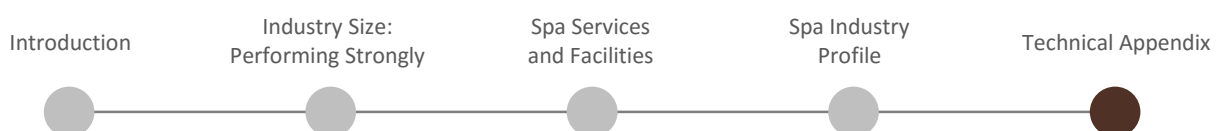
Results represent responses from 2,201 establishments. Those establishments were based on 593 survey returns that were submitted for either single locations or composite returns for multiple spa locations.

When compared to their share of all spa establishments, resort/hotel spas were over-represented in the sample while day spas were under-represented. The findings reported in this study have, therefore, been weighted to reflect the distribution of establishments by type of spa.

As the information for this study was collected from a sample of spas, the findings will inevitably be subject to margins of error. For proportions based on all respondents, the indicative margins of error at the 95% confidence level are $\pm 4.0\%$.

The margins of error are wider for sub-samples. Thus, for proportions based on all day spas, the margins of error are $\pm 5.4\%$. For proportions relating to resorts/hotels, the indicative margins of error are $\pm 6.9\%$.

Key ratios by spa type and region should be interpreted with caution. They are estimates based on a sample of spa establishments and are therefore subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry reports as estimates in those reports will also exhibit sampling error variability.



Comparability Over Time

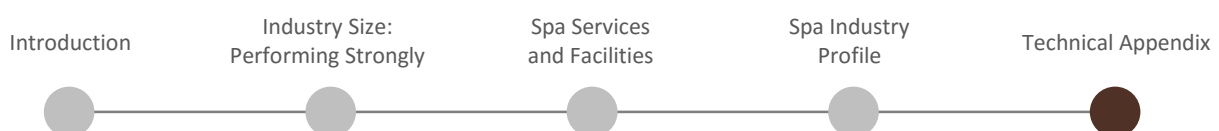
In 2005, ISPA undertook a census of the North American spa industry to formally qualify and classify spas. Through this process, ISPA developed specific product/service-based criteria for qualifying and classifying spas. The spa type definitions are listed on page 5 of this report.

In order to develop revised estimates of the trend in the number and distribution of spas, data from previous studies was adjusted to be consistent with the revised definitions. Further detail on the re-estimation procedures can be found in the ISPA 2007 Spa Industry Study.

In particular, with the exception of destination spas, per spa estimates of revenue and square footage no longer include accommodations. Similarly, on-site retail and fitness operations that were not contained within the spa were specifically excluded from the statistics. Using data on the allocation of space and revenue from previous studies, these components were removed, and the averages recalculated for comparability purposes.

The methodological changes were made to reflect the changing industry. As a result of the methodological changes, a greater emphasis was placed on narrowing the statistics to those activities that relate only to the spa.

While the estimates for studies undertaken prior to 2006 were adjusted to facilitate comparability and identification of industry trends, the pre-2005 estimates shown in pages 10-15 should nonetheless be treated with a degree of caution.



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About the Foundation

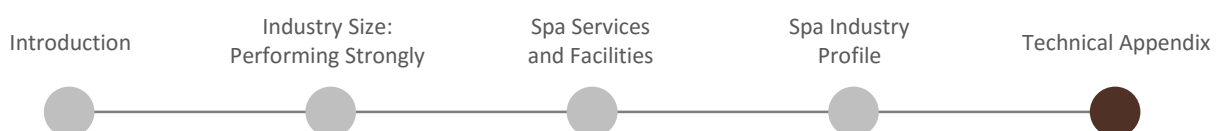
The ISPA Foundation is the 501(c)3 arm of ISPA and was created in 1999 to serve the educational and research needs of the industry. The ISPA Foundation's mission is to improve and enhance the value of the spa experience; their vision is to advance spa culture to sustain health and well-being.

The ISPA Foundation's objectives include being the educational source for the spa industry, establishing definitive research that validates spa industry-related topics and creating an endowment that sustains the ISPA Foundation in perpetuity.

The ISPA Foundation also wishes to thank the individuals and companies who have given generously over the years including those from the Charter Club Members (found on the ISPA website) to the annual ISPA Foundation Auction supporters who continue to make these research projects and the work of the Foundation possible.

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Now you have the advantage.

2022 ISPA U.S. SPA INDUSTRY STUDY





Introduction

This report presents the findings from the 2022 U.S. Spa Industry Study. The study was commissioned by the International SPA Association (ISPA) Foundation.

Established in 1991, ISPA has been recognized worldwide as the professional organization and voice of the spa industry, representing health and wellness facilities and providers across the globe. Members encompass the full spectrum of the spa experience, from resort/hotel, destination, mineral springs, medical, cruise ship, club and day spas, to service providers such as physicians, wellness instructors, nutritionists, massage therapists and product suppliers.

ISPA advances the spa industry by providing educational and networking opportunities, promoting the value of the spa experience and speaking as the authoritative voice of the industry to foster professionalism and growth.

This report presents the state of the industry in 2021, as indicated by total revenues, spa visits, average revenue per visit, the number of spa locations and staffing levels. These are referred to as the “Big Five” statistics.

This 2022 study marks the 23rd anniversary of the Spa Industry Study which was first conducted in 2000, highlighting the spa industry in 1999. Industry studies were also conducted in the years 2002, 2004, 2006 and 2007. Shorter tracking studies were commissioned in 2003, 2005, 2008 and 2009.

The study has been conducted on an annual basis since 2010, and full Industry Study reports were produced each year from 2010 to 2019. In 2020, the Industry Survey was curtailed due to the onset of the coronavirus pandemic. In that year, only the Big Five statistics were produced, showing the state of the industry in 2019, immediately prior to the COVID-19 pandemic and therefore serving as a baseline for assessing the impact on the spa industry.

The 2021 Industry Study focused on the impact of the COVID-19 pandemic on the spa industry in 2020. In that year, the restrictions introduced to contain the spread of the COVID-19 virus had their greatest impact on customer-facing industries such as the spa sector, which experienced large falls in visits, revenues and employment.

As restrictions eased, spas were able to reopen and, by the end of 2020, almost all spas (96%) were fully or partly open. By that time, vaccines had been developed and roll-out of the vaccination program commenced in mid-December 2020.

However, even as restrictions were further eased and the economy rebounded in 2021, the COVID-19 pandemic continued to have an effect, with successive waves of infections throughout the year.

That is the context within which this Industry Study examines how the spa industry fared in 2021.

Research Objectives

The research objectives of the 2022 U.S. Spa Industry Study are as follows:

- Determine the size of the spa industry in the United States, specifically in terms of the “Big Five” statistics:
 - > Number of establishments;
 - > Revenues;
 - > Number of visits;
 - > Revenue achieved per visit; and
 - > Employment.
- Analyze and assess the spa industry in the recovery from the COVID-19 pandemic.
- Determine current and future industry trends and challenges.
- Develop a profile of the U.S. spa industry using criteria such as regional distribution, spa type, ownership structure and service/product offerings.
- Manage the ISPA database of key industry statistics.

Definitions

For the purpose of the ISPA study, a spa is defined as a place of business that enhances the overall well-being of a person through a variety of professional spa services that encourage the renewal of mind, body and spirit. To be qualified as a spa, a business must offer at least two of the following three services: massage (full body); skin care treatments (i.e. facials); or body treatments (i.e., hydrotherapy or body wraps/scrubs).

The spa industry categories used in this study are as follows:

CLUB SPA	Primary purpose is fitness. Offers a variety of spa services on a day-use basis.
DAY SPA	Offers spa services to clients on a day-use basis.
DESTINATION SPA	Historically a seven-day stay, encompassing spa services as part of a program whose primary purpose is guiding individual spa-goers to develop healthy habits.
MEDICAL SPA	Operates under the full-time, on-site supervision of a licensed health care professional. Primary purpose is to provide comprehensive medical and wellness care in an environment that integrates spa services.
MINERAL SPRINGS SPA	Offers on-site source of natural mineral, thermal or sea water used in professionally administered hydrotherapy services.
RESORT/HOTEL SPA	A spa located within a resort or hotel.

Throughout the report data is analyzed by type of spa. Day and resort/hotel spas are generally listed with the remaining spas combined into the ‘other’ spa category, due to their sample sizes in the survey undertaken for this study.

Report Contents

Industry Size: Rebounding from the Pandemic

This section commences with an overview on the wider economic context shaping the spa industry in 2021. It then presents the survey results for the Big Five statistics, both for 2021 and in their historical context. The section concludes with a look-ahead to 2022.

4

Spa Services + Facilities

This section presents a picture of the facilities and services that spas offer to their clients. The section also presents information on average prices per service and spas' pricing and service availability strategies. The section concludes with a discussion of policies and practices currently in place.

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Employment

This section covers the following topics: movements in compensation levels in the last year, distinguishing leadership/management, front desk and massage therapist positions; issues experienced in recruiting massage therapists; responses to recruitment difficulties; issues around retention of staff; and unfilled positions, both service provider and management positions.

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Spa Industry Profile

This section presents a profile of spa establishments, including composition by type of spa, size differences and the geography of the industry.

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Technical Appendix

This section contains more detailed information on how the survey was undertaken.

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Note: All percentage calculations are based on un-rounded figures; therefore, totals or sub-totals may differ due to rounding.



Industry Size: Rebounding from the Pandemic

This section presents the survey findings for the size of the U.S. spa industry, addressing the following topics:

The economic context in the recovery from the pandemic

Spas' operating hours: whether spas are operating all the hours they want to be open or at a reduced number of hours, as of spring 2022

The Big Five statistics in 2021, i.e., revenues, visits, revenue per visit, establishments and employment

Profitability in 2021

Spas' current practice and intentions, as of spring 2022, regarding proof of vaccination requirements for their employees, guests and third-party partners

Looking forward to 2022: as the industry emerges from the pandemic, what is the single biggest opportunity that survey respondents see for the U.S. spa industry?

The Economic Context

Following a steep downturn in 2020 due to the COVID-19 pandemic, the U.S. economy rebounded strongly in 2021. Economic output climbed above its pre-pandemic level, accompanied by rising employment and falling unemployment. However, inflation has re-emerged and remained on an upward path through spring 2022.

Across the U.S. economy, the value of economic output (GDP) rose by 5.7% in 2021, recovering all of the output lost to the pandemic in 2020, when GDP fell by -3.4%. The GDP measure fell in the first quarter of 2022, by an annualized -1.5%. That was mainly due to a surge in imports, as businesses sought to rebuild inventory to meet growing consumer demand.

Employment also recovered, with a rise of 2.8% in 2021 compared with a -5.8% decline in 2020. The growth in payrolls continued through the first quarter of 2022, at an annual rate of 4.5%. Unemployment continued to fall and by spring 2022 was down to 3.8%, close to the pre-pandemic level of 3.7%.

In current dollar terms, personal consumption expenditure rose by over 9% in 2021 and an annualized 9.5% in the first quarter of 2022. However, with rising inflationary pressures, the growth in constant dollar terms was less, at 5.8% in 2021. Nonetheless, consumer demand remained strong in the first quarter of 2022.

Reflecting inflationary pressures, the Consumer Price Index (CPI) rose by 4.7% in 2021, rising to 7.9% in the first quarter of 2022.

THE U.S. ECONOMY

Selected indicators, annual percent change

	2019	2020	2021	2022 (Q1)
GDP (Constant 2012 \$)	2.3%	-3.4%	5.7%	-1.5%
Employment	1.3%	-5.8%	2.8%	4.5%
Unemployment (%)	3.7%	8.1%	5.4%	3.8%
Compensation of employees				
Current \$	4.5%	1.1%	8.7%	8.3%
Personal consumption expenditure (all services)*				
Current \$	4.1%	-5.6%	9.2%	9.5%
Constant (2012) \$	1.7%	-7.5%	5.8%	4.8%
Consumer price index (all items)				
	1.8%	1.2%	4.7%	7.9%

Sources: Bureau of Economic Analysis (BEA); Bureau of Labor Statistics.

*Personal consumption expenditure is a measure of how much consumers spend on durable goods, consumer product and services. The figures shown above relate to spending on services.

GDP, income and expenditure data extracted from estimates published by BEA in May 2022. Rates shown in constant (2012) \$ are adjusted for inflation.

Employment in the Pandemic

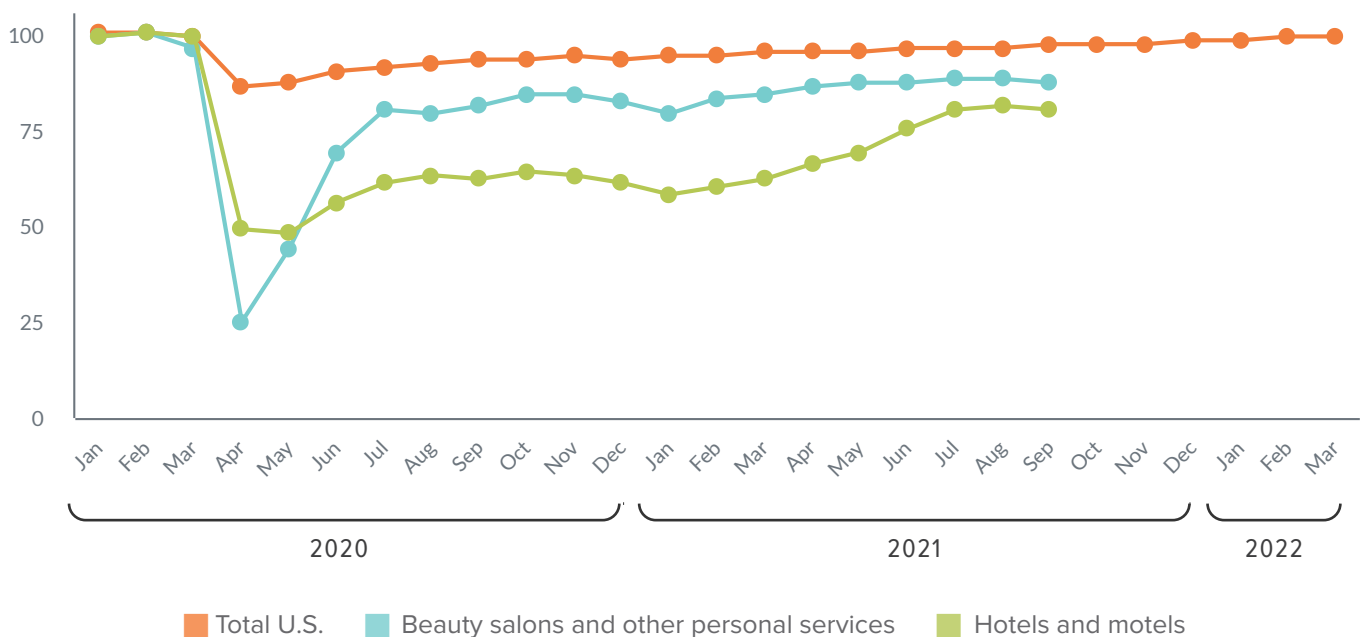
Service industries that rely on personal contact with the consumer have recovered less quickly than other sectors in the wider economy.

Following the first COVID-19 stay-at-home order in spring of 2020, employment fell dramatically in service industries such as beauty salons and other personal services, including day spas, as well as hotels and motels. With an easing of restrictions and adaptation of workplaces to social distancing and other requirements, employment in personal care services staged a partial recovery, registering a rebound in employment between June and July of 2020.

However, as the pandemic persisted, with further outbreaks of variant COVID-19 strains, by September 2021 (the most recent month for which BLS industry data are available), employment in the beauty salon and other personal services remained 13% below the pre-pandemic level.

Employment in hotels and motels has been slower to recover. By September 2021, the number of jobs was still 20% lower than the pre-pandemic level (February 2020). That is likely to reflect the added impact of travel restrictions during the pandemic. While airline travel grew strongly in 2021, 85% more than in 2020, the number of passengers carried remained 27% below pre-pandemic levels.

EMPLOYMENT, FEBRUARY 2020=100 (SOURCE: BLS)



Spa Operating Status

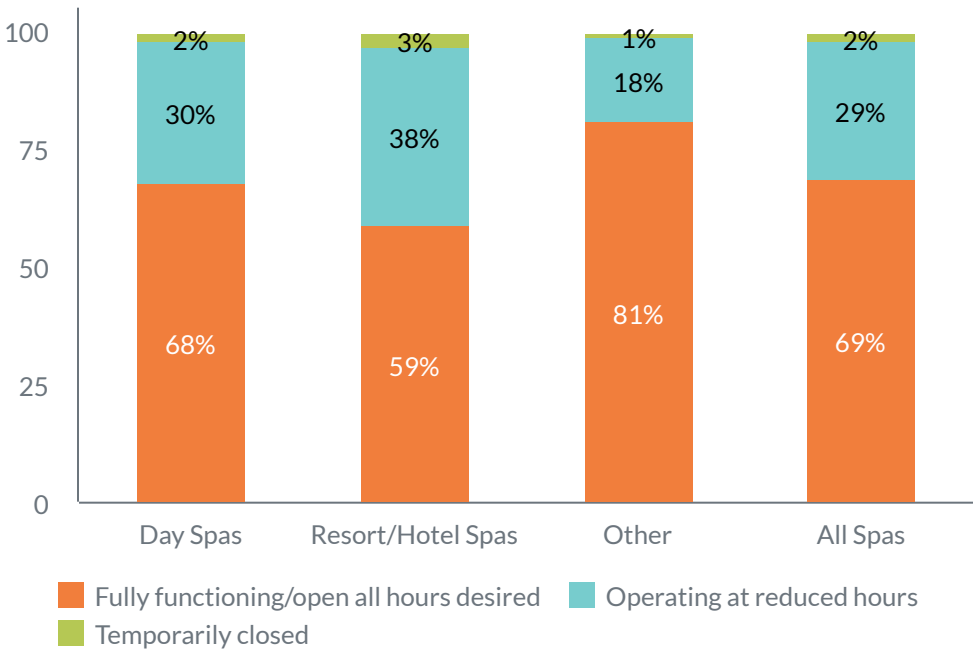
FEBRUARY 2022

By February 2022, over two in three spas (69%) were fully functioning/open all desired hours. A little under three in 10 spas (29%) were operating at reduced hours. The remaining 2% were temporarily closed.

The proportion of spas saying they were fully functioning ranged from 59% of resort/hotel spas to 68% of day spas and 81% of all other spa types.

Resort/hotel spas were the most likely to say they were operating at reduced hours (38%). In the day spa sector, 30% of spas said they were operating at reduced hours.

SPA OPERATING STATUS, FEBRUARY 2022



Among the 31% of spas operating at reduced hours or temporarily closed, staff shortages were the most frequently cited reason (70%), followed by staff sickness (41%), COVID restrictions (26%) and lack of customer demand (16%).

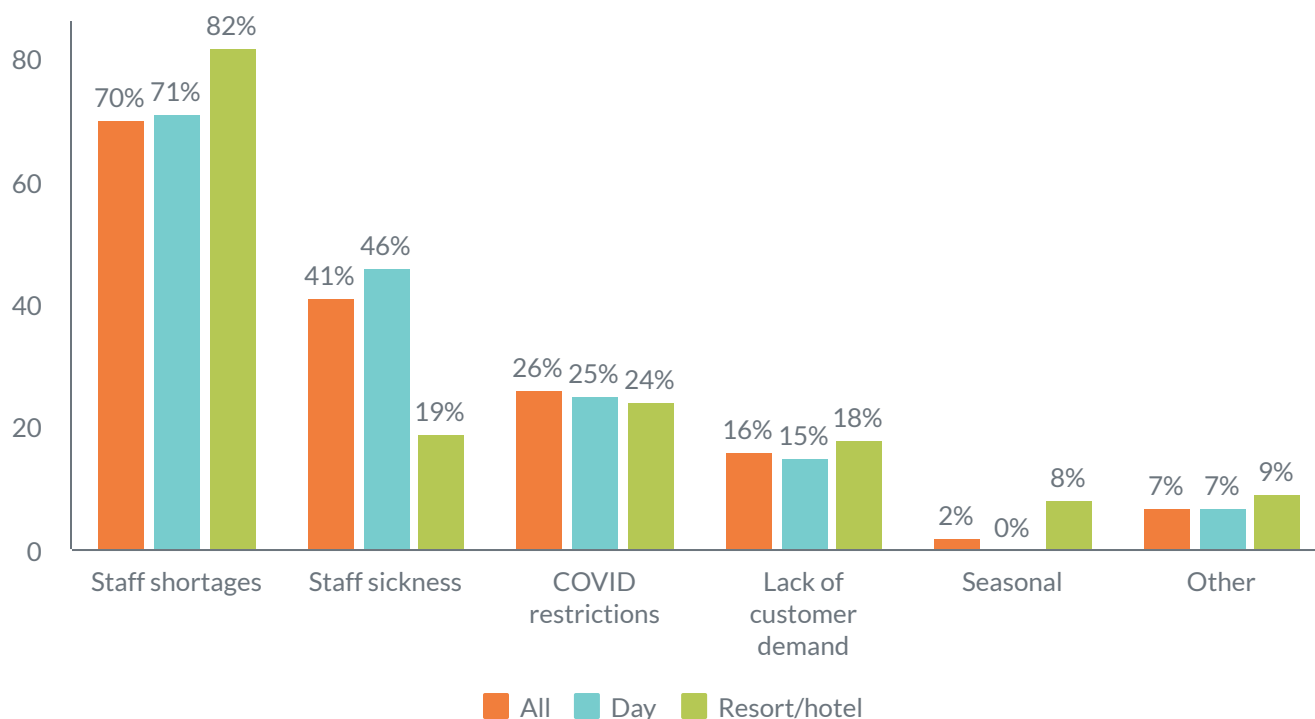
Resort/hotel spas were the most likely to highlight staff shortages (82%), followed by day spas (71%).

Staff sickness was cited as a reason by almost one in two (46%) of the day spas that said they were operating at reduced hours or temporarily closed in February 2022.

COVID-19 restrictions were mentioned by a little over one in four spas (26%). The proportion varied hardly at all between day spas (25%) and resort/hotel spas (24%).

Lack of customer demand was cited by 16% of the spas saying they were operating at reduced hours or temporarily closed in February 2022. The proportion pointing to lack of demand did not vary greatly between day spas (15%) and resort/hotel spas (18%).

REASONS FOR SPAS OPERATING AT REDUCED HOURS/TEMPORARILY CLOSED



The Big Five Statistics

2021 OUT-TURN AND PERCENT CHANGE OVER 2020

The spa industry registered strong revenue growth in 2021, underpinned by an upturn in visits and a rise in revenue per visit.

Total spa industry revenue is estimated to have risen by \$6 billion, from \$12.1 billion in 2020 to \$18.1 billion in 2021, an increase of 49.4%.

An estimated 173 million spa visits were made in 2021, 49 million more than in 2020 when spas received 124 million visits. In percentage terms, spa visits rose by 39.5%.

After dropping by 4% in 2020, the number of spa locations stabilized at 21,510 in 2021, a marginal decline of -0.2% compared with 2020.

The average revenue per visit increased sharply, up by 7.1% from \$97.50 in 2020 to \$104.50 in 2021.

Total employment is estimated to have increased by 13.2%. With a 15.8% rise, full-time employment expanded at a slightly faster pace than part-time employment (+12.1%). Contract employment is estimated to have fallen slightly, by -0.7%.

BIG FIVE STATISTICS

	2020 (YEAR END)	2021 (YEAR END)	% Change
Revenue	\$12.1 billion	\$18.1 billion	49.4%
Spa Visits	124 million	173 million	39.5%
Locations	21,560	21,510	-0.2%
Revenue per visit	\$97.50	\$104.50	7.1%
	2021 (JAN)	2022 (JAN)	
Total Employees	304,800	345,000	13.2%
Full-Time	140,600	162,800	15.8%
Part-Time	149,000	167,100	12.1%
Contract	15,200	15,100	-0.7%

Spa Establishments

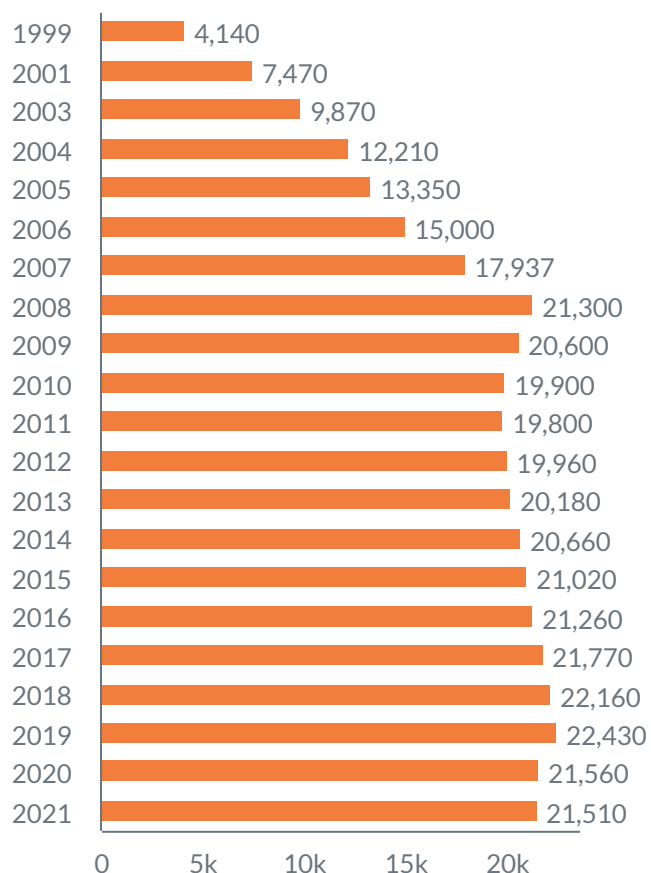
Following a 3.9% drop in 2020, the number of spa establishments is estimated to have stabilized in 2021, falling only marginally, by -0.2%

An estimated 21,510 spa locations were operating in 2021, slightly fewer than in 2020 (21,560 locations). However, in 2021, the number of locations remained 4% below the pre-pandemic level (22,430 locations at end-2019).

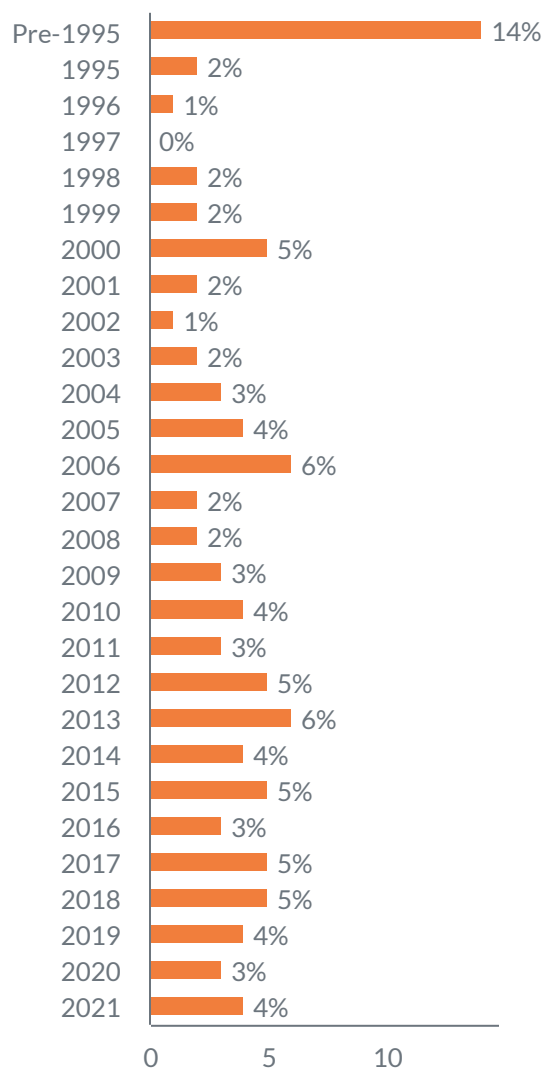
In 2021, there were an estimated 610 new spa openings, adding 2.8% to the number of spas in operation at the end of 2020.

However, an estimated 660 spas closed over the course of 2021, representing 3% of the 2020 total. The net effect was a reduction of 50 spa locations by the end of 2020 (-0.2%).

TOTAL SPA ESTABLISHMENTS IN THE U.S.



YEAR SPA OPENED



Establishments by Type of Spa

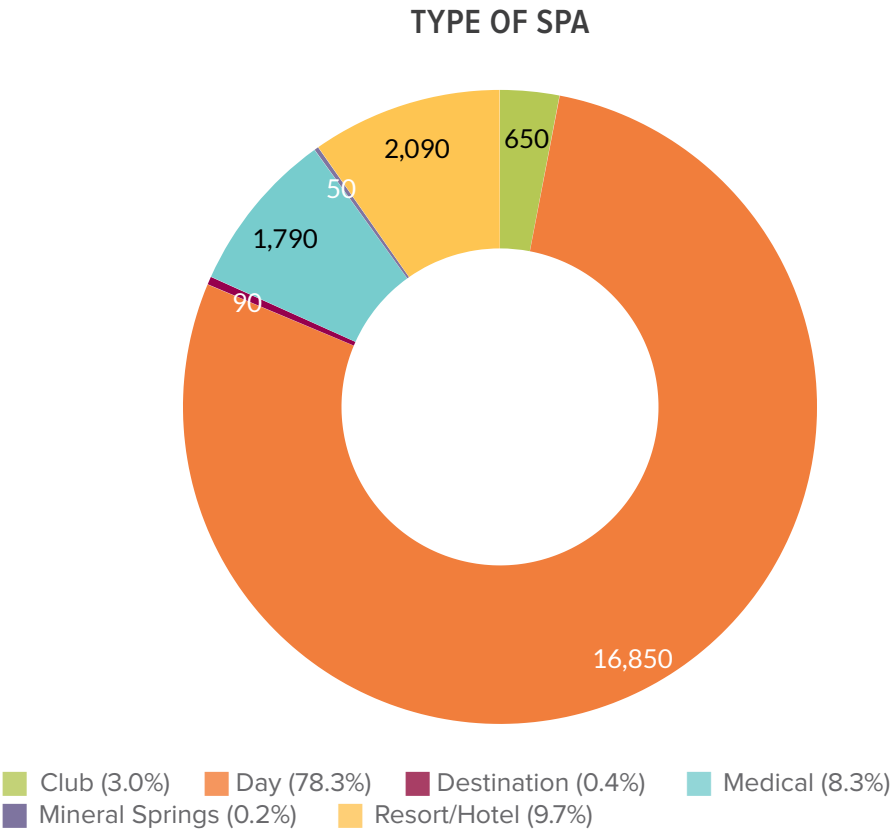
Day spas continue to predominate within the spa industry, accounting for 78.3% of the total of 21,510 establishments, followed by resort/hotel (9.7%) and medical spas (8.3%).

By end-2021, there were almost 16,900 day spa establishments operating across the U.S., slightly lower than the 2020 estimate (16,920).

The number of resort/hotel spas at the end of 2021 is estimated at 2,090, representing a 2.9% increase compared with 2020, when an estimated 2,030 resort/hotel spas were in operation.

The number of medical spas is estimated at 1,790, a decline of -2.2% compared with 2020.

Club spa locations are estimated at 650 in 2020, an increase of 3.6% compared to the number of such spas in 2020.

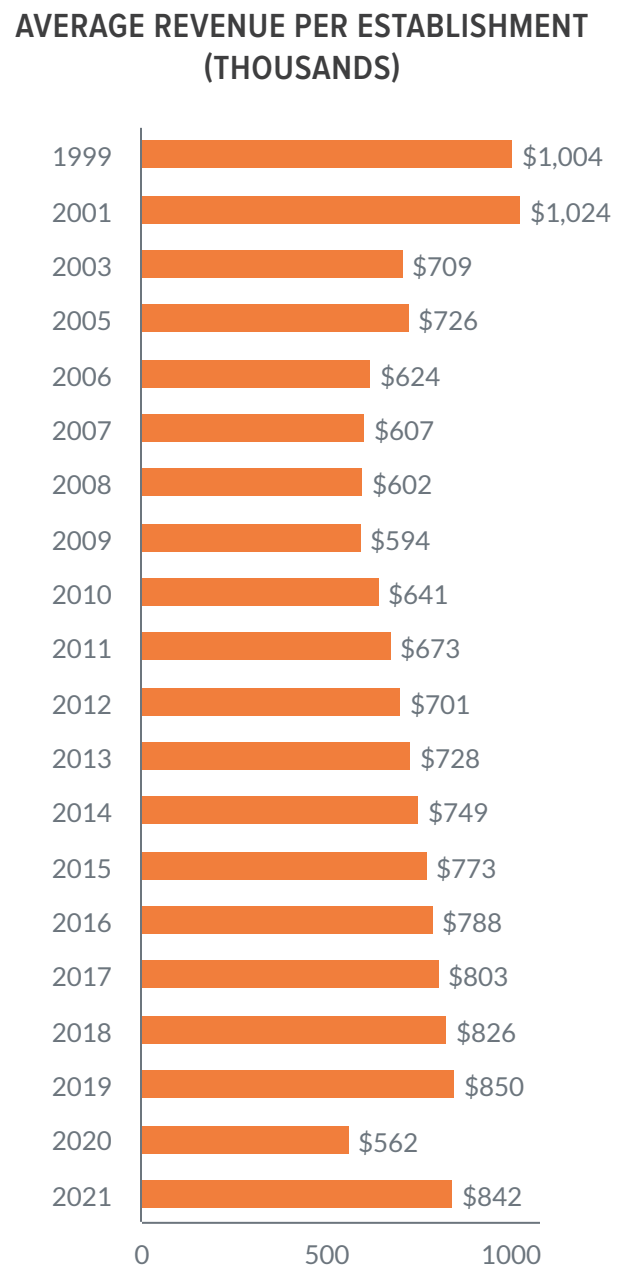
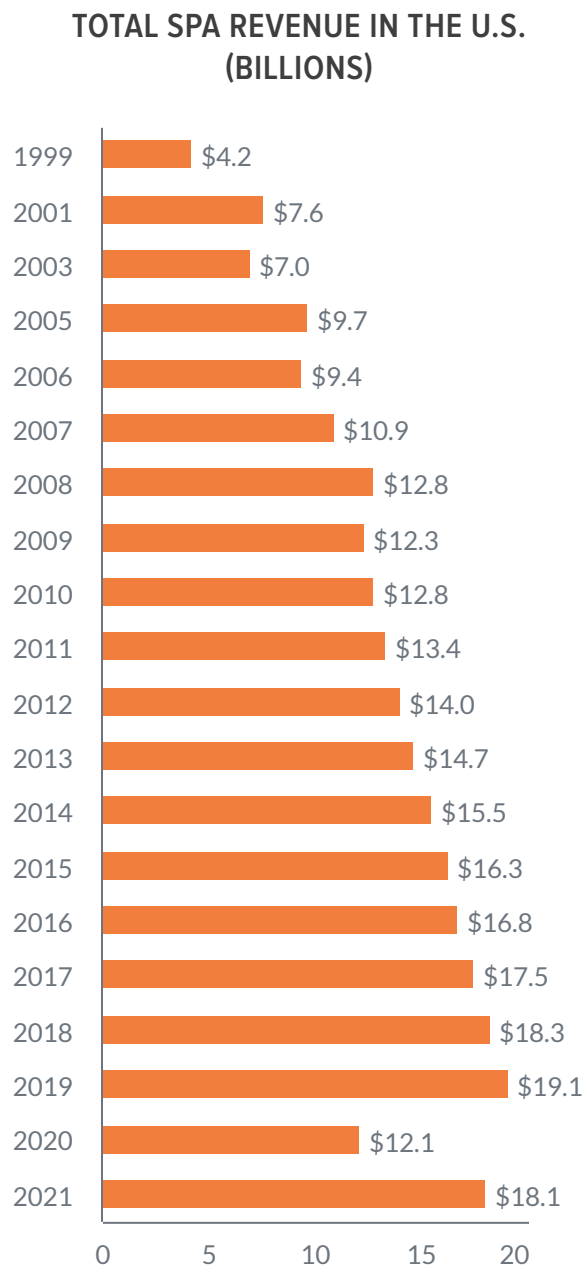


Spa Revenues

Total spa revenues rebounded in 2021, rising by 49% and recovering most, though not all, of the revenues lost to the pandemic-induced downturn in 2020.

Total spa revenues for 2021 are estimated at \$18.1 billion, an increase of \$6 billion on total revenue in 2020 (\$12.1 billion), but still 5% below the pre-pandemic level of \$19.1 billion in 2019.

Average revenue per spa establishment recovered from \$562,000 in 2020 to \$842,000 in 2021 (+50%).



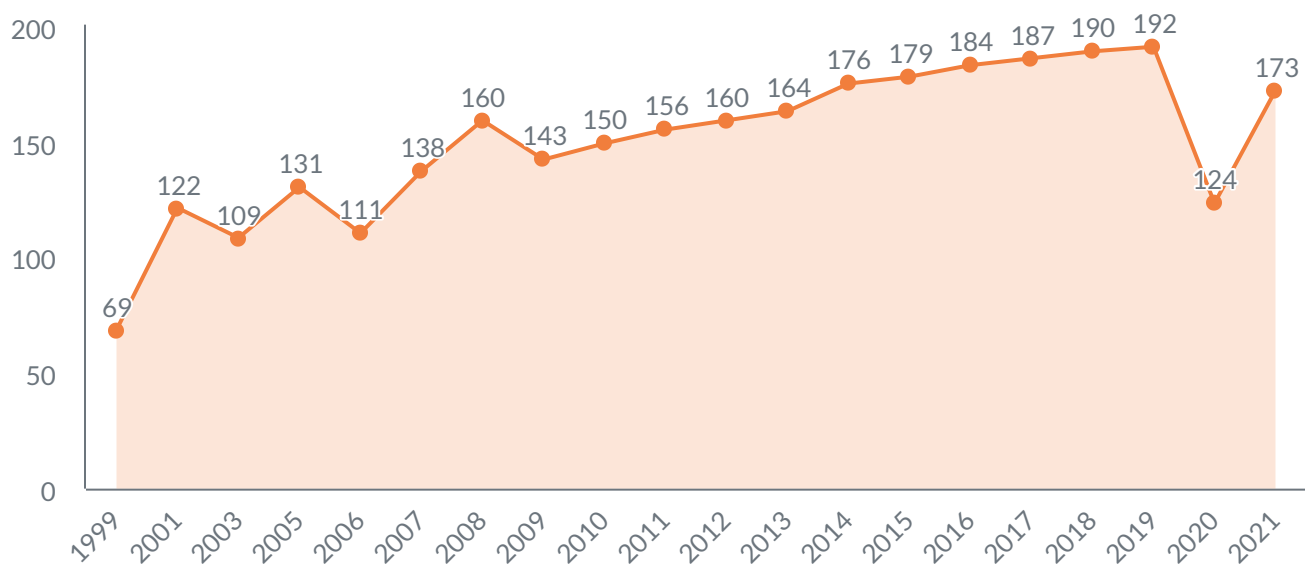
Spa Visits

An estimated 173 million visits were made to spa establishments in 2021, up from 124 million in 2020, but still 10% below the 2019 pre-pandemic peak of 192 million.

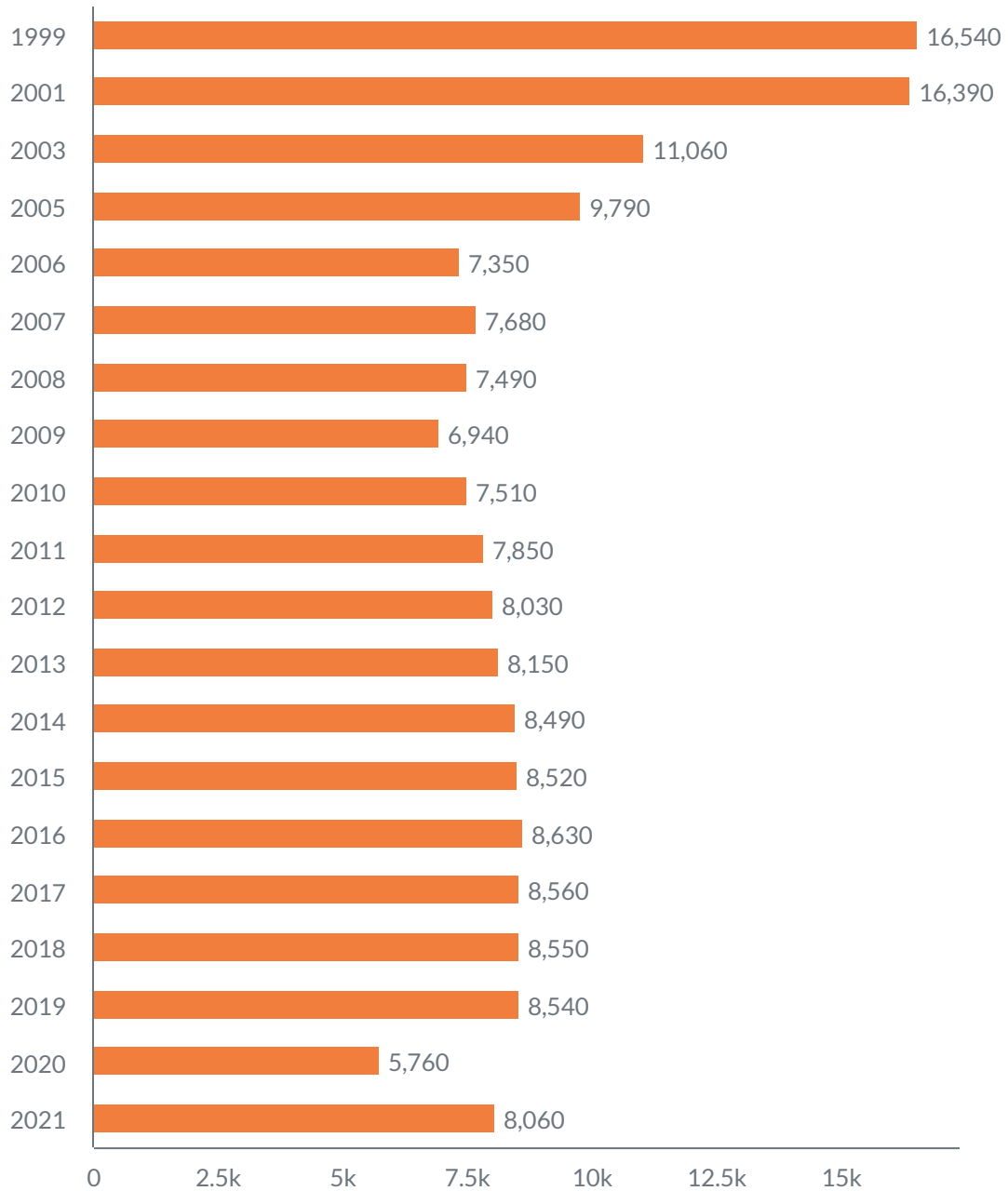
In 2021, there were 49 million more spa visits compared with 2020, a 40% increase.

The average number of visits per spa establishment also rose by 40%, from 5,760 in 2020 to 8,060 in 2021. Nonetheless, spa visits per establishment in 2021 were still 6% below the pre-pandemic average of 8,540 per spa.

TOTAL SPA VISITS IN THE U.S. (MILLIONS)



AVERAGE VISITS PER ESTABLISHMENT



Average Spa Revenue Per Visit

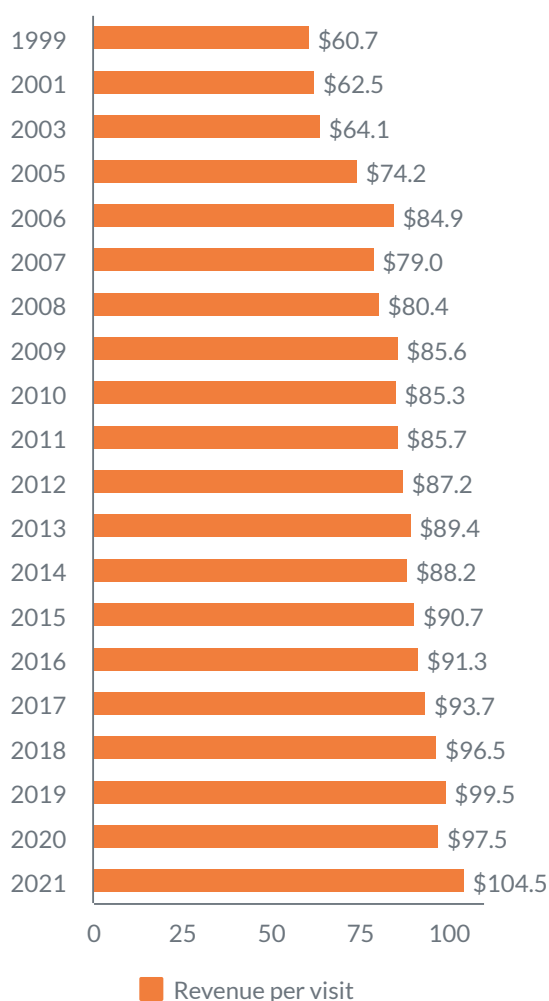
The average revenue per visit in 2021 is estimated at \$104.50, an increase of 7% compared with 2020 (\$97.50).

As shown by the chart below, the average revenue per spa visit achieved in 2021 is the highest on record.

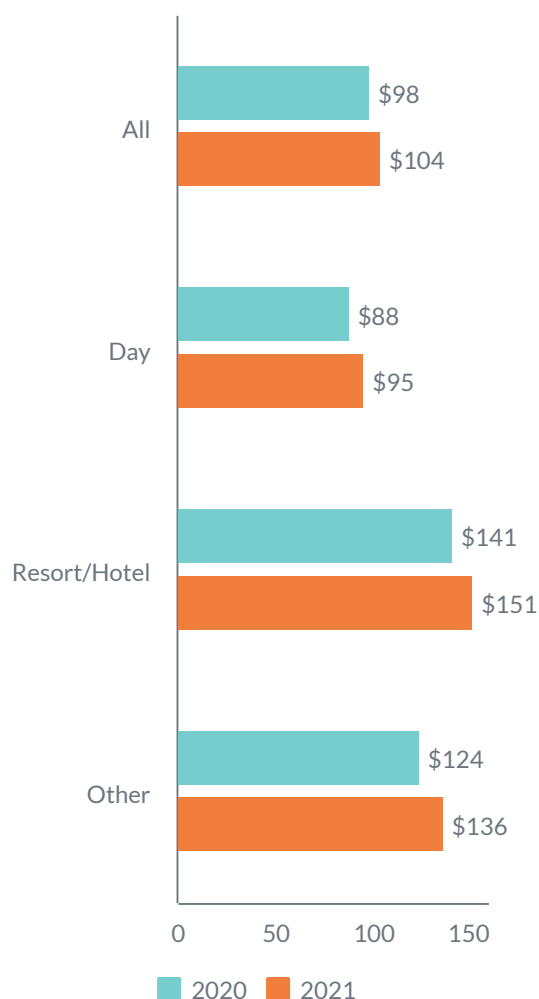
Average spend per visit varies by spa type, ranging from \$95 for day spa visits to \$151 for resort/hotel visits. Compared to 2020, the average revenue per visit in 2021 is estimated to have risen by 7% in both the day spa and resort/hotel sectors.

The average amount that clients spend when they visit a spa is influenced by a range of factors, including the mix of services and treatments that clients purchase and the pricing of those services in a competitive market. Within that context, the rise in average spa revenue per visit in 2021 would seem to reflect, at least in part, higher prices per service (see section 3 in this report for discussion of the trend in average prices per service).

AVERAGE REVENUE PER SPA VISIT



SPA REVENUE PER VISIT



Employment

When asked to give the approximate percent change in staff employed compared with January 2021, 63% of survey respondents said they had increased their staff count.

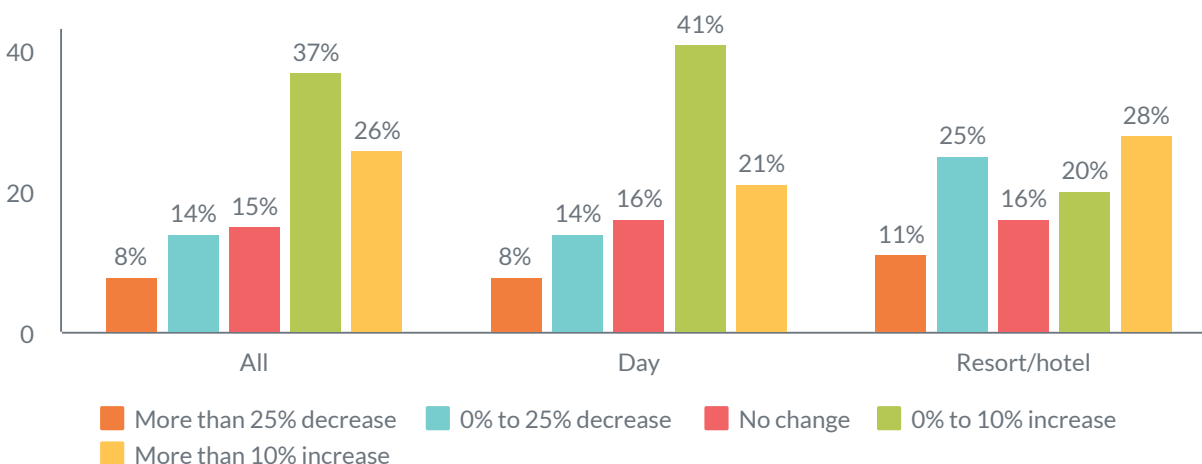
Over one in three spa businesses (37%) said they had increased their staff employed by less than 10%, while 26% of spa businesses said staffing levels were at least 10% higher than in January 2021.

Day spa businesses were more likely than resort/hotel businesses to say they had increased their staff count, by a margin of 62% to 48%, respectively.

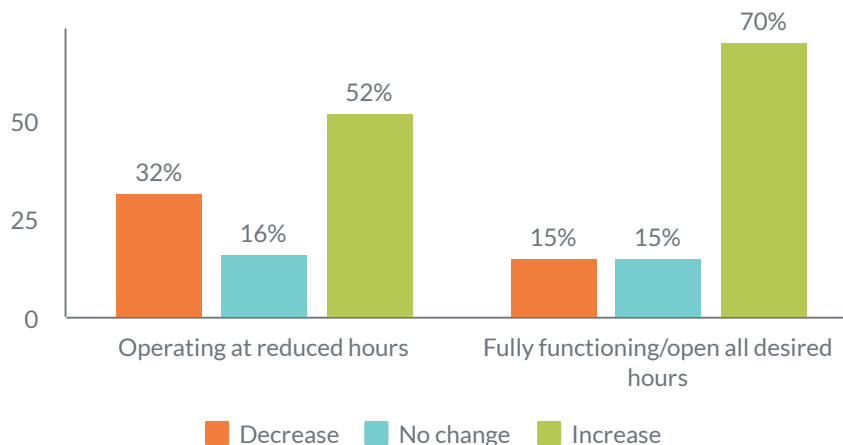
A little over one in three resort/hotel businesses (36%) said they had fewer staff employed compared with January 2021. Among day spa businesses, the proportion reporting fewer staff was 22%.

Just over half (52%) of spas operating at reduced hours had increased their staffing compared to nearly three quarters of those that were open all the hours they wanted to be (70%).

**EMPLOYMENT CHANGE COMPARED TO JANUARY 2021
(APPROXIMATE %, BY SPA TYPE)**



**EMPLOYMENT CHANGE COMPARED TO JANUARY 2021
(APPROXIMATE %, BY SPA OPERATING STATUS)**



By January 2022, total employment stood at 345,000, an increase of 40,200 (+13%) compared with January 2021, bringing the spa workforce back to 90% of the pre-pandemic level as of January 2020 (383,700).

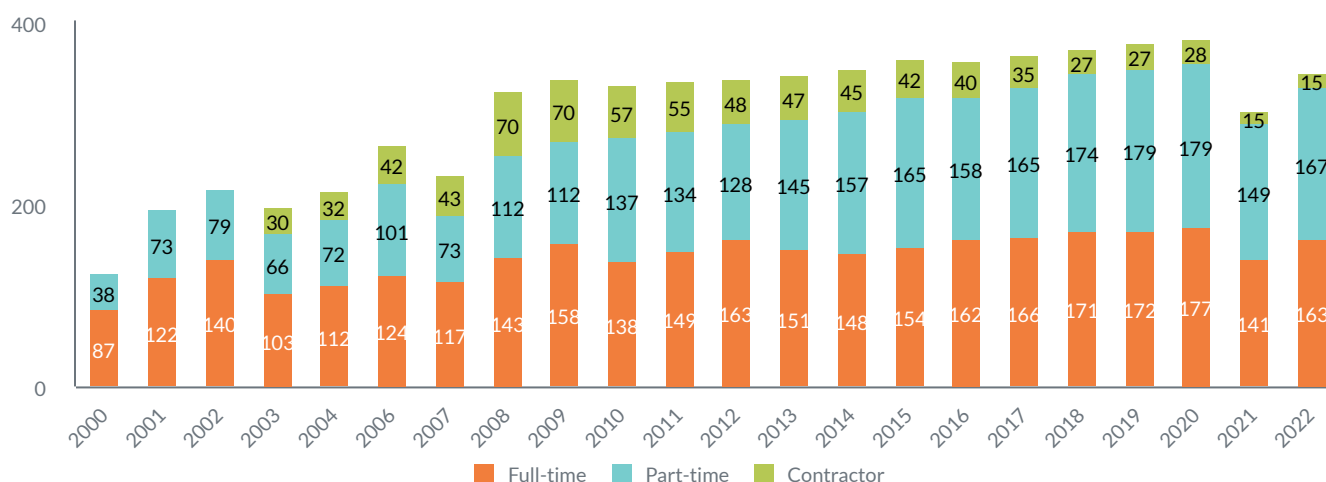
The number of full-time employees is estimated to have risen by 22,200 (+15.8%), rising to 162,800 in January 2022. Part-time employment also increased, up by 18,100 (+12.1%) and standing at 167,100 in January 2022.

Employment of independent contractors was almost unchanged, falling by less than 1%.

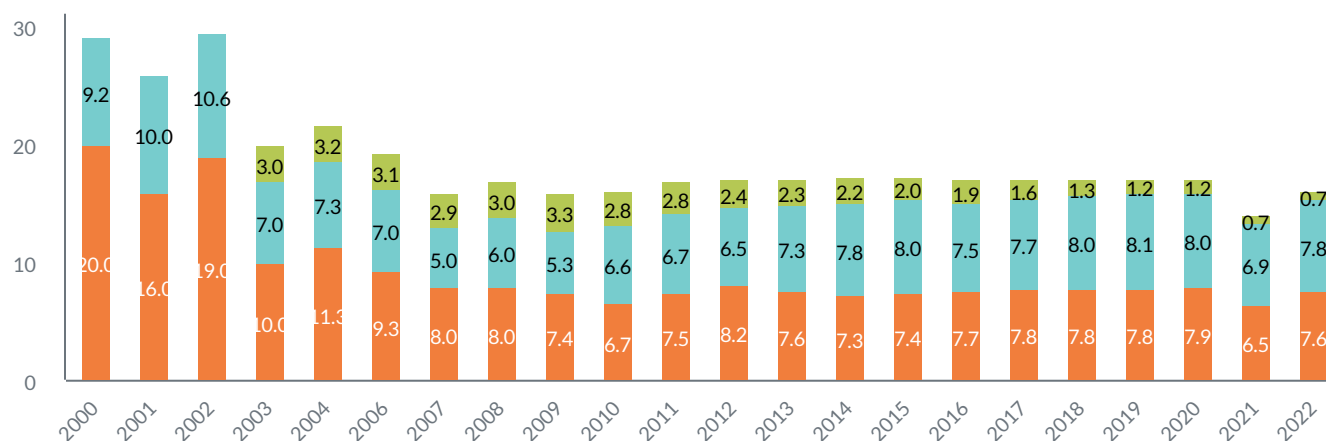
Across the industry as a whole, the number employed per spa location rose from 14.1 in January 2021 to 16 in January 2022, 6% below the pre-pandemic average of 17.1 in January 2020.

Note: On average, spas consider service providers need to work 30 or more hours per week to be considered a full-time employee.

TOTAL EMPLOYEES IN THE U.S. (THOUSANDS)



AVERAGE EMPLOYEES PER ESTABLISHMENT



Profitability

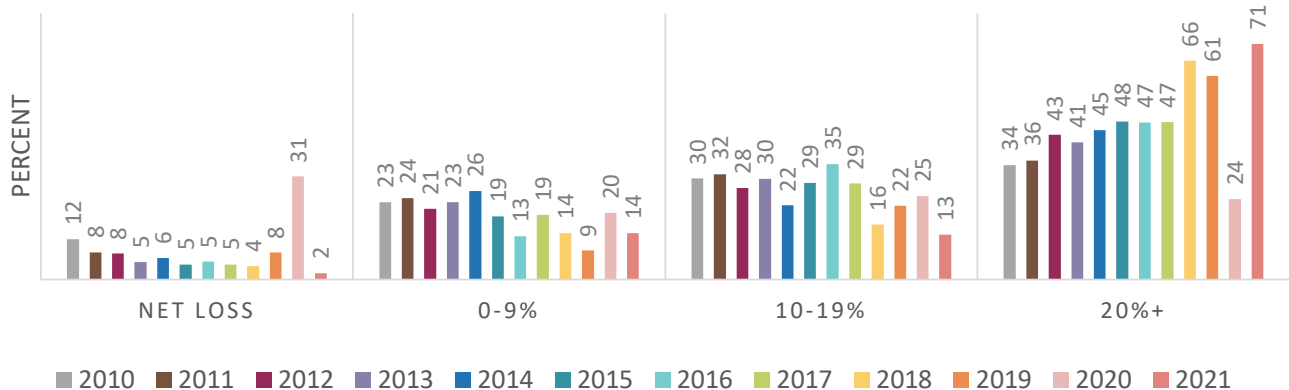
Spa profitability made a strong recovery in 2021. The proportion of resort/hotel spas reporting a loss dropped from 31% in 2020 to 2% in 2021. Similarly, in the rest of the spa industry, the proportion reporting a loss fell from 28% to 7%, about in line with the historical average.

Since many resort/hotel spas are part of a larger enterprise, survey respondents in the resort/hotel sector were asked to give their approximate spa profit percentage, for the spa operation only and not the entire business. All other types of spa establishments were asked to give the approximate spa profit before fixed charges percentage.

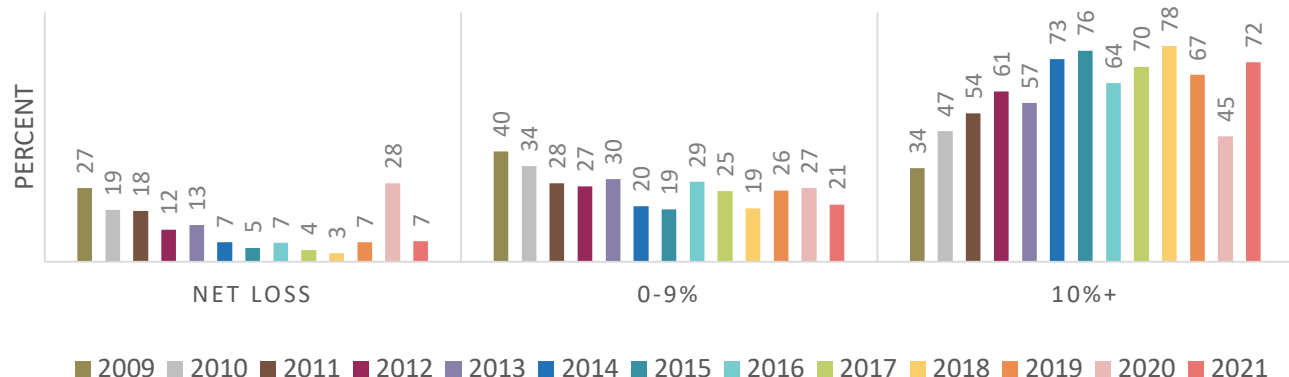
In the resort/hotel sector, 71% reported a spa profit percentage of 20% or more in 2021, up from 24% in 2020 and slightly higher than the pre-pandemic proportion (61% in 2019).

Excluding the resort/hotel sector, 72% of spas reported a profit percentage of 10% or more, up from 45% in 2020.

SPA PROFIT PERCENTAGE: 2010–2021, RESORT/HOTEL SPAS



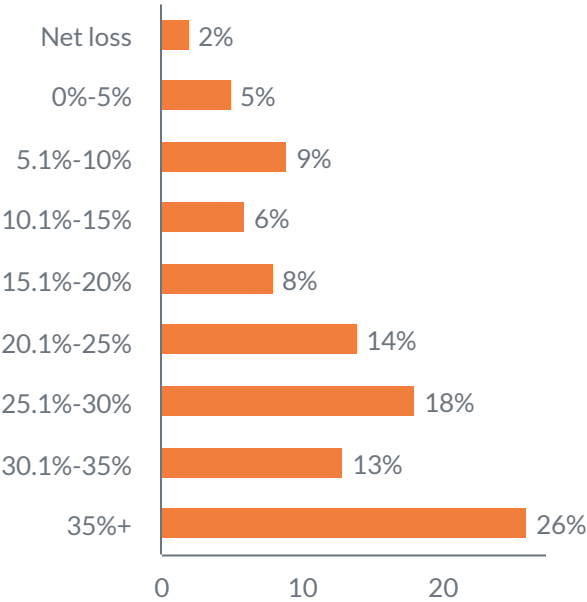
**PROFIT PERCENTAGE BEFORE FIXED CHARGES: 2009-2021
ALL SPAS EXCLUDING RESORT/HOTEL SPAS**



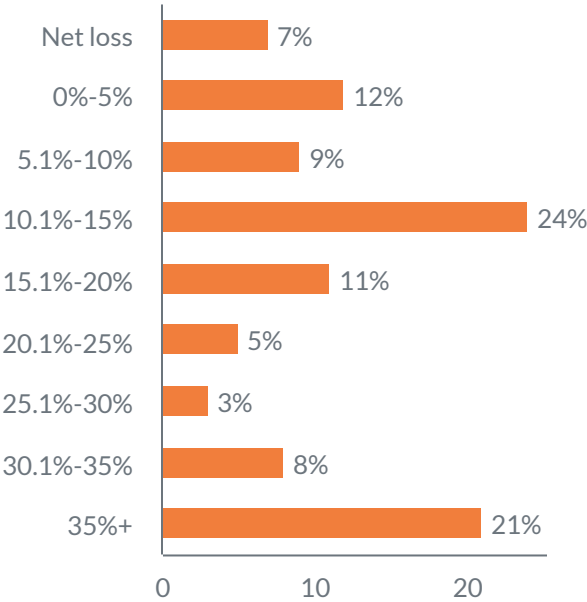
The detailed profit percentage results indicate that, in 2021 over one in four resort/hotel spas (26%) reported a spa profit percentage of 35% or more. Almost one in two resort/hotel spas (45%) cited a profit percentage in the range 20% to 35%.

Excluding the resort/hotel sector, the most frequently cited spa profit percentage was in the range 10%-15%, reported by almost one in four spas (24%). A little over one in five spas (21%) said their profit percentage was 35% or more.

**SPA PROFIT PERCENTAGE, 2021 –
RESORT/HOTEL SPAS**



**SPA PROFIT PERCENTAGE, 2021 –
ALL SPAS (EXCL. RESORT/HOTEL)**



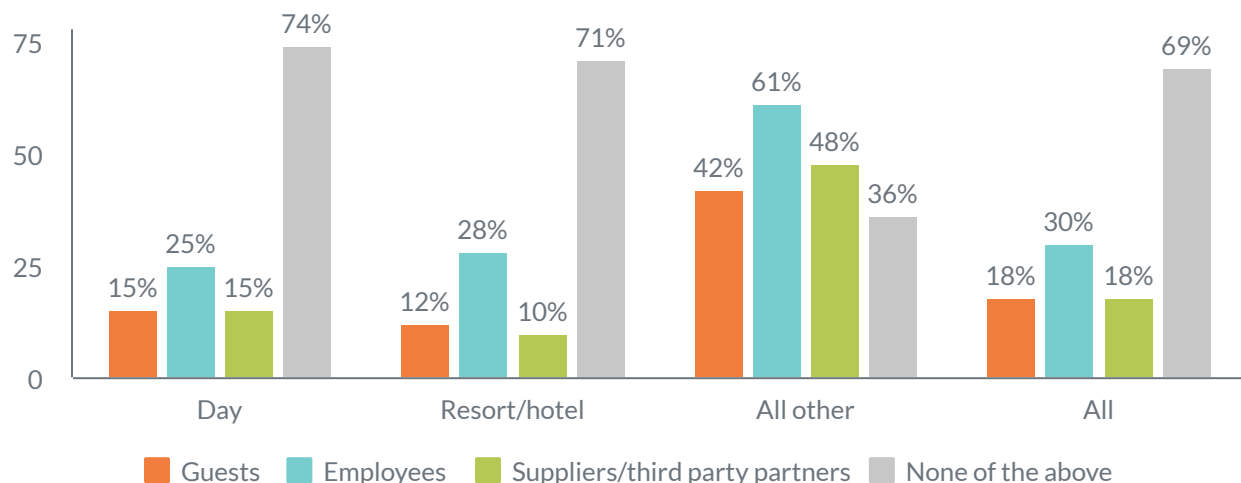
Proof of Vaccination Requirements

At the time of the industry survey (early-2022), almost seven in 10 spas (69%) said they did not currently nor plan to require guests, employees or suppliers/third party partners to show proof of vaccination before visiting or working at their establishments. Among spas that had or planned to enact such a requirement, the most frequently cited applicable group was employees, with 30% of all spas saying they required or planned to require that their staff show proof of vaccination. A little under one in five spas (18%) said they required, or plan to require that their guests show proof of vaccination in advance of receiving spa services.

The current or planned vaccination requirements did not vary greatly between resort/hotel and day spas. Among resort/hotel spas, 28% said they required or planned to require that their staff show proof of vaccination, compared with 25% of day spas. About one in eight resort/hotel spas (12%) said they would require their guests to show proof of vaccination, compared with 15% of day spas.

Current or planned requirements to show proof of vaccination in relation to staff and/or guests was higher in the other spa category, which includes medical spas.

SPAS CURRENTLY REQUIRING OR HAVE PLANS TO REQUIRE PROOF OF COVID-19 VACCINATION BEFORE VISITING/WORKING AT SPA



Looking Forward to 2022: Single Biggest Opportunity

As the industry emerges from the pandemic, survey respondents were asked to say what is the single biggest opportunity that they see for the U.S. spa industry. From the responses given, attracting and keeping talent presents the single biggest opportunity for spas wishing to capitalize on the opportunities offered by the surging demand for spa services. Though, reflecting uncertainty around future prospects, about one in eight respondents (12%) were unable to say or felt it was too early yet.

STAFFING – Spas identified two main opportunities. First, there is a shortage of qualified, experienced talent; not enough people training and not enough schools. In particular, massage therapists are in short supply. Second, there is an opportunity to enhance staff retention, putting more focus on staff well-being and showing that staff are appreciated. Workplace wellness is to the fore in that regard.

WELL-BEING – the range of opportunities mentioned include creating a wellness culture, countering the mental health effects of recent years (anxiety, stress, isolation), education to move the perception of spas away from the ‘pampering’ image and medical services.

GROWTH – Recovery is strong as services revert to ‘normal’ and guests return in large numbers. Spas required to close during the pandemic were delighted to reopen and hope to stay open. Spas that remained open saw more sales and visits. Destination spas welcomed tourism reviving. The pandemic has created huge pent-up demand, presenting a great opportunity for growth, new services and innovation. Many spas look forward to attracting new clients and to enjoying better profits and increased revenue.

SAFE SPACE FOR ALL – Spas want to be known as trusted safe havens in a time of anxiety. Safety has been central to reopening and returning to normal. Spas have navigated working with those who won’t get vaccinated, vaccine mandates, lifting of restrictions, accommodating groups safely, mitigating staff and guest fears of COVID outbreak worries.

DELIVERING SERVICES – Respondents highlighted a need for hands-on services post-pandemic. People have been touch-deprived and shut in, with no such experiences for two years. For many, touch is vital for de-stressing, hence the huge demand for massages as spas return to in-person treatments.

At the same time, many guests remain wary. One spa noticed their younger demographic asking for non-touch, therapist-free treatments. In this growing area, technology is providing the answers: AI, zero-touch, provider-free therapies are also a response to staff shortages. Some now offer a mix of non-touch and touch therapies. Home care—including take home products and distance care—and self-guided services within the spa have also become more common since the pandemic began.

INNOVATION AND TECHNOLOGY – Spas are adapting by altering services, embracing well-being and using technology to grow ecommerce, streamlining operations, modernizing booking and offering distance and zero-touch care.

EMPHASIS ON QUALITY – Guests are showing a greater appreciation and readiness to pay more. Quality and prices are going up along with personal service. People are willing to pay for experiences.

Key Points Summary

THE INDUSTRY IN 2021: REBOUNDED FROM THE PANDEMIC

Following a steep downturn in 2020 due to the COVID-19 pandemic, the U.S. economy rebounded strongly in 2021. Economic output climbed above its pre-pandemic level, accompanied by rising employment and falling unemployment. However, inflation has re-emerged and remained on an upward path through spring 2022.

Service industries that rely on personal contact with the consumer have recovered less quickly than other sectors in the wider economy. By September 2021, employment in beauty salons and other personal services (which includes day spas) was still 13% below the pre-pandemic level. Employment in the hotel and motel sector was 20% lower than the pre-pandemic level.

By February 2022, over two in three spas (69%) were fully functioning and open all the hours that they wanted to be. A little under three in 10 spas (29%) were operating at reduced hours. The remaining 2% were temporarily closed.

Among the 31% of spas operating at reduced hours or temporarily closed, staff shortages were the most frequently cited reason (70%), followed by staff sickness (41%), COVID restrictions (26%) and lack of customer demand (16%).

The spa industry registered strong revenue growth in 2021, underpinned by an upturn in visits and a rise in revenue per visit:

- Total spa industry revenue is estimated to have risen by \$6 billion, from \$12.1 billion in 2020 to \$18.1 billion in 2021, an increase of 49.4%.
- An estimated 173 million spa visits were made in 2021, 49 million more than in 2020 when spas received 124 million visits. In percentage terms, spa visits rose by 39.5%.
- The average revenue per visit increased sharply, up by 7.1% from \$97.5 in 2020 to \$104.5 in 2021.
- Total employment is estimated to have increased by 13.2%. With a 15.8% rise, full-time employment expanded at a slightly faster pace than part-time employment (+12.1%). Contract employment is estimated to have fallen slightly, by -0.7%.
- When asked to give the approximate % change in staff employed compared with January 2021, 63% of survey respondents said they had increased their staff count.
- After dropping by 4% in 2020, the number of spa locations stabilized at 21,510 in 2021, a marginal decline of -0.2% compared with 2020.

Notwithstanding the 2021 growth, apart from revenue per visit, by the end of 2021, the spa industry had yet to return to pre-pandemic levels:

- **Total spa revenues for 2021** were 5% below the pre-pandemic level of \$19.1 billion in 2019.
- The number of visits to spa establishments in 2021 was 10% below the 2019 pre-pandemic peak of 192 million.
- By January 2022, the spa workforce stood at 90% of the pre-pandemic level.
- At the end of 2021, the number of locations remained 4% below the pre-pandemic level.

PROFITABILITY

Spa profitability made a strong recovery in 2021. The proportion of resort/hotel spas reporting a loss dropped from 31% in 2020 to 2% in 2021. Similarly, in the rest of the spa industry, the proportion reporting a loss fell from 28% to 7%, about in line with the historical average.

PROOF OF VACCINATION REQUIREMENTS

At the time of the industry survey (early 2022), almost seven in 10 spas (69%) said they do not currently require or plan to require guests, employees or suppliers/third party partners to show proof of vaccination before visiting or working at their establishments. Among spas that have, or plan such a requirement, the most frequently cited group was employees, with 30% of all spas saying they required or planned to require that their staff show proof of vaccination. A little under one in five spas (18%) said they required, or plan to require that their guests show proof of vaccination in advance of receiving spa services.

LOOKING FORWARD TO 2022: SINGLE BIGGEST OPPORTUNITY

As the industry emerges from the pandemic, survey respondents were asked to say what is the single biggest opportunity that they see for the U.S. spa industry. From the responses given, attracting and keeping talent presents the single biggest opportunity for spas wishing to capitalize on the opportunities offered by the surging demand for spa services. Though, reflecting uncertainty around future prospects, about one in eight respondents (12%) were unable to say or felt it was too early to determine.



Spa Services + Facilities

In 2021, spas received an estimated 173 million client visits, an average of 8,060 per spa establishment. This section describes the facilities and services that spas offered to their client

This section presents the Industry Study findings for the following topics:

The core types of services offered by spas

Average prices per service

Pricing and service availability strategies

Retail product availability and average retail spend

Spa policies and activities currently in place

AVERAGE VISITS PER SPA ESTABLISHMENT



Types of Services Offered

When asked about the services that they provide to their clients, 92% said they offer massage services, followed by facials (90%), couples services (58%) and body services (57%).

The range and mix of services offered varies by type of spa. Reflecting their larger size, resort/hotel spas typically offer a wider range of services; an average of eight types of services compared to five among day spas.

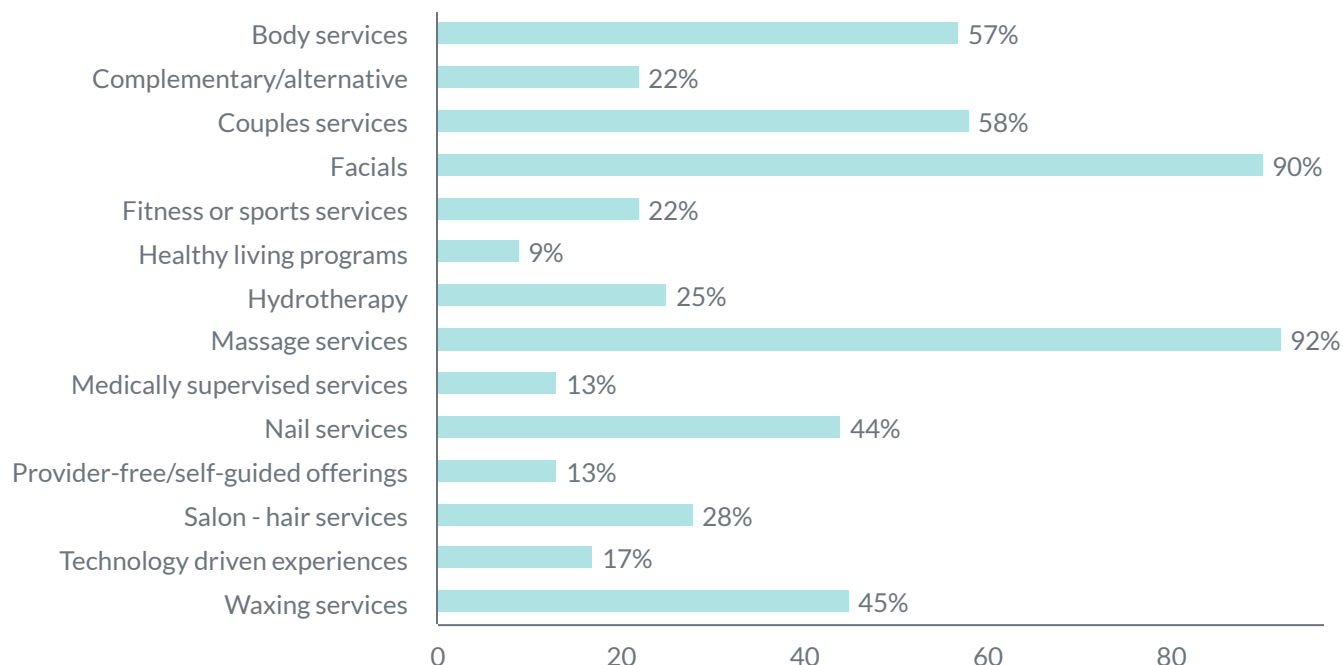
In addition to their core spa and salon services, many spas offer their visitors a diverse range of treatments and programs. Hydrotherapy services are offered by one in four spas (25%), ranging from 40% of resort/hotel spas to 26% of day spas and 12% of establishments in the other spa category.

Complementary or alternative therapies or mind, body and spirit programs, such as acupuncture, reiki and yoga, are available in 22% of spas, including 42% of resort/hotel spas and 15% of day spas.

Over one in eight spas (13%) offer medically supervised services. Reflecting the medical spa effect, such services are most often found in the other spa category (73%).

The range of services provided by spas has continued to expand, with 17% now offering technology-driven experiences, ranging from 13% of day spas to 33% of resort/hotel spas. Provider-free/self-guided services are available at 13% of spas, including 32% of resort/hotel spas.

TYPES OF SERVICES OFFERED



PRODUCT OFFERING: CORE SPA SERVICES

	ALL	DAY	RESORT/ HOTEL	OTHER
Body services	57%	56%	95%	32%
Complementary/alternative therapies or mind, body and spirit	22%	15%	42%	49%
Couples services	58%	59%	93%	23%
Facials	90%	90%	98%	86%
Fitness or sports services	22%	18%	55%	21%
Healthy living programs	9%	3%	10%	47%
Hydrotherapy	25%	26%	40%	12%
Massage services	92%	93%	100%	80%
Medically supervised services	13%	6%	5%	73%
Nail services	44%	42%	81%	25%
Provider-free/self-guided offerings	13%	6%	32%	45%
Salon - hair services	28%	27%	56%	14%
Technology driven experiences	17%	13%	33%	24%
Waxing services	45%	43%	70%	36%

Prices Per Service

The average price per spa service in 2021 is estimated as \$108, up by 7.6% compared to 2020, when the estimated average price per service was \$100. That is the fastest rate of increase in the average price per service since at least 2010, when the Industry Study first reported on the annual rate of change.

Average prices vary depending on the type of service provided, ranging from \$51 per nail service to \$124 per body treatment. At \$106, the average price per massage occupies an intermediate position within that range. The differences in average prices by type of service have been consistent over the past five years. It should be appreciated that these are estimated average prices which will vary across spa establishments depending on type, location, etc.

The average price per massage (\$106) in 2021 was 6% higher by comparison with the 2020 average. The average price for facials (\$112) in 2021 was 8% higher than the average in 2020 while body treatment prices rose by 9% on average.

The average prices shown for hair services and nail services tend to be more variable from one year to the next, due to smaller sample sizes for spas offering those services. Percentage changes should therefore be interpreted with caution.

AVERAGE PRICES, 2021 COMPARED TO 2020, 2019, 2018 AND 2017

	2017	2018	2019	2020	2021
Per body treatment	\$109	\$114	\$114	\$114	\$124
Per facial	\$102	\$103	\$104	\$104	\$112
Per hair service	\$82	\$83	\$81	\$80	\$91
Per massage	\$96	\$96	\$98	\$100	\$106
Per nail service	\$45	\$47	\$48	\$49	\$51
Per service	\$94	\$96	\$98	\$100	\$108

Note: For each type of service, survey respondents are asked to report the 'actual' average price based on their P&L statement, rather than the 'list' price of treatments.

Prices Per Service by Type of Spa

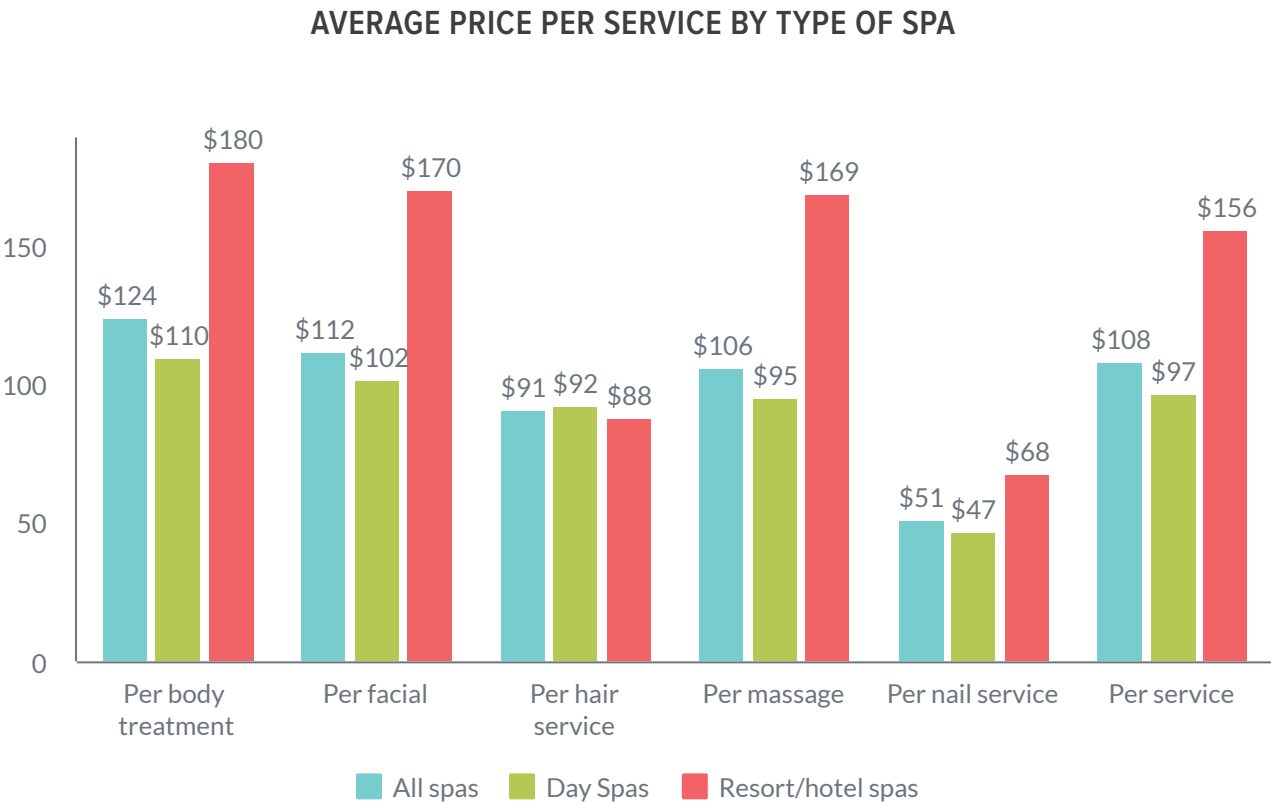
The average price per spa service is higher in resort/hotel spas than in day spas.

In 2021, the overall average price per service in resort/hotel spas was \$156 compared to \$97 per service in day spas, a differential of \$59.

The largest difference between resort/hotel and day spas was for massage services, with the estimated average price in resort/hotel spas standing at \$169 compared to \$95 in day spas, a \$74 difference. Similar differences can be observed in relation to facials (\$170 in resort/hotel spas versus \$102 in day spas) and body treatments (\$180 in resort/hotel spas compared with \$110 in day spas).

Average prices for hair services in day spas (\$92) are estimated to be slightly higher than resort/hotel spas (\$88).

Price comparisons by type of spa should be made with a degree of caution. The averages shown in the accompanying chart will vary across individual spas according to a range of factors such as location.



Pricing and Service Availability Strategies

Spas have adopted a range of strategies designed to boost client visits and match pricing to service availability and demand. The mix of strategies varies by spa type.

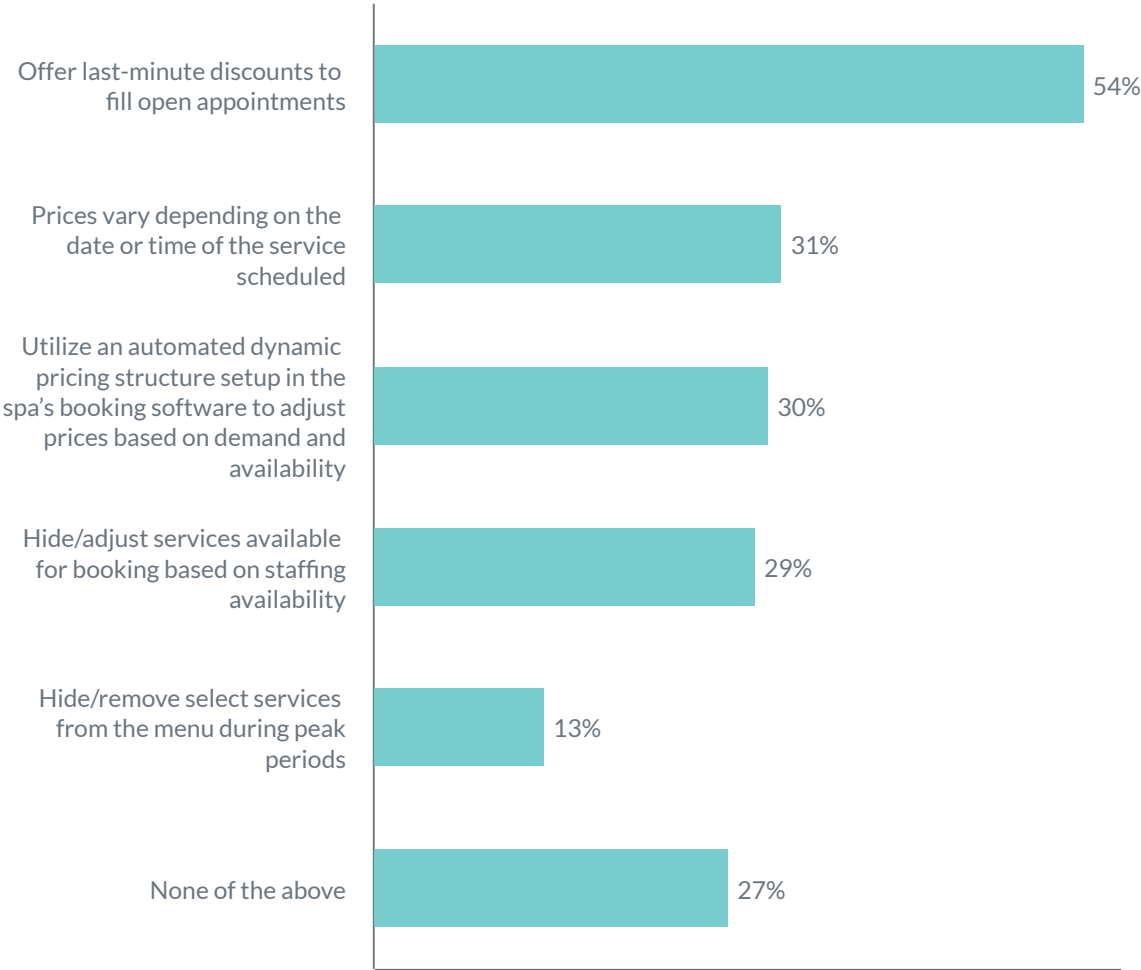
To encourage client visits, over one in two spas offer last minute discounts to fill open appointments. That strategy is more frequently used in day spas (58%) than in resort/hotel spas (31%).

Close to one in three spas (31%) vary their prices depending on the date or time of the service scheduled. That strategy is used by over one in two resort/hotel spas (52%) and less often employed by day spas (28%).

By contrast, day spas (29%) are more likely than resort/hotel spas (18%) to say they adjust prices based on service availability using an automated dynamic pricing setup in their booking software.

A large majority of spas (73%) use one or more of the pricing and availability strategies listed in the chart below, including 72% of day spas and 78% of resort/hotel spas.

PRICING AND SERVICE AVAILABILITY STRATEGIES UTILIZED

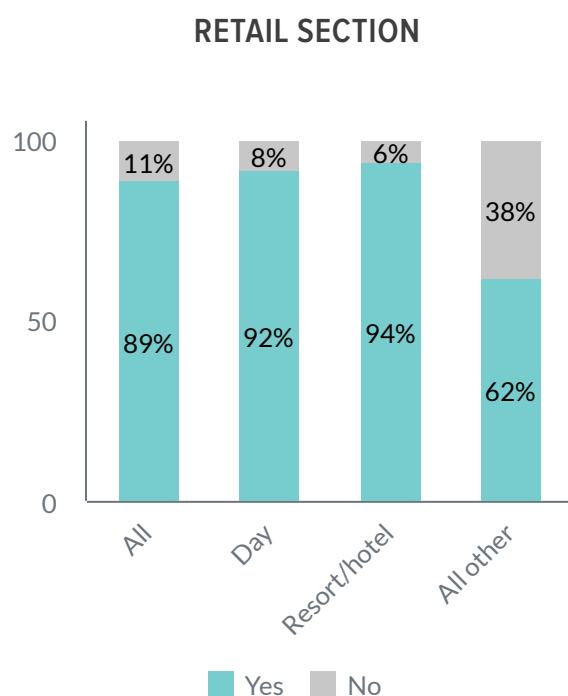


PRICING AND SERVICE AVAILABILITY STRATEGIES UTILIZED

	ALL	DAY	RESORT/ HOTEL	ALL OTHER
Offer last-minute discounts to fill open appointments	54%	58%	31%	47%
Prices vary depending on the date or time of the service scheduled	31%	28%	52%	38%
Utilize an automated dynamic pricing structure setup in the spa's booking software to adjust prices based on demand and availability	30%	29%	18%	40%
Hide/adjust services available for booking based on staffing availability	29%	30%	31%	21%
Hide/remove select services from the menu during peak periods	13%	10%	33%	14%
None of the above	27%	28%	22%	30%

Retail

Almost nine in 10 spas (89%) contain a retail element. The average value of retail purchases in 2021 was \$40.



Policies or Activities Currently in Place

When asked about the policies or activities that they currently have in place, the most frequently cited were increased spa menu prices (63%), loyalty programs (62%), spa renovations (60%) and an online booking option (59%).

The range and mix of policies and activities varied by spa type.

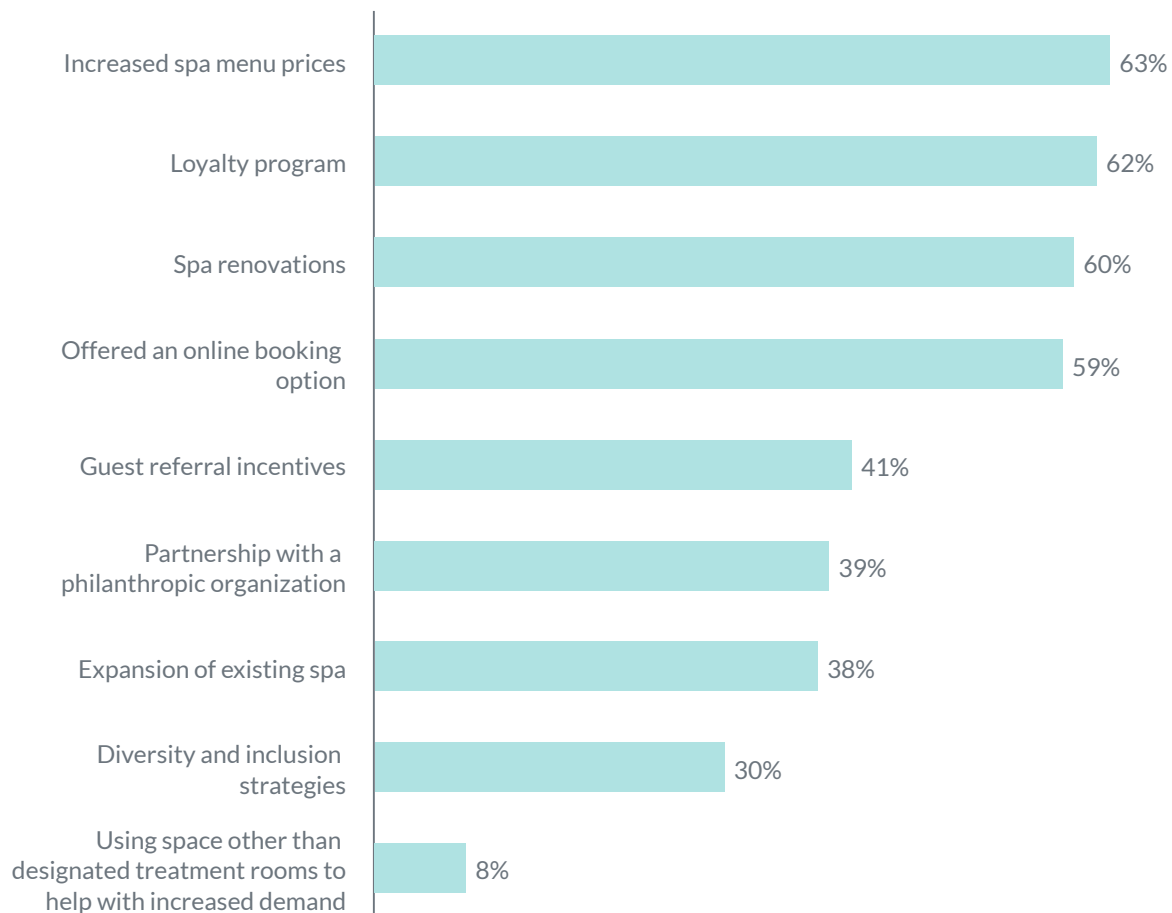
Day spas were most likely to mention customer-facing activities, notably loyalty programs (71% compared with 36% of resort/hotel spas) and guest referral incentives (46% compared with 17% of resort/hotel spas).

Day spas were also more likely to say they were undertaking spa renovations (62% compared with 33% of resort/hotel spas) and/or expansion of their existing spa (39% compared with 19% of resort/hotel spas).

Almost four in 10 spas said they partnered with a philanthropic organization, including 42% of day spas and 29% of resort/hotel spas.

Close to one in three spas (30%) mentioned a diversity and inclusion strategy, including 35% of day spas and 19% of resort/hotel spas.

POLICIES OR ACTIVITIES CURRENTLY IN PLACE



POLICIES OR ACTIVITIES CURRENTLY IN PLACE

	ALL SPAS	DAY	RESORT/ HOTEL	ALL OTHER
Increased spa menu prices	63%	59%	83%	71%
Loyalty program	62%	71%	36%	26%
Spa renovations	60%	62%	33%	65%
Offered an online booking option	59%	62%	59%	34%
Guest referral incentives	41%	46%	17%	26%
Partnership with a philanthropic organization	39%	42%	29%	24%
Expansion of existing spa	38%	39%	19%	44%
Diversity and inclusion strategies	30%	35%	19%	8%
Using space other than designated treatment rooms to help with increased demand	8%	6%	25%	12%
Outdoor/curbside treatments	6%	5%	11%	4%



Employment

This section focuses on employment in the spa industry, under the following headings:

Compensation: movements in compensation levels over the last year for leadership/management positions, front desk/receptionist/concierge positions and massage therapist positions

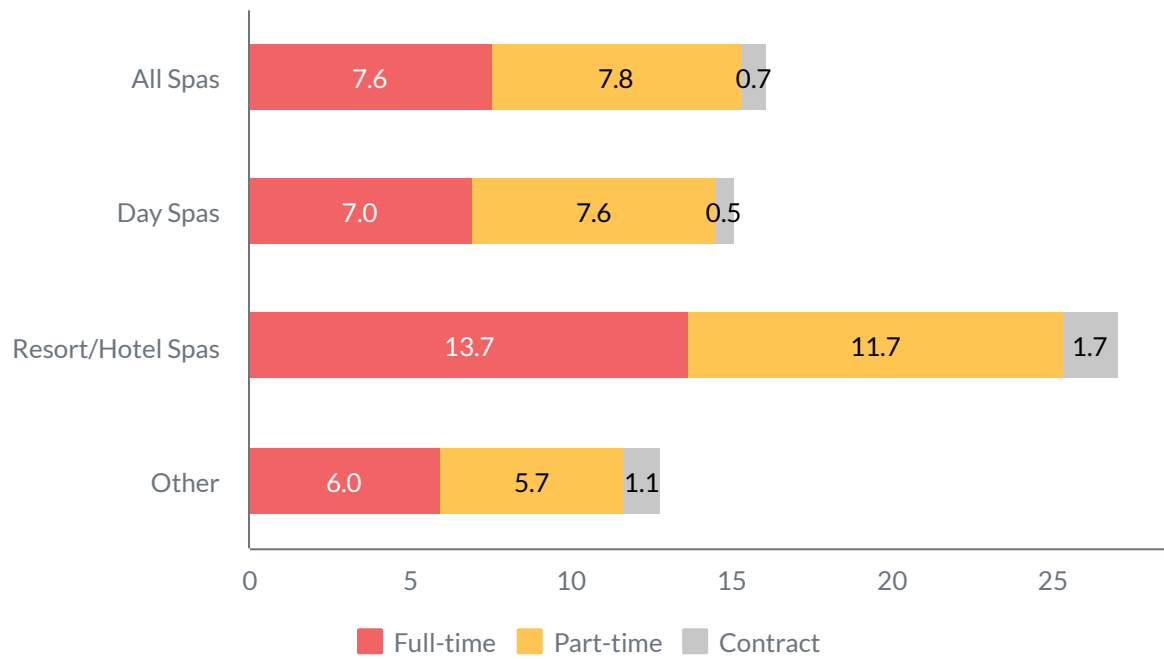
Recruiting: issues experienced by spas in recruiting massage therapists in the last year

Actions taken to help cope with recruitment difficulties

Staff retention: issues spas are dealing with in relation to retention of staff

Unstaffed positions: both for service providers and managers and directors

EMPLOYMENT PER SPA, BY FULL-TIME, PART-TIME AND CONTRACT



Employment

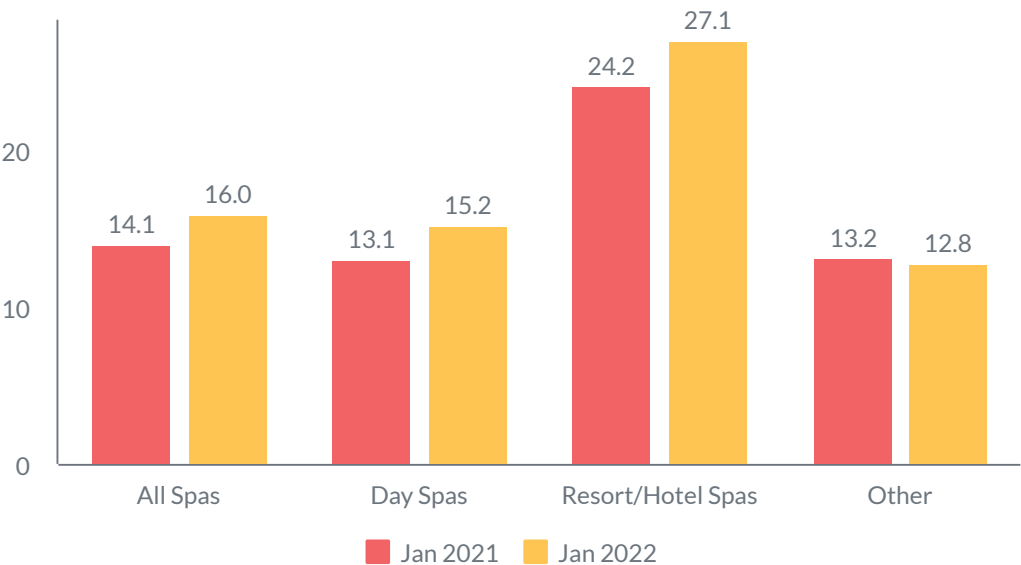
The total number employed in the spa industry is estimated at 345,000 as of January 2022, comprising 162,800 full-time employees, 167,100 part-time employees and 15,100 contract workers.

There are 21,510 spa locations across the U.S., with an average of 16 workers per spa establishment as of January 2022, an increase from the pandemic-affected average of 14.1 workers per spa in January 2021.

As of January 2022, average employment per spa remains 6% below the pre-pandemic January 2020 average of 17.1 workers per spa.

Employment levels in January 2022 were highest in resort/hotel spas, with 27.1 workers on average compared to an average of 15.2 per establishment in the day spa sector.

EMPLOYMENT PER SPA, JANUARY 2022 COMPARED WITH JANUARY 2021

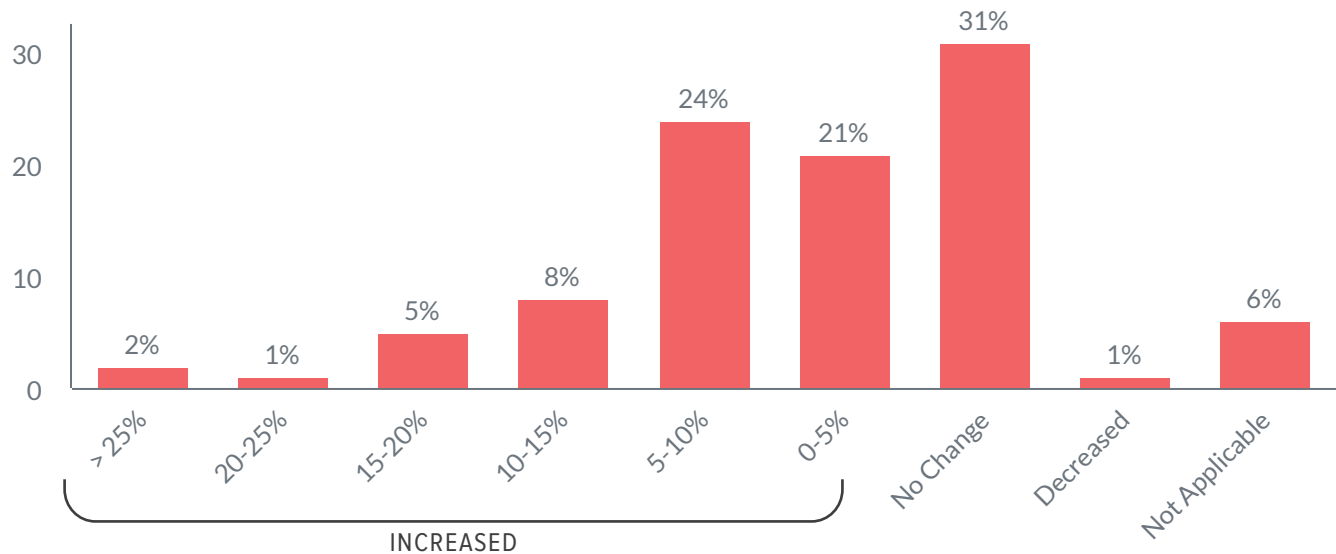


Movement in Annual Compensation Levels: Leadership/Management

Annual compensation levels for full-time leadership/management positions, such as spa manager, increased in 62% of spas. Almost one in five spas (17%) reported an increase in compensation levels in excess of 10%, with 24% citing an increase in the range 5%-10% and 21% saying levels had risen by 5% or less. A little under one in three spas (31%) reported no change in compensation levels. Just 1% of spas said compensation levels had reduced.

The distribution of changes in annual compensation levels for leadership/management positions did not vary greatly between day spas and resort/hotel spas, the main difference being a slightly higher proportion of day spas saying compensation levels had remained unchanged, i.e., 35% compared with 27% of resort/hotel spas.

MOVEMENT IN LEADERSHIP/MANAGEMENT COMPENSATION LEVELS



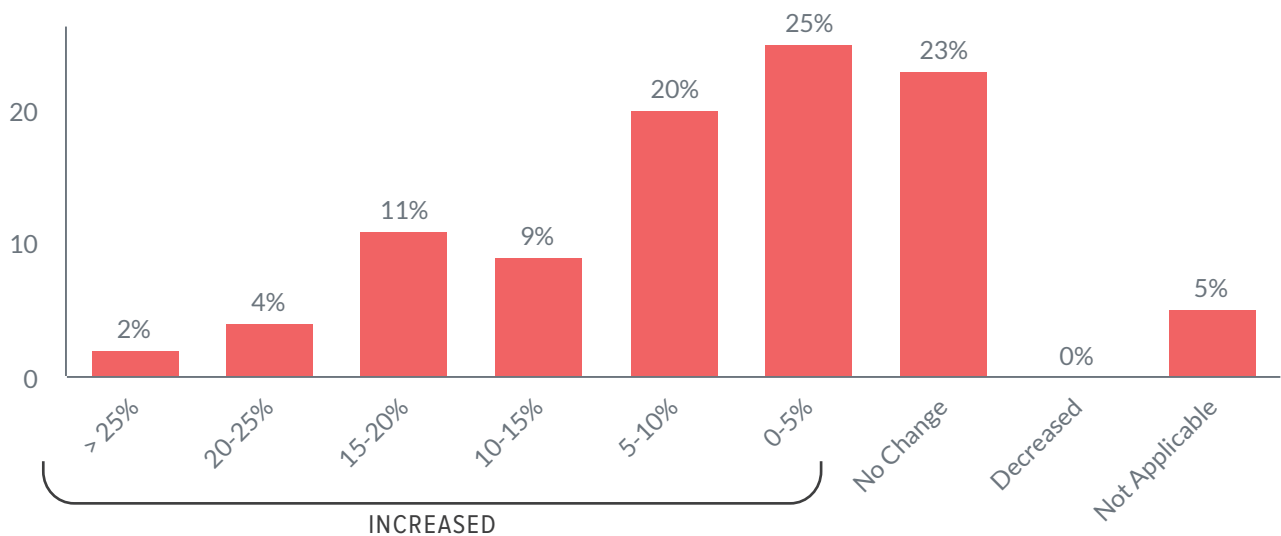
	ALL SPAS	DAY	RESORT/ HOTEL
Increased by more than 10%	17%	17%	16%
5-10% increase	24%	21%	18%
0-5% increase	21%	20%	31%
No change	31%	35%	27%
Decreased	1%	1%	0%
Not applicable	6%	6%	8%

Movement in Annual Compensation Levels: Front Desk/Receptionist/Concierge

Annual compensation levels for full-time front desk/receptionist/concierge positions increased in 71% of spas. Almost one in five spas (17%) reported an increase in compensation levels in excess of 15%. Compensation levels increased by 5%-15% in 29% of spas. One in four spas (25%) said compensation levels had risen by less than 5%. Fewer than one in four spas (23%) reported no change in compensation levels. Almost no spas said compensation levels had decreased.

Over four in five resort/hotel spas (82%) said that compensation levels for front desk positions had increased. Day spas were less likely to report rising compensation levels, with two in three (67%) reporting that levels had increased. A little over one in four day spas (27%) said compensation levels had remained unchanged, compared with just 10% of resort/hotel spas.

MOVEMENT IN FRONT DESK/RECEPTIONIST/CONCIERGE COMPENSATION LEVELS



	ALL SPAS	DAY	RESORT/ HOTEL
Increased by more than 15%	17%	11%	23%
10-15% increase	9%	6%	14%
5-10% increase	20%	23%	15%
0-5% increase	25%	28%	30%
No change	23%	27%	10%
Decreased	0%	0%	1%
Not applicable	5%	5%	7%

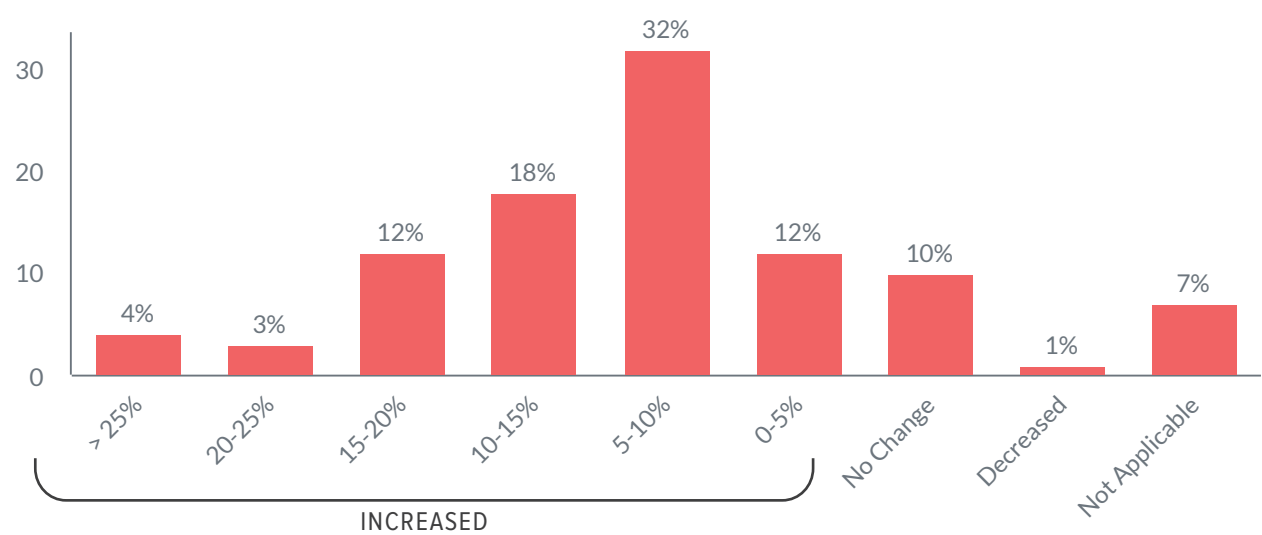
Movement in Annual Compensation Levels: Massage Therapist

Annual compensation levels for full-time massage therapist positions increased in 82% of spas. Close to one in three spas (32%) said compensation levels had risen by 5%-10%. Almost one in five spas (19%) reported an increase in compensation levels in excess of 15% along with 18% saying levels had risen by 10-15% and 12% reporting increases of less than 5%. Compensation levels were unchanged in 10% of spas.

The proportion of spas reporting an increase in compensation levels for massage therapists was higher among day spas (86%) compared with resort/hotel spas (77%).

The reported increases in compensation levels were more variable among resort/hotel spas, with 23% reporting an increase of more than 15% alongside 29% quoting an increase of less than 5%. Among day spas, increases were more concentrated in the 5%-10% range (39% of day spas).

MOVEMENT IN MASSAGE THERAPIST COMPENSATION LEVELS



	ALL SPAS	DAY	RESORT/ HOTEL
Increased by more than 15%	19%	15%	23%
10-15% increase	18%	21%	15%
5-10% increase	32%	39%	9%
0-5% increase	12%	11%	29%
No change	10%	8%	13%
Decreased	1%	0%	2%
Not applicable	7%	6%	8%

Massage Therapists: Recruitment Issues in Last Year

Lack of qualified candidates was the main issue faced by spas in recruiting massage therapists during 2021, mentioned by 50% of spas. Therapists' concerns about close contact with guests, due to COVID-19, ranked second with 43% of spas citing that issue, albeit that pandemic effect would appear to have reduced when compared with the 73% of spas mentioning therapists' concerns as an issue during 2020.

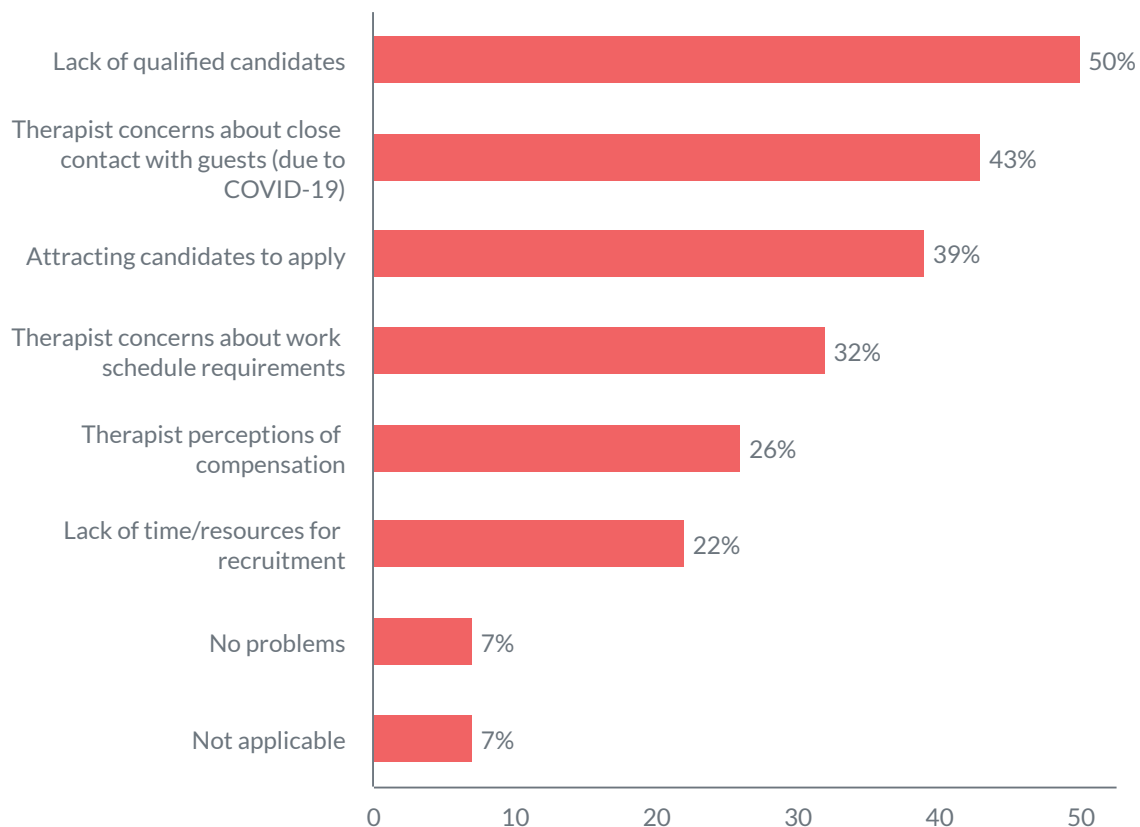
A large majority of spas (86%) cited one or more issues in recruiting massage therapists in the last year, including 87% of day spas and 92% of resort/hotel spas.

Among day spas, lack of qualified candidates ranked first (53%) followed by therapists' concerns about close contact with guests (53%, down from 78% in 2020).

Attracting candidates to apply was most frequently mentioned by resort/hotel spas (68%), followed by lack of qualified candidates (61%) and therapists' concerns about close contact with guests (51%, down from 60% in 2020).

While the recruitment difficulties posed by therapists' concerns about close contact with guests have abated by comparison with 2020, issues around the availability of qualified candidates have become more acute, with mentions of that issue up from 35% in 2020 to 50% in 2021.

ISSUES RECRUITING MASSAGE THERAPISTS IN THE LAST YEAR



ISSUES RECRUITING MASSAGE THERAPISTS IN THE LAST YEAR

	ALL SPAS	DAY	RESORT/ HOTEL	OTHER
Lack of qualified candidates	50%	53%	61%	16%
Therapist concerns about close contact with guests (due to COVID-19)	43%	41%	51%	49%
Attracting candidates to apply	39%	37%	68%	26%
Therapist concerns about work schedule requirements	32%	29%	35%	47%
Therapist perceptions of compensation	26%	27%	27%	23%
Lack of time/resources for recruitment	22%	23%	26%	9%
No problems	7%	7%	8%	7%
Not applicable	7%	6%	0%	19%

Recruitment difficulties: Actions Taken

Spas have sought to address recruitment difficulties through a range of actions. Most often, they have offered higher wages (76%), followed by offers of flexible work schedules (64%) and partnering with local schools (51%).

The range of measures adopted by spas to tackle recruitment difficulties include:

Financial incentives—offering higher wages (76%) and/or a sign-on bonus (41%), along with 64% offering flexible work schedules.

Education and training, to enhance the supply of skills—including 51% saying they were partnering with local schools, 37% offering compensation for training and/or Continuing Education Units (CEUs) and 27% offering an education reimbursement program.

Proactive outreach for recruitment—including job fairs (48%), third party placement/recruitment services (38%), targeting the unemployed (24%) and targeting retirement communities/retirees (12%).

As shown in the table on the following page, the mix of actions taken does not vary hugely by spa type. On average, day spas cited four of the measures listed, with resort/hotel spas mentioning an average of five, indicating the relative efforts that spas are making to deal with recruitment difficulties.



RECRUITMENT ACTIONS TAKEN

	ALL SPAS	DAY	RESORT/ HOTEL	OTHER
Offer higher wages	76%	77%	64%	76%
Offer flexible work schedules	64%	58%	72%	94%
Partner with local schools	51%	51%	65%	37%
Job fairs	48%	43%	61%	71%
Sign-on bonus	41%	33%	57%	82%
Third-party placement/ recruitment services	38%	34%	41%	62%
Compensation for training and/ or CEUs	37%	30%	38%	82%
Education reimbursement program	27%	21%	43%	60%
Target the unemployed	24%	25%	26%	11%
Target retirement communities/ retirees	12%	14%	6%	3%
Other	3%	2%	10%	2%
None of the above	1%	0%	8%	0%

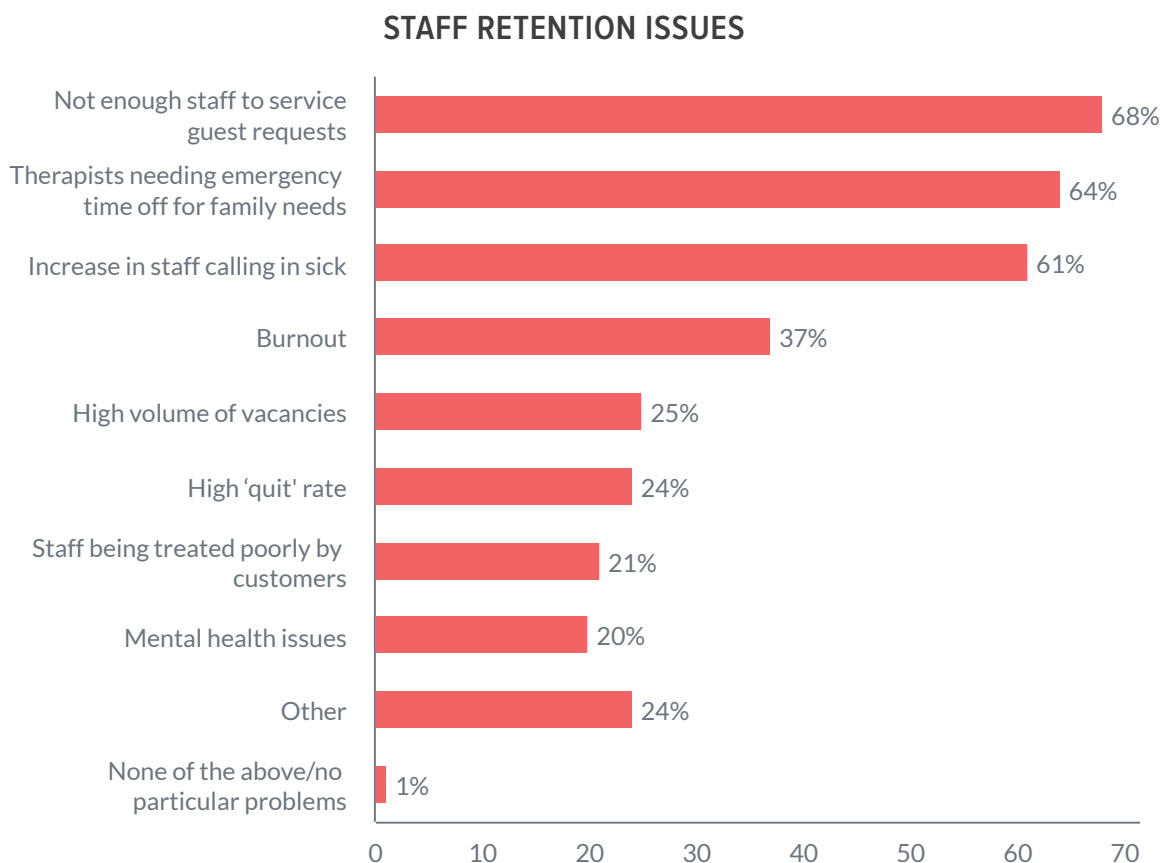
Retention of Staff

In addition to recruitment challenges, spas have also been dealing with a range of issues around staff retention, notably lack of staff to service guest requests (mentioned by 68%), therapists needing emergency time off for family needs (64%) and an increase in staff calling in sick (61%).

Retention issues were more acutely felt in the resort/hotel sector by comparison with day spas. As shown in the table on the following page, resort/hotel spas were more likely to mention concerns around each of the issues listed.

For example, 82% of resort/hotel spas said they had to deal with not having enough staff to service guest requests compared with 64% of day spas. Similarly, 81% of resort/hotel spas said they were dealing with an increase in staff calling in sick versus 61% of day spas.

Almost one in two resort/hotel spas (49%) said they were having to deal with staff burnout, compared with 32% of day spas. Mental health issues were also more frequently mentioned by resort/hotel spas (36%) than day spas (17%).



STAFF RETENTION ISSUES

	ALL SPAS	DAY	RESORT/ HOTEL	OTHER
Not enough staff to service guest requests	68%	64%	82%	86%
Therapists needing emergency time off for family needs	64%	61%	63%	86%
Increase in staff calling in sick	61%	61%	81%	48%
Burnout	37%	32%	49%	56%
High volume of vacancies	25%	22%	46%	25%
High 'quit' rate	24%	25%	34%	11%
Staff being treated poorly by customers	21%	23%	28%	7%
Mental health issues	20%	17%	36%	23%
Other	24%	29%	6%	3%
None of the above/no particular problems	1%	0%	5%	3%

Unstaffed Positions: Service Providers

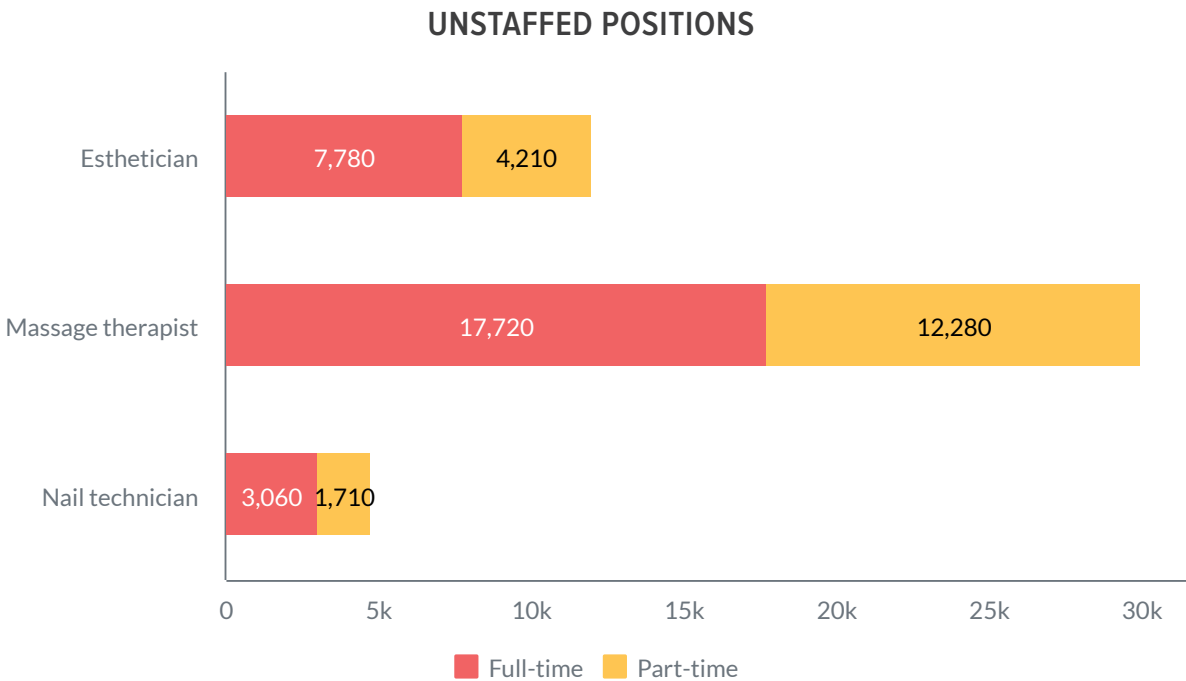
When asked if they have any unstaffed service provider positions, 75% of spas said they had openings that they are actively trying to fill, including 76% of day spas and 82% of resort/hotel spas. The number of unfilled service provider positions is estimated at 46,760 of which 28,560 are full-time and 18,200 part-time.

Massage therapists account for the largest number of unfilled positions that spas are currently trying to fill, a total of 30,000 representing 64% of unfilled service provider positions. The massage therapist share of unfilled positions is estimated at 66% in the day spa sector and 60% in the resort/hotel sector.

Estheticians account for an estimated 11,990 unstaffed positions (26%). The esthetician share of service provider vacancies was higher among day spas (26%) compared to resort/hotel spas (19%).

The remaining 4,770 positions are for nail technicians (10%). The nail technician share of service provider vacancies was highest among resort/hotel spas (20%).

The number of unfilled service provider positions equates to 15% of total employment in the spa industry as of January 2022. That is a higher proportion by comparison with the 8% estimated in January 2020, prior to the pandemic. As the spa workforce in January 2022 remained 10% lower than the pre-pandemic level, the number of open positions may be viewed as indicative of spas' ongoing efforts to build back from the pandemic downturn.



UNSTAFFED POSITIONS

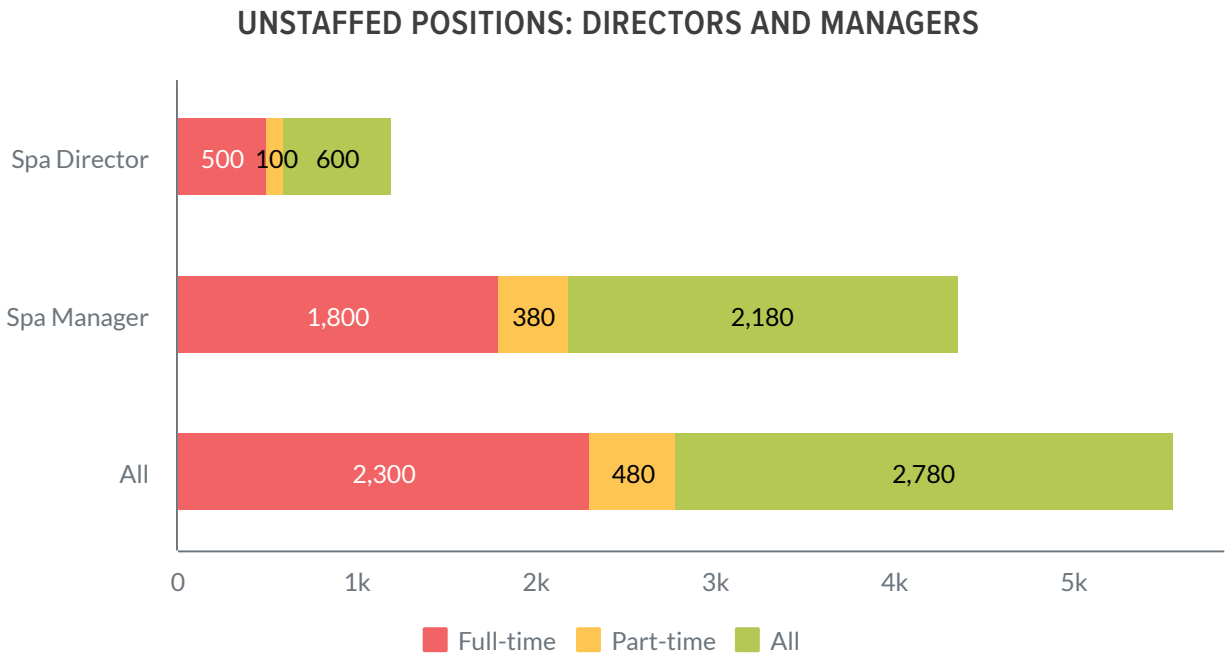
		ALL SPAS	DAY	RESORT/ HOTEL	OTHER
Esthetician	Full-time	7,780	6,090	970	730
	Part-time	4,210	3,130	640	440
	All	11,990	9,220	1,610	1,170
Massage Therapist	Full-time	17,720	14,600	2,360	750
	Part-time	12,280	8,600	2,690	1,000
	All	30,000	23,200	5,050	1,750
Nail Technician	Full-time	3,060	1,940	940	180
	Part-time	1,710	830	770	110
	All	4,770	2,770	1,710	290
All Service Providers	Full-time	28,560	22,630	4,270	1,660
	Part-time	18,200	12,560	4,100	1,550
	All	46,760	35,190	8,370	3,210

Unstaffed Positions: Directors and Managers

Spas saying that they have unstaffed positions were asked to also say how many spa director and spa manager positions they are actively trying to fill.

The total number of spa director positions that spas are currently seeking to fill is estimated at 600, of which 500 (83%) are full-time and 100 (17%) are part-time positions.

It is estimated that spas are seeking to fill 2,180 spa manager positions, of which 1,800 (83%) are full-time with the remaining 380 (17%) part-time openings



	FULL-TIME	PART-TIME	ALL
Spa Director	500	100	600
Spa Manager	1,800	380	2,180
All	2,300	480	2,780



Spa Industry Profile

This section presents a profile of the estimated 21,510 spa industry establishments located across the U.S. as of end-2021. The spa industry is diverse, with establishments varying by size, facilities, range of services offered, as well as the people who work in spas and the clients they serve.

This section focuses on the following attributes of spa establishments:

Composition of the industry by spa type

Main contrasts by type of spa establishment in respect to industry size statistics, i.e., average revenues, visits and employment

Location of spas

Age profile of spa establishments, as measured by year of start-up

Single location operations vs. affiliated to a larger entity

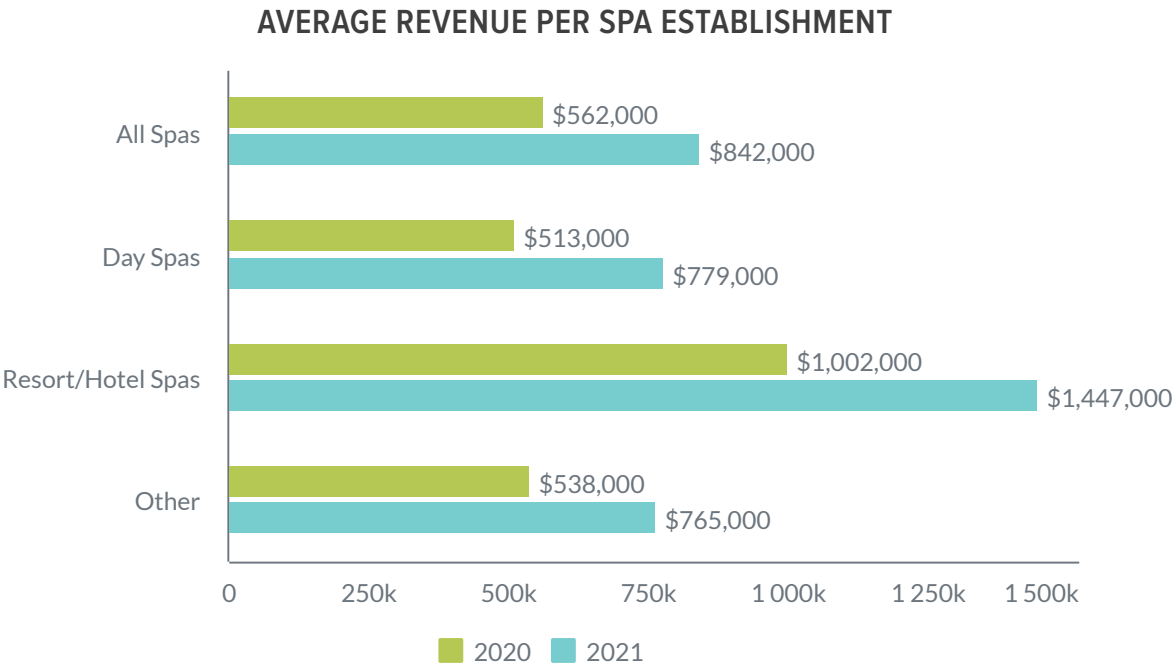
Key Ratios

Key size indicators vary by type of spa. As in previous years, average revenues and visits per resort/hotel spa are higher than for day spas.

The key size indicators are shown for the main spa types in the Key Ratios table on the following page.

Also shown are revenue ratios, including revenues per visit and per employed person. Resort/hotel spas generate higher average revenues per visit (\$151) compared to day spas (\$95).

Reflecting their larger average size, revenue per resort/hotel spa (\$1.447 million) was 1.7 times higher than the average for day spas (\$779,000). In previous studies, the ratio of average revenues generated by resort/hotel spas relative to the day spa average had typically been around 2.5. The ratio fell to 2.0 in 2020 due to the greater impact of the pandemic on the resort/hotel sector and, by the end of 2021, had not yet been fully restored.



Note: The key ratios by spa type should be interpreted with caution. They are estimates based on a sample of spa establishments and will therefore be subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry Studies as the estimates in those previous reports will also exhibit variability due to sampling error.

KEY RATIOS BY SPA TYPE

	ALL SPAS	DAY	RESORT/HOTEL	OTHER
Revenue per spa	\$842,000	\$779,000	\$1,447,000	\$765,000
Per visit	\$104	\$95	\$151	\$136
Per employed person	\$52,510	\$51,390	\$53,430	\$59,600
Visits per spa	8,060	8,240	9,600	5,610
Total employees per spa	16.0	15.2	27.1	12.8
Full-time	7.6	7.0	13.7	6.0
Part-time	7.8	7.6	11.7	5.7
Contract	0.7	0.5	1.7	1.1

The Big Five: Composition by Spa Type

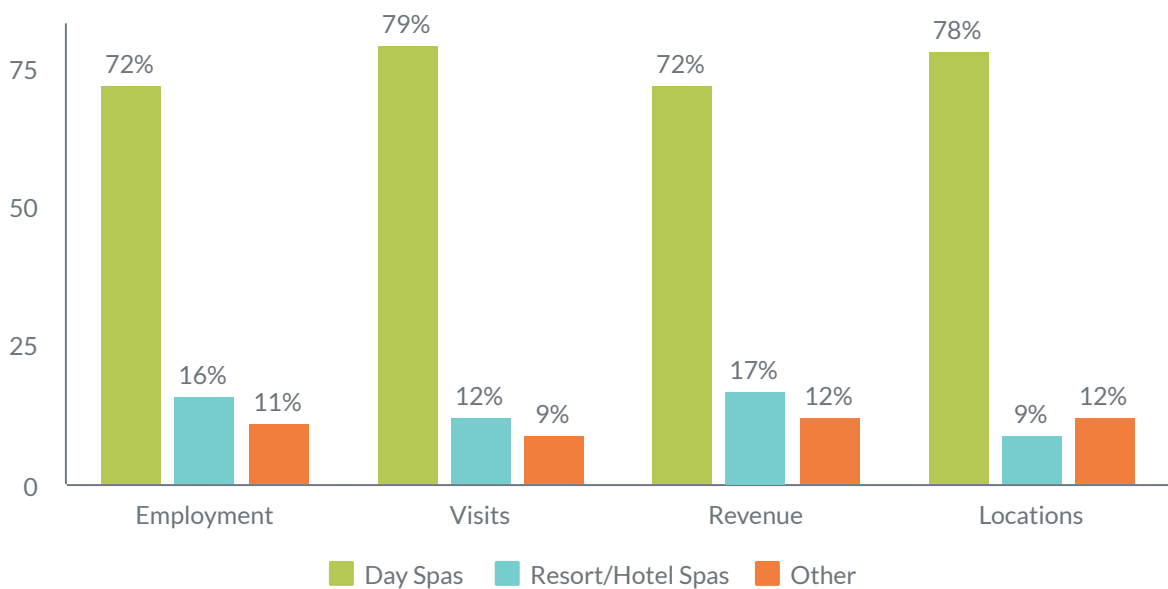
The composition of various size indicators by spa type varies according to differences between spas in key ratios such as average revenues and visits.

While they account for 9% of locations, resort/hotel spas account for almost one-fifth of total spa industry revenue (17%) and 16% of employment. The contrast reflects the larger scale of resort/hotel spas compared to the industry averages for revenue and employment.

In 2021, day spas accounted for 72% of total revenue, compared to 78% of locations. This is because spend per visitor in the day spa sector (\$95) is below the industry average (\$104).

It should be noted that the revenue and employment shares accounted for by the resort/hotel sector in 2021 were lower than in previous years, reflecting the larger effect of the COVID-19 pandemic on resort/hotel spas, especially in 2020.

COMPOSITION BY SPA TYPE



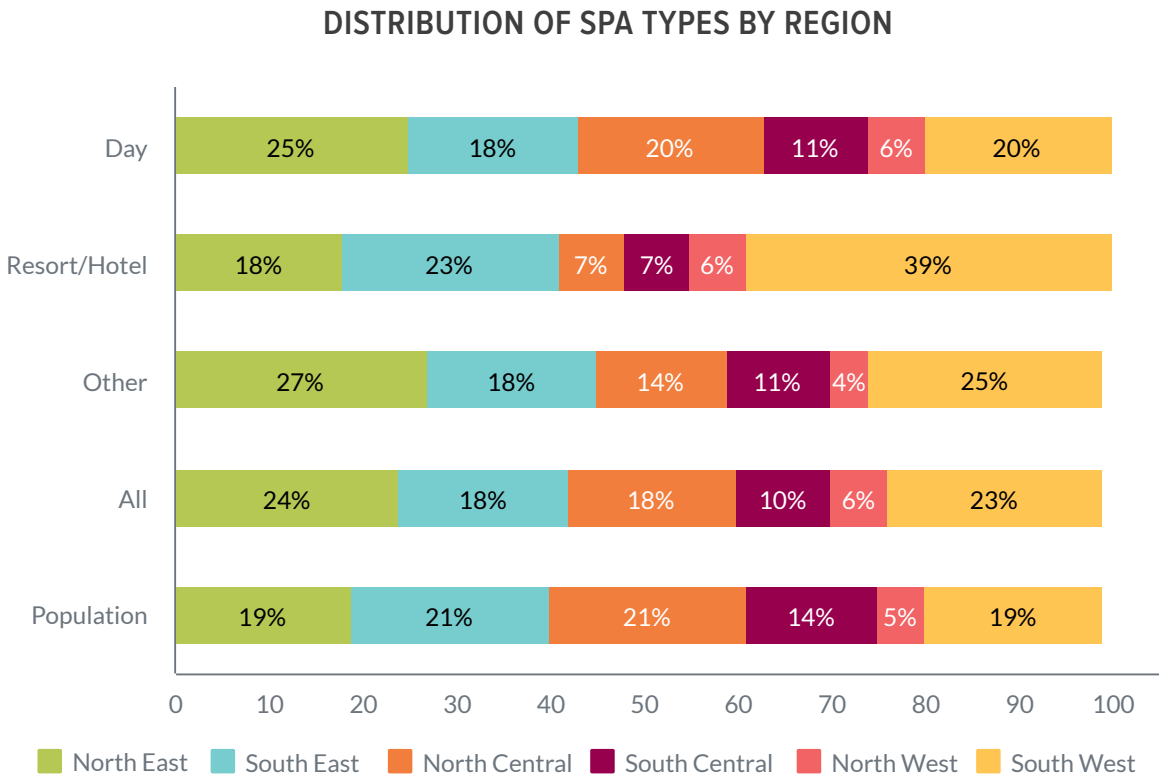
Geography of the Spa Industry: Distribution of Spa Types by Region

The distribution of spa types by region in 2021 shows little change from the historic pattern.

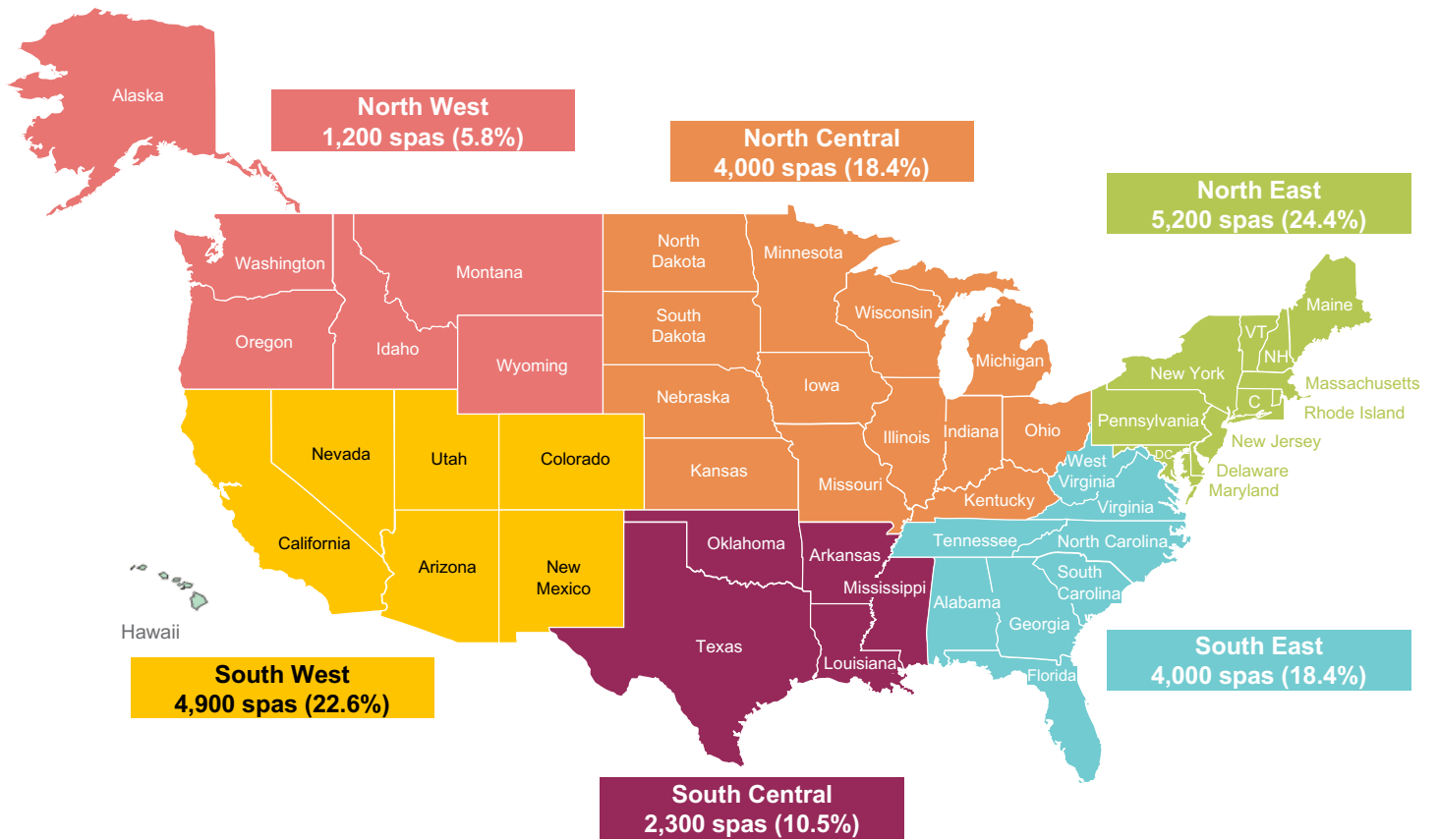
Compared to the general population, resort/hotel spas are more heavily concentrated in the South West region; 39% of such spas are located in the South West, i.e., over two times the region’s 19% population share.

The regional distribution of day spas more closely follows the general population; such spas typically serve the population living in the areas where they are located.

The map of spa establishments by region is shown on page 54. Key ratios by region are shown in the table on page 55.



DISTRIBUTION OF SPA ESTABLISHMENTS BY REGION



Note: Number of spas rounded to the nearest 100

Key Ratios by Region

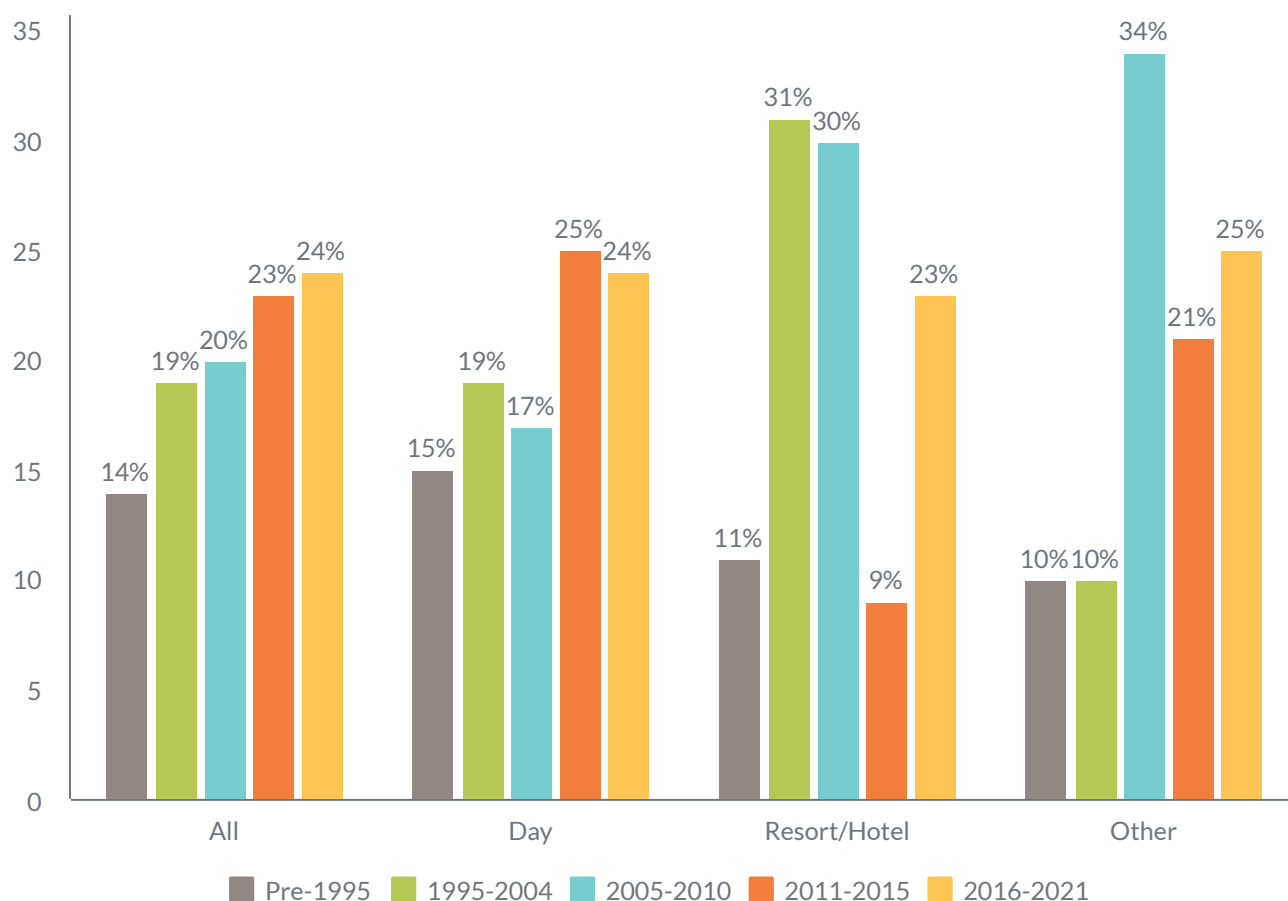
	ALL	NORTH EAST	SOUTH EAST	NORTH CENTRAL	SOUTH CENTRAL	NORTH WEST	SOUTH WEST
Revenue per spa	\$842,000	\$795,000	\$844,000	\$784,000	\$869,000	\$874,000	\$918,000
Per visit	\$104	\$100	\$109	\$96	\$103	\$109	\$112
Per employed person	\$52,510	\$48,090	\$54,230	\$52,730	\$54,120	\$56,110	\$54,170
Visits per spa	8,060	7,970	7,710	8,170	8,460	8,030	8,170
Total employees per spa	16.0	16.5	15.6	14.9	16.1	15.6	16.9
Full-time	7.6	7.2	7.7	7.1	8.5	7.7	7.8
Part-time	7.8	8.7	7.1	7.3	7.1	7.2	8.1
Contract	0.7	0.6	0.8	0.5	0.5	0.6	1.0
LOCATIONS*							
Total	21,500	5,200	4,000	4,000	2,300	1,200	4,900

Regional number of locations rounded to the nearest hundred.
 Note: The key ratios by region should be interpreted with caution, particularly when comparing with the national average statistics. Similarly, changes compared to previous years will reflect sampling variability. Please see key ratios note on page 53.

Year Spa Business Started

Among those spas in business at the end of 2021, 24% said they started in the period from 2016-2021. A similar proportion (23%) commenced in the first half of the last decade, i.e., between 2011 and 2015. One in five spas (20%) said they started between 2005 and 2010. The remaining spas include 14% that have been in business since before 1995.

YEAR SPA BUSINESS STARTED



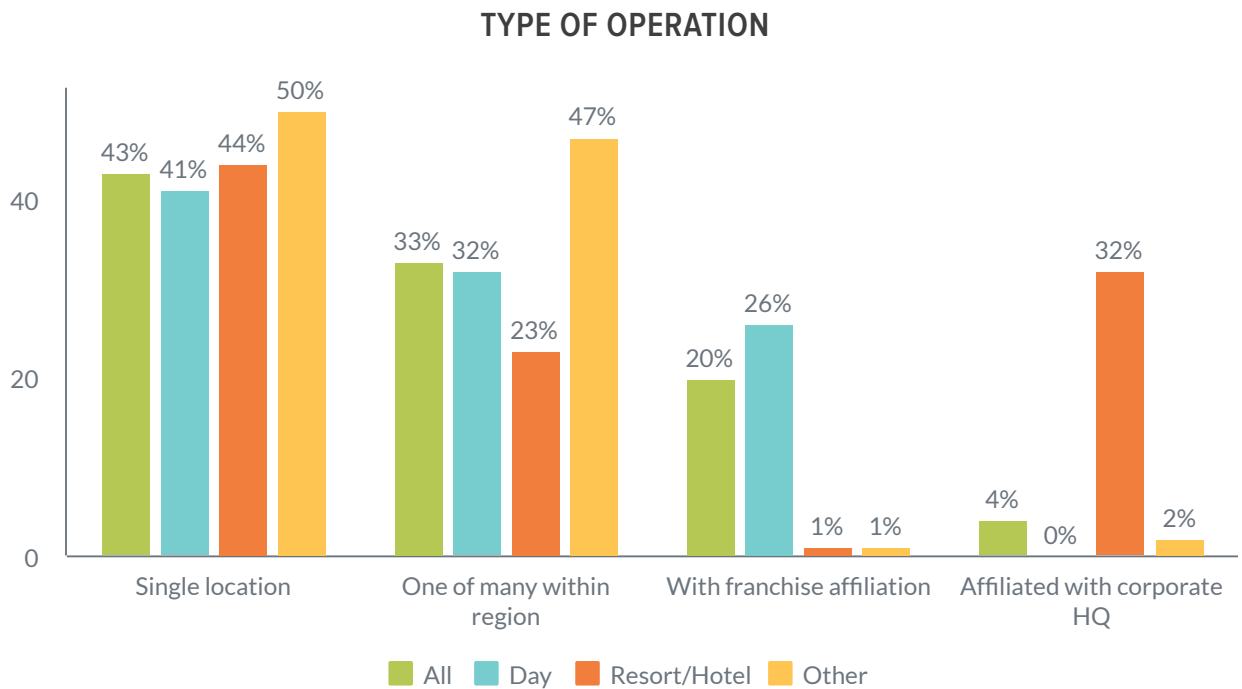
Type of Operation

Slightly less than one in two spa establishments (43%) describe themselves as single location operations.

One in three spa locations (33%) said they are one of a number of establishments within the same state or region and owned by the same owner/company.

Spas with a franchise affiliation account for 20% of establishments. The proportion is highest among day spas (26%).

Overall, 4% of spa establishments said they are affiliated with a national corporate headquarters. The proportion with such an affiliation is highest among resort/hotel spas (32%).





Technical Appendix

This section describes the approach to the 2022 U.S. Spa Industry Study, under the following headings:

Overview on the methodology

The questionnaire

Survey outcomes

Comparability over time

Survey Methodology

A large-scale quantitative survey of spa establishments was undertaken to collect the information required to estimate the key statistics for the ISPA 2022 U.S. Spa Industry Study. The full survey was launched in January 2022 and completed in early-March 2022.

The survey questionnaire was divided into two main parts. The first part asked respondents to provide details for each of the ‘Big Five’ key statistics, including 2021 revenues and visits and current employment levels. Respondents were also asked to provide information on their type of operation, year started, spa type and their current operating status (whether open all the hours they want or less than that).

The second part sought information on operating characteristics of spas, such as core spa services, average price per visit by type of service, retail and spa policies. The survey questions included a particular focus on staffing, including open job positions, recruitment and retention and movement in compensation levels.

Contact details for spas invited to participate in the survey were obtained from the ISPA database of spa locations, containing information on over 10,500 contacts.

The Questionnaire

The questionnaire for the 2022 Industry Study was based on the questionnaire used for the 2021 Industry Study. This was to ensure continuity and consistency with the 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 ISPA U.S. Spa Industry Studies. The questionnaire was developed in consultation with ISPA and refined through expert review and in-house testing of the structure and routing of the questionnaire.

As in the previous Industry Studies, the final version of the questionnaire comprised two main parts. The first part focused on collecting the information necessary to estimate the key statistics per spa establishment, i.e., revenues, visits, and employment. This section also asked spas about their 2021 profit percentage.

The second part of the questionnaire asked respondents to provide information on the operational aspects of their spa establishment, under the following headings:

- Employment and staffing;
- Movements in compensation levels;
- Open job positions;
- Product offering: Core spa services;
- Retail;
- Spa policies;
- Looking forward to 2022.

Survey Outcomes

The survey was launched on a bespoke internet registration site in January 2022 and ran until early-March 2022.

The estimates for key statistics are based on responses relating to 2,311 establishments. Those establishments were based on 412 survey returns that were submitted for either single locations or composite returns for businesses with multiple spa locations.

When compared to their share of all spa establishments, resort/hotel spas were over-represented in the sample while day spas were under-represented. The findings reported in this study have, therefore, been weighted to reflect the distribution of establishments by type of spa.

As the information for this study was collected from a sample of spas, the findings will inevitably be subject to margins of error. For proportions based on all respondents, the indicative margins of error at the 95% confidence level are $\pm 4.8\%$.

The margins of error are wider for sub-samples. Thus, for proportions based on all day spas, the margins of error are $\pm 7.3\%$. For proportions relating to resorts/hotels, the indicative margins of error are $\pm 7.6\%$.

Key ratios by spa type and region should be interpreted with caution. They are estimates based on a sample of spa establishments and are therefore subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry reports as estimates in those reports will also exhibit sampling error variability.

Comparability Over Time

In 2005, ISPA undertook a census of the North American spa industry to formally qualify and classify spas. Through this process, ISPA developed specific product- and service-based criteria for qualifying and classifying spas. The spa type definitions are listed on page two of this report.

In order to develop revised estimates of the trend in the number and distribution of spas, data from previous studies was adjusted to be consistent with the revised definitions. Further detail on the re-estimation procedures can be found in the ISPA 2007 Spa Industry Study.

In particular, with the exception of destination spas, per-spa estimates of revenue no longer include accommodations. Similarly, on-site retail and fitness operations that were not contained within the spa were specifically excluded from the statistics. Using data on the allocation of space and revenue from previous studies, these components were removed and the averages recalculated for comparability purposes.

The methodological changes were made to reflect the changing industry. As a result of the methodological changes, a greater emphasis was placed on narrowing the statistics to those activities that relate only to the spa.

While the estimates for studies undertaken prior to 2006 were adjusted to facilitate comparability and identification of industry trends, the pre-2005 estimates shown in pages 12-19 should nonetheless be treated with a degree of caution.

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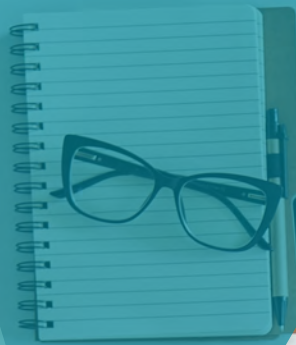
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About the Foundation

The ISPA Foundation is the 501(c)3 arm of ISPA and was created in 1999 to serve the educational and research needs of the industry. The ISPA Foundation's mission is to improve and enhance the value of the spa experience; their vision is to advance spa culture to sustain health and well-being.

The ISPA Foundation's objectives include being the educational source for the spa industry, establishing definitive research that validates spa industry-related topics and creating an endowment that sustains the ISPA Foundation in perpetuity.



2024 ISPA U.S. SPA INDUSTRY STUDY

Introduction

This report presents the findings from the 2024 ISPA U.S. Spa Industry Study. The study was commissioned by the International SPA Association (ISPA) Foundation.

Established in 1991, ISPA has been recognized worldwide as the professional organization and voice of the spa industry, representing health and wellness facilities and providers in more than 35 countries. Members encompass the full spectrum of the spa experience, from resort/hotel, destination, mineral springs, medical, cruise ship, club and day spas, to service providers such as physicians, wellness instructors, nutritionists, massage therapists and product suppliers.

ISPA advances the spa industry by providing educational and networking opportunities, promoting the value of the spa experience and speaking as the authoritative voice of the industry to foster professionalism and growth.

This report presents the state of the industry in 2023, as indicated by total revenues, spa visits, average revenue per visit, the number of spa locations and staffing levels. These are referred to as the Big Five statistics.

This 2024 study marks the 25th anniversary of the Industry Study which was first conducted in 2000 highlighting the spa industry in 1999. Industry Studies were also conducted in the years 2002, 2004, 2006 and 2007. Shorter tracking studies were commissioned in 2003, 2005, 2008 and 2009.

The study has been conducted on an annual basis since 2010. Full Industry Study reports were produced each year from 2010 to 2019. In 2020, the survey was curtailed due to the onset of the coronavirus pandemic. Only the Big Five statistics were produced, showing the state of the industry in 2019, immediately prior to the Covid-19 pandemic and therefore serving as a baseline for assessing the impact on the spa industry.

The 2021 Industry Study clearly showed the impact of the pandemic on customer-facing industries such as the spa sector, as total spa industry revenue fell by an estimated 36 percent in 2020.

The 2022 and 2023 Industry Studies documented the spa industry's recovery from the pandemic in the years 2021 and 2022. Revenues bounced back strongly in 2021, up by an estimated 49.4 percent. The momentum was further sustained in 2022, when revenues rose by an estimated 11.1 percent, climbing above \$20 billion for the first time.

Nonetheless, entering 2023, the spa industry continued to face a challenging environment, with price inflation and rising interest rates affecting the wider economy, putting pressure on the consumer's purchasing power while also fueling increasing wages and overhead costs.

This study documents how the spa industry fared in 2023 in facing those challenges.

Research Objectives

The research objectives of the 2024 ISPA U.S. Spa Industry Study are as follows:

- Determine the size of the spa industry in the United States, specifically in terms of the Big Five statistics:
 - > Number of establishments;
 - > Revenues;
 - > Number of visits;
 - > Revenue achieved per visit; and
 - > Employment.
- Estimate the growth rate of the industry.
- Evaluate compensation levels of full-time employees within the spa industry.
- Determine current and future industry trends and challenges.
- Develop a profile of the U.S. spa industry using criteria such as regional distribution, spa type, ownership structure and service/product offerings.
- Manage the ISPA database of key industry statistics.

Definitions

For the purpose of the ISPA study, a spa is defined as a place of business that enhances the overall well-being of a person through a variety of professional spa services that encourage the renewal of mind, body and spirit. To be qualified as a spa, a business must offer at least two of the following three services: massage (full body); skin care treatments (i.e. facials); or body treatments (i.e., hydrotherapy or body wraps/scrubs).

The spa industry categories used in this study are as follows:

CLUB SPA	Primary purpose is fitness. Offers a variety of spa services on a day-use basis.
DAY SPA	Offers spa services to clients on a day-use basis.
DESTINATION SPA	Historically a seven-day stay, encompassing spa services as part of a program whose primary purpose is guiding individual spa-goers to develop healthy habits.
MEDICAL SPA	Operates under the full-time, on-site supervision of a licensed health care professional. Primary purpose is to provide comprehensive medical and wellness care in an environment that integrates spa services.
MINERAL SPRINGS SPA	Offers on-site source of natural mineral, thermal or sea water used in professionally administered hydrotherapy services.
RESORT/HOTEL SPA	A spa located within a resort or hotel.

Throughout the report, data is analyzed by type of spa. Day and resort/hotel spas are generally listed with the remaining spas combined into the ‘other’ spa category, due to their sample sizes in the survey undertaken for this study.

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This Section contains more detailed information on how the survey was undertaken

Note: All percentage calculations are based on un-rounded figures; therefore, totals or sub-totals may differ due to rounding.

INDUSTRY SIZE

Steady Growth

This section presents the survey findings for the size of the U.S. spa industry.

The economic context in the recovery from the pandemic

The Big Five statistics in 2023, i.e., revenues, visits, revenue per visit, establishments and employment

Trends in the Big Five statistics

Profitability in 2023

Looking forward to 2024, the single biggest opportunity that survey respondents see for the U.S. spa industry

The Economic Context

Notwithstanding headwinds from price inflation and rising interest rates, the U.S. economy performed better than had been expected in 2023. Total output of the economy expanded by 2.5 percent in real terms, accompanied by robust employment growth of 2.3 percent.

Against a backdrop of price inflation and rising interest rates, there were fears of an economic slowdown in 2023. However, the U.S. economy remained on a steady growth path throughout 2023, with output rising by 2.5 percent, up from 1.9 percent in 2022.

Having risen to a peak of 9.1 percent in June 2022, consumer price inflation abated in 2023, falling to an average of 4.9 percent for the year as a whole. Still, price inflation remains elevated, with the most recent data from the Consumer Price Index for March 2024 showing an annualized rate of 3.5 percent.

The resilience of consumer spending was one of the factors contributing to the growth in the economy. After adjusting for inflation, personal consumption expenditure on services rose by 2.3 percent. The dollar value of consumer spending on services rose by 7.4 percent in 2023.

Employment growth was robust in 2023, up by 2.3 percent, and continued rising through the first quarter of 2024. Unemployment remained low, averaging 3.6 percent in 2023, similar to the 2022 out-turn.

THE U.S. ECONOMY

SELECTED INDICATORS	ANNUAL PERCENT CHANGE			
	2020	2021	2022	2023 (Q1)
GDP (Constant 2012 \$)	-2.8%	5.8%	1.9%	2.5%
Employment	-5.8%	2.9%	4.3%	2.3%
Unemployment (%)	8.1%	5.4%	3.6%	3.6%
Compensation of employees				
Current \$	1.3%	8.2%	7.1%	6.0%
Personal consumption expenditure (all services)*				
Current \$	-4.0%	11.0%	9.3%	7.4%
Constant (2012) \$	-6.6%	6.9%	3.7%	2.3%
Consumer price index (all items)				
All items	1.2%	4.7%	8.0%	4.9%

Sources: Bureau of Economic Analysis (BEA); Bureau of Labor Statistics.

*Personal consumption expenditure is a measure of how much consumers spend on durable goods, consumer products and services. The figures shown above relate to spending on services.

GDP, income and expenditure data extracted from estimates published by BEA in March 2024. Rates shown in constant (2017) \$ are adjusted for inflation.

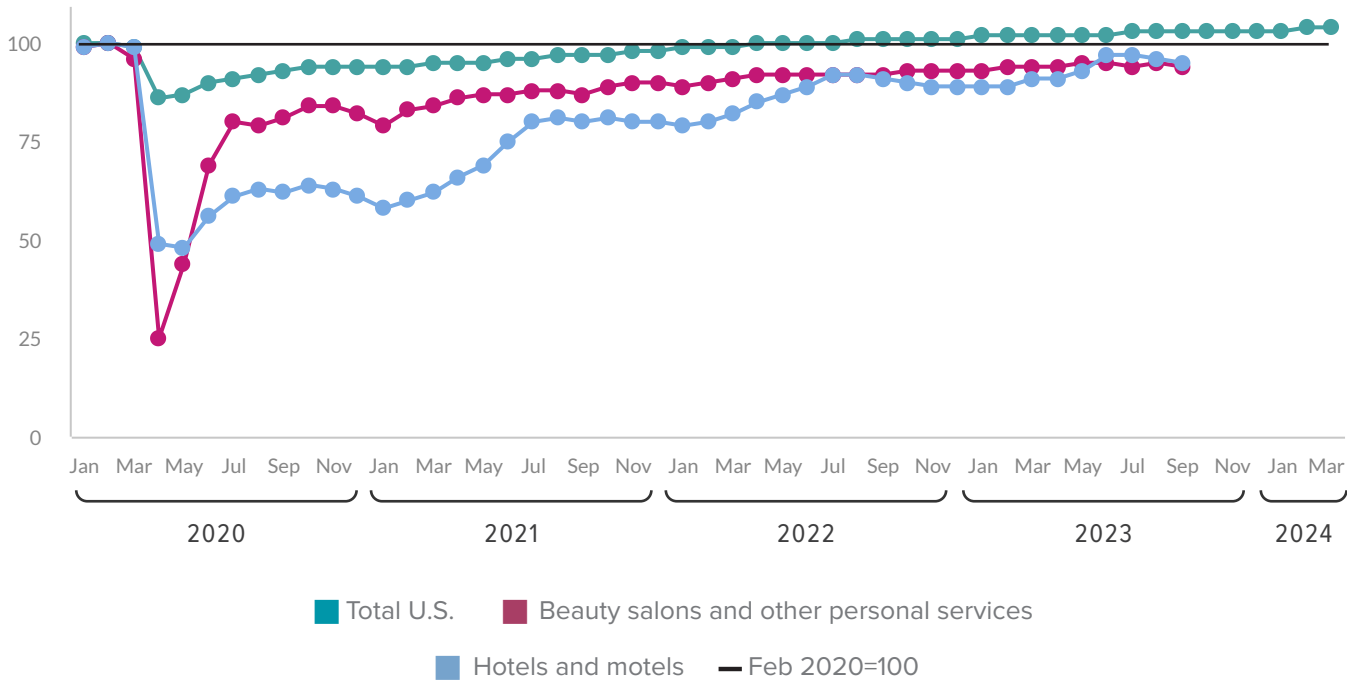
Employment in the Pandemic

Service industries that rely on personal contact with the consumer suffered large falls in employment during the spring 2020 Covid-19 lockdown. Since then, those industries have rebounded strongly. Nonetheless, they have yet to recover all the jobs lost in the lockdown period and, as of September 2023, their employment levels were 5-6 percent below their pre-pandemic levels.

Employment in beauty salons and other personal service industries, which includes the day spa sector, fell sharply during the spring 2020 Covid-19 lockdown. Employment rebounded strongly in the remaining months of 2020 but was still 20 percent lower in January 2021 compared with January 2020. The workforce continued to grow steadily through 2022 and from the available data, through the first nine months of 2023. Nonetheless, by September 2023, employment in beauty salons and other personal services was still 6 percent below the pre-pandemic level.

Employment in hotels and motels has followed a broadly similar course. Though, that sector was more strongly affected in the pandemic, due to factors such as travel restrictions and their effects on tourism and leisure activities. The industry struggled to recover in the wake of the first lockdown and employment in hotels and motels was still 42 percent lower in January 2021 compared with January 2020. Since then, employment has been steadily rising and, by September 2023, total employment in the industry had recovered to within 5 percent of the pre-pandemic level.

EMPLOYMENT, FEBRUARY 2020=100 (SOURCE: BLS)



The Big Five Statistics: 2023 Out-Turn and Percent Change Over 2022

In 2023, the spa industry remained on a positive trajectory, highlighted by continued revenue growth, both in total and per visit.

Total spa industry revenue is estimated to have risen by \$1.2 billion, from \$20.1 billion in 2022 to \$21.3 billion in 2023, an increase of 5.7 percent.

An estimated 182 million spa visits were made in 2023, representing an increase of 0.6 percent on the 2022 out-turn of 181 million visits.

The number of spa locations increased slightly, from 21,790 by year-end 2022 to 21,840 by year-end 2023, a rise of 0.2 percent.

Average revenue per visit rose by an estimated 5.1 percent from \$111.5 in 2022 to \$117.2 in 2023.

Total employment is estimated to have increased by 2.6 percent. With a 3.3 percent rise, part-time employment expanded at a slightly faster pace than full-time employment (1.8 percent). Contract employment is estimated to have increased by 3.3 percent, standing at 15,500 in January 2024.

THE BIG FIVE STATISTICS

	2022 (YEAR END)	2023 (YEAR END)	% CHANGE
REVENUE	\$20.1 billion	\$21.3 billion	5.7%
SPA VISITS	181 million	182 million	0.6%
LOCATIONS	21,790	21,840	0.2%
REVENUE PER VISIT	\$111.50	\$117.20	5.1%
	2023 (JAN)	2024 (JAN)	
TOTAL EMPLOYEES	360,700	370,100	2.6%
FULL-TIME	171,500	174,600	1.8%
PART-TIME	174,200	180,000	3.3%
CONTRACT	15,000	15,500	3.3%

Note: All percentage calculations are based on un-rounded figures; therefore, totals may differ due to rounding.

Spa Establishments

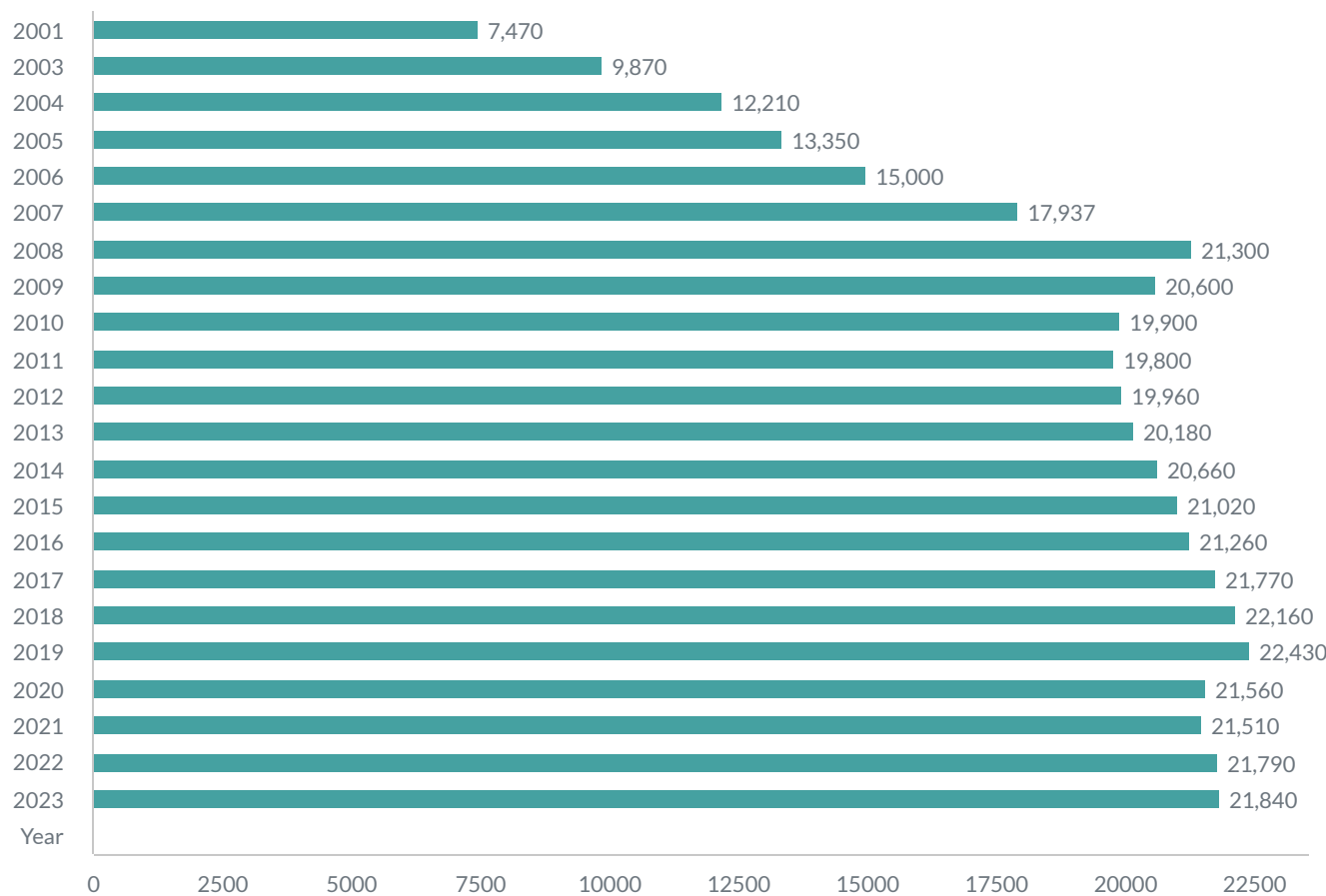
The number of spa locations was relatively stable in 2023 compared with 2022, with a slight increase of 0.2 percent.

An estimated 21,840 spa locations were operating by end-2023, up from 21,790 in 2022. Thus, by end-2023, the number of locations remained 3 percent below the pre-pandemic level (22,430 locations at end-2019).

In 2023, there were an estimated 670 new spa openings, adding 3.1 percent to the number of spas in operation at the end of 2022.

An estimated 620 spas closed over the course of 2023, representing 2.8 percent of the 2022 total. The net effect was an increase of 50 spa locations, adding 0.2 percent to the 2022 total.

TOTAL SPA ESTABLISHMENTS IN THE U.S.



Establishments by Type of Spa

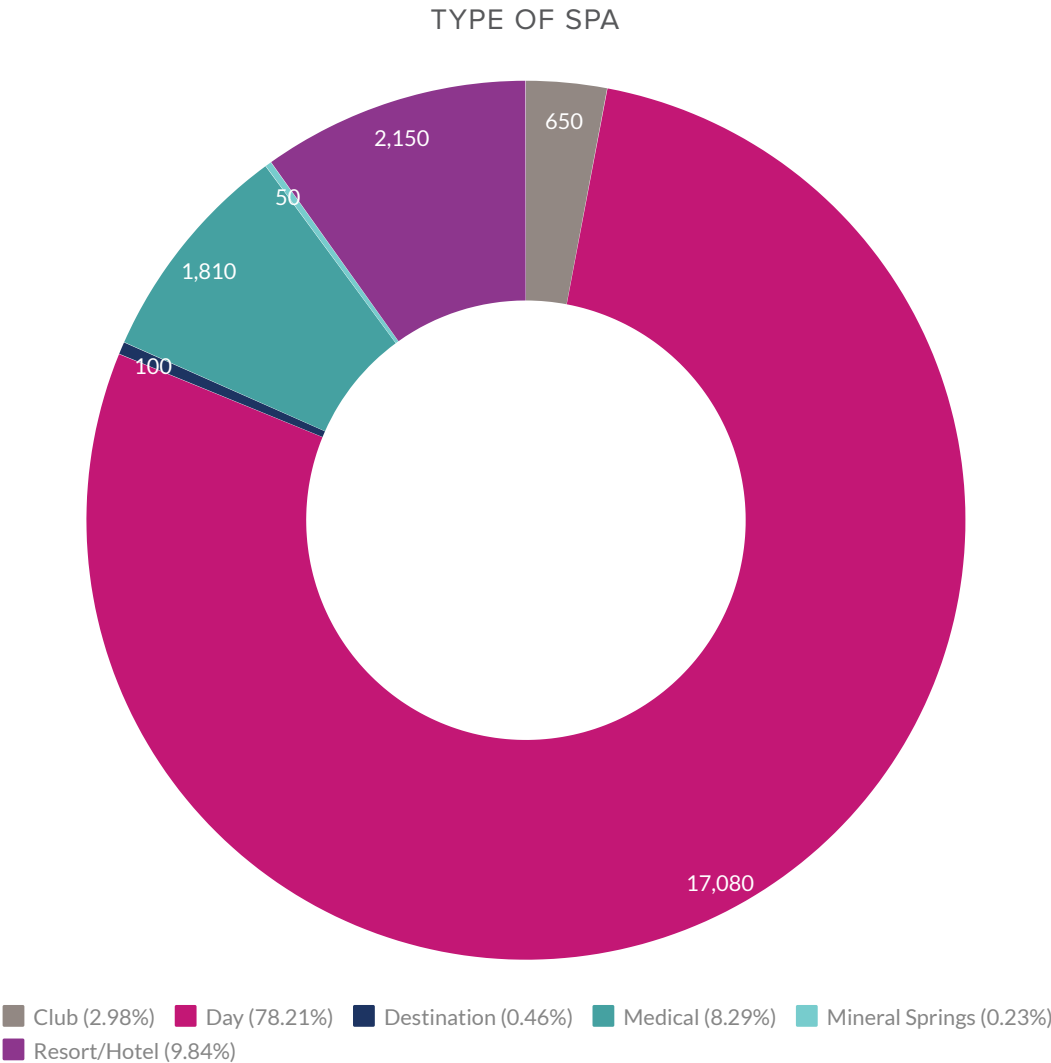
Day spas continue to predominate within the spa industry, accounting for 78.2 percent of the total of 21,840 establishments, followed by resort/hotel spas (9.9 percent) and medical spas (8.3 percent).

By end-2023, there were an estimated 17,080 day spa establishments operating across the U.S., representing a slight increase compared to the end-2022 level (17,060).

The number of resort/hotel spas at the end of 2023 is estimated at 2,150, a 1.7 percent increase compared with 2022, when an estimated 2,120 resort/hotel spas were in operation.

The number of medical spas is estimated at 1,810, unchanged compared with end-2022.

Club spa locations are estimated at 650 as of end-2023, representing 3 percent of the total number of spa locations.

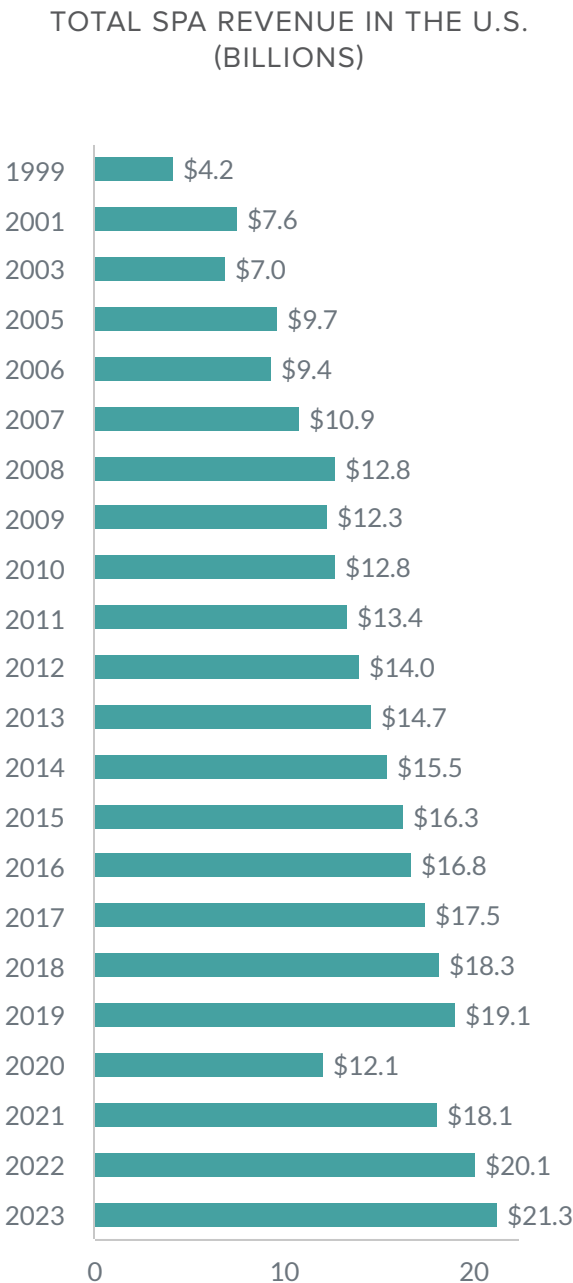


Spa Revenues

Spa industry revenues grew by an estimated 5.7 percent in 2023, with the total rising from \$20.1 billion in 2022 to \$21.3 billion in 2023.

After falling sharply in 2020 as a result of the Covid-19 pandemic, total spa revenues have now recovered to stand 12 percent above the 2019 pre-pandemic level (\$19.1 billion).

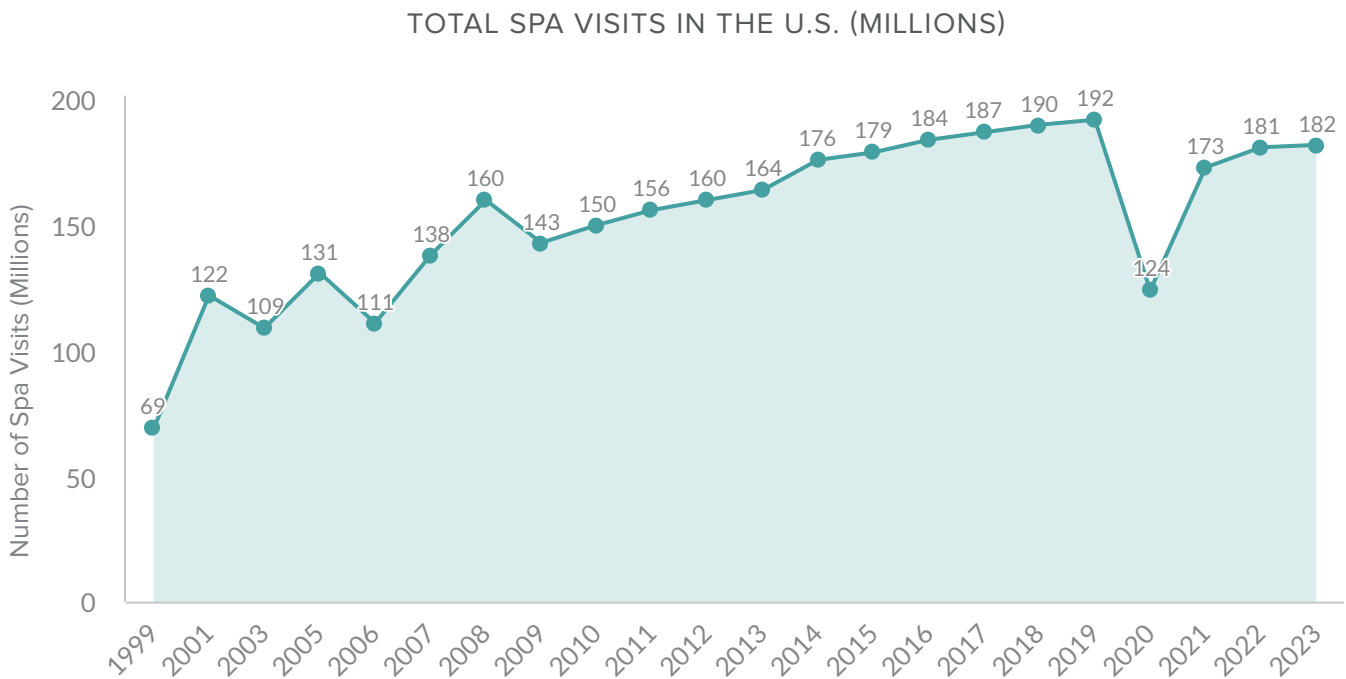
Average revenue per spa establishment rose to \$974,000 in 2023, representing a 5.5 percent increase on the 2022 level (\$924,000).



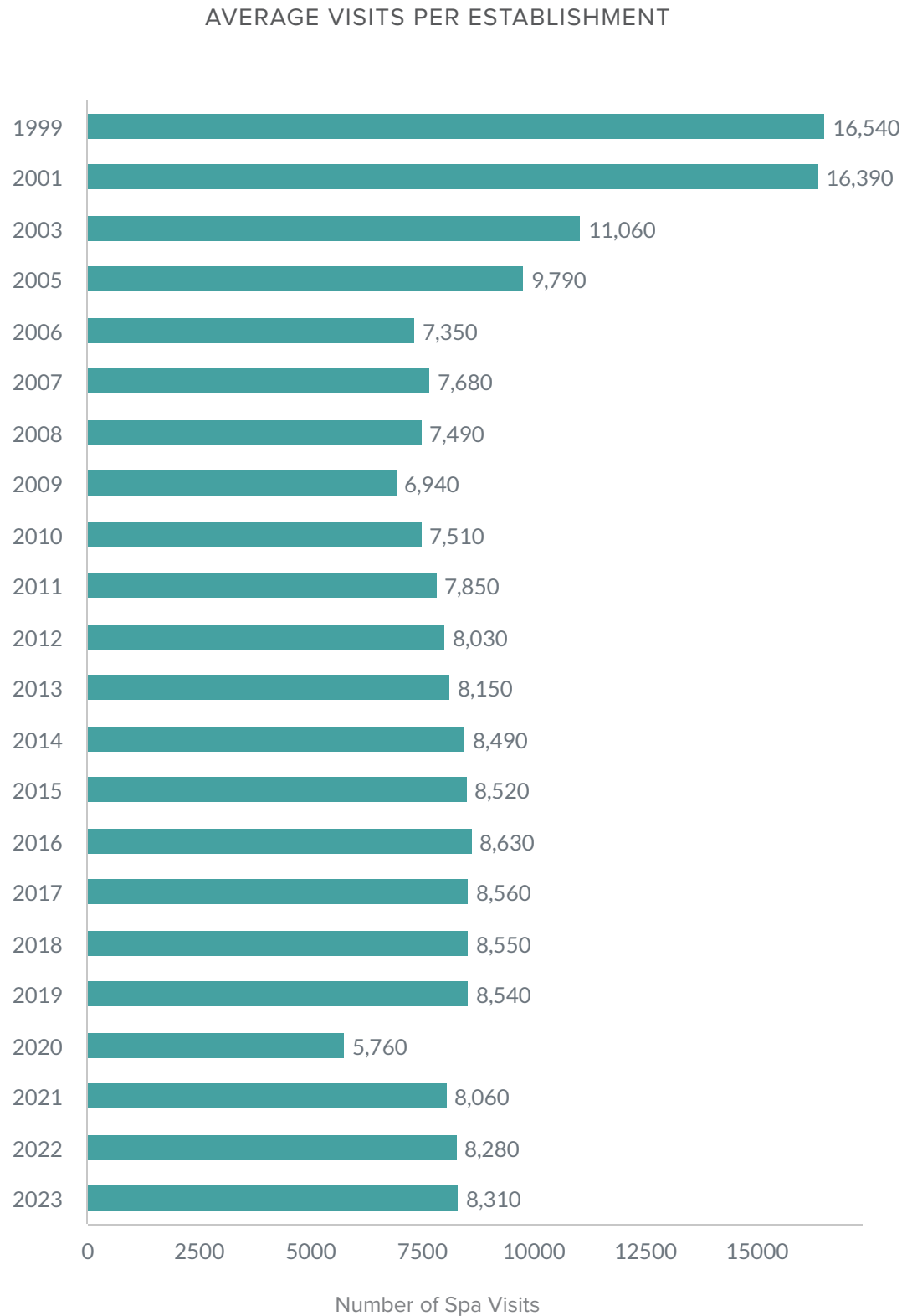
Spa Visits

An estimated 182 million visits were made to spa establishments in 2023, up from 181 million in 2021. Thus, after falling sharply in 2020 as a result of the pandemic, by 2023 the number of spa visits had recovered to 95 percent of the 2019 pre-pandemic peak of 192 million.

In 2023, the number of spa visits compared with 2022 rose by 0.6 percent.



The average number of visits per spa establishment rose by 0.3 percent, from 8,280 in 2022 to 8,310 in 2023.

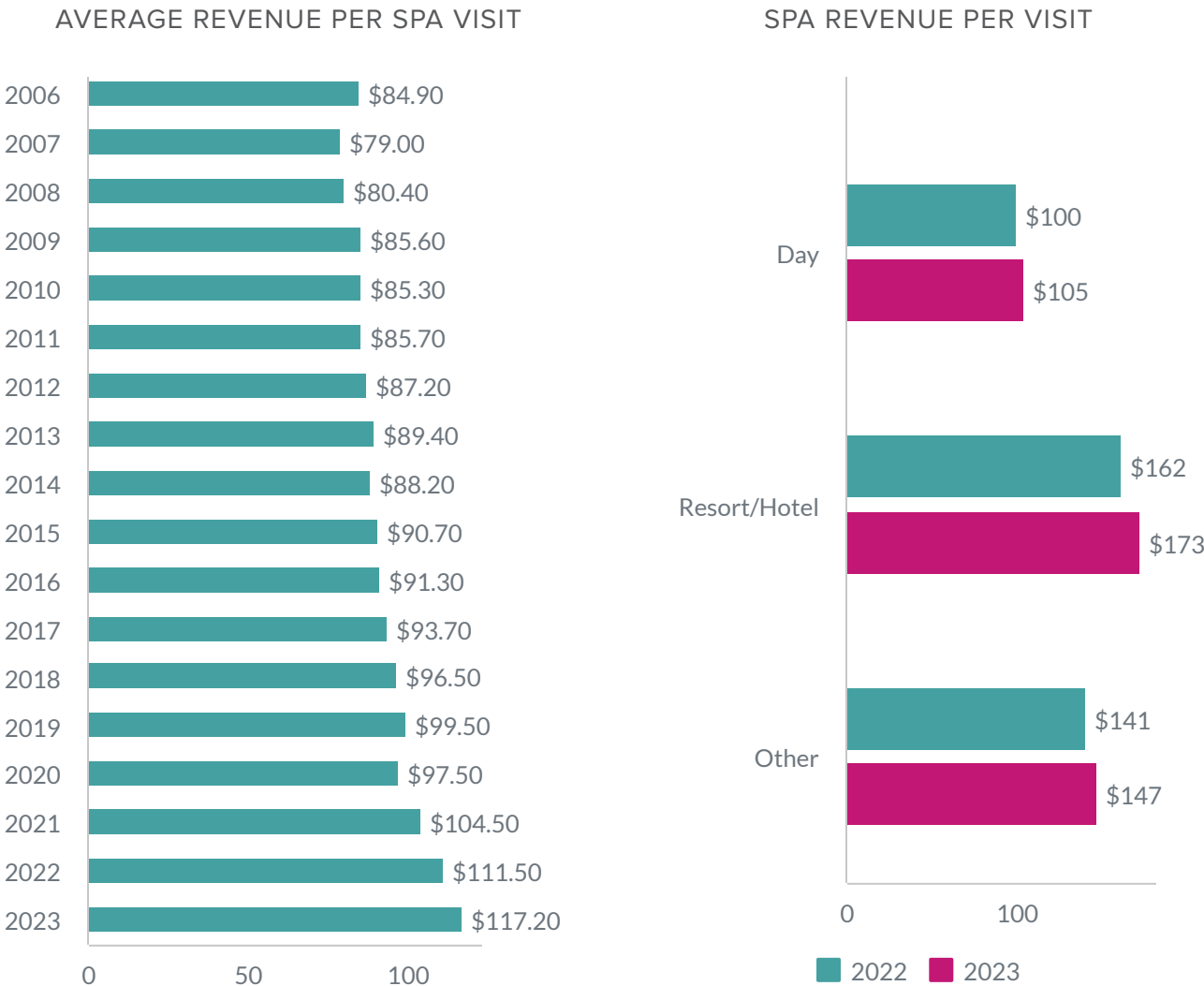


Average Spa Revenue Per Visit

The average revenue per spa visit in 2022 is estimated at \$117.2, an increase of 5.1 percent compared with 2021 (\$111.5).

Average spend per visit varies by spa type, ranging from \$105 for day spa visits to \$173 for resort/hotel spa visits. Compared to 2022, the average revenue per visit in 2023 is estimated to have risen by 4.7 percent in the day spa sector and slightly faster, by 6.3 percent, in the resort/hotel sector.

The average amount that clients spend when they visit a spa is influenced by a range of factors, including the mix of services and treatments that clients purchase and the pricing of those services in a competitive market. Within that context, the rise in average spa revenue per visit in 2023 would seem to reflect, at least in part, higher prices per service (see Section 3 in this report for discussion of the trend in average prices per service).



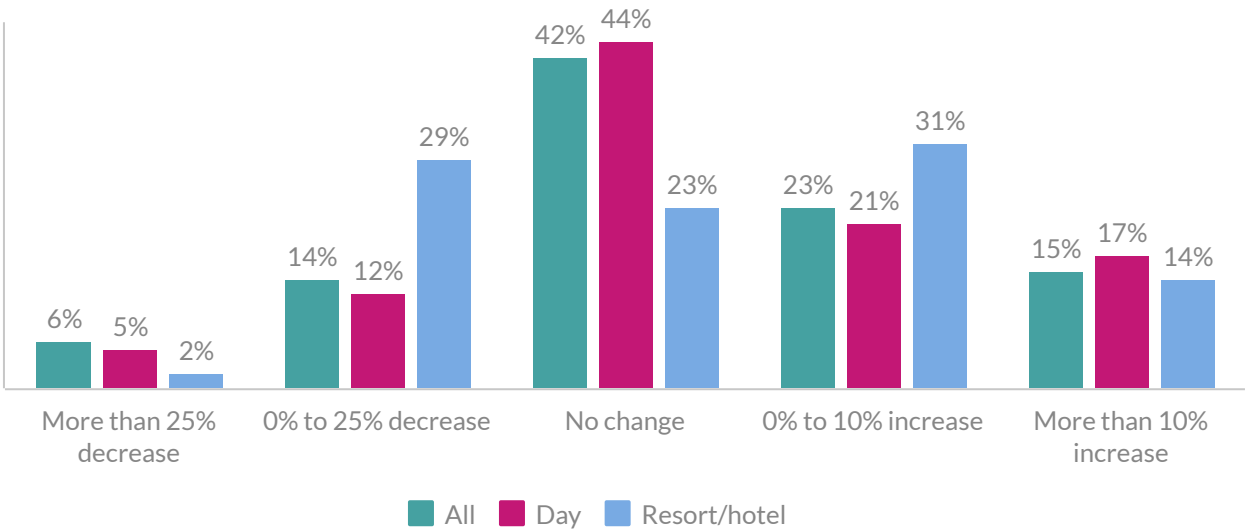
Employment Change Compared to January 2022

When asked to give the approximate percent change in staff employed in January 2024 compared with January 2023, 38 percent of survey respondents said they had increased their staff count, compared with 20 percent saying they had reduced employment. Overall, the proportion of spas increasing employment was 18 percentage points higher than the proportion with a reduced staff count, pointing to a growing spa industry workforce.

Almost half of resort/hotel spas (45 percent) said they had higher employment in January 2024 than in January 2023, compared with a little under one in three (31 percent) saying that employment had reduced, a difference of 14 percentage points.

Within the day spa sector, 38 percent said their employment levels had risen between January 2023 and January 2024, compared with 17 percent saying that employment had decreased, a difference of 21 percentage points.

EMPLOYMENT CHANGE COMPARED TO JANUARY 2023 (APPROXIMATE %)



Employment

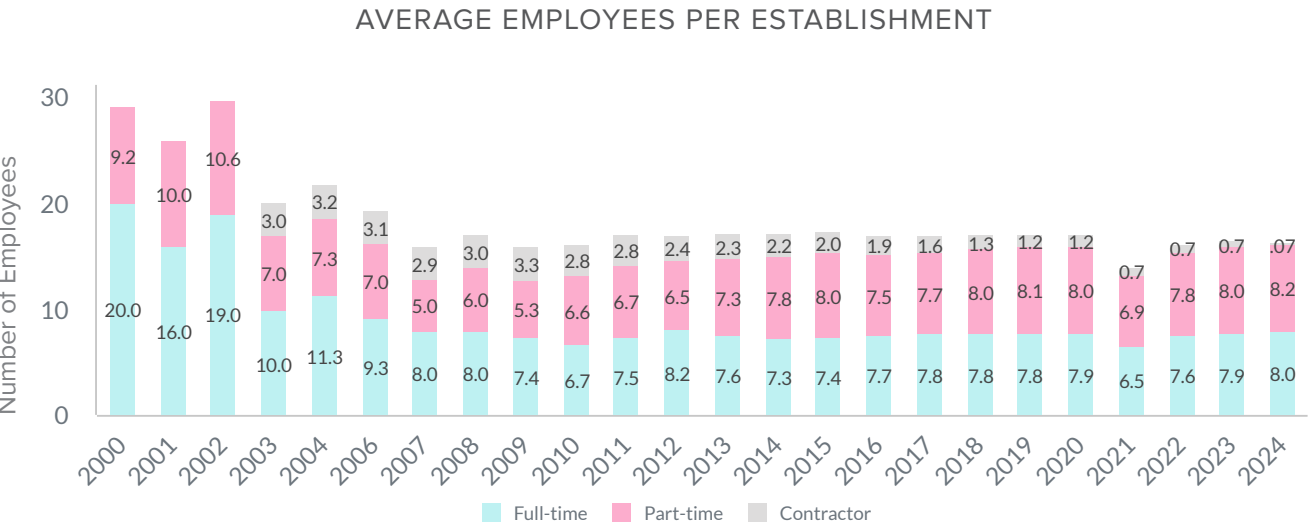
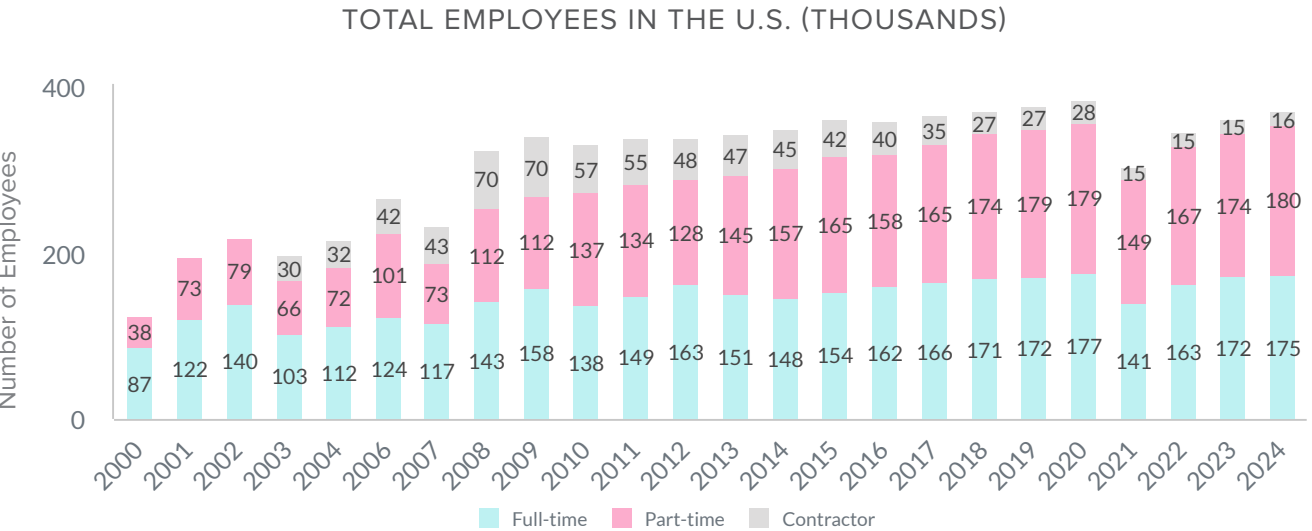
By January 2024, total employment in the spa industry stood at 370,100, an increase of 9,400 (2.6 percent) compared with January 2023, bringing the total spa workforce back to 96 percent of the pre-pandemic level as of January 2020 (383,700).

The number of full-time employees is estimated to have risen by 3,100 (1.8 percent), rising to 174,600 in January 2024. Part-time employment increased by 5,800 (3.3 percent), standing at 180,000 in January 2024.

Employment of independent contractors rose by an estimated 500, to 15,500 in January 2024 (3.3 percent).

Across the industry as a whole, the number employed per spa location rose by 2.4 percent, from 16.6 in January 2023 to 16.9 in January 2024.

Note: On average, spas consider service providers need to work 32 or more hours per week to be considered a full-time employee (see the discussion in Section 4 of hours necessary to be considered a full-time worker).

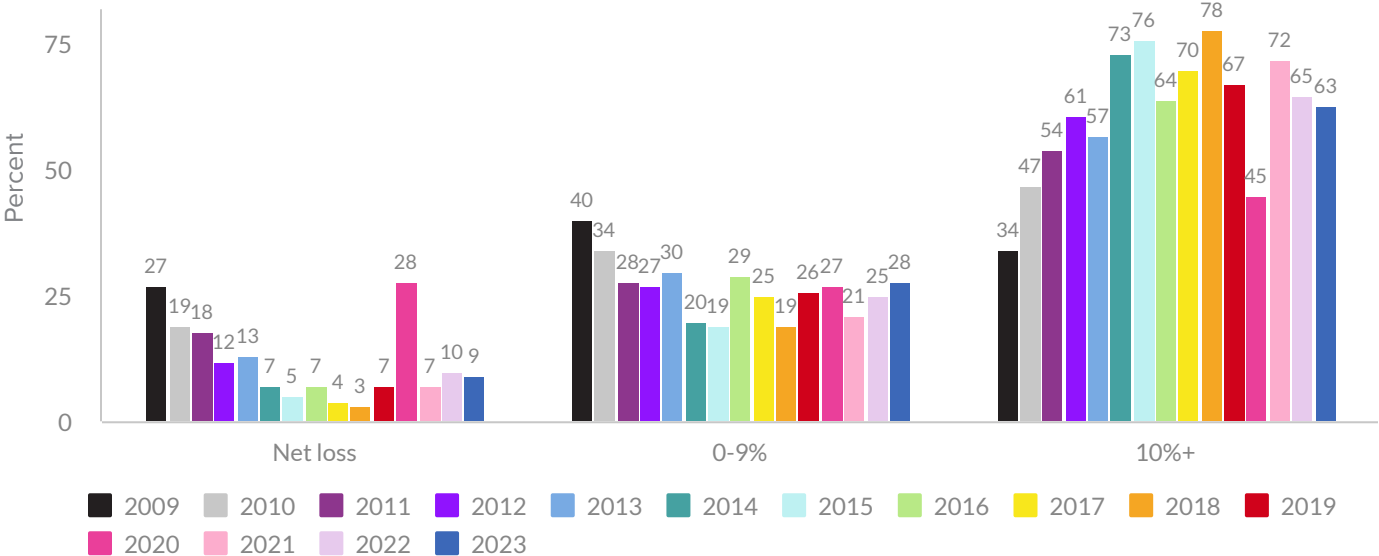


Profitability

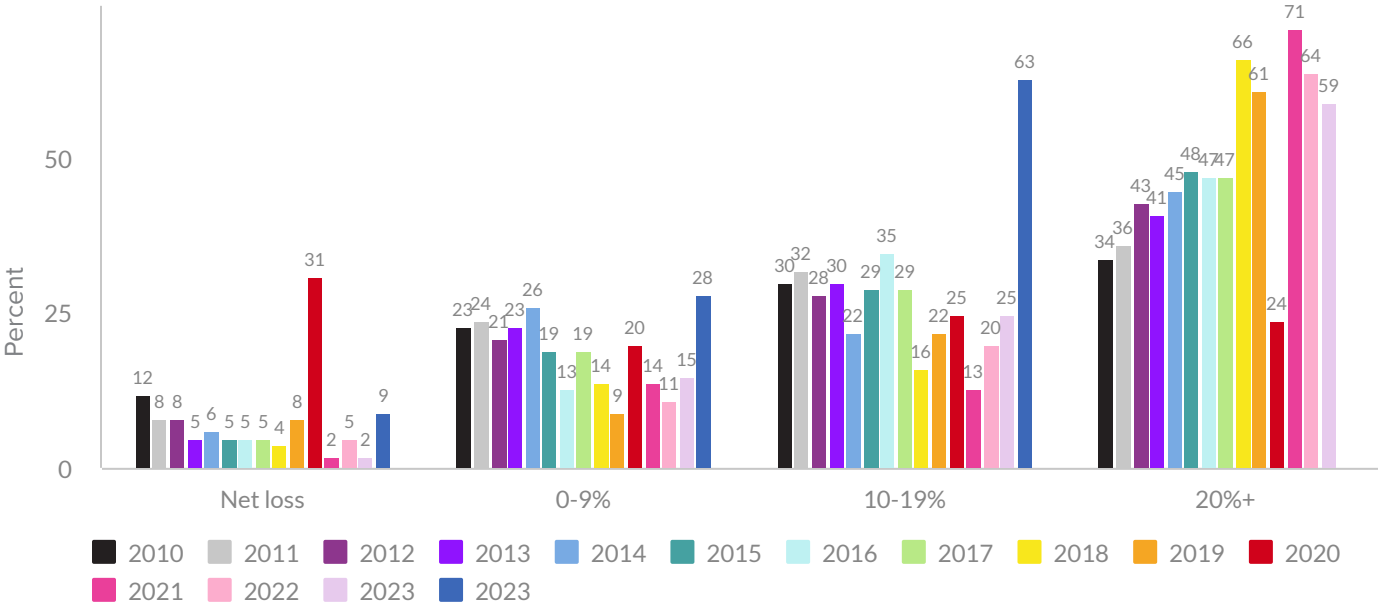
In the resort/hotel sector, 59 percent of spas said their profit percentage was 20 percent or more, slightly down on the 2022 out-turn (64 percent) but broadly consistent with the pre-pandemic level. The profitability performance of spas in the other sectors was also in line with pre-pandemic levels, with 63 percent reporting a 2023 profit percentage of 10 percent or more.

Since many resort/hotel spas are part of a larger enterprise, survey respondents in the resort/hotel sector were asked to give their approximate spa profit percentage, for the spa operation only and not the entire business. All other types of spa establishments were asked to give the approximate spa profit before fixed charges percentage.

SPA PROFIT PERCENTAGE: 2010–2023, RESORT/HOTEL SPAS



PROFIT PERCENTAGE BEFORE FIXED CHARGES: 2009-2023
ALL SPAS EXCLUDING RESORT/HOTEL SPAS

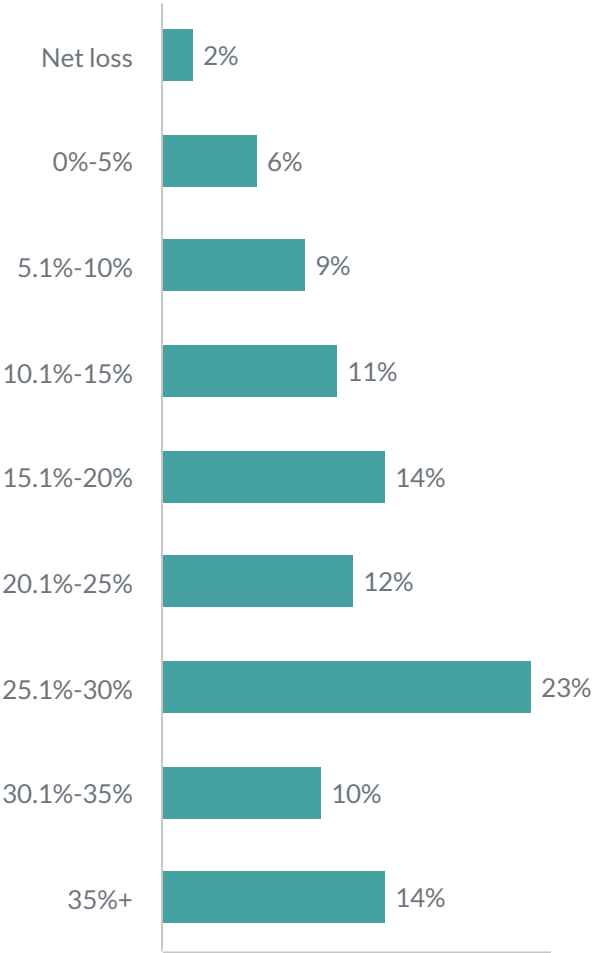


Profitability

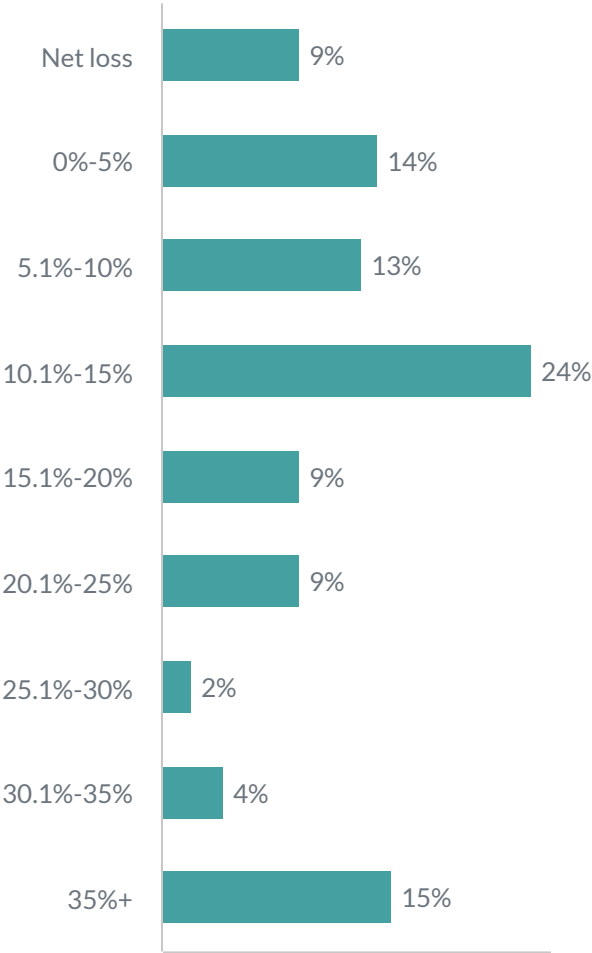
The detailed profit percentage results indicate that, in 2023 almost one in four resort/hotel spas (24 percent) reported a spa profit percentage in the range of 30 percent or more. Almost one in two resort/hotel spas (49 percent) cited a profit percentage in the range 15 percent to 30 percent.

Excluding the resort/hotel sector, the most frequently reported spa profit percentage was in the range of 10-15 percent, quoted by almost one in four spas (24 percent). Almost one in three spas (30 percent) said their profit percentage was 20 percent or more.

SPA PROFIT PERCENTAGE, 2023 –
RESORT/HOTEL SPAS



SPA PROFIT PERCENTAGE BEFORE FIXED
CHARGES, 2023 – ALL SPAS
(EXCL. RESORT/HOTEL)



Looking Forward to 2024: Single Biggest Opportunity

When asked to say what is the single biggest opportunity that they see for the U.S. spa industry in 2024, wellness and self-care were most frequently mentioned, by about one in three respondents. One in four spa businesses mentioned staffing related issues, including recruitment, retention and education/training within the context of a competitive labor market and accompanying pay pressures. Other opportunities highlighted by respondents focused on technology, touch-free services, innovation, expanding the market for spa services, customization, collaboration and elevating the spa experience. Pricing also featured in the responses, both as an opportunity and a pressure.

WELLNESS AND SELF-CARE: Spas continue to see wellness and self-care as the main opportunity for growth, centred on promoting spa therapies as part of a healthy lifestyle, through an integrated and holistic approach encompassing mind, body and spirit.

STAFFING: To boost recruitment, spas cited an opportunity to raise the profile of career options as rewarding and well paid. Spas also identified the need for more schools to fill shortages in massage therapists, leadership roles and boost professionalism. Affordable licensing, valid across all states, was also mentioned as an aid to recruitment. In a competitive hiring market, retention can be a challenge. In addition to pay and benefits, ensuring team wellbeing and offering flexibility for a work-life balance are viewed as aids to improved retention.

TECHNOLOGY: Seen as having the potential to deliver opportunities and benefits across multiple areas, including streamlining operations (i.e., online booking, scheduling, self-service), enabling innovation in new services, experiences and treatments (i.e., immersive therapies, at home apps, touch-free, VR/AR) and building the spa's profile (i.e., marketing, apps, online, media, education).

INNOVATION: Evolving the spa offering, staying abreast of trends and adapting and adding new experiences, treatments and technologies. Spas also referred to making smart use of space.

TOUCH-FREE SERVICES: About one in 10 spas saw opportunity in the delivery of touch-free services, with demand viewed as driven by post-Covid need to minimise close contact, tackling staff shortages, attendee-free services, and adoption of technology for virtual/self-guided therapy. Still, some spas emphasised the importance of maintaining connection and the human touch.

EXPANDING THE MARKET: Attract a wider demographic: men, younger clients, seniors boomers. The aging population is living longer and values services to enhance wellbeing.

ELEVATING THE SPA EXPERIENCE: Savvier guests expect more. The opportunity is around ensuring guests feel truly cared for, not part of an assembly line.

CUSTOMIZE: Differentiate and build loyalty by offering personalised plans.

COLLABORATION: Team with gyms to combine fitness and wellbeing and offer treatments appealing to fitness clients. Also collaborate with healthcare providers, wellness and medical spas, cross-promoting services.

PRICING: Seen as an opportunity by some, i.e., dynamic pricing, but more often as a challenge around managing overheads, wage bills and providing value and quality in the face of rising prices.

Key Points Summary

THE INDUSTRY IN 2023: STEADY GROWTH

Notwithstanding headwinds from price inflation and rising interest rates, the U.S. economy performed better than had been expected in 2023. Total output of the economy expanded by 2.5 percent in real terms, accompanied by robust employment growth of 2.3 percent.

As measured by the Consumer Price Index, inflation surged in the wake of the pandemic, peaking at 9.1 percent in June 2022. Since then, inflation has fallen back, averaging 4.9 percent in 2023, albeit remaining elevated in the first three months of 2024, at around 3.5 percent.

Service industries that rely on personal contact with the consumer suffered large falls in employment during the spring 2020 Covid-19 lockdown. Since then, those industries have rebounded strongly. Nonetheless, they have yet to recover all of the jobs lost in the lockdown period and, as of September 2023, their employment levels were 5-6 percent below their pre-pandemic levels.

In 2023, the spa industry remained on a positive trajectory, highlighted by continued revenue growth, both in total and per visit:

- Spa industry revenues grew by an estimated 5.7 percent in 2023, with the total rising from \$20.1 billion in 2022 to \$21.3 billion in 2023.
- An estimated 182 million spa visits were made in 2023, representing an increase of 0.6 percent on the 2022 out-turn of 181 million visits.
- The average revenue per spa visit in 2023 is estimated at \$117.2, an increase of 5.1 percent compared with 2022 (\$111.5).
- When asked to give the approximate percent change in staff employed in January 2024 compared with January 2023, 38 percent of survey respondents said they had increased their staff count, compared with 20 percent saying they had reduced employment. Overall, the proportion of spas increasing employment was 18 percentage points higher than the proportion with a reduced staff count, pointing to a growing spa industry workforce.
- By January 2024, total employment in the spa industry stood at an estimated 370,100, an increase of 9,400 (2.6 percent) compared with January 2023.
- The number of spa locations was relatively stable in 2023 compared with 2022, with a slight increase of 0.2 percent.

After falling sharply in 2020 as a result of the Covid-19 pandemic, by 2023 total spa revenues had recovered to stand 12 percent above the 2019 pre-pandemic level (\$19.1 billion). The revenue growth was underpinned by the 18 percent rise in average revenue per visit between 2019 and 2023.

Nonetheless, the remaining key statistics remain below pre-pandemic levels:

- The number of visits to spa establishments in 2023 was 5 percent below the 2019 pre-pandemic peak of 192 million.
- By January 2024, the spa workforce had recovered to within 96 percent of the pre-pandemic level.
- At the end of 2023, the number of locations remained 3 percent below the pre-pandemic level.

PROFITABILITY

In the resort/hotel sector, 59 percent of spas said their profit percentage was 20 percent or more, slightly down on the 2022 out-turn (64 percent) but broadly consistent with the pre-pandemic level. The profitability performance of spas in the other sectors was also in line with pre-pandemic levels, with 63 percent reporting a 2023 profit percentage of 10 percent or more.

LOOKING FORWARD TO 2024: SINGLE BIGGEST OPPORTUNITY

When asked to say what is the single biggest opportunity that they see for the U.S. spa industry in 2024, wellness and self-care were most frequently mentioned, by about one in three respondents. One in four spa businesses mentioned staffing related issues, including recruitment, retention and education/training within the context of a competitive labor market and accompanying pay pressures. Other opportunities highlighted by respondents focused on technology, touch-free services, innovation, expanding the market for spa services, customization, collaboration and elevating the spa experience. Pricing also featured in the responses, both as an opportunity, i.e., dynamic pricing, and a pressure, i.e., ensuring a value-for-money spa experience in a climate of rising prices.

SPA SERVICES + FACILITIES

In 2023, spas received an estimated 182 million client visits, an average of 8,310 per spa establishment. This section describes the facilities and services that spas offered to their clients.

This section presents the Industry Study findings for the following topics:

Customer base in spring 2024 compared to spring 2023

The core types of services offered by spas

Technology-driven services offered by spas

Average prices per spa service

Pricing and service availability strategies

Spa policies and activities currently in place

AVERAGE VISITS PER SPA ESTABLISHMENT



Customer Base

SPRING 2024 COMPARED TO SPRING 2023

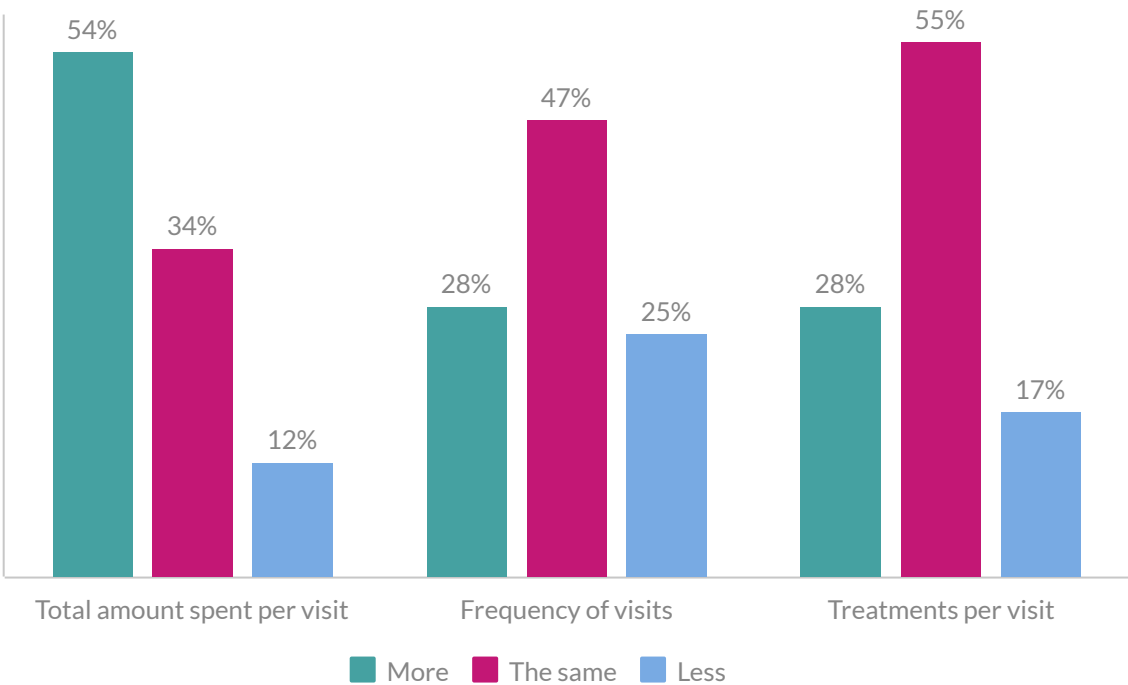
Comparing spring 2024 with the same period one year ago, 54 percent of spas said there had been an increase in the total amount spent per visit, well in excess of the proportion reporting a decrease (12 percent). Almost one in two spas (47 percent) said the frequency of visits made by their customer base had remained the same, with roughly equal proportions saying the frequency had increased (28 percent) or decreased (25 percent). Most spas (55 percent) also said that treatments per visit were unchanged compared with one year ago. A little over one in four spas (28 percent) said treatments per visit had increased compared with 17 percent reporting a decrease.

Resort/hotel spas were more likely than day spas to say that the total amount spent per visit had increased compared with spring 2023, by a margin of 64 percent to 54 percent (see table overleaf). In both sectors, fewer than one in 10 spas (9 percent) said that spend per visit had fallen compared with spring 2023.

Day spas and resort/hotel spas were equally likely to say that the frequency of visits had increased compared with spring 2023 (28 percent). Day spas were more likely than resort/hotel spas to say that the frequency of visits had decreased, with 27 percent of day spas reporting a decrease versus 14 percent of resort/hotel spas.

Similarly, day spas and resort/hotel spas were almost equally likely to say that the number of treatments per visit had increased compared with spring 2023 (28 percent and 26 percent respectively). Day spas were slightly more likely to say that treatments per visit had decreased, 16 percent compared with 11 percent of resort/hotel spas.

CUSTOMER BASE IN SPRING 2024 COMPARED TO SPRING 2023



CUSTOMER BASE IN SPRING 2024 COMPARED TO SPRING 2023

		ALL	DAY	RESORT/ HOTEL
Total amount spent per visit	MORE	54%	54%	64%
	THE SAME	34%	37%	26%
	LESS	12%	9%	9%
Frequency of visits	MORE	28%	28%	28%
	THE SAME	47%	45%	58%
	LESS	25%	27%	14%
Treatments per visit	MORE	28%	28%	26%
	THE SAME	55%	56%	63%
	LESS	17%	16%	11%

Types of Services Offered

When asked about the services that they provide to their clients, 93 percent said they offer facials, followed by massage services (91 percent), waxing services (53 percent), body services (47 percent) and couples services (47 percent).

In addition to their core spa and salon services, many spas offer their visitors a diverse range of treatments and programs. Nail services are offered by 39 percent of spas, ranging from 35 percent of day spas to 74 percent of resort/hotel spas. Almost one in three spas (28 percent) offer salon services.

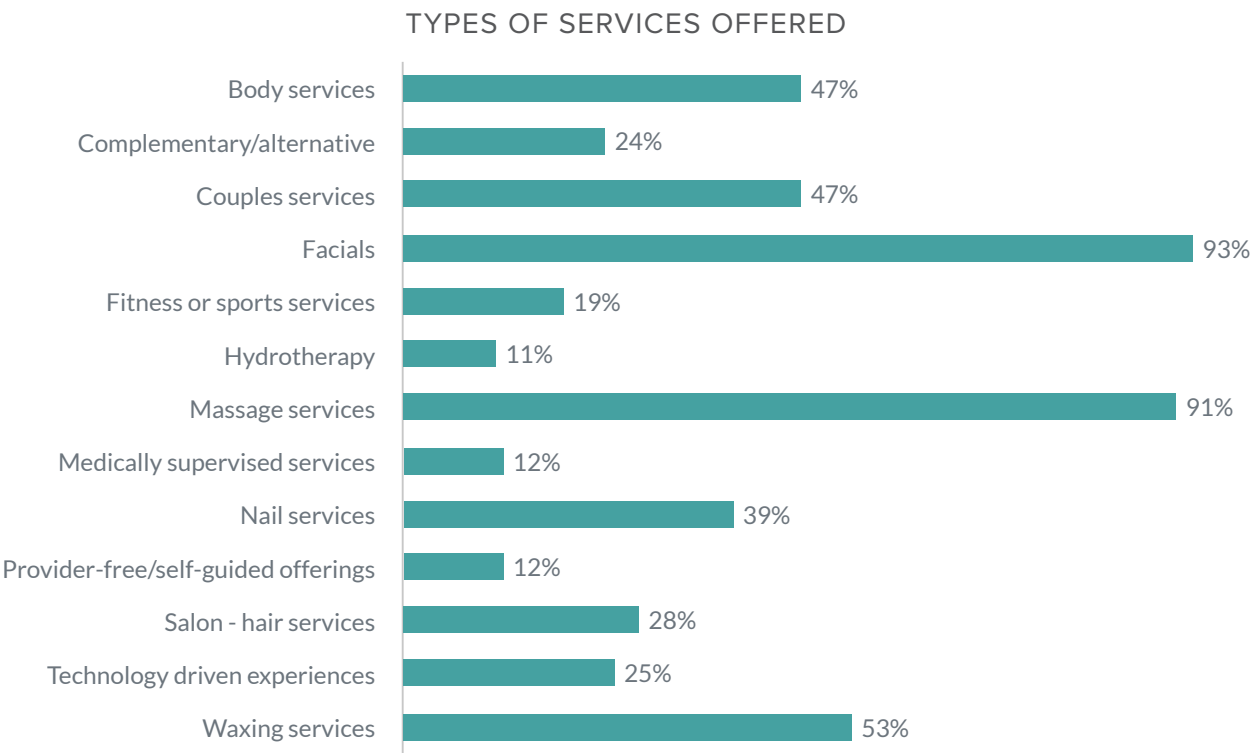
One in four spas (25 percent) offer technology-driven experiences, including 19 percent of day spas and 30 percent of resort/hotel spas. Provider-free/self-guided services are available at 12 percent of spas, including 26 percent of resort/hotel spas.

A little under one in four spas (24 percent) offer complementary or alternative therapies or mind, body and spirit programs, such as acupuncture, reiki and yoga, including 45 percent of resort/hotel spas and 19 percent of day spas.

Fitness or sports services are offered by almost one in five spas (19 percent), including 49 percent of resort/hotel spas.

Medically supervised services are provided by 12 percent of spas. Reflecting the medical spa effect, such services are most often found in the other spa category (65 percent).

The range and mix of services offered varies by type of spa. Reflecting their larger size, resort/hotel spas typically offer a wider range of services; an average of 7.6 types of services compared to 4.6 among day spas. For example, almost all resort/hotel spas (95 percent) offer body services compared with 39 percent of day spas. Similarly, hydrotherapy services are more frequently offered by resort/hotel spas (31 percent) than day spas (8 percent).



PRODUCT OFFERING: CORE SPA SERVICES

	ALL	DAY	RESORT/ HOTEL	OTHER
Body services	47%	39%	95%	56%
Complementary/alternative therapies or mind, body and spirit	24%	19%	45%	37%
Couples services	47%	43%	91%	33%
Facials	93%	93%	98%	85%
Fitness or sports services	19%	13%	49%	29%
Hydrotherapy	11%	8%	31%	16%
Massage services	91%	96%	100%	53%
Medically supervised services	12%	6%	4%	65%
Nail services	39%	35%	74%	35%
Provider-free/self-guided offerings	12%	9%	26%	20%
Salon - hair services	28%	26%	50%	27%
Technology driven experiences	25%	19%	30%	56%
Waxing services	53%	51%	67%	59%

Technology-driven Services

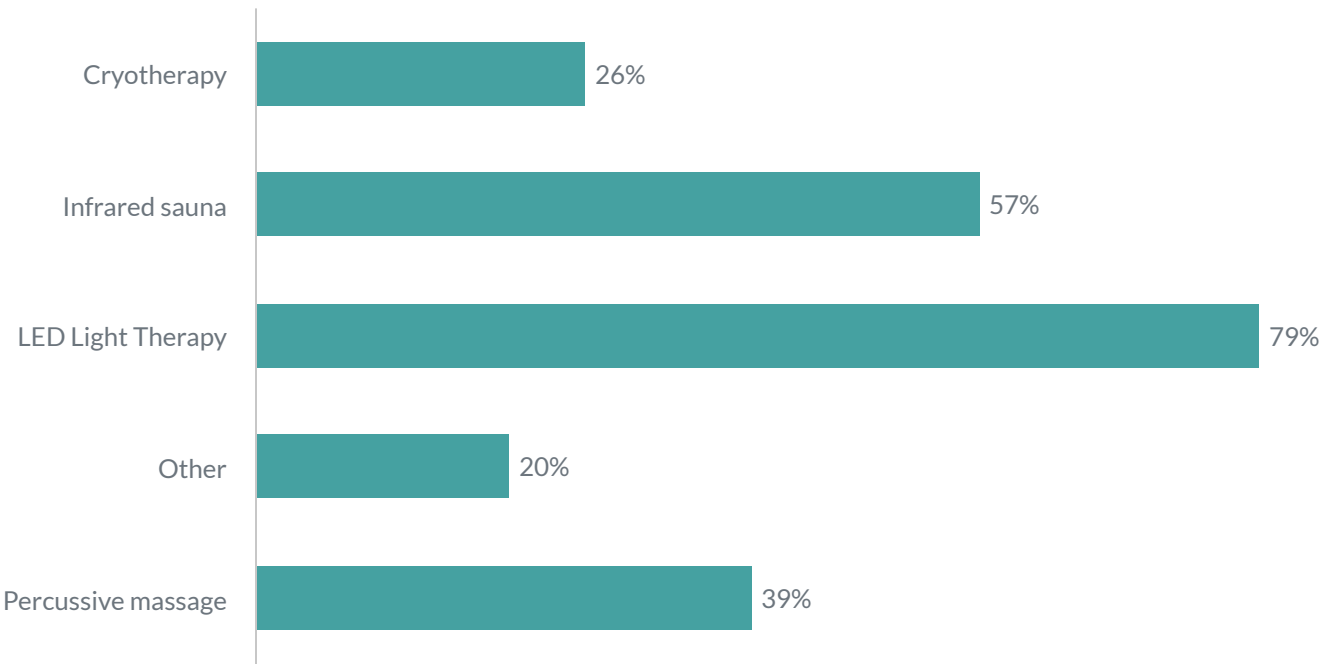
Among the 25 percent of spas saying they provide technology-driven services, 79 percent offer LED light therapy, followed by 57 percent offering infrared sauna. A little under two in five (39 percent) offer percussive massage while over one in four (26 percent) provide a cryotherapy service. One in five (20 percent) said they offer some other type of technology-driven services.

On average, spas providing technology-driven services offer two of the treatments listed in the chart below.

Among the one in five day spas (19 percent) saying they offer technology-driven services, over three in four (77 percent) said they provide an LED light therapy option, followed by 60 percent offering infrared sauna and 30 percent offering percussive massage.

The mix of services is slightly different among the 30 percent of resort/hotel spas providing technology-driven services. Similar to the day spa sector, around three in four (73 percent) said they offer LED light therapy. In contrast to day spas, percussive massage is the second most popular service (67 percent) followed by infrared sauna (58 percent).

TECHNOLOGY-DRIVEN SERVICES OFFERED



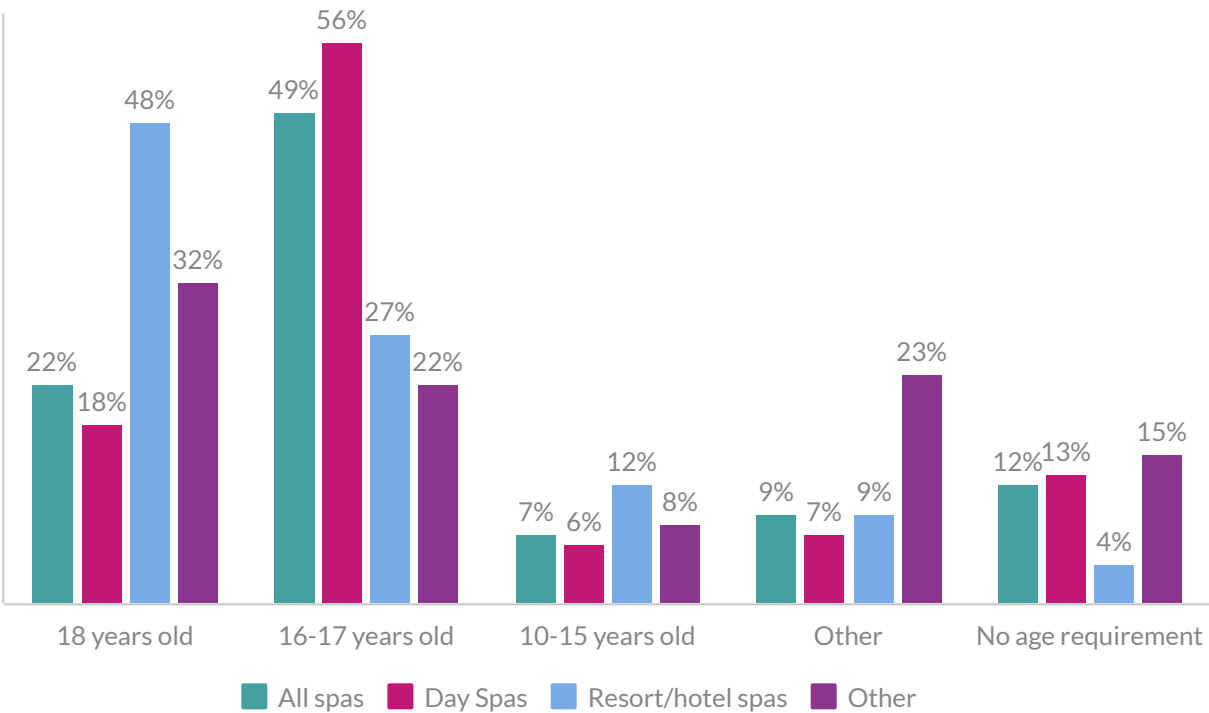
Minimum Age Requirement

When asked to say what is the minimum age requirement to receive a massage within their spa, almost three in four respondents (72 percent) specified a minimum in the age range 16 to 18 years old.

Among resort/hotel spas, almost one in two (48 percent) specified a minimum age requirement of 18 years old to receive a massage, with 27 percent setting a minimum of 16 or 17 years old.

A little under one in five day spas (18 percent) have a minimum age requirement of 18 years to receive a massage while 56 percent set the minimum at 16-17 years old.

MINIMUM AGE REQUIREMENT TO RECEIVE A MASSAGE



Price Per Service

The average price per spa service in 2023 is estimated as \$120, up by 4 percent compared to 2022, when the estimated average price per service was \$116.

Average prices vary depending on the type of service provided, ranging from \$59 per nail service to \$163 per body treatment. At \$116, the average price per massage occupies an intermediate position within that range. The differences in average prices by type of service have been consistent over the past five years. It should be appreciated that these are estimated average prices which will vary across spa establishments depending on type, location, etc.

The average price per massage in 2023 (\$116) was 4 percent higher by comparison with the 2022 average (\$111). The average price for facials in 2023 (\$130) was also 4 percent higher than the average in 2022 (\$125). Body treatment prices are estimated to have registered a 7 percent increase, up from \$152 in 2022 to \$163 in 2023.

The average prices shown for hair services and nail services tend to be more variable from one year to the next, due to smaller sample sizes for spas offering those services. Percentage changes should therefore be interpreted with caution.

AVERAGE PRICES, 2023 COMPARED TO 2022, 2021, 2020 AND 2019

	2019	2020	2021	2022	2023
Per body treatment	\$114	\$114	\$124	\$152	\$163
Per facial	\$104	\$104	\$112	\$125	\$130
Per hair service	\$81	\$80	\$91	\$85	\$89
Per massage	\$98	\$100	\$106	\$111	\$116
Per nail service	\$48	\$49	\$51	\$57	\$59
Per service	\$98	\$100	\$108	\$116	\$120

Price Per Service by Type of Spa

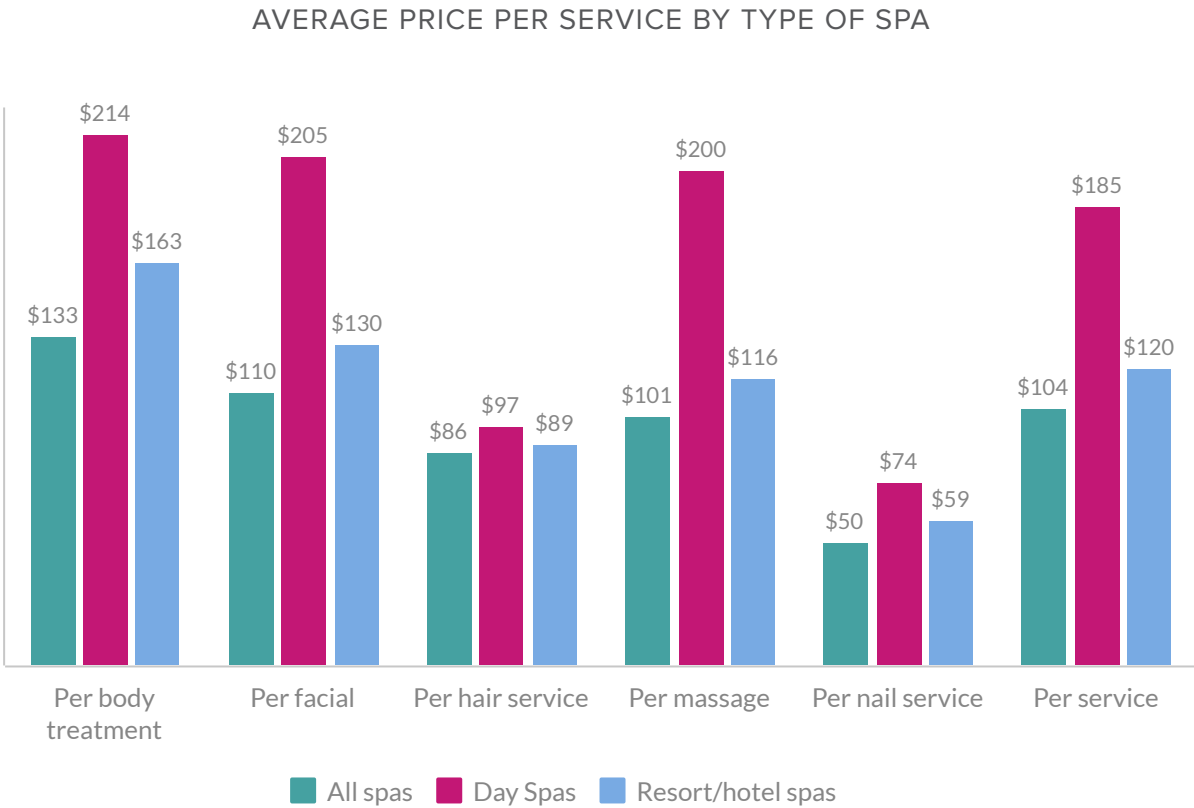
The average price per spa service is higher in resort/hotel spas than in day spas.

In 2023, the overall average price per service in resort/hotel spas was \$185 compared to \$104 per service in day spas, a differential of \$81.

The largest difference between resort/hotel and day spas was for massage services, with the estimated average price in resort/hotel spas standing at \$200 compared to \$101 in day spas, a \$99 difference. Similar differences can be observed in relation to facials (\$205 in resort/hotel spas versus \$110 in day spas) and body treatments (\$214 in resort/hotel spas compared with \$133 in day spas).

Average prices for hair services are more closely aligned between day spas (\$86) and resort/hotel spas (\$97), a difference of \$11.

Price comparisons by type of spa should be made with caution. The estimated averages shown in the accompanying chart will vary across individual spas according to a range of factors such as location.



Pricing and Service Availability Strategies

Spas have adopted a range of strategies designed to boost client visits and match pricing to service availability and demand. The mix of strategies varies by spa type.

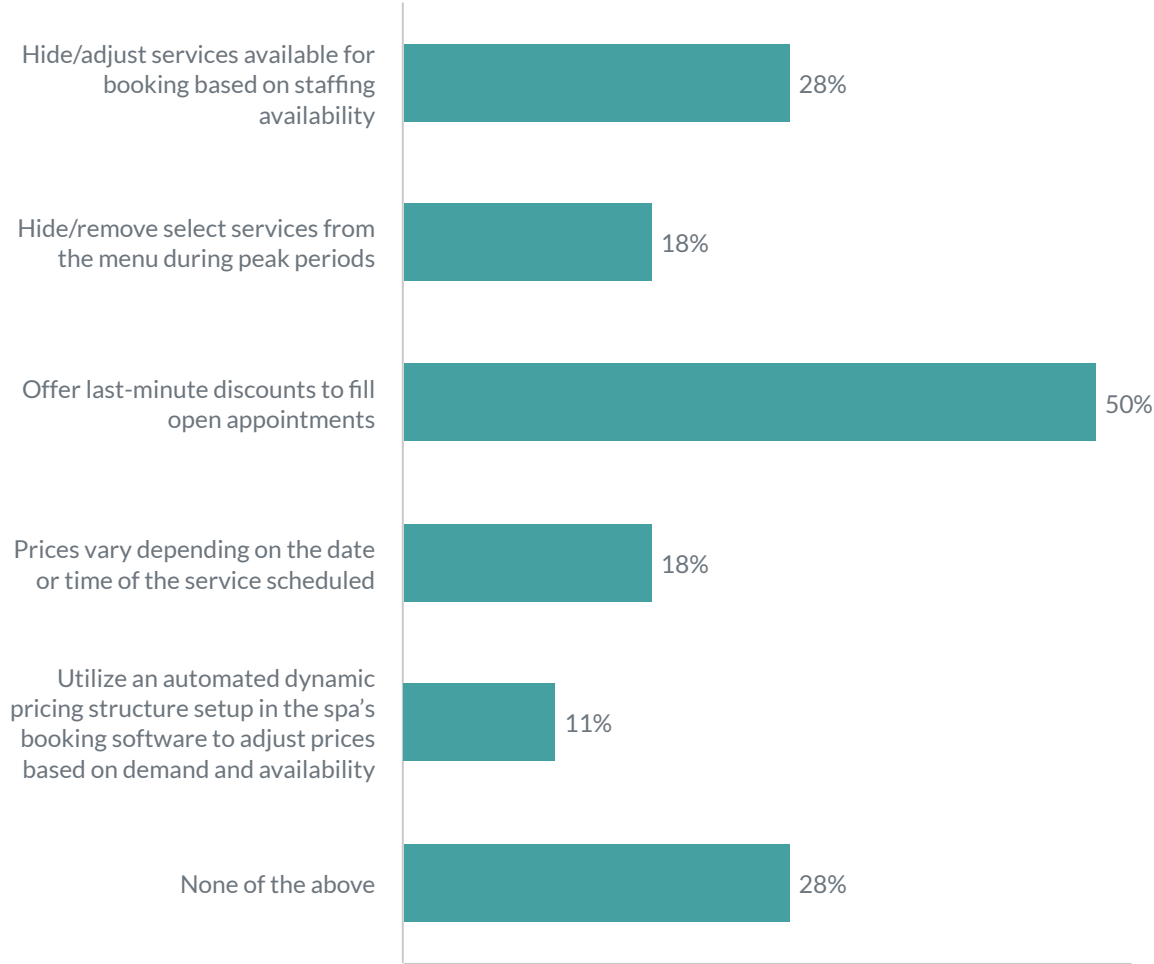
To encourage client visits, one in two spas (50 percent) offer last minute discounts to fill open appointments. That strategy is more frequently used in day spas (56 percent) than in resort/hotel spas (32 percent).

28 percent of spas hide or adjust services available for booking based on staffing availability. The proportion is slightly higher in day spas (29 percent) than in resort/hotel spas (24 percent).

Close to one in five spas (18 percent) vary their prices depending on the date or time of the service scheduled. That strategy is used by almost one in two resort/hotel spas (45 percent) and less often by day spas (14 percent).

A large majority of spas (72 percent) use one or more of the pricing and availability strategies listed in the chart below.

AVERAGE PRICE PER SERVICE BY TYPE OF SPA

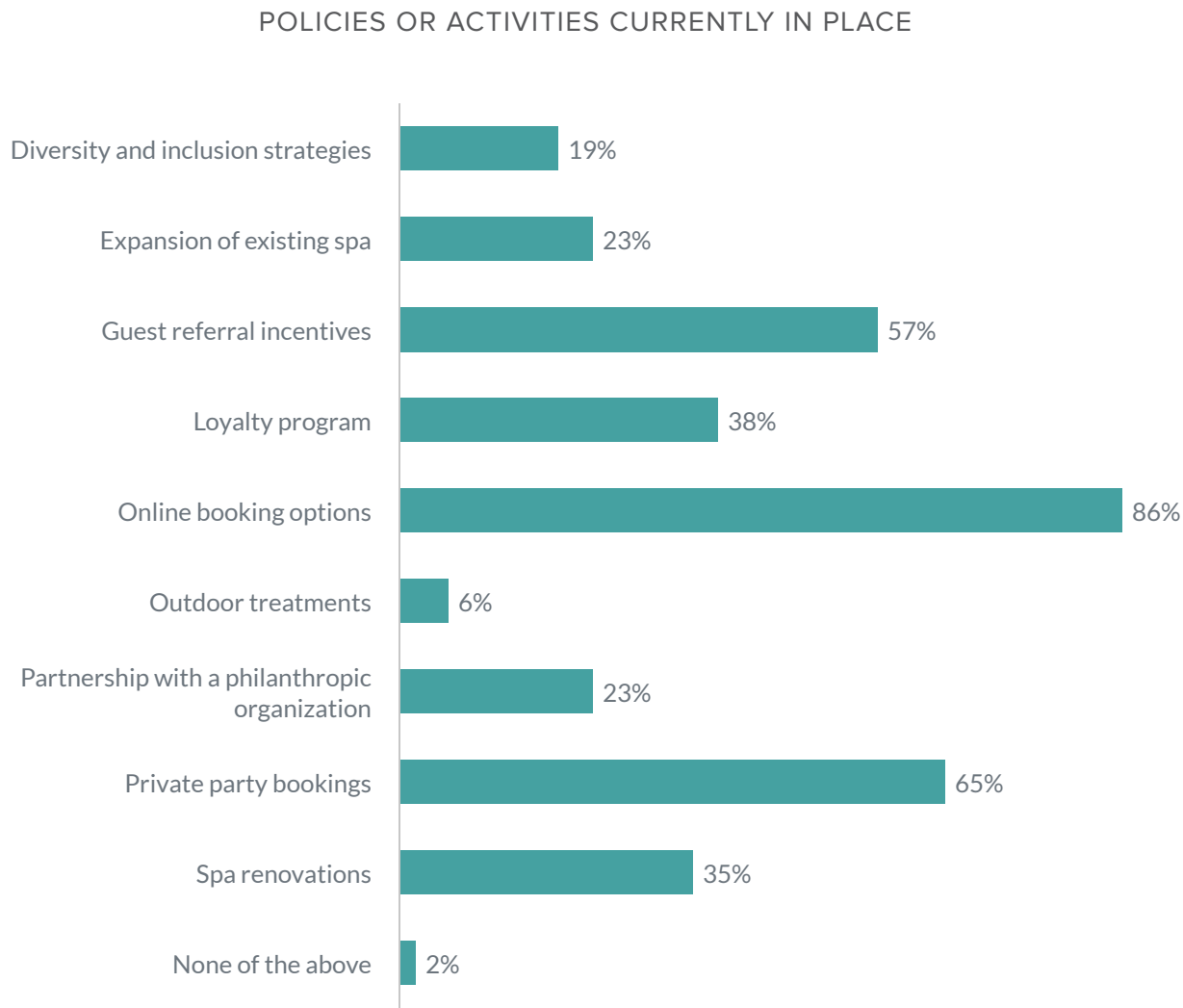


PRICING AND SERVICE AVAILABILITY STRATEGIES UTILIZED

	All	Day	Resort/ hotel	All other
Hide/adjust services available for booking based on staffing availability	28%	29%	24%	23%
Hide/remove select services from the menu during peak periods	18%	18%	21%	10%
Offer last-minute discounts to fill open appointments	50%	56%	32%	27%
Prices vary depending on the date or time of the service scheduled	18%	14%	45%	19%
Utilize an automated dynamic pricing structure setup in the spa's booking software to adjust prices based on demand and availability	11%	10%	19%	9%
None of the above	28%	27%	28%	41%

Policies or Activities Currently in Place

When asked about the policies or activities that they currently have in place, the most frequently cited were online booking option (86 percent), private party bookings (65 percent) and guest referral incentives (57 percent).



EMPLOYMENT

Staffing

This section focuses on employment in the spa industry, under the following headings:

Employment per spa, comparing January 2024 with January 2023

Hours required to be considered a full-time worker

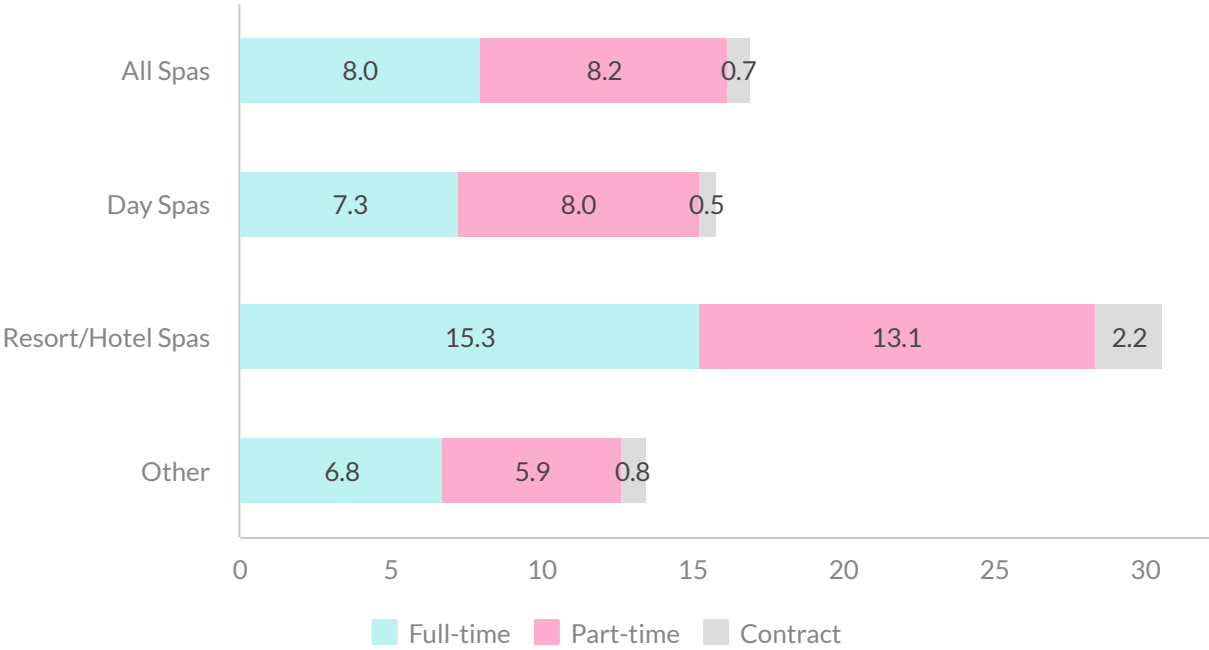
Issues experienced by spas in recruiting massage therapists in the last year

Actions taken to help cope with recruitment difficulties

Unstaffed positions, both for service providers and managers and directors

EMPLOYMENT PER SPA, BY FULL-TIME, PART-TIME AND CONTRACT

Average Number of Employees Per Spa



Employment

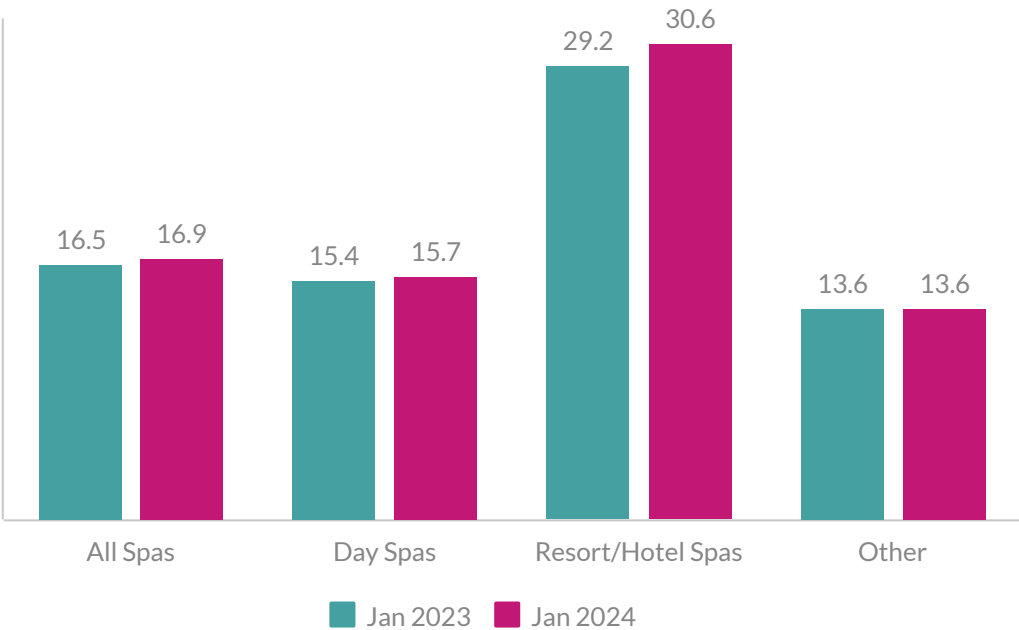
The total number employed in the spa industry is estimated at 370,100 as of January 2024, comprising 174,600 full-time employees, 180,000 part-time employees and 15,500 contract workers.

There are 21,840 spa locations across the U.S., with an average of 16.9 workers per spa establishment as of January 2024, compared with 16.5 per spa as of January 2023, an increase of 0.4 percent.

The growth in the average size of the workforce per spa was higher in resort/hotel spas (4.8 percent) than in day spas (2.0 percent).

Employment levels in January 2024 were highest in resort/hotel spas, with 30.6 workers on average compared to an average of 15.7 per establishment in the day spa sector.

EMPLOYMENT PER SPA, JANUARY 2024 COMPARED WITH JANUARY 2023



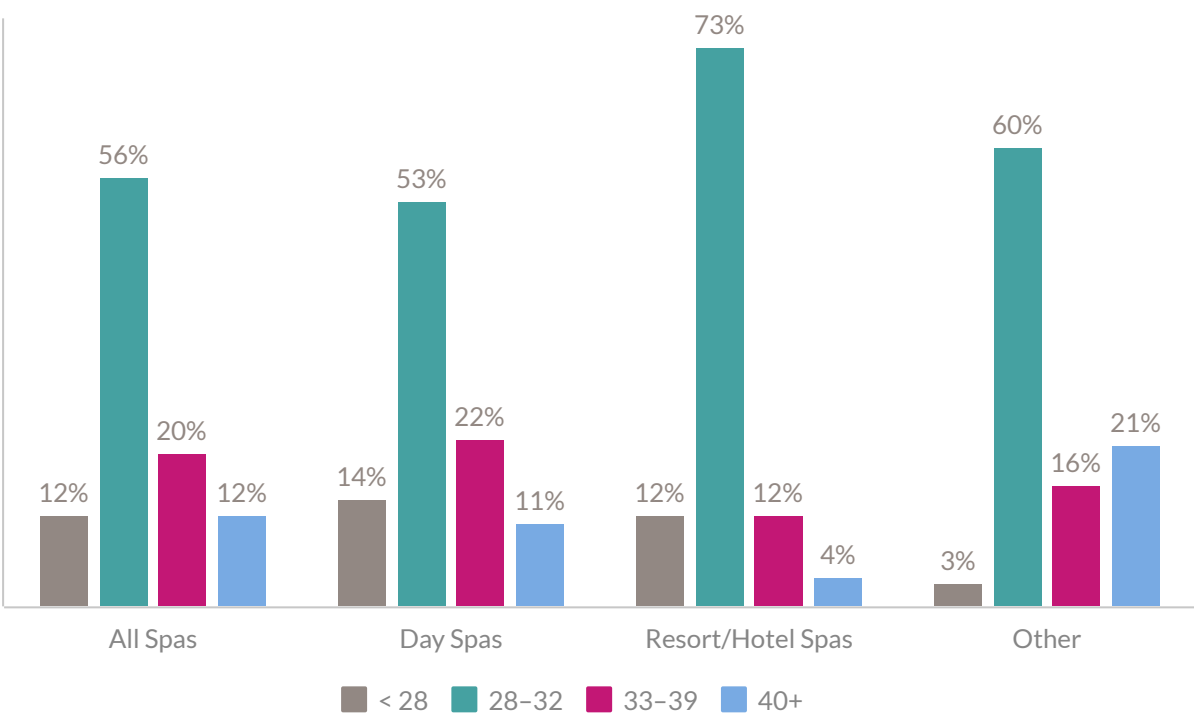
Hours Necessary to be Considered a Full-time Employee

Spas were asked to say how many weekly hours their service providers need to work in order to be considered a full-time employee. On average, respondents said service providers had to work at least 32 hours per week to be considered a full-time employee.

It should be noted that the number of hours necessary to be considered a full-time employee is a threshold value. The actual number of hours worked may be greater than the threshold.

A little over one in two in day spas (53 percent) gave a value in the range 28-32 hours compared with almost three in four resort/hotel spas (73 percent). One in three day spas (33 percent) gave a figure higher than 32 hours for full-time status, versus 16 percent of resort/hotel spas.

HOURS NECESSARY TO BE CONSIDERED A FULL-TIME EMPLOYEE



WEEKLY HOURS NECESSARY TO BE CONSIDERED FULL-TIME: AVERAGE

	All Spas	Day Spas	Resort/Hotel Spas	Other
Average	32	31	31	33

Average Hours Worked Per Week

Respondents were asked to give the current average number of hours worked per week by service provider roles. The average hours worked do not vary greatly across the service provider roles. Respondents quoted an average of 32 hours per week for massage therapists, very slightly below the 33 hours per week average for estheticians.

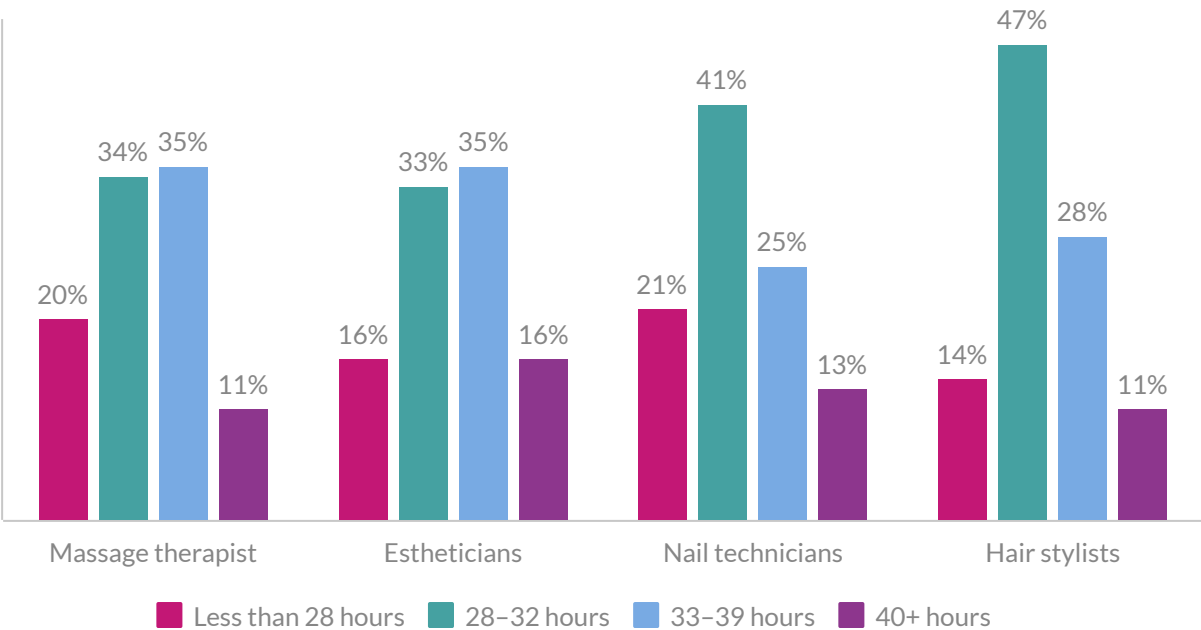
AVERAGE HOURS WORKED PER WEEK

	All Spas	Day Spas	Resort/Hotel Spas	Other
Massage Therapists	32	32	32	32
Estheticians	33	33	32	32
Nail Technicians	30	30	32	N/A
Hair Stylists	30	30	32	N/A

N/A estimate not available due to low sample size for the job type.

Average weekly hours vary more widely within each service provider role. For example, 35 percent of respondents said their massage therapists work between 33 and 39 hours per week while 34 percent work 28 to 32 hours, on average, and 11 percent work 40 or more weekly hours. That is, average weekly hours are more spa-specific than role-specific.

AVERAGE HOURS WORKED BY JOB TYPE

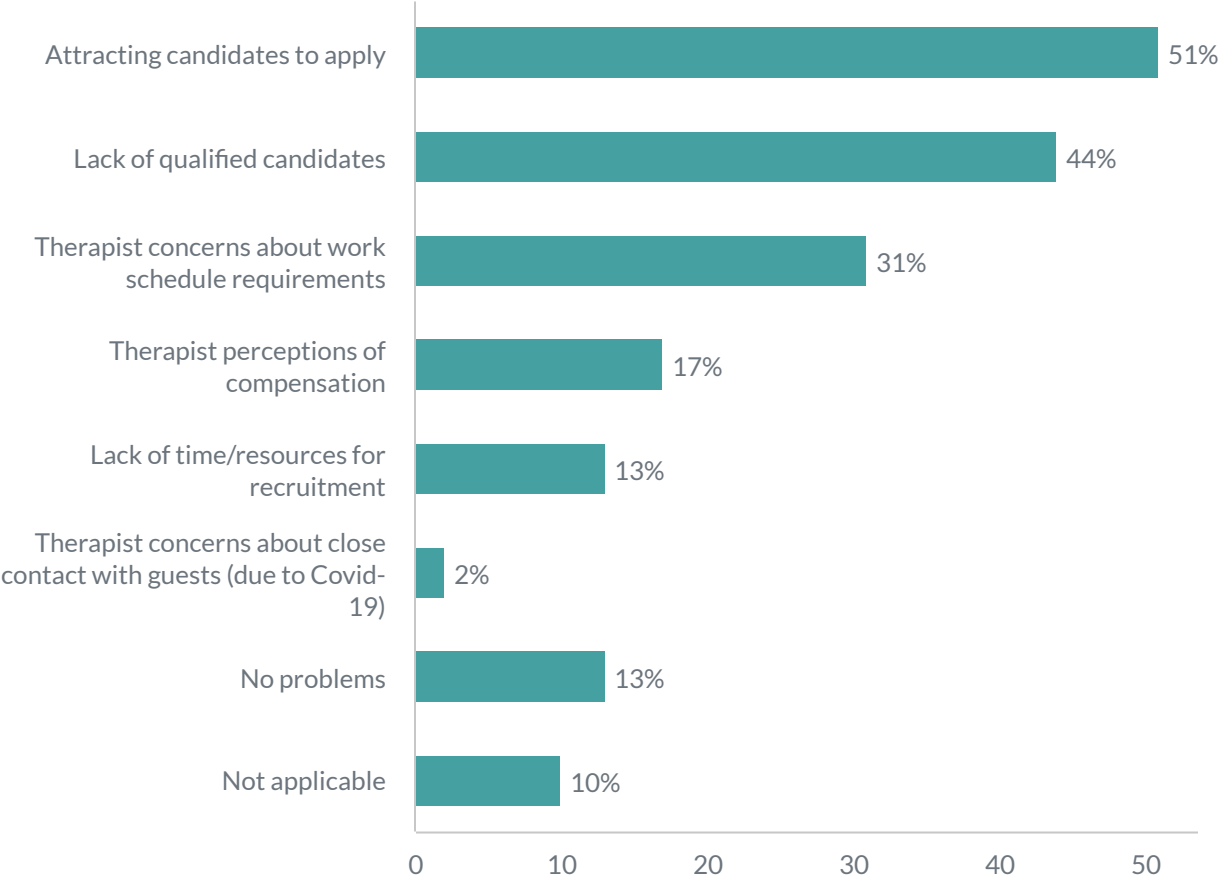


Massage Therapists: Recruitment Issues in Last Year

The main issue faced by spas in recruiting massage therapists during 2023 was difficulty in attracting candidates to apply, mentioned by 51 percent of respondents. Lack of qualified candidates was the second most frequently cited recruitment issue (44 percent), followed by therapist concerns about work schedule requirement (31 percent).

The recruitment difficulties posed by therapists' concerns about close contact with guests, due to Covid-19, have all but disappeared, down to 2 percent from 19 percent in 2022 and 43 percent in 2021.

ISSUES EXPERIENCED IN RECRUITING MASSAGE THERAPISTS IN THE LAST YEAR

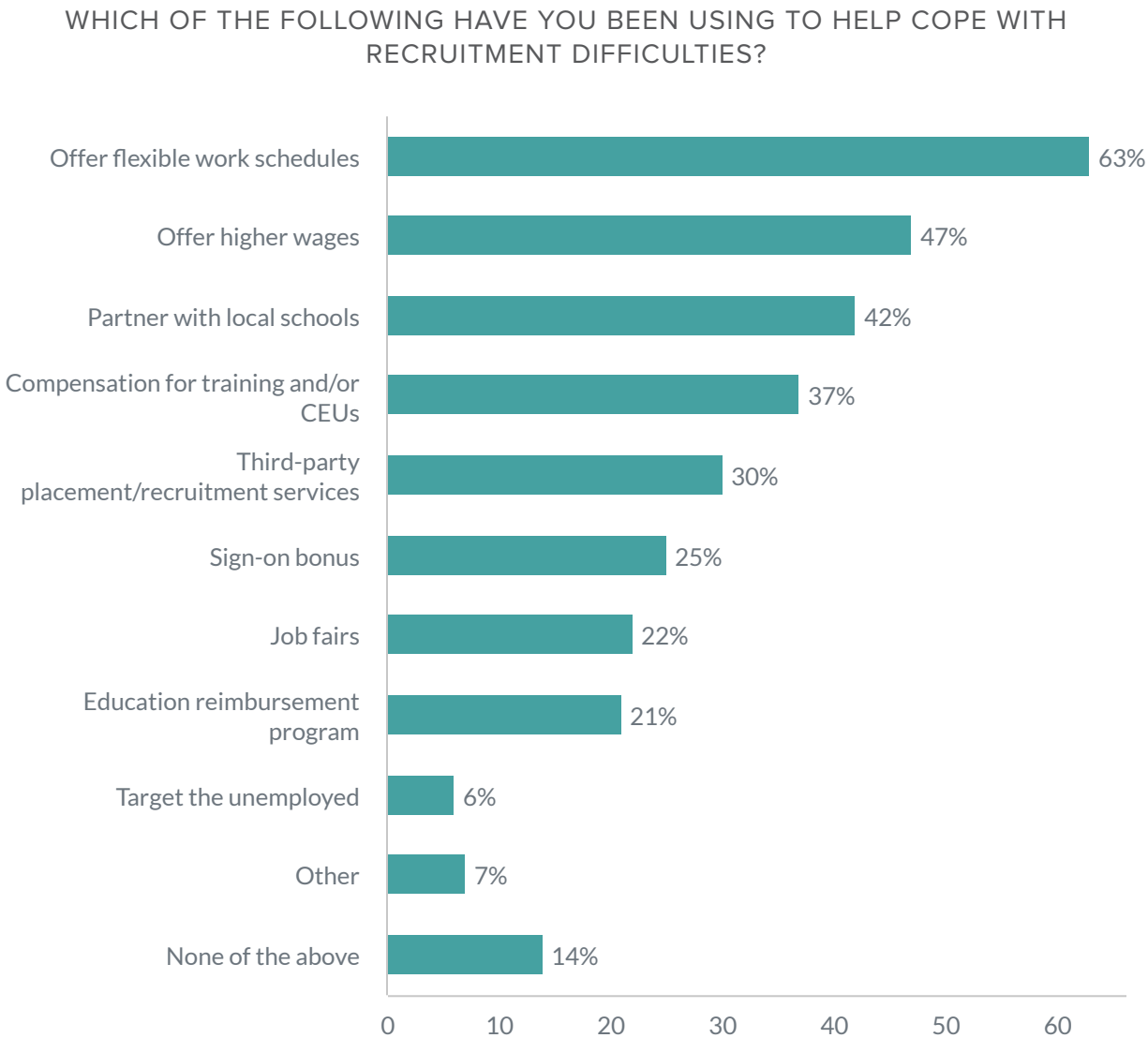


Recruitment Difficulties: Actions Taken

Spas have sought to address recruitment difficulties through a range of actions. Most often, they have offered flexible work schedules (63 percent), higher wages (47 percent) and partnerships with local schools (42 percent).

The range of measures adopted by spas to tackle recruitment difficulties include:

- Financial incentives – offering higher wages (47 percent) and/or a signing-on bonus (25 percent), along with 63 percent offering flexible work schedules.
- Education and training, to enhance the supply of skills – including 42 percent saying they were partnering with local schools, 37 percent offering compensation for training and/or Continuing Education Units (CEUs) and 21 percent offering an education reimbursement program.
- Proactive outreach for recruitment – including job fairs (22 percent), third party placement/recruitment services (30 percent) and targeting the unemployed (6 percent).



Unstaffed Positions: Service Providers

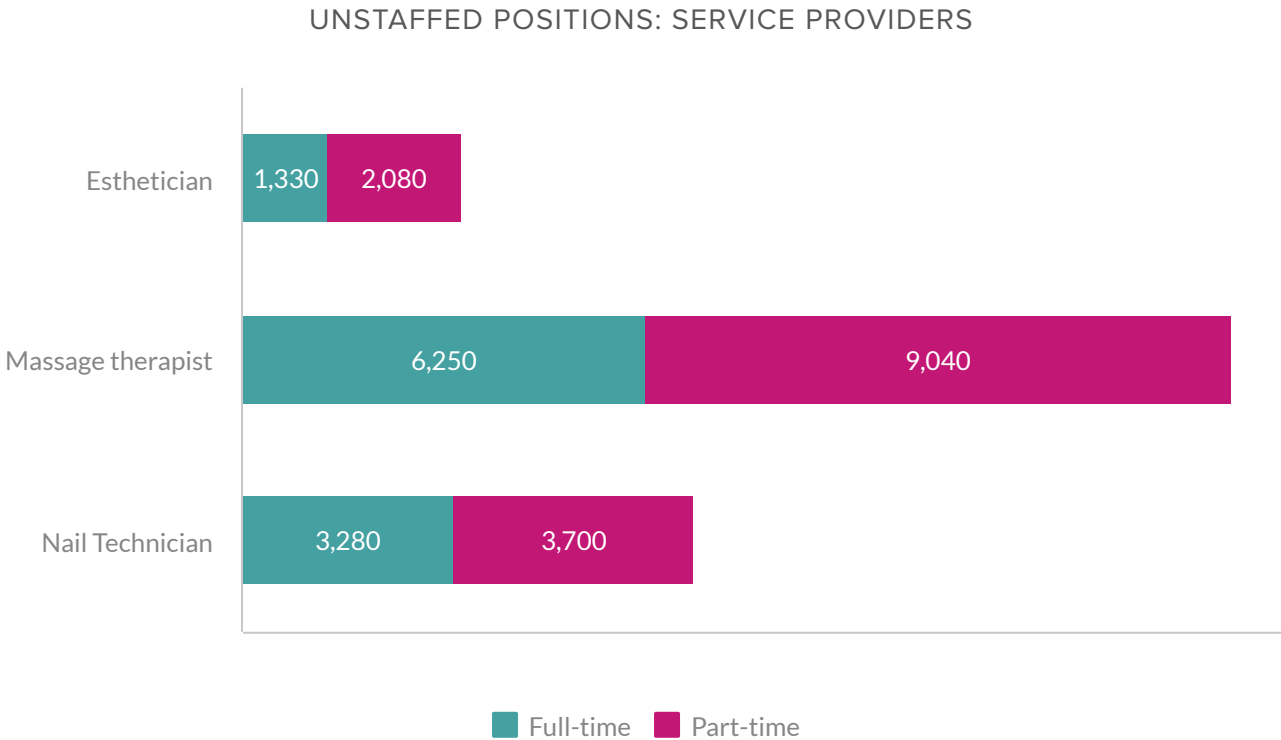
When asked if they have any unstaffed service provider positions, 51 percent of spas said they had openings that they are actively trying to fill, including 68 percent of resort/hotel spas and 49 percent of day spas. The number of unfilled service provider positions is estimated at 25,680 of which 10,860 are full time and 14,820 part-time.

Massage therapists account for the largest number of unfilled positions that spas are currently trying to fill, a total of 15,290 representing 60 percent of unfilled service provider positions. The massage therapist share of unfilled positions is estimated at 58 percent in the day spa sector and 68 percent in the resort/hotel sector.

Estheticians account for an estimated 3,410 unstaffed positions, 13 percent of the service provider total. The esthetician share of service provider vacancies was higher among day spas (13 percent) compared to resort/hotel spas (10 percent).

The remaining 6,980 positions are for nail technicians, representing 27 percent of total unfilled service provider positions.

The number of unfilled service provider positions equates to 7 percent of total employment in the spa industry as of January 2024. That is down from 15 percent in January 2022 and 10 percent in January 2023, both years in which the numbers of unfilled positions were elevated as the spa industry emerged from the pandemic downturn.



UNSTAFFED POSITIONS: SERVICE PROVIDERS

		All Spas	Day Spas	Resort/Hotel Spas	Other
Esthetician	FULL-TIME	1,330	900	90	340
	PART-TIME	2,080	1,400	460	220
	ALL	3,410	2,300	550	560
Massage Therapist	FULL-TIME	6,250	4,470	1,330	450
	PART-TIME	9,040	5,970	2,510	560
	ALL	15,290	10,440	3,840	1,010
Nail Technician	FULL-TIME	3,280	2,670	550	60
	PART-TIME	3,700	2,670	710	320
	ALL	6,980	5,340	1,260	380
All Service Providers	FULL-TIME	10,860	8,040	1,970	850
	PART-TIME	14,820	10,040	3,680	1,100
	ALL	25,680	18,080	5,650	1,950

Unstaffed Positions: Directors, Managers and Front-desk Staff

Spas saying that they have unstaffed positions were asked to also say how many spa director, spa manager and front desk/receptionist positions they are actively trying to fill.

The total number of spa director positions that spas are currently seeking to fill is estimated at 520, of which 360 (69 percent) are full-time and 160 (31 percent) are part-time positions.

It is estimated that spas are seeking to fill 1,190 spa manager positions, of which 880 (74 percent) are full-time with the remaining 310 (26 percent) part-time openings.

The total number of front desk/receptionist positions that spas are currently seeking to fill is estimated at 6,640, of which 3,050 (46 percent) are full-time and 3,590 (54 percent) are part-time positions.

UNSTAFFED POSITIONS: SPA DIRECTORS, MANAGERS AND FRONT-DESK STAFF

	Full-time	Part-time	All
Spa Director	360	160	520
Spa Manager	880	310	1,190
Front Desk	3,050	3,590	6,640
All	4,290	4,060	8,350

EMPLOYMENT

Compensation

This section presents the survey findings for employee compensation in the spa industry, under the following headings:

Compensation structures for full-time massage therapists

Movements in compensation levels over the last year, separately for:

- Leadership/management positions
- Front desk/receptionist/concierge positions
- Massage therapist positions

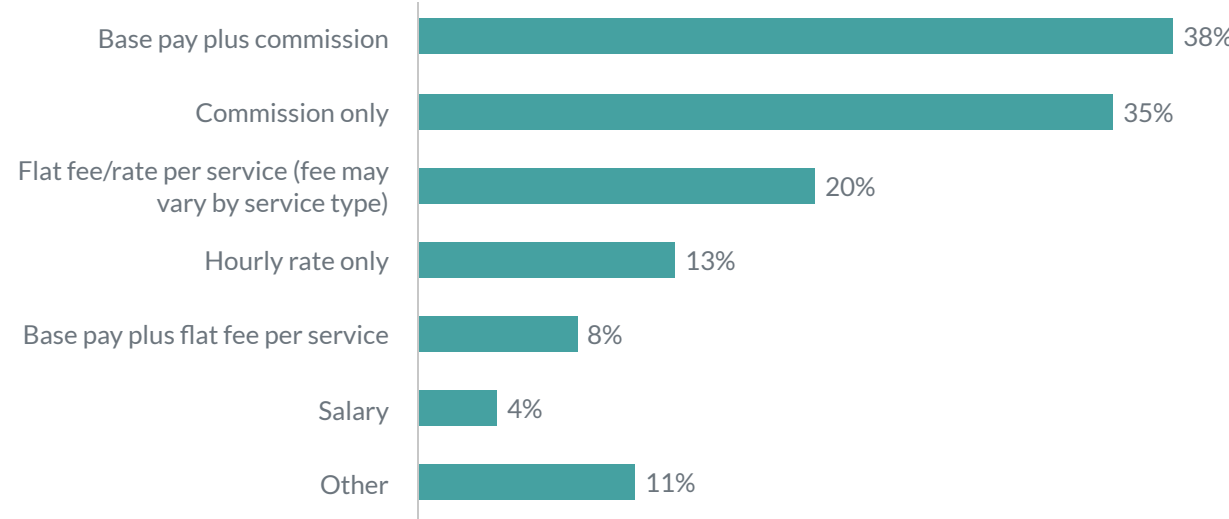
Average annual compensation levels by employee role including:

- Spa director
- Spa manager
- Esthetician
- Massage therapist
- Nail technician
- Front desk/receptionist

Compensation Structures: Massage Therapists

A little over one in three spas (38 percent) said they use base pay plus commission to compensate their full-time massage therapists. A similar proportion (35 percent) cited a commission only compensation structure. One in five spas (20 percent) use a flat fee/rate per service model. The hourly rate only structure is utilized by 13 percent of spas. Only 4 percent of spas use a salary structure.

WHICH OF THE FOLLOWING COMPENSATION STRUCTURES DOES YOUR SPA UTILIZE FOR FULL-TIME MASSAGE THERAPISTS?



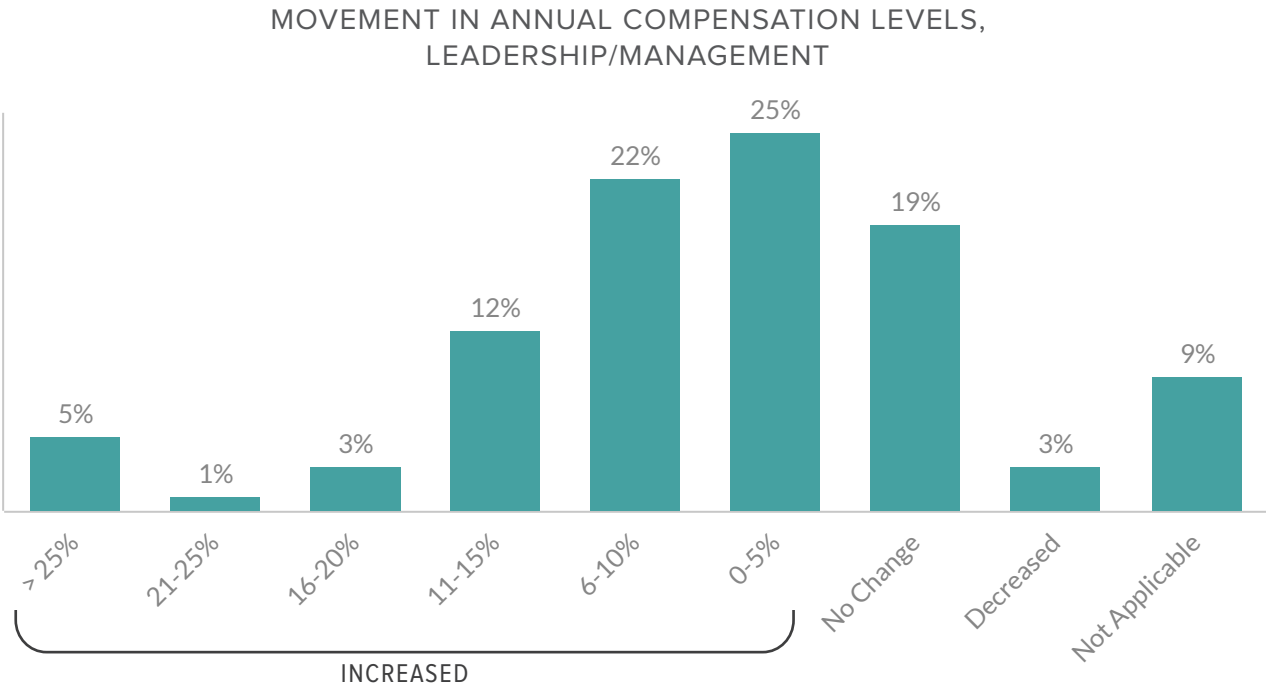
One in two resort/hotel spas (52 percent) use base pay plus commission to compensate their full-time massage therapists, compared with 35 percent of day spas. The commission-only structure is more frequently found in day spas than in resort/hotel spas, by a margin of 41 percent to 23 percent.

	All Spas	Day Spas	Resort/Hotel Spas
Base pay plus commission	38%	35%	52%
Commission only	35%	41%	23%
Flat fee/rate per service (fee may vary by service type)	20%	20%	14%
Hourly rate only	13%	8%	3%
Base pay plus flat fee per service	8%	8%	11%
Salary	4%	4%	2%
Other	11%	11%	17%

Movement in Annual Compensation Levels: Leadership/Management

Annual compensation levels for full-time leadership/management positions, such as spa manager, increased in 68 percent of spas. Over one in five spas (21 percent) reported an increase of 11 percent or more, with a further 22 percent citing an increase in the range 6-10 percent and 25 percent saying levels had risen by 5 percent or less. Almost one in five spas (19 percent) reported no change in compensation levels. Just 3 percent of spas said compensation levels had reduced.

The distribution of changes in annual compensation levels for leadership/management positions varied between day and resort/hotel spas. Across the resort/hotel sector, 52 percent reported an increase in the range 0-5 percent compared with 23 percent of day spas. In the day spa sector, 42 percent said compensation levels had risen by 6 percent or more compared with 31 percent of resort/hotel spas.



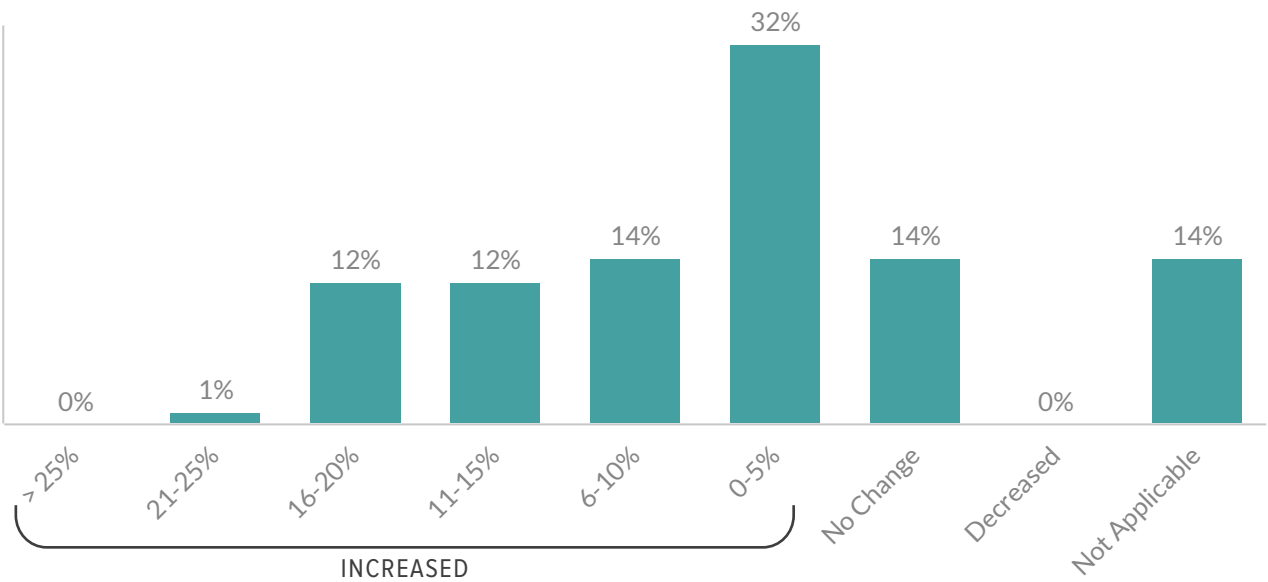
	All Spas	Day Spas	Resort/Hotel Spas
More than 10% increase	21%	21%	10%
6-10% increase	22%	21%	21%
0-5% increase	25%	23%	52%
No change	19%	21%	11%
Decrease	3%	4%	0%
Not applicable	9%	10%	6%

Movement in Annual Compensation Levels: Front Desk / Receptionist / Concierge

Annual compensation levels for full-time front desk/receptionist/concierge positions increased in 72 percent of spas. Over one in four spas (26 percent) reported an increase in compensation levels of 11 percent or more. Compensation levels increased by 6-10 percent in 14 percent of spas. Almost one in three spas (32 percent) said compensation levels had risen at a more modest pace, by 5 percent or less while 14 percent said compensation levels had remained unchanged.

An increase in compensation levels for front desk/receptionist positions was reported by 83 percent of resort/hotel spas, slightly higher than the 69 percent of day spas citing an increase. However, day spas were more likely to say that compensation levels had risen by more than 10 percent, by a margin of 30 percent to 9 percent.

MOVEMENT IN ANNUAL COMPENSATION LEVELS,
FRONT DESK/RECEPTIONIST/CONCIERGE

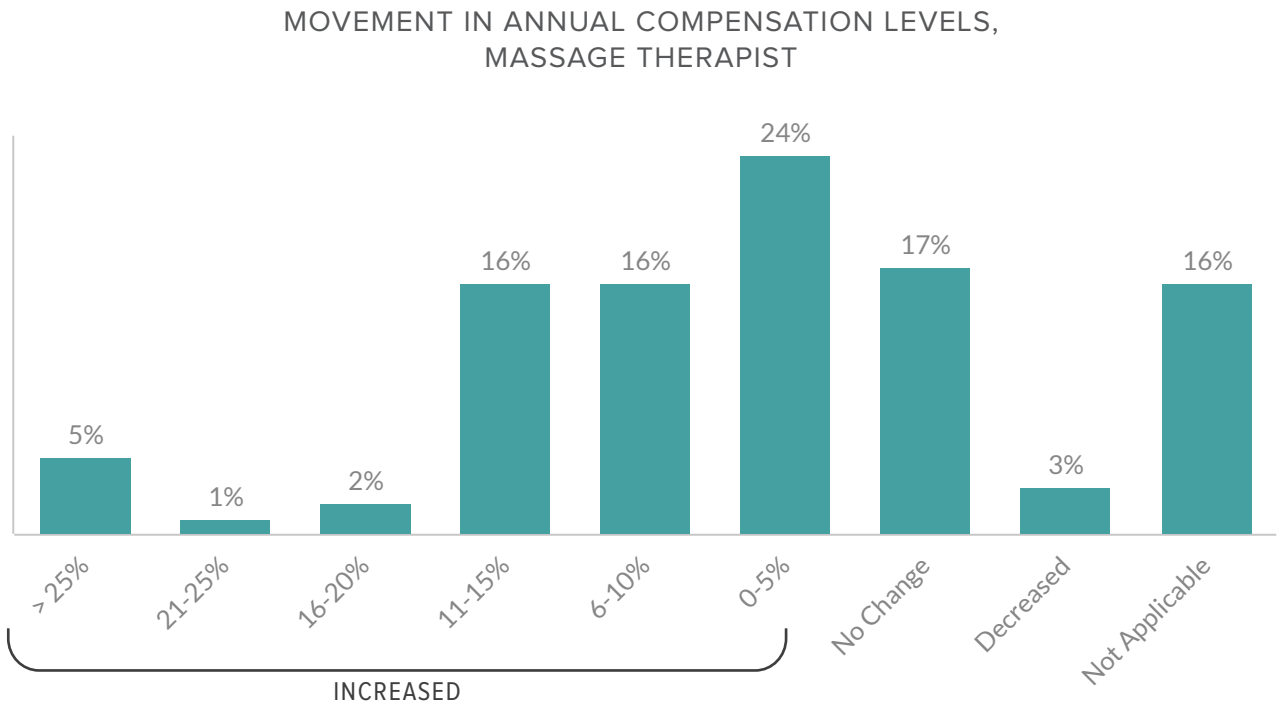


	All Spas	Day Spas	Resort/Hotel Spas
More than 10% increase	26%	30%	9%
6-10% increase	14%	10%	23%
0-5% increase	32%	30%	51%
No change	14%	15%	12%
Decrease	0%	0%	0%
Not applicable	14%	16%	5%

Movement in Annual Compensation Levels: Massage Therapist

Annual compensation levels for full-time massage therapist positions increased in 64 percent of spas. Almost one in four spas (24 percent) said compensation levels had risen by 11 percent or more. A further 16 percent of spas reported an increase in in the 6-10 percent range along with 24 percent saying levels had risen by 5 percent or less. Compensation levels were unchanged in 17 percent of spas.

Day and resort/hotel spas were almost equally likely to say they had increased compensation levels for massage therapists; 66 percent and 69 percent respectively. Within that context, day spas were more likely to say that compensation levels had risen by more than 10 percent, by a margin of 30 percent to 9 percent.



	All Spas	Day Spas	Resort/Hotel Spas
More than 10% increase	24%	30%	9%
6-10% increase	16%	14%	21%
0-5% increase	24%	22%	39%
No change	17%	19%	23%
Decrease	3%	4%	1%
Not applicable	16%	12%	6%

Average Annual Compensation

For the 2024 Industry Study, respondents were asked to state the average annual compensation (including gratuities) received by full-time staff across the range of employee roles, including service providers and leadership/management roles.

Among day spas, the average compensation levels quoted for service providers ranged from \$48,800 for massage therapists to \$38,100 for nail technicians.

Compensation levels for service providers working in the resort/hotel sector are higher than in day spas, on average. The average levels range from \$74,500 for massage therapists to \$51,900 for nail technicians.

The estimated average compensation level for spa managers is \$53,600 in day spas compared to \$67,200 in resort/hotel spas.

The difference in compensation levels between day spas and resort/hotel spas is widest in relation to spa directors, with an average annual compensation level of \$103,400 in resort/hotel spas compared with \$74,400 in day spas.

The average compensation received by front desk/receptionist staff was \$36,200 in the day spa sector, compared with \$40,400 in resort/hotel spas.

The figures presented in the table below are averages for each position. Compensation levels vary considerably around the average levels, both by employee role and by spa type. Those variations are shown in further detail in the remaining pages within this section.

AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES),
FULL-TIME INDIVIDUALS

	All	Day	Resort/Hotel
Spa Directors	\$84,300	\$74,400	\$103,400
Spa Managers	\$56,700	\$53,600	\$67,200
Esthetician	\$51,200	\$48,500	\$67,700
Massage therapist	\$52,100	\$48,800	\$74,500
Nail technician	\$41,400	\$38,100	\$51,900
Front desk/receptionist	\$36,600	\$36,200	\$40,400

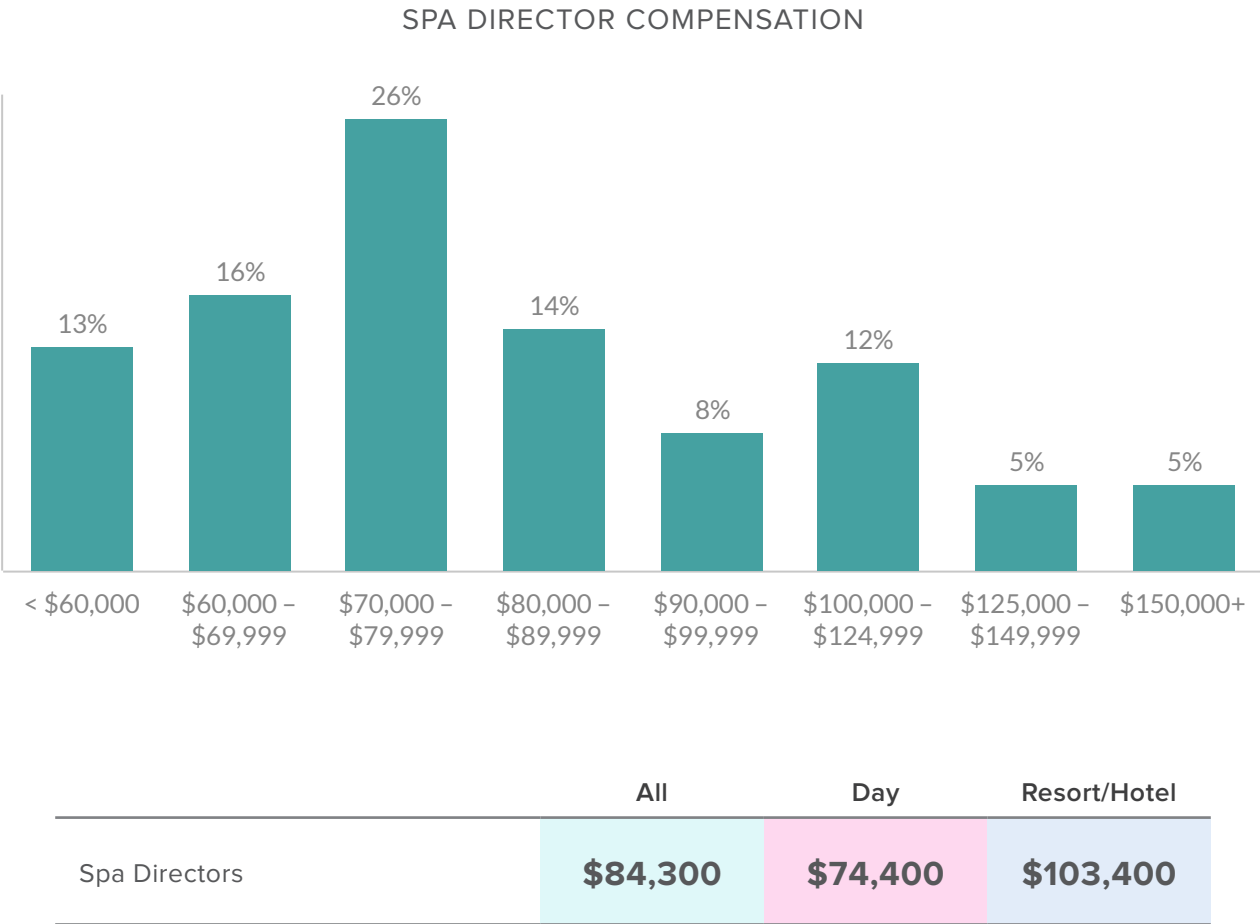
Spa Director Compensation

Spa director compensation levels vary widely around the overall average of \$84,300. An estimated 42 percent receive compensation in the range \$60,000 to \$79,999 with 45 percent earning \$80,000 or more and 13 percent earning under \$60,000.

The distribution of compensation levels for spa directors varies sharply by type of spa.

In the day spa sector, almost one in two spas (48 percent) said they have a spa director role. Of those, 52 percent said their annual compensation level for that position was in the range \$60,000 to \$79,999. Almost one in three spas (31 percent) quoted an annual compensation level of \$80,000 and above with the remaining 17 percent reporting a compensation level of less than \$60,000.

By contrast, in the resort/hotel spa sector, where 89 percent said they employ a spa director, 81 percent said that their spa directors receive compensation of \$80,000 or more, including 49 percent earning \$100,000 or more. Almost one in five (17 percent) quoted a salary in the range \$60,000 to \$79,999. The proportion earning less than \$60,000 was 1 percent.



SPA DIRECTOR COMPENSATION BY TYPE OF SPA

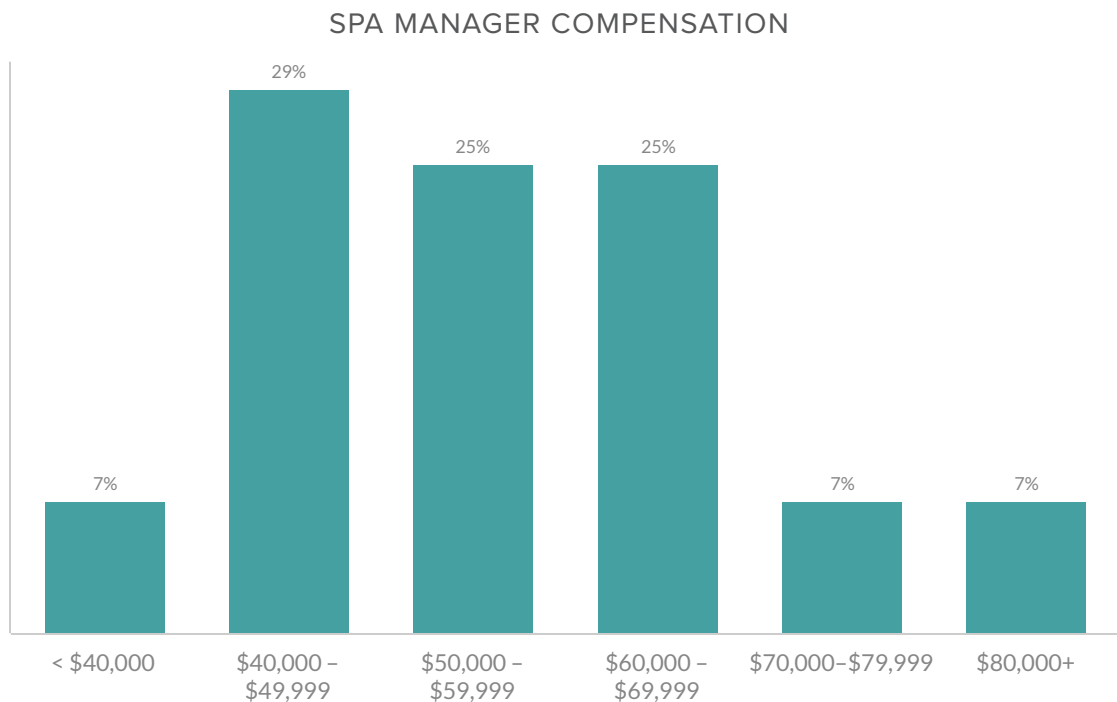
	All	Day	Resort/Hotel
Less than \$60,000	13%	17%	1%
\$60,000 to \$69,999	16%	20%	5%
\$70,000 to \$79,999	26%	32%	12%
\$80,000 to \$89,999	14%	16%	13%
\$90,000 to \$99,999	8%	6%	20%
\$100,000 to \$124,999	12%	8%	28%
\$125,000 to \$149,999	5%	0%	12%
\$150,000 or more	5%	2%	8%

Spa Manager Compensation

Among spas employing managers on a full-time basis (82 percent), the most frequently cited compensation level (29 percent) was in the range \$40,000 to \$49,999, followed by 25 percent receiving \$50,000 to \$59,999 and a similar proportion in the range \$60,000 to \$69,999. An estimated 14 percent reported compensation of \$70,000 and above with the remaining 7 percent saying their managers receive less than \$40,000.

In the day spa sector, where 85 percent said they employ a full-time spa manager, one in three respondents (33 percent) quoted an average compensation level in the range \$40,000 to \$49,999 while 27 percent cited a figure in the range \$50,000 to \$59,999. A little under one in three (31 percent) said their managers receive \$60,000 and above. Fewer than one in 10 (9 percent) reported a compensation level of less than \$40,000.

Similar to the spa director role, compensation levels skew higher in the resort/hotel sector, where 82 percent of spas employ a manager. Over two in three (68 percent) said their compensation level for managers was \$60,000 or more, including 18 percent quoting a level of \$80,000 or more.



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), SPA MANAGERS FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Spa Manager	\$56,700	\$53,600	\$67,200

SPA MANAGER COMPENSATION BY TYPE OF SPA
FULL-TIME EMPLOYEES

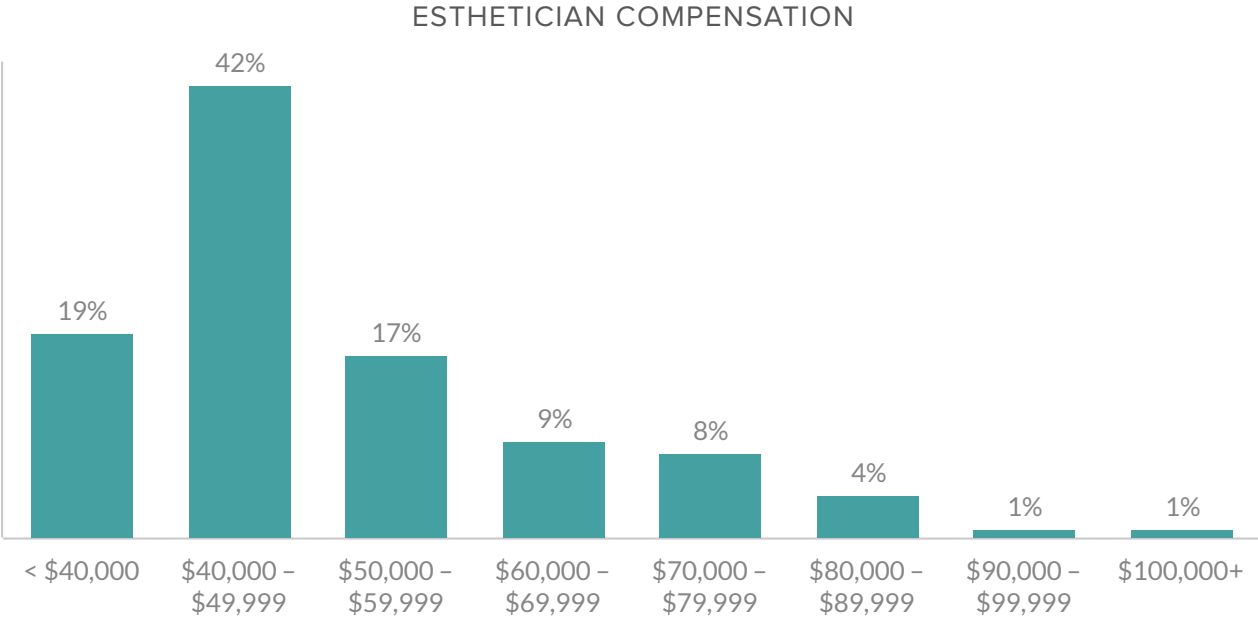
	All	Day	Resort/Hotel
Less than \$40,000	7%	9%	2%
\$40,000 to \$49,999	29%	33%	12%
\$50,000 to \$59,999	25%	27%	17%
\$60,000 to \$69,999	25%	23%	35%
\$70,000 to \$79,999	7%	5%	15%
\$80,000 or more	7%	3%	18%

Esthetician Compensation

Amongst spas employing estheticians on a full-time basis (88 percent), 42 percent of spas quoted a compensation level in the range \$40,000 to \$49,999. A similar proportion (40 percent) said their estheticians receive \$50,000 or more with a little under one in five (19 percent) reporting a figure of less than \$40,000.

In the day spa sector, where 90 percent said they employ one or more full-time estheticians, average annual compensation was \$48,500, with almost one in two spas (47 percent) quoting a compensation level in the range \$40,000 to \$49,999. A little under one in three day spas (32 percent) quoted an annual compensation level of \$50,000 or more while 21 percent said their estheticians earn less than \$40,000.

In the resort/hotel spa sector, where 83 percent said they employ one or more full-time estheticians, the average annual compensation level was \$67,700. Three in four resort/hotel spas (76 percent) cited an annual compensation level of \$50,000 or more. A little under one in five (18 percent) said their estheticians receive a compensation level in the range \$40,000 to \$49,999 while 6 percent gave a figure below \$40,000.



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), ESTHETICIAN FULL-TIME EMPLOYEES			
	All	Day	Resort/Hotel
Esthetician	\$51,200	\$48,500	\$67,700

ESTHETICIAN COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

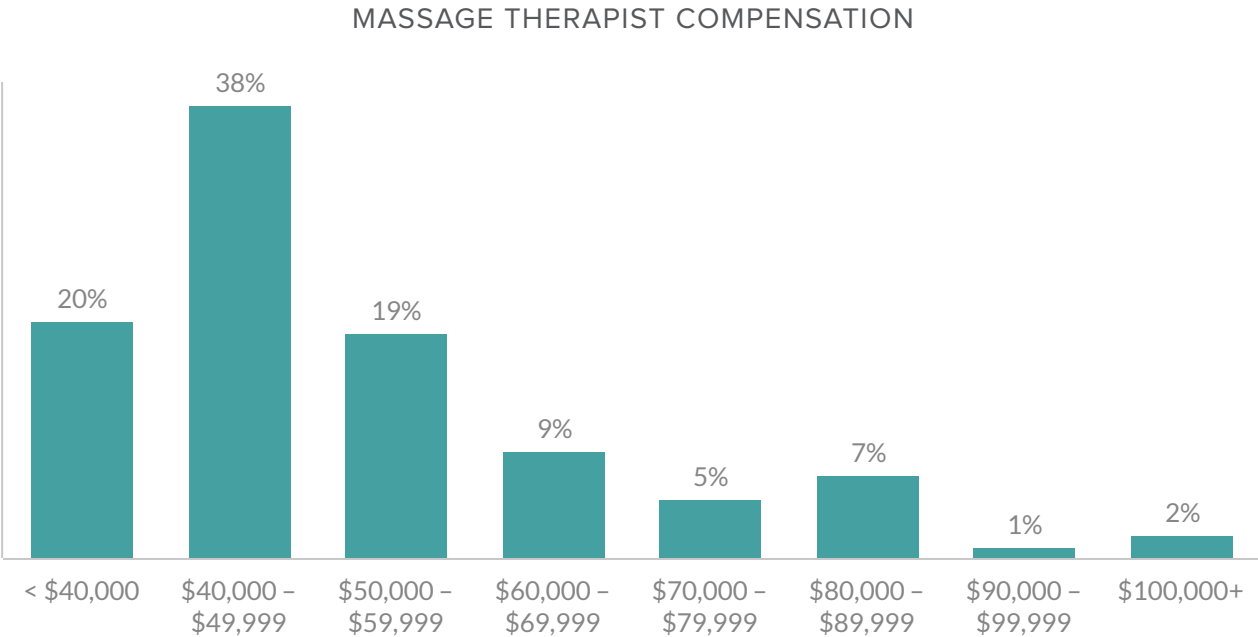
	All	Day	Resort/Hotel
Less than \$40,000	19%	21%	6%
\$40,000 to \$49,999	42%	47%	18%
\$50,000 to \$59,999	17%	15%	15%
\$60,000 to \$69,999	9%	7%	20%
\$70,000 to \$79,999	8%	6%	15%
\$80,000 to \$89,999	4%	2%	12%
\$90,000 to \$99,999	1%	1%	7%
\$100,000 or more	1%	1%	7%

Massage Therapist Compensation

Amongst spas employing massage therapists on a full-time basis (88 percent), the average annual compensation level quoted was \$52,100. Thirty-eight percent of spas said their massage therapists earn \$40,000 to \$49,999 annually. One in five (20 percent) quoted a compensation level less than \$40,000 with the remaining 42 percent saying that compensation levels are \$50,000 or more.

In the day spa sector, where 92 percent said they employ one or more full-time massage therapists, 41 percent of respondents quoted an annual compensation level in the range \$40,000 to \$49,999. A little under one in four (23 percent) said their massage therapists receive less than \$40,000 with the remaining 36 percent citing a figure of \$50,000 or more.

In the resort/hotel spa sector, where 90 percent said they employ one or more full-time massage therapists, compensation levels again skewed higher. Over four in five resort/hotel spas (83 percent) said that compensation levels for massage therapists were \$50,000 or more, including 44 percent paying \$80,000 or more. A little under one in five resort/hotel spas (17 percent) said their massage therapists receive less than \$50,000.



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), MASSAGE THERAPIST FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Massage Therapist	\$52,100	\$48,800	\$74,500

MASSAGE THERAPIST COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

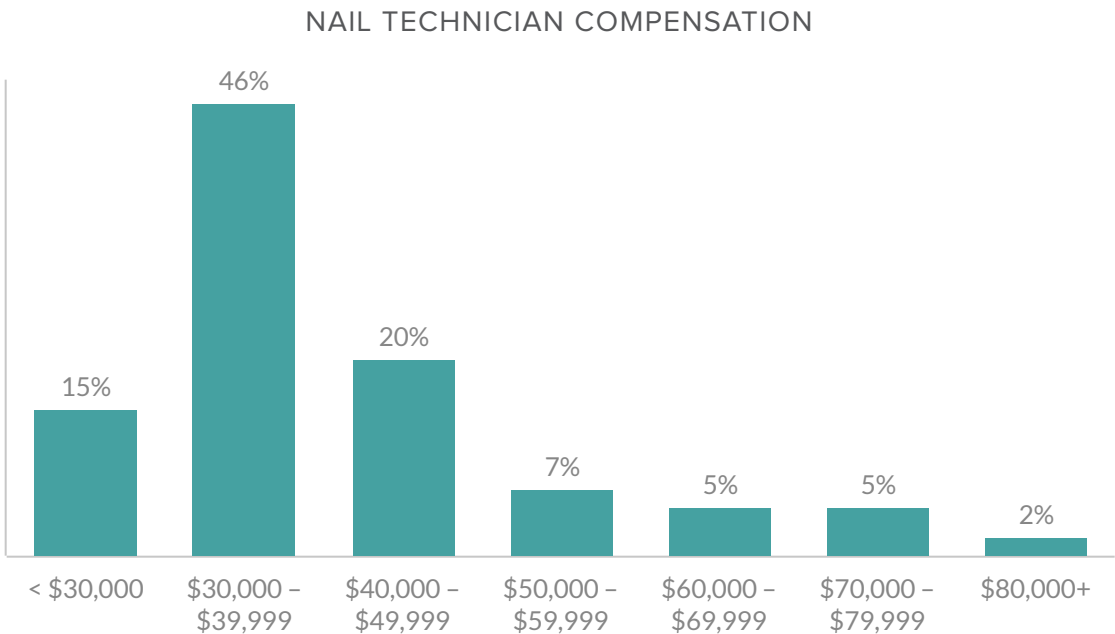
	All	Day	Resort/Hotel
Less than \$40,000	20%	23%	4%
\$40,000 to \$49,999	38%	41%	13%
\$50,000 to \$59,999	19%	20%	12%
\$60,000 to \$69,999	9%	7%	10%
\$70,000 to \$79,999	5%	3%	17%
\$80,000 to \$89,999	7%	5%	23%
\$90,000 to \$99,999	1%	0%	9%
\$100,000 or more	2%	1%	12%

Nail Technician Compensation

Amongst spas employing nail technicians on a full-time basis (38 percent), the average annual compensation level quoted was \$41,400. Almost one in two spas (46 percent) said that compensation levels were in the range \$30,000 to \$39,999, with 15 percent citing compensation levels below \$30,000 and 39 percent giving a figure of \$40,000 or more.

In the day spa sector, where 35 percent said they employ one or more full-time nail technicians, 55 percent said compensation levels are in the range \$30,000 to \$39,999. Almost one in five (18 percent) quoted an amount less than \$30,000 with the remaining 27 percent giving a figure of \$40,000 and above.

In the resort/hotel spa sector, where 61 percent said they employ one or more full-time nail technicians, over one in two spas (54 percent) said their annual compensation levels are \$50,000 or more. Slightly over one in five resort/hotel spas (21 percent) reported annual compensation in the range \$40,000 to \$49,999 with the remaining 25 percent saying compensation levels are below \$40,000.



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), NAIL TECHNICIAN FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Nail Technician	\$41,400	\$38,100	\$51,900

NAIL TECHNICIAN COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Less than \$30,000	15%	18%	6%
\$30,000 to \$39,999	46%	55%	19%
\$40,000 to \$49,999	20%	15%	21%
\$50,000 to \$59,999	7%	5%	20%
\$60,000 to \$69,999	5%	2%	23%
\$70,000 to \$79,999	5%	3%	8%
\$80,000 or more	2%	2%	3%

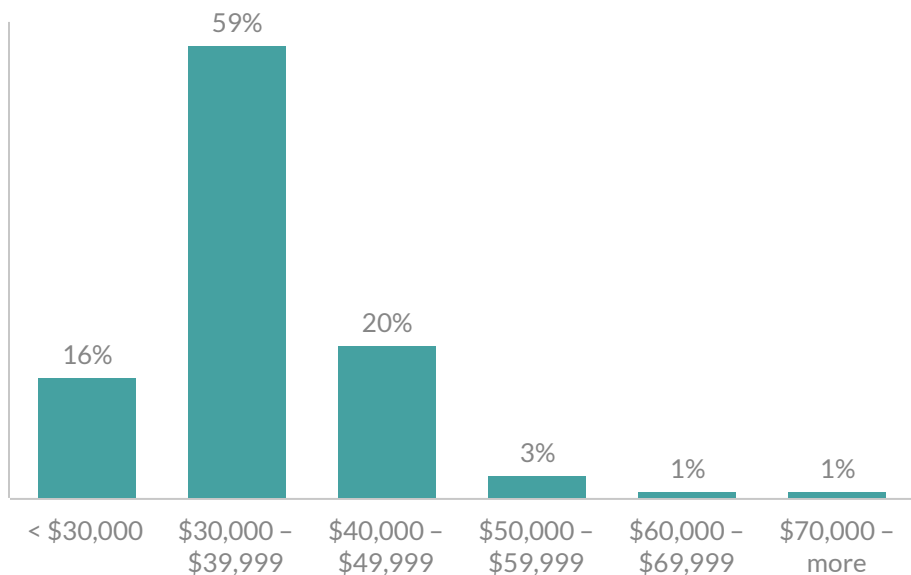
Front Desk/Receptionist Compensation

Compensation levels for full-time front desk/receptionist roles are relatively concentrated in the \$30,000 to \$39,999 range, quoted by 59 percent of spas. A little under one in five spas (16 percent) reported full-time annual compensation levels below \$30,000 while one in four spas (25 percent) said that compensation levels are \$40,000 or more.

In the day spa sector, 65 percent of spas reported annual compensation levels for front desk/receptionist staff in the range \$30,000 to \$39,999. One in five day spas (20 percent) reported a compensation level of \$40,000 and above with the remaining 15 percent quoting a figure less than \$30,000.

In the resort/hotel spa sector, 38 percent quoted an annual compensation level for front desk/receptionist staff in the range \$30,000 to \$39,999. One in two spas (50 percent) said that compensation levels are \$40,000 or above while 12 percent said their full-time front desk/receptionist staff earn less than \$30,000.

FRONT DESK/RECEPTIONIST COMPENSATION



AVERAGE ANNUAL COMPENSATION (INCLUDING GRATUITIES), FRONT DESK/RECEPTIONIST FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Front Desk/Receptionist	\$36,600	\$36,200	\$40,400

FRONT DESK/RECEPTIONIST COMPENSATION, BY TYPE OF SPA, FULL-TIME EMPLOYEES

	All	Day	Resort/Hotel
Less than \$30,000	16%	15%	12%
\$30,000 to \$39,999	59%	65%	38%
\$40,000 to \$49,999	20%	15%	36%
\$50,000 to \$59,999	3%	3%	11%
\$60,000 to \$69,999	1%	1%	3%
\$70,000 or more	1%	1%	1%

SPA INDUSTRY PROFILE

This section presents a profile of the estimated 21,840 spa industry establishments located across the U.S as of end-2023. The spa industry is diverse, with establishments varying by size, facilities, range of services offered, as well as the people who work in spas and the clients they serve.

This section focuses on the following attributes of spa establishments:

Composition of the industry by type of spa

The main contrasts by type of spa establishment in respect to industry size statistics, i.e., average revenues, visits and employment

Spa Locations

Age profile of spa establishments, as measured by year of start-up

Number of single location operations vs. affiliated to a larger entity

Key Ratios

Key size indicators vary by type of spa. As in previous years, average revenues and visits per resort/hotel spa are higher than for day spas.

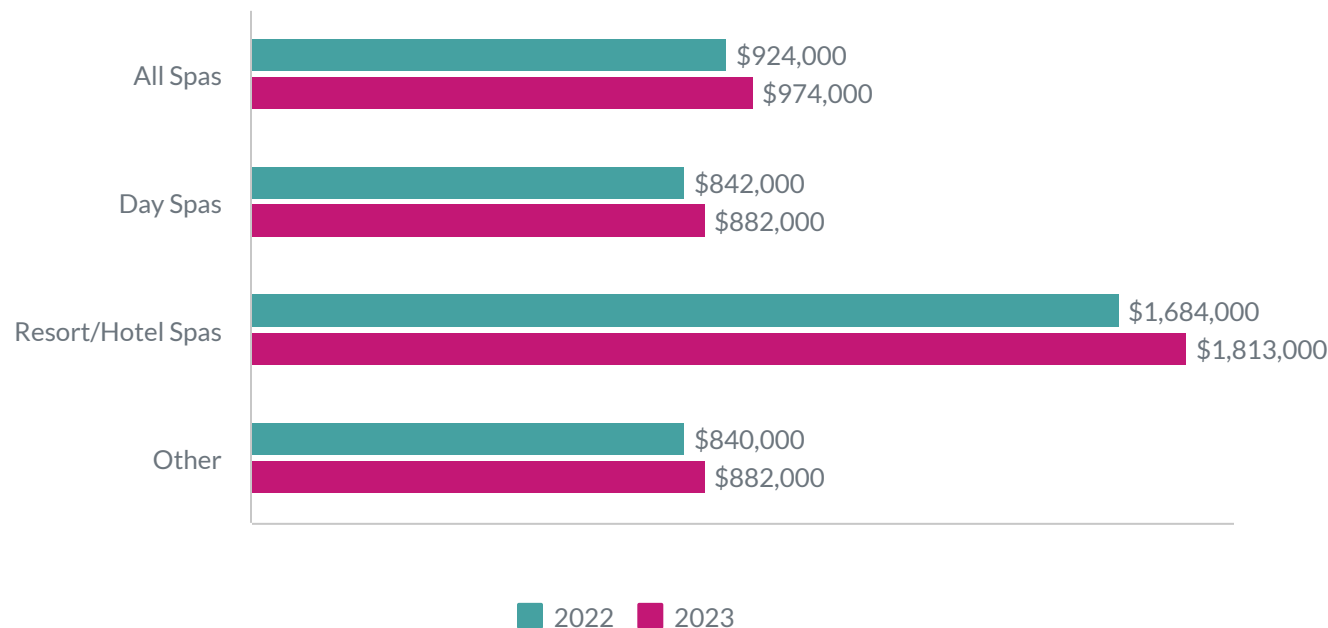
The key size indicators are shown for the main spa types in the Key Ratios table on the following page.

In addition to revenues per spa, the table also shows the per spa averages for visits and employees as well as revenue per visit and per employed person.

Resort/hotel spas generate higher average revenues per visit (\$173) compared to day spas (\$105). They also have higher average numbers of visits – 10,510 versus the day spa average of 8,390. Consequently, in 2023, revenue per resort/hotel spa (\$1.813 million) was over twice the average for day spas (\$882,000).

In 2023, the average revenue per resort/hotel spa rose by 7.7 percent on the 2022 level, compared with a 4.8 percent increase in the day spa sector.

AVERAGE REVENUE PER SPA ESTABLISHMENT



KEY RATIOS BY SPA TYPE

	All	Day	Resort/Hotel	Other
Revenue per spa	\$924,000	\$842,000	\$1,684,000	\$840,000
Per visit	\$112	\$100	\$162	\$141
Per employed person	\$55,810	\$54,610	\$57,660	\$61,510
Visits per spa	8,280	8,380	10,380	5,940
Total employees per spa	16.5	15.4	29.2	13.6
Full-time	7.9	7.2	14.8	6.8
Part-time	8.0	7.8	12.4	6.0
Contract	0.7	0.5	2.0	0.9

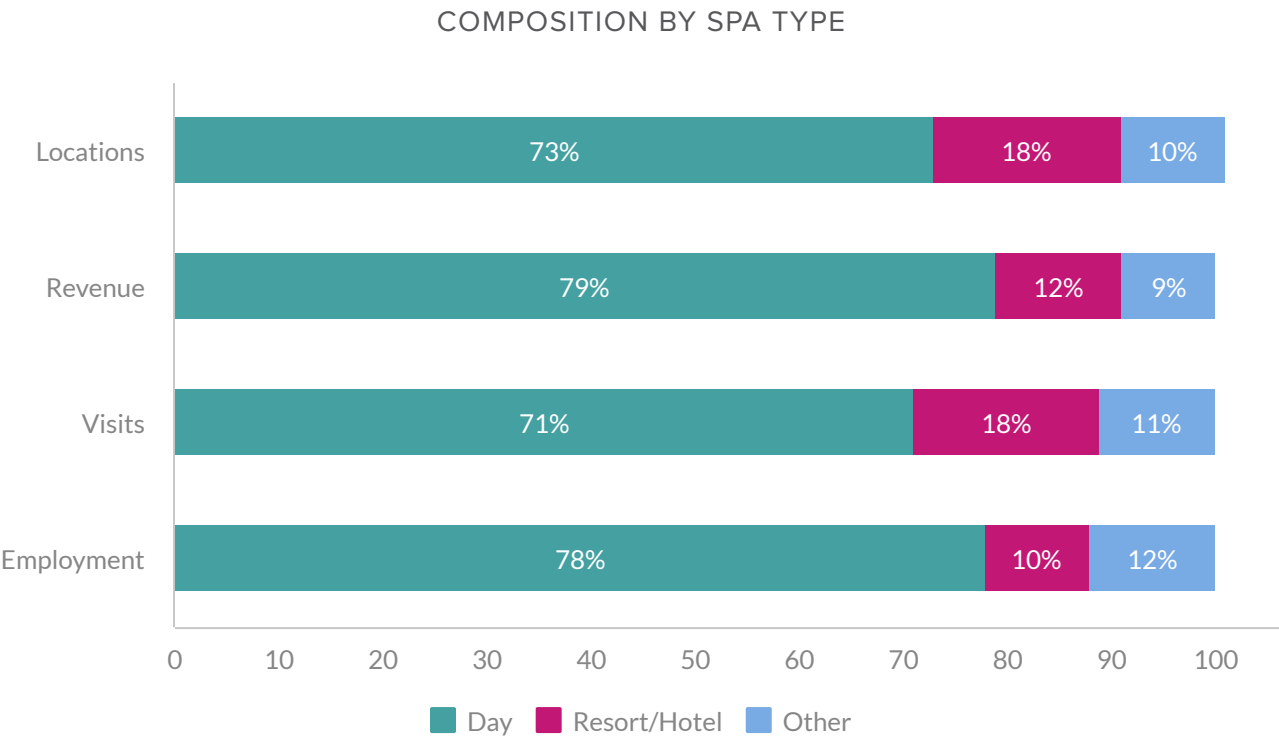
Note: The key ratios by spa type should be interpreted with caution. They are estimates based on a sample of spa establishments and will therefore be subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry Studies as the estimates in those previous reports will also exhibit variability due to sampling error.

The Big Five: Composition by Spa Type

The composition of the size indicators by spa type varies according to differences between spas in key ratios such as average revenues and visits.

While they account for 10 percent of locations, resort/hotel spas account for almost one-fifth of total spa industry revenue and employment (18 percent). The contrast reflects the larger scale of resort/hotel spas compared to the industry averages for revenue and employment.

In 2023, day spas accounted for 71 percent of total revenue, compared to 78 percent of locations. That is because spend per visitor in the day spa sector (\$105) is below the industry average (\$117). Similarly, the day spa share of employment (73 percent) is below the day spa share of locations. The day spa share of total spa industry visits (79 percent) is closely aligned with the sector’s share of locations.



Geography of the Spa Industry

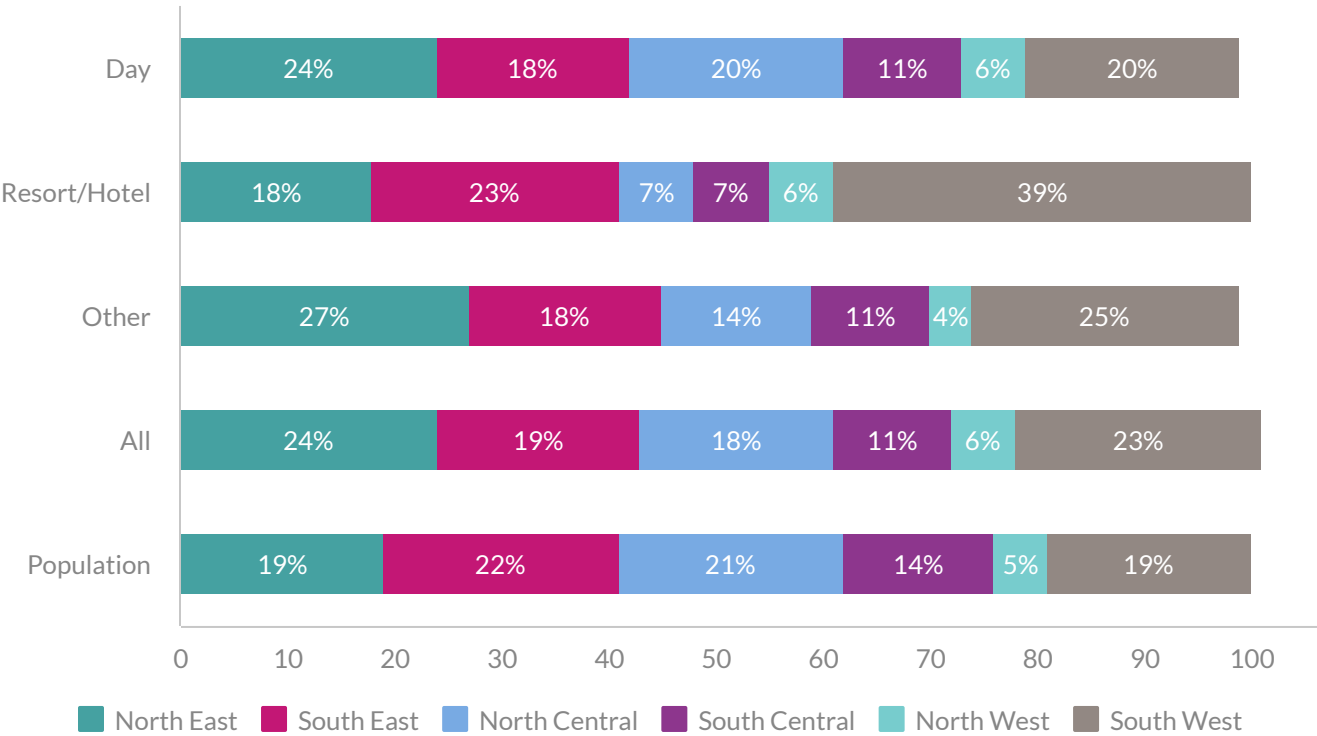
DISTRIBUTION OF SPA TYPES BY REGION

The distribution of spa types by region in 2023 shows little change from the historic pattern.

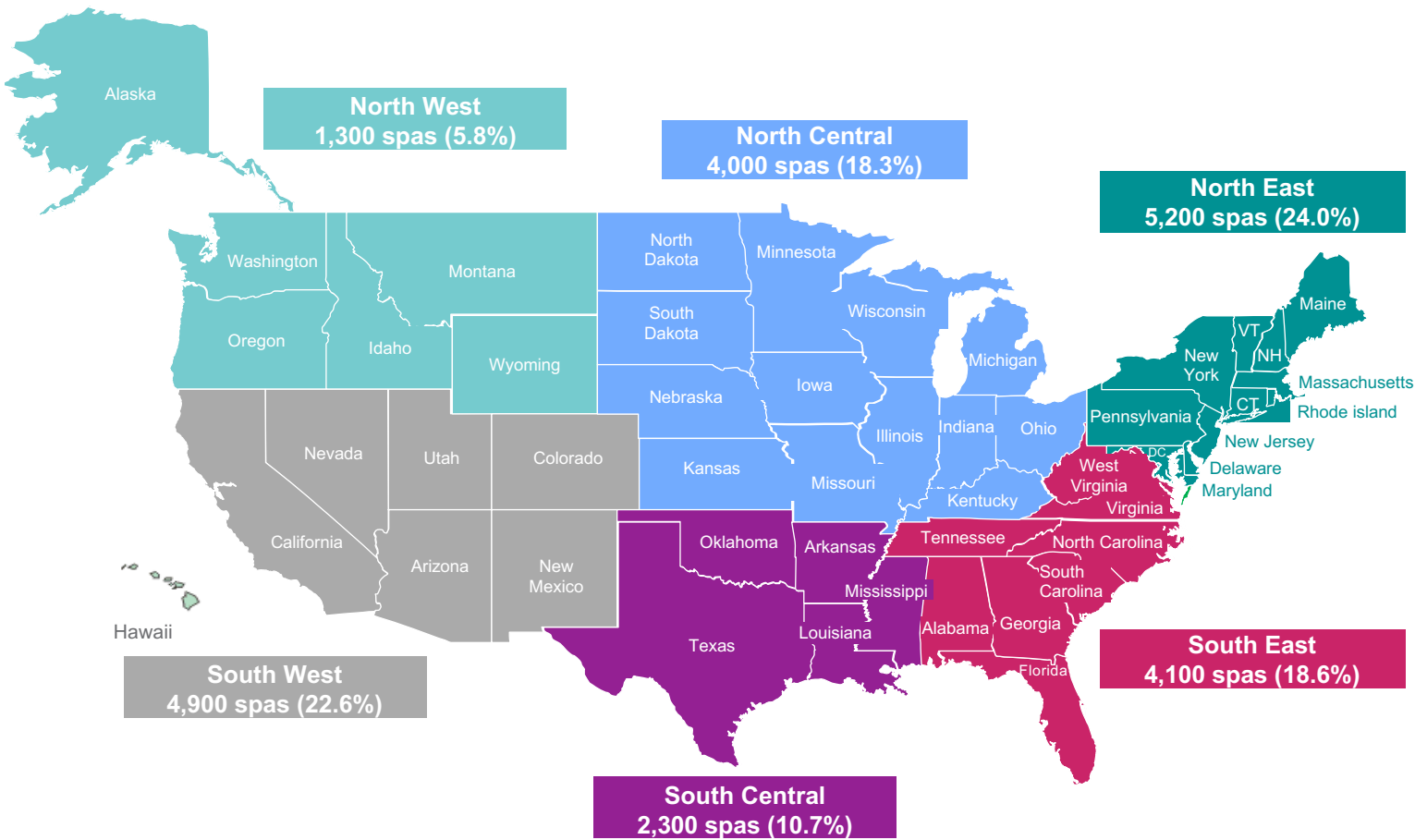
Compared to the general population, resort/hotel spas are more heavily concentrated in the Southwest region; 39 percent of such spas are located in the Southwest, i.e., over two times the region’s 19 percent population share.

The regional distribution of day spas more closely follows the general population; such spas typically serve the population living in the areas where they are located.

The map of spa establishments by region is shown on page 67. Key ratios by region are shown in the table on page 68.



THE DISTRIBUTION OF SPA ESTABLISHMENTS BY REGION



Note: Number of spas rounded to the nearest 100

Key Ratios by Region

	All	North East	South East	North Central	South Central	North West	South West
Revenue per spa	\$974,000	\$953,000	\$918,000	\$902,000	\$988,000	\$1,006,000	\$1,086,000
Per visit	\$117	\$117	\$119	\$105	\$115	\$118	\$128
Per employed person	\$57,490	\$60,520	\$55,240	\$53,970	\$57,430	\$57,300	\$59,120
Visits per spa	8,310	8,160	7,750	8,580	8,630	8,550	8,500
Total employees per spa	16.9	15.8	16.6	16.7	17.2	17.6	18.4
Full-time	8.0	8.0	7.3	8.0	8.0	8.8	8.4
Part-time	8.2	7.4	8.3	8.3	8.7	8.2	8.9
Contract	0.7	0.4	1.1	0.4	0.5	0.5	1.1
LOCATIONS*							
Total	21,800	5,200	4,100	4,000	2,300	1,300	4,900

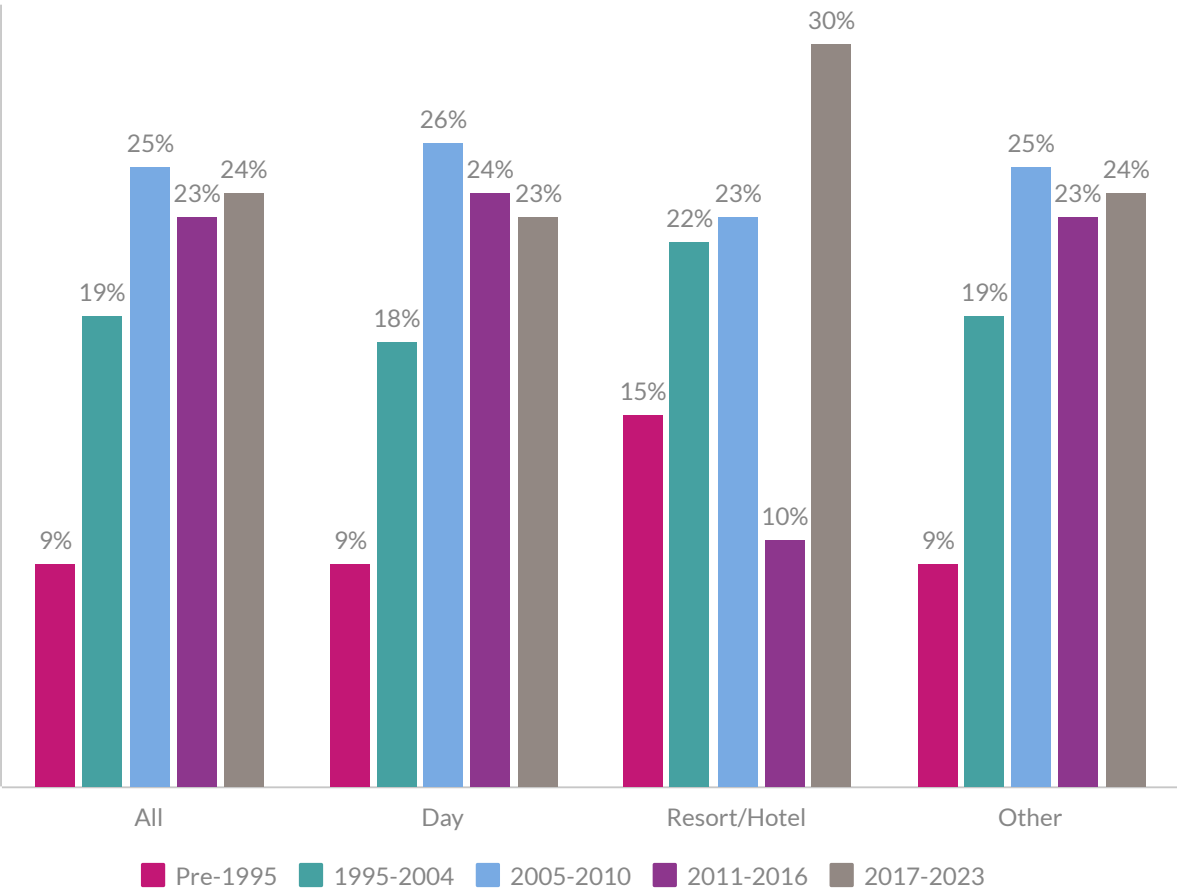
*Regional number of locations rounded to the nearest hundred.

Note: The key ratios by region should be interpreted with caution. They are estimates based on a sample of spa establishments and will therefore be subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry Studies as the estimates in those previous reports will also exhibit variability due to sampling error.

Year Spa Business Started

Among those spas in business at the end of 2023, 24 percent said they started in the period from 2017-2023. A similar proportion (23 percent) commenced in the first half of the last decade, i.e., between 2011 and 2016. One in four spas (25 percent) said they started between 2005 and 2010 with a further 19 percent between 1995 and 2004. The remaining 9 percent of spas have been in business since before 1995.

YEAR SPA BUSINESS STARTED



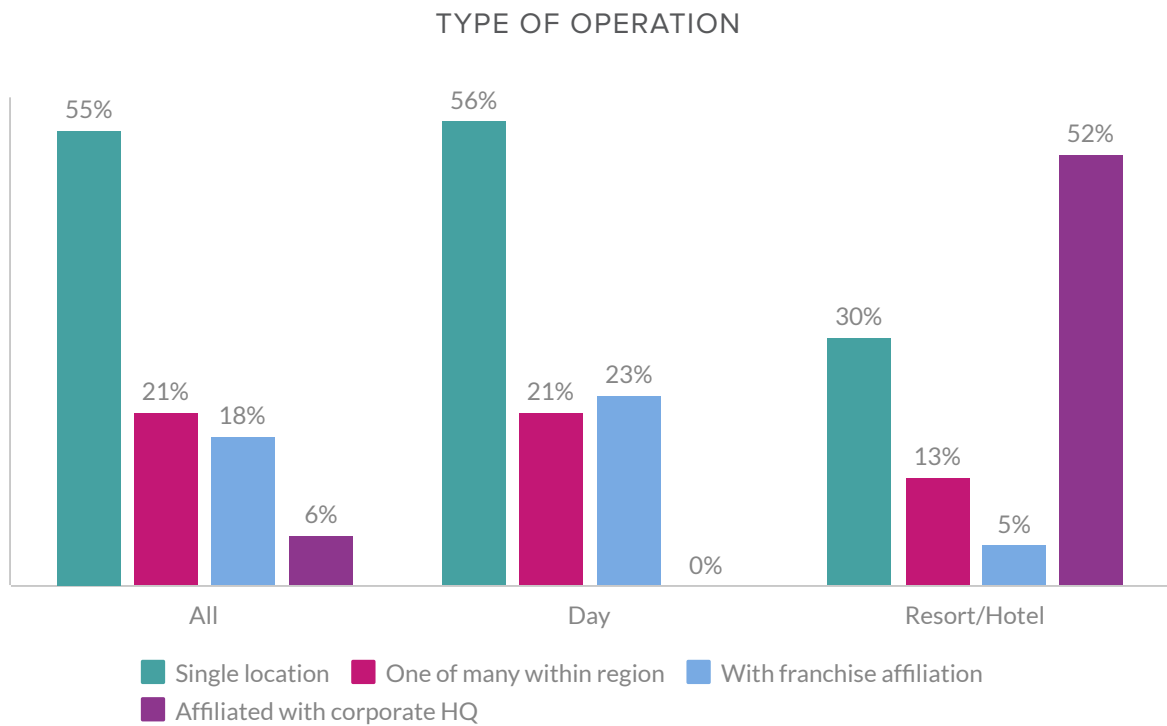
Type of Operation

Over one in two spa establishments (55 percent) describe themselves as single location operations.

One in five spa locations (21 percent) said they are one of a number of establishments within the same state or region and owned by the same owner/company.

Spas with a franchise affiliation account for 18% of establishments. The proportion is highest among day spas (23 percent).

Overall, six percent of spa establishments said they are affiliated with a national corporate headquarters. The proportion with such an affiliation is highest among resort/hotel spas (52 percent).



TECHNICAL APPENDIX

This section describes the approach to the 2024 ISPA U.S. Spa Industry Study, under the following headings:

Overview on the methodology

The questionnaire

Survey outcomes

Comparability over time

Survey Methodology

A large-scale quantitative survey of spa establishments was undertaken to collect the information required to estimate the key statistics for the 2024 ISPA U.S. Spa Industry Study. The full survey was launched in January 2024 and completed in late-February 2024.

The survey questionnaire was divided into two main parts. The first part asked respondents to provide details for each of the 'Big Five' key statistics, including 2023 revenues and visits and current employment levels. Respondents were also asked to provide information on their type of operation, year started and spa type.

The second part sought information on operating characteristics of spas, such as core spa services, average price per visit by type of service and spa policies. The survey questions included a particular focus on staffing, including open job positions, recruitment issues and compensation levels.

Contact details for spas invited to participate in the survey were obtained from the ISPA database of spa locations, containing information on over 7,000 valid contacts. The typical role of those who responded to the survey included spa director, spa manager or those with a 'hands-on' role within the spa.

The Questionnaire

The questionnaire for the 2024 ISPA U.S. Spa Industry Study was based on the questionnaire used for the 2023 Industry Study. This was to ensure continuity and consistency with the 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023 ISPA U.S. Spa Industry Studies. The questionnaire was developed in consultation with ISPA and refined through expert review and in-house testing of the structure and routing of the questionnaire.

As in the previous Industry Studies, the final version of the questionnaire comprised two main parts. The first part focused on collecting the information necessary to estimate the key statistics per spa establishment, i.e., revenues, visits and employment. This section also asked spas about their 2023 profit percentage.

The second part of the questionnaire asked respondents to provide information on the operational aspects of their spa establishment, under the following headings:

- Employment and staffing
- Compensation levels
- Open job positions
- Product offering: Core spa services
- Spa administration and policies
- Looking forward to 2024

Survey Outcomes

The survey was launched on an online survey platform in January 2024 and ran until late-February 2024.

The estimates for key statistics are based on responses relating to 2,618 establishments. Those establishments were based on 247 survey returns that were submitted for either single locations or composite returns for businesses with multiple spa locations.

When compared to their share of all spa establishments, resort/hotel spas were over-represented in the sample while day spas were under-represented. The findings reported in this study have, therefore, been weighted to reflect the distribution of establishments by type of spa.

As the information for this study was collected from a sample of spas, the findings will inevitably be subject to margins of error. For proportions based on all respondents, the indicative margins of error at the 95% confidence level are $\pm 6.2\%$.

The margins of error are wider for sub-samples. Thus, for proportions based on all day spas, the margins of error are $\pm 10.5\%$. For proportions relating to resorts/hotels, the indicative margins of error are $\pm 9\%$.

Key ratios by spa type and region should be interpreted with caution. They are estimates based on a sample of spa establishments and are therefore subject to variability from sampling error. Special care should be taken in making comparisons with previous Spa Industry reports as estimates in those reports will also exhibit sampling error variability.

Comparability Over Time

In 2005, ISPA undertook a census of the North American spa industry to formally qualify and classify spas. Through this process, ISPA developed specific product/service-based criteria for qualifying and classifying spas. The spa type definitions are listed on page 2 of this report.

In order to develop revised estimates of the trend in the number and distribution of spas, data from previous studies was adjusted to be consistent with the revised definitions. Further detail on the re-estimation procedures can be found in the 2007 ISPA U.S. Spa Industry Study.

In particular, with the exception of destination spas, per spa estimates of revenue no longer include accommodations. Similarly, on-site retail and fitness operations that were not contained within the spa were specifically excluded from the statistics. Using data on the allocation of space and revenue from previous studies, these components were removed and the averages recalculated for comparability purposes.

The methodological changes were made to reflect the changing industry. As a result of the methodological changes, a greater emphasis was placed on narrowing the statistics to those activities that relate only to the spa.

While the estimates for studies undertaken prior to 2006 were adjusted to facilitate comparability and identification of industry trends, the pre-2005 estimates shown for the key statistics should nonetheless be treated with a degree of caution.

About the ISPA Foundation

The ISPA Foundation is the 501(c)3 arm of ISPA and was created in 1999 to serve the educational and research needs of the industry. The ISPA Foundation's mission is to improve and enhance the value of the spa experience; their vision is to advance spa culture to sustain health and well-being.

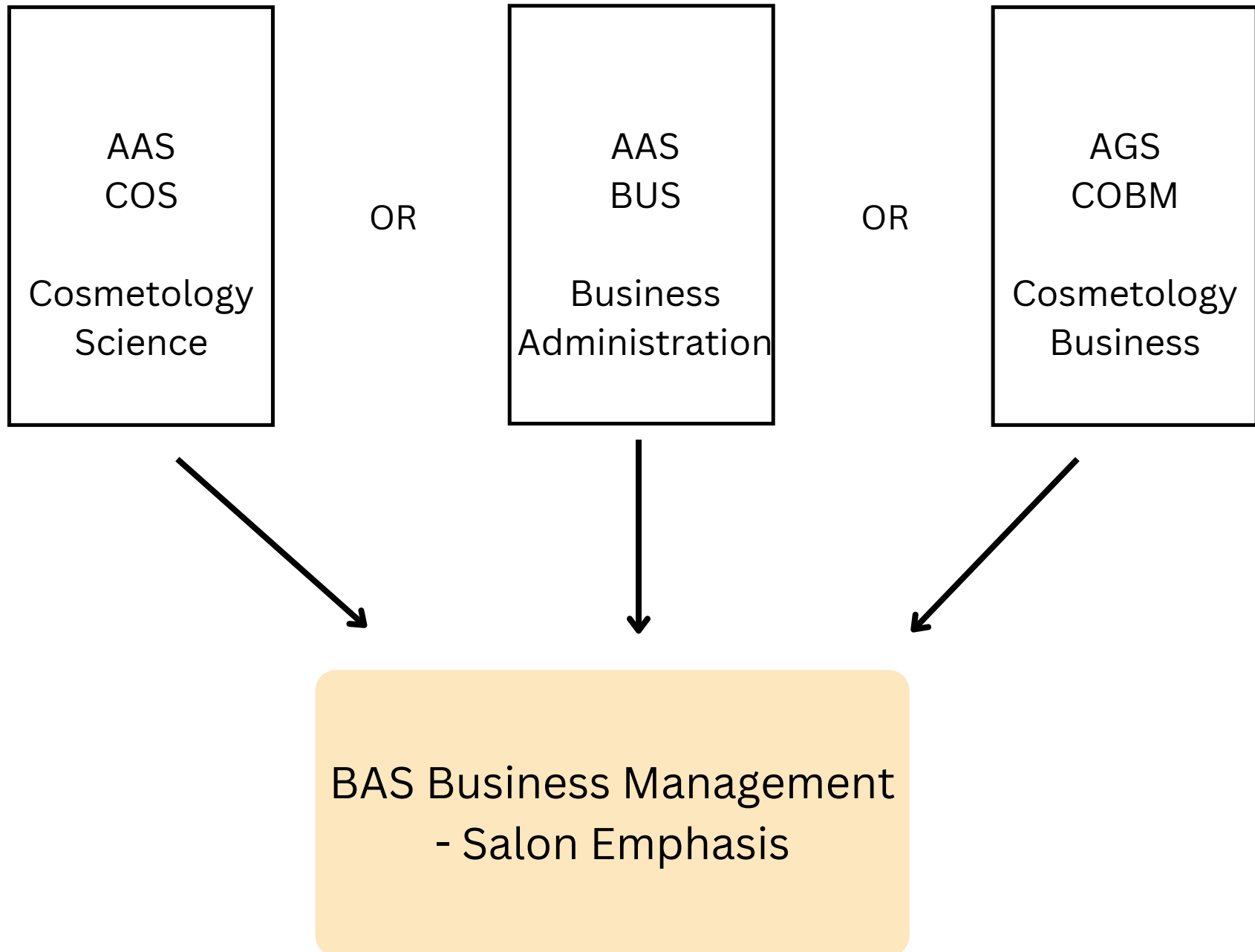
The ISPA Foundation's objectives include being the educational source for the spa industry, establishing definitive research that validates spa industry-related topics and creating an endowment that sustains the ISPA Foundation in perpetuity.

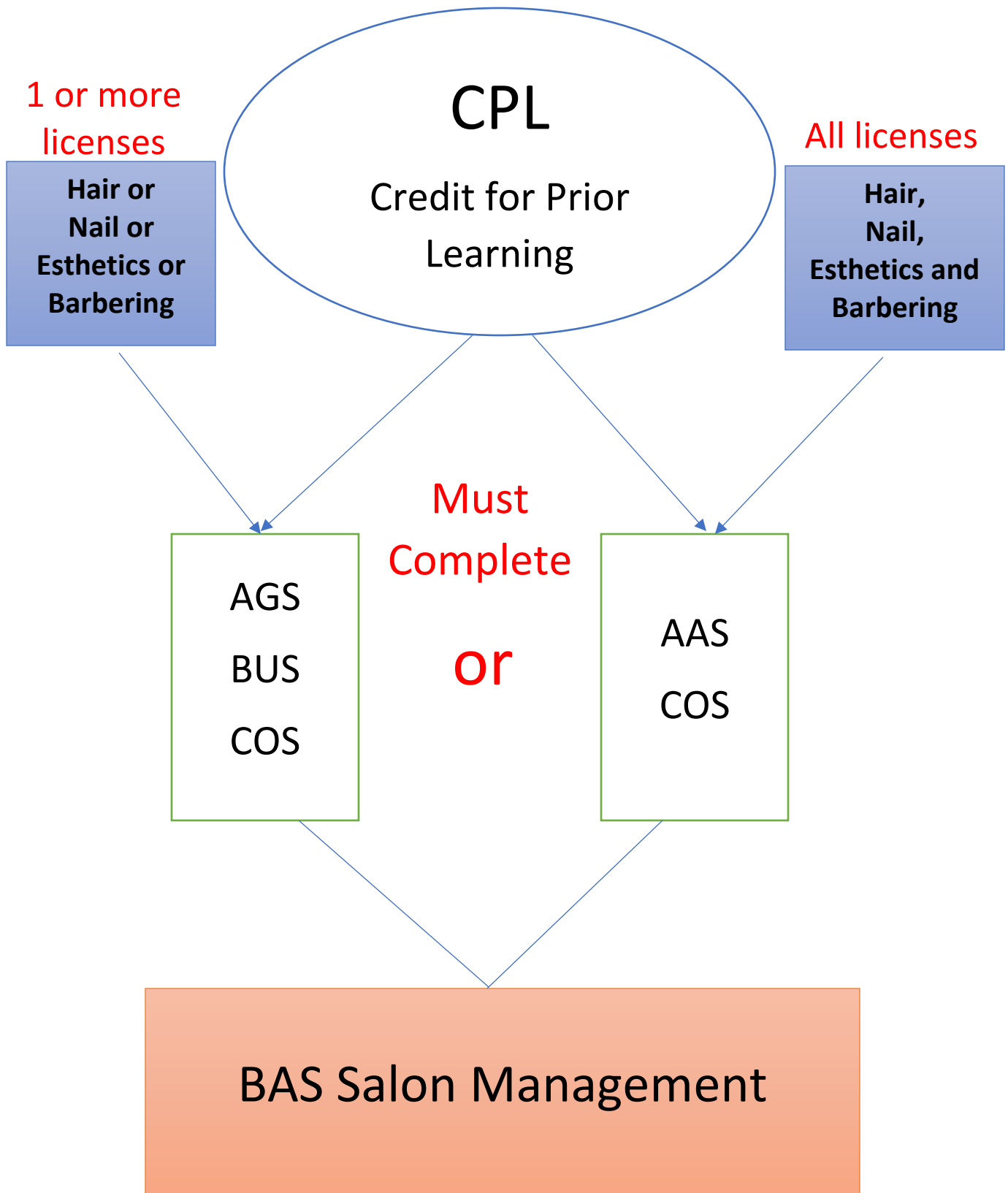
The ISPA Foundation also wishes to thank the individuals and companies who have given generously and supported the annual ISPA Foundation Auction to make these research projects and the work of the Foundation possible.

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MUST COMPLETE







February 14, 2025

RE: KCC Associate Degree in Salon and Spa Management

To Whom it may concern

I am writing in support of the development of a Bachelor's degree in business with an emphasis in Salon and Spa management at KCC. My name is Lynelle Lynch and I am the owner of Bellus Academy, a chain of beauty and wellness schools. <https://bellusacademy.edu/>

In addition, I am the founder of Beauty Changes Lives, a non-profit that provides scholarships, mentorships and entrepreneurial grants to students and professionals in the beauty and wellness industry. <https://beautychangeslives.org/>

Individuals entering the beauty and wellness industry aspire to be entrepreneurial. The industry offers a wide range of professional career paths from working in a salon or spa to starting a business. I have been fortunate to work with a vast range of professionals that have a passion for the beauty industry and enroll in the beauty "trade" school to learn the craft. The challenge with this educational path is that it does not provide the education needed to become either a manager or an entrepreneur.

Top salon chains and destination spas typically recruit managers out of the hospitality college degree courses as there has not been an educational path for beauty and wellness student prior to KCC's decision to develop a salon and spa management program.

KCC has a unique opportunity to build this program online and capitalize on national enrollments where both beauty school graduates and professionals can enroll and gain the necessary education to pursue their dream careers in either management or ownership.

There are a number of associations that can assist in marketing this program to their members. A few examples of associations include:

- American Association of Cosmetology Schools (AACCS) – 600 beauty school members across the United States with approximately 6,000 students annually
- Professional Beauty Association (PBA) the largest association of licensed cosmetologists
- International Spa Professional Association (ISPA) the largest association of spa owners, directors and manufactures

Beauty Changes Lives has a relationship with 19 associations and has organized a coalition titled Unite as One where the associations meet quarterly on strategy. I will be able to coordinate having KCC present this program to the associations and define how they can market to their members.



B E L L U S
A C A D E M Y

Thank you for the opportunity to share the importance of the Bachelors degree in Business with an emphasis in Salon and Spa Management program and the marketing strategies that I can assist with.

Sincerely,

Lynelle Lynch

CEO

Founding President

Bellus Academy

Beauty Changes Lives

13266 Poway Rd.,
Poway, CA 92064
(858) 748-1490

970 Broadway, Suite 110
Chula Vista, CA 91911
(619) 474-6607

1073 E. Main St.,
El Cajon, CA 92021
(619) 442-3407

1130 Westloop Pl.,
Manhattan, KS 66502
(785) 539-1837

Occupational Employment and Wage Statistics

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Occupational Employment and Wages, May 2023

39-5012 Hairdressers, Hairstylists, and Cosmetologists

Provide beauty services, such as cutting, coloring, and styling hair, and massaging and treating scalp. May shampoo hair, apply makeup, dress wigs, remove hair, and provide nail and skincare services. Excludes "Makeup Artists, Theatrical and Performance" (39-5091), "Manicurists and Pedicurists" (39-5092), and "Skincare Specialists" (39-5094).

[National estimates for Hairdressers, Hairstylists, and Cosmetologists](#)

[Industry profile for Hairdressers, Hairstylists, and Cosmetologists](#)

[Geographic profile for Hairdressers, Hairstylists, and Cosmetologists](#)

National estimates for Hairdressers, Hairstylists, and Cosmetologists:

Employment estimate and mean wage estimates for Hairdressers, Hairstylists, and Cosmetologists:

Employment (1)	Employment RSE (3)	Mean hourly wage	Mean annual wage (2)	Wage RSE (3)
294,840	2.6 %	\$ 20.09	\$ 41,780	0.9 %

Percentile wage estimates for Hairdressers, Hairstylists, and Cosmetologists:

Percentile	10%	25%	50% (Median)	75%	90%
Hourly Wage	\$ 11.31	\$ 13.87	\$ 16.81	\$ 22.80	\$ 30.44
Annual Wage (2)	\$ 23,520	\$ 28,850	\$ 34,970	\$ 47,420	\$ 63,310

Industry profile for Hairdressers, Hairstylists, and Cosmetologists:

Industries with the highest published employment and wages for Hairdressers, Hairstylists, and Cosmetologists are provided. For a list of all industries with employment in Hairdressers, Hairstylists, and Cosmetologists, see the [Create Customized Tables](#) function.

Industries with the highest levels of employment in Hairdressers, Hairstylists, and Cosmetologists:

Industry	Employment (1)	Percent of industry employment	Hourly mean wage	Annual mean wage (2)
Personal Care Services	264,880	36.16	\$ 20.34	\$ 42,310
General Merchandise Retailers	15,940	0.50	\$ 14.63	\$ 30,420
Health and Personal Care Retailers	4,520	0.41	\$ 14.36	\$ 29,870
Employment Services	1,590	0.04	\$ 17.17	\$ 35,720
Traveler Accommodation	880	0.05	\$ 19.05	\$ 39,610

Industries with the highest concentration of employment in Hairdressers, Hairstylists, and Cosmetologists:

Industry	Employment (1)	Percent of industry employment	Hourly mean wage	Annual mean wage (2)
Personal Care Services	264,880	36.16	\$ 20.34	\$ 42,310
General Merchandise Retailers	15,940	0.50	\$ 14.63	\$ 30,420
Health and Personal Care Retailers	4,520	0.41	\$ 14.36	\$ 29,870

Technical and Trade Schools	380	0.26	\$ 22.32	\$ 46,420
Motion Picture and Video Industries	800	0.20	\$ 52.17	\$ 108,520

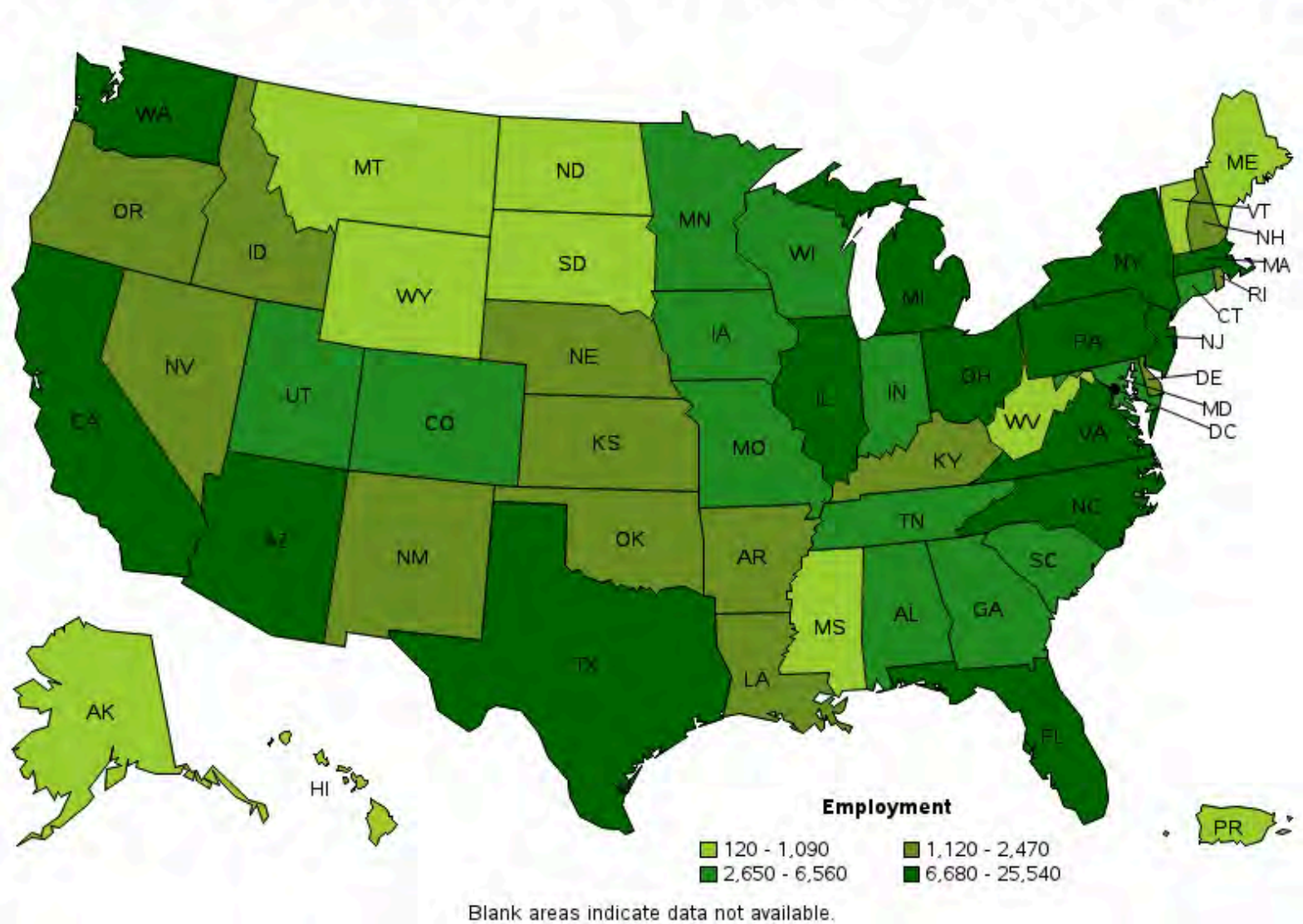
Top paying industries for Hairdressers, Hairstylists, and Cosmetologists:

Industry	Employment (1)	Percent of industry employment	Hourly mean wage	Annual mean wage (2)
Motion Picture and Video Industries	800	0.20	\$ 52.17	\$ 108,520
Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers	320	0.14	\$ 46.12	\$ 95,940
Other Professional, Scientific, and Technical Services	80	0.01	\$ 42.16	\$ 87,690
Performing Arts Companies	150	0.11	\$ 41.64	\$ 86,600
Death Care Services	120	0.09	\$ 26.01	\$ 54,100

Geographic profile for Hairdressers, Hairstylists, and Cosmetologists:

States and areas with the highest published employment, location quotients, and wages for Hairdressers, Hairstylists, and Cosmetologists are provided. For a list of all areas with employment in Hairdressers, Hairstylists, and Cosmetologists, see the [Create Customized Tables](#) function.

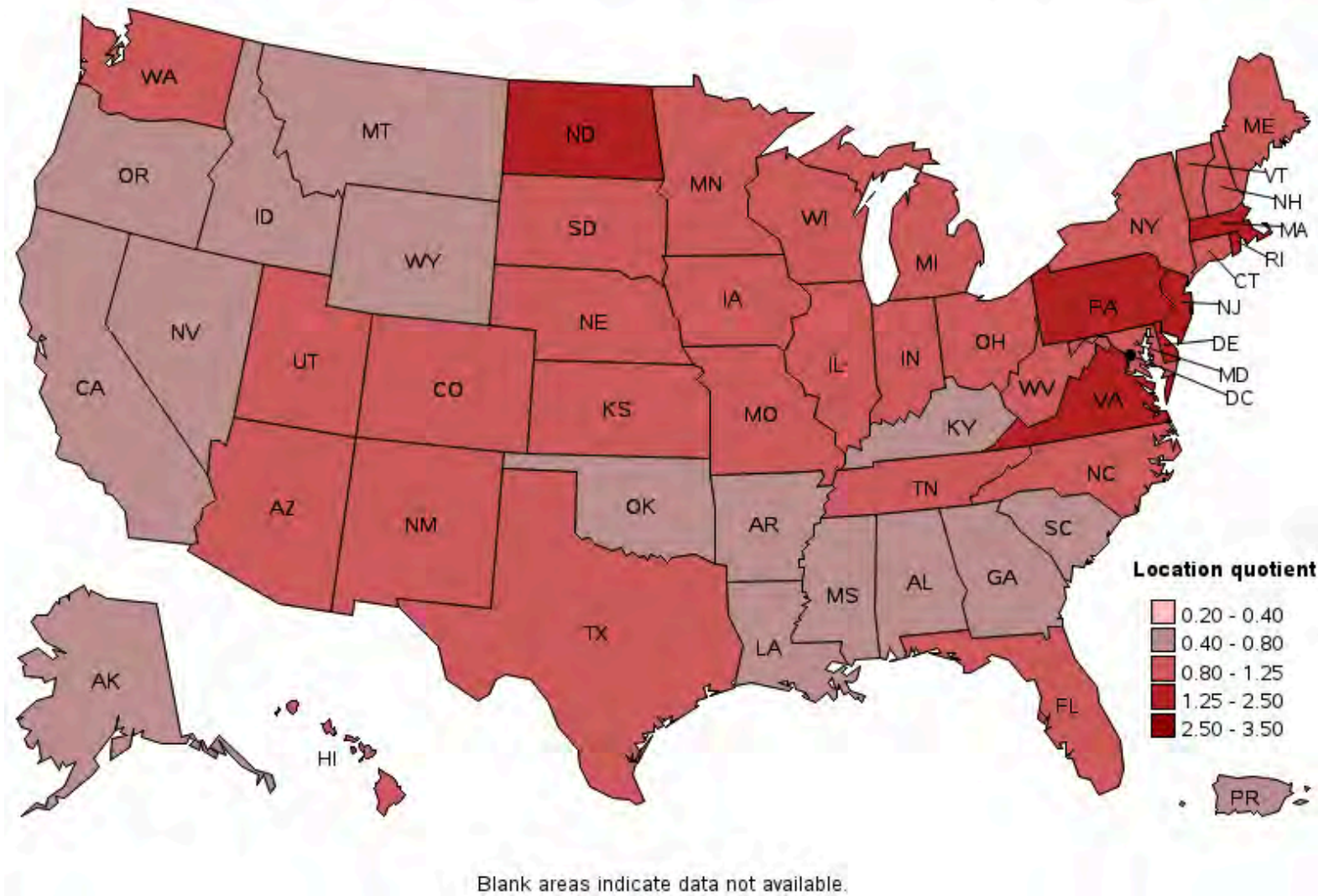
Employment of hairdressers, hairstylists, and cosmetologists, by state, May 2023



States with the highest employment level in Hairdressers, Hairstylists, and Cosmetologists:

State	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
Texas	25,540	1.88	0.97	\$ 18.29	\$ 38,050
Florida	21,820	2.28	1.17	\$ 18.78	\$ 39,050
New York	21,000	2.24	1.15	\$ 20.11	\$ 41,830
California	20,450	1.14	0.59	\$ 22.40	\$ 46,600
Pennsylvania	19,120	3.21	1.66	\$ 18.31	\$ 38,070

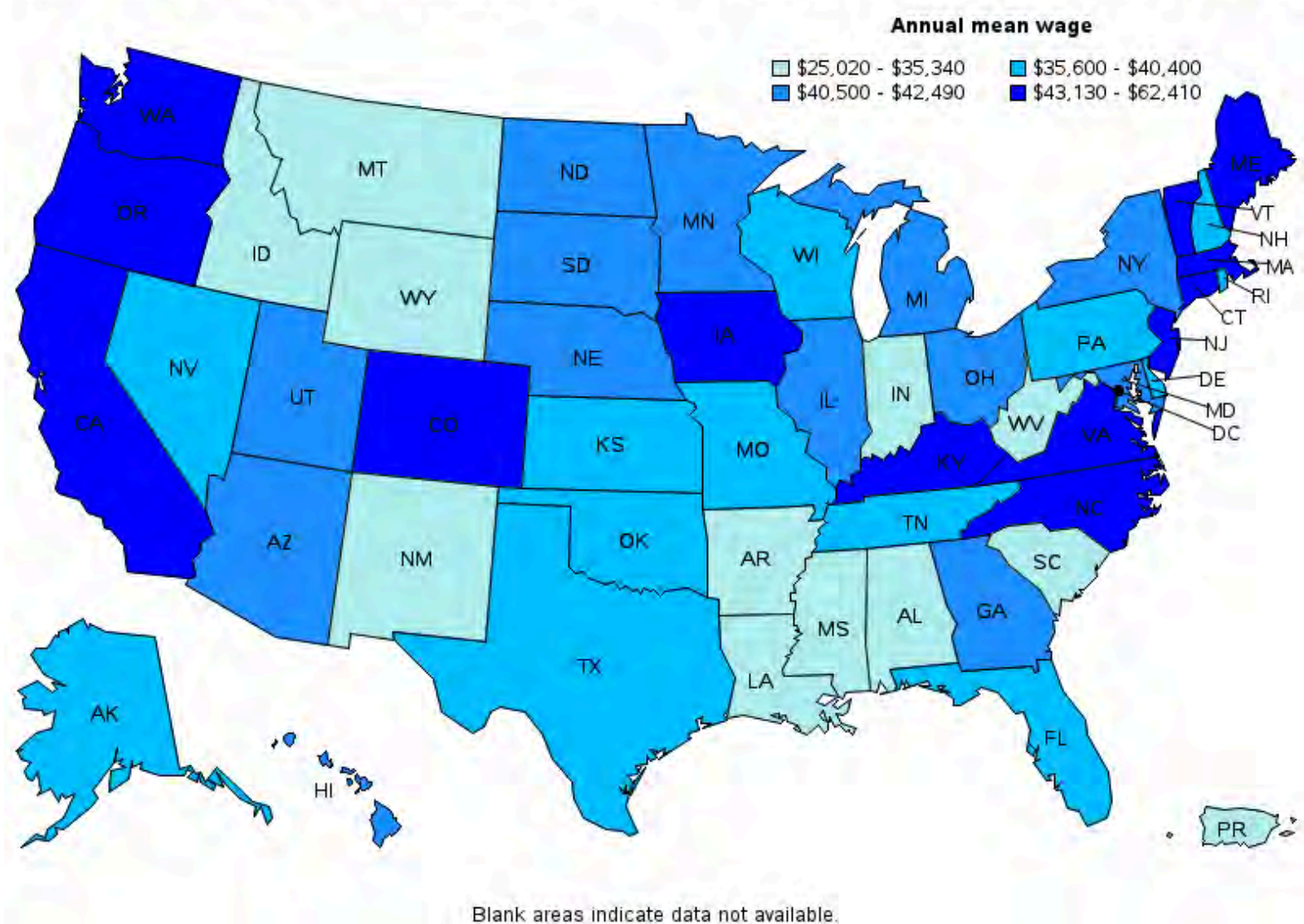
Location quotient of hairdressers, hairstylists, and cosmetologists, by state, May 2023



States with the highest concentration of jobs and location quotients in Hairdressers, Hairstylists, and Cosmetologists:

State	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
New Jersey	14,470	3.44	1.77	\$ 20.89	\$ 43,440
Pennsylvania	19,120	3.21	1.66	\$ 18.31	\$ 38,070
Rhode Island	1,500	3.08	1.59	\$ 17.12	\$ 35,600
Delaware	1,310	2.80	1.44	\$ 18.70	\$ 38,890
Massachusetts	9,880	2.71	1.40	\$ 25.17	\$ 52,360

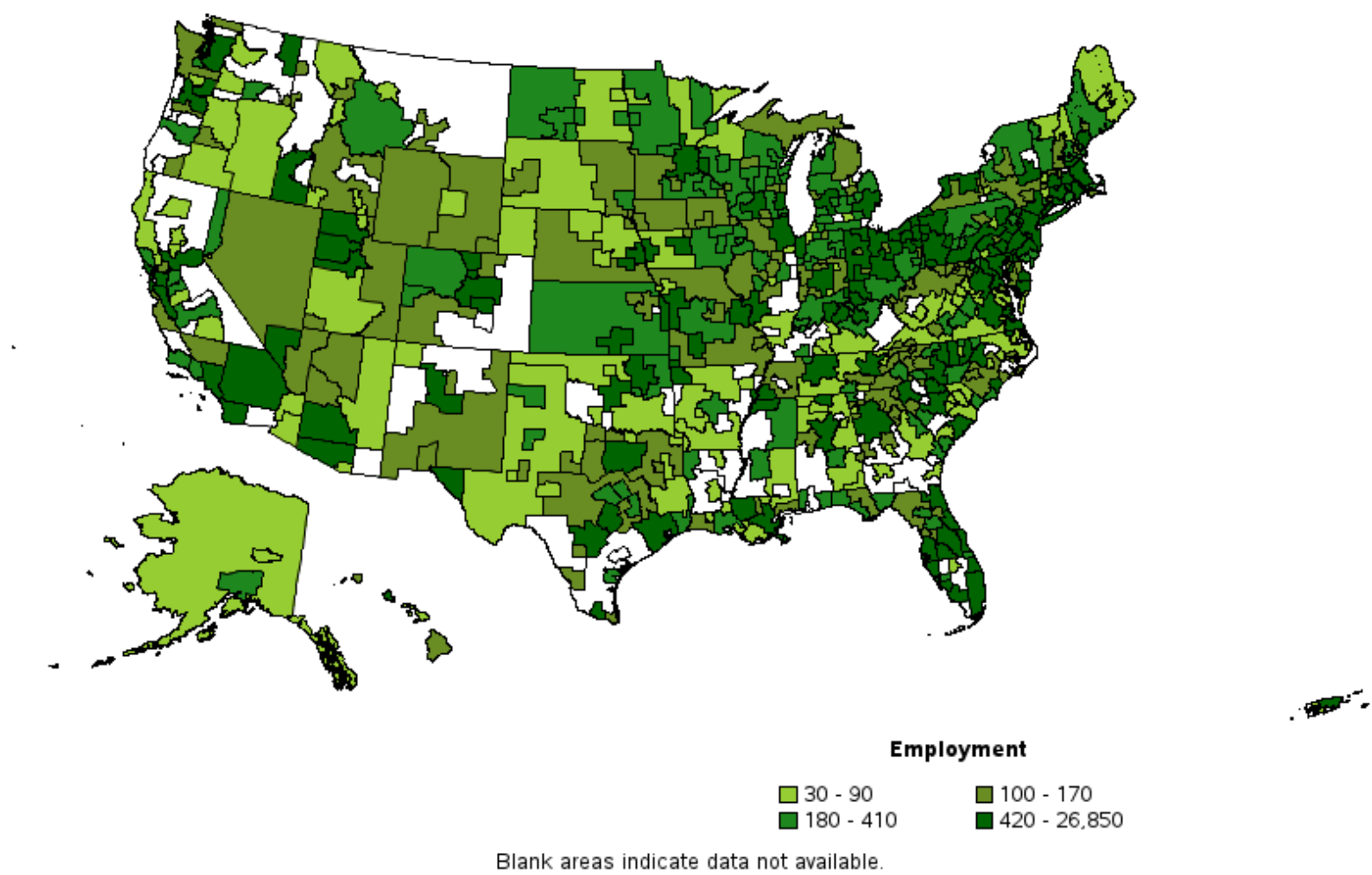
Annual mean wage of hairdressers, hairstylists, and cosmetologists, by state, May 2023



Top paying states for Hairdressers, Hairstylists, and Cosmetologists:

State	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
Washington	6,680	1.91	0.98	\$ 30.01	\$ 62,410
District of Columbia	850	1.21	0.62	\$ 27.36	\$ 56,900
Massachusetts	9,880	2.71	1.40	\$ 25.17	\$ 52,360
Maine	1,090	1.76	0.91	\$ 25.16	\$ 52,340
Colorado	6,560	2.32	1.19	\$ 23.69	\$ 49,270

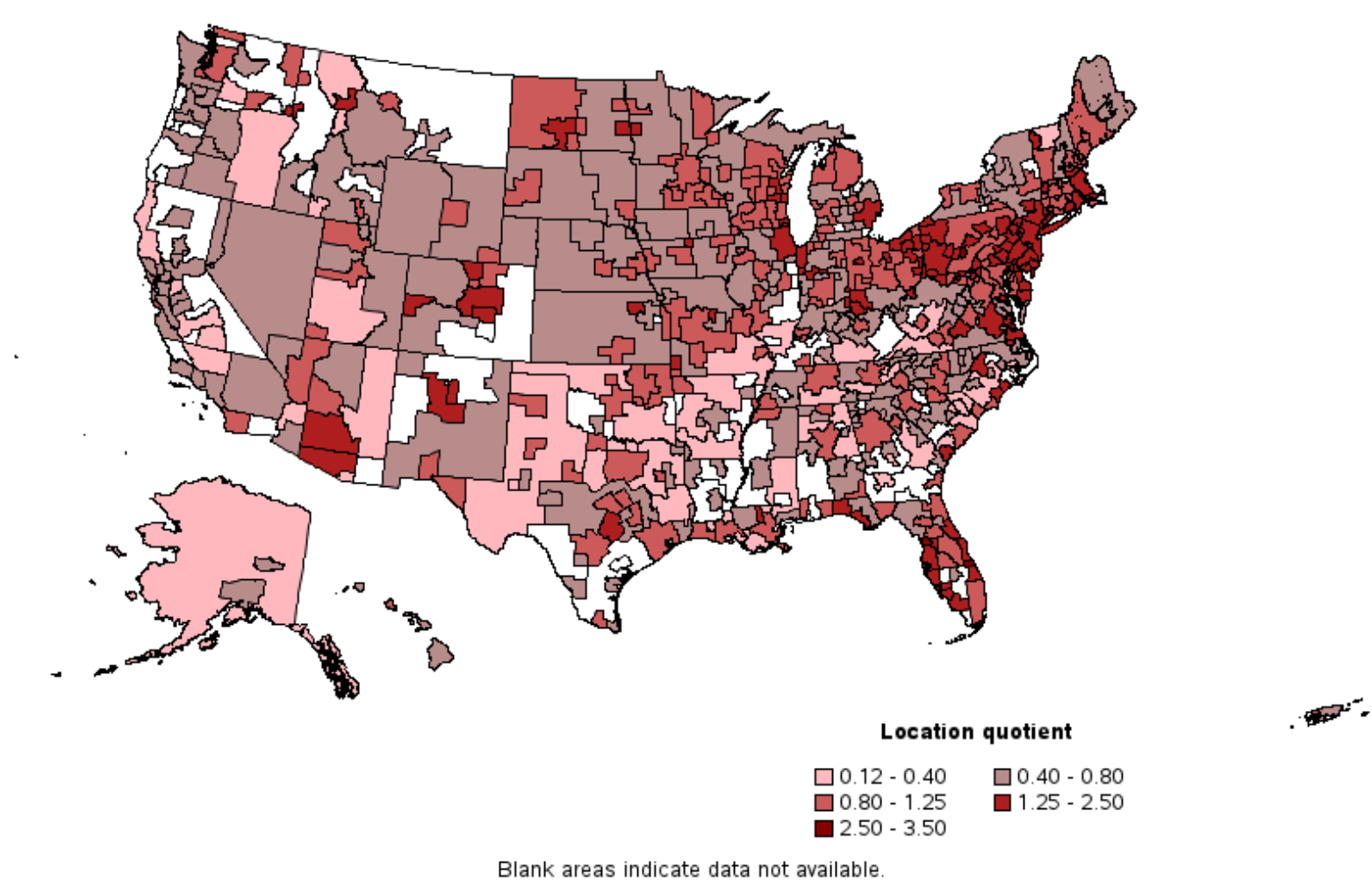
Employment of hairdressers, hairstylists, and cosmetologists, by area, May 2023



Metropolitan areas with the highest employment level in Hairdressers, Hairstylists, and Cosmetologists:

Metropolitan area	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
New York-Newark-Jersey City, NY-NJ-PA	26,850	2.83	1.46	\$ 20.89	\$ 43,460
Chicago-Naperville-Elgin, IL-IN-WI	12,220	2.71	1.40	\$ 20.34	\$ 42,310
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	10,370	3.66	1.89	\$ 18.22	\$ 37,890
Dallas-Fort Worth-Arlington, TX	8,220	2.07	1.07	\$ 18.37	\$ 38,220
Boston-Cambridge-Nashua, MA-NH	8,120	2.94	1.51	\$ 25.39	\$ 52,800
Los Angeles-Long Beach-Anaheim, CA	7,480	1.21	0.62	\$ 22.73	\$ 47,280
Washington-Arlington-Alexandria, DC-VA-MD-WV	6,900	2.23	1.15	\$ 24.39	\$ 50,720
Houston-The Woodlands-Sugar Land, TX	6,160	1.94	1.00	\$ 18.75	\$ 39,000
Phoenix-Mesa-Scottsdale, AZ	5,550	2.42	1.25	\$ 19.72	\$ 41,010
Detroit-Warren-Dearborn, MI	5,350	2.82	1.45	\$ 20.53	\$ 42,700

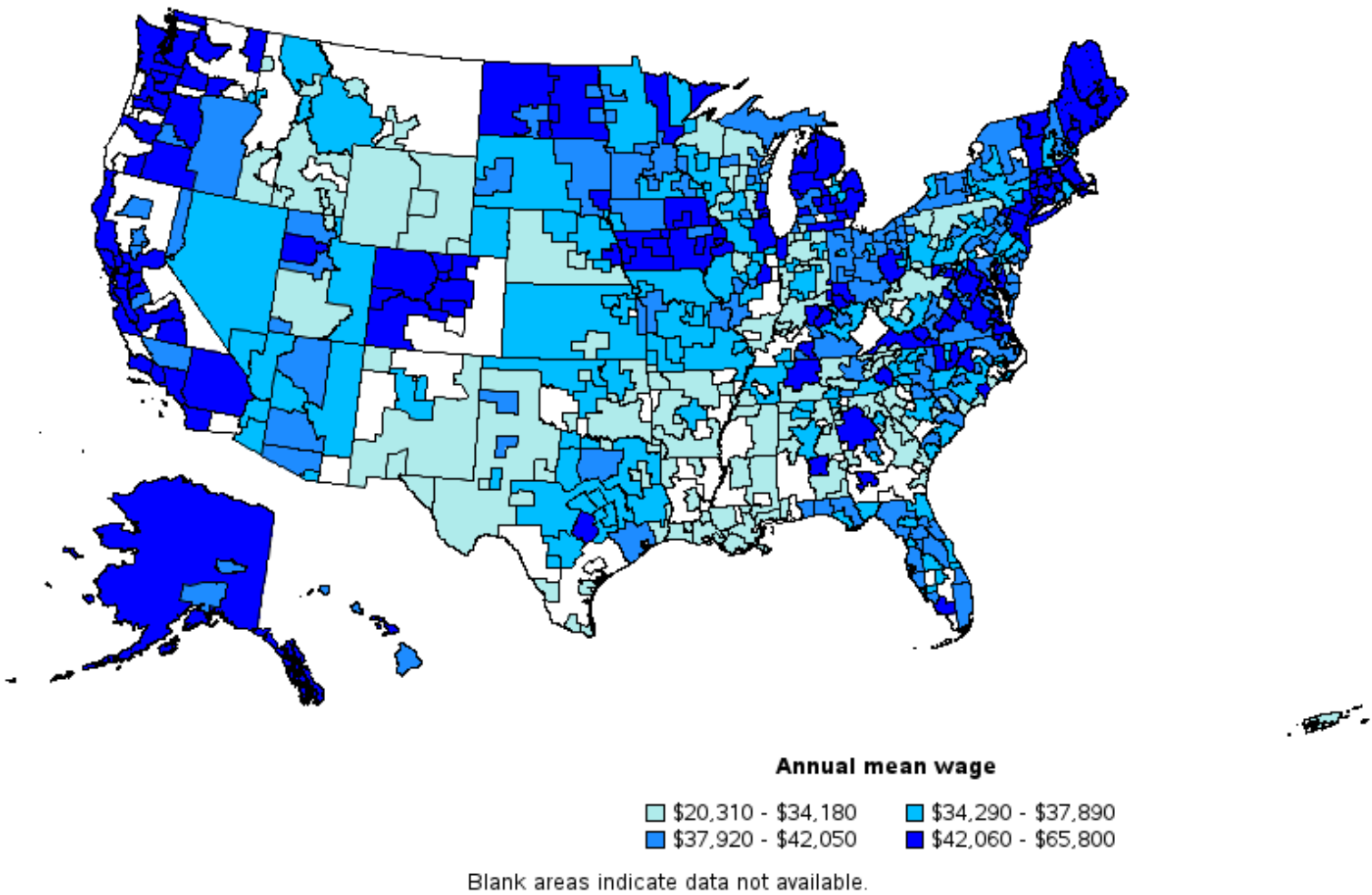
Location quotient of hairdressers, hairstylists, and cosmetologists, by area, May 2023



Metropolitan areas with the highest concentration of jobs and location quotients in Hairdressers, Hairstylists, and Cosmetologists:

Metropolitan area	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
Altoona, PA	310	5.38	2.77	\$ 16.60	\$ 34,520
Ocean City, NJ	200	5.09	2.62	\$ 19.68	\$ 40,930
Sebastian-Vero Beach, FL	280	5.06	2.61	\$ 18.05	\$ 37,540
Homosassa Springs, FL	170	5.05	2.60	\$ 17.55	\$ 36,510
Naples-Immokalee-Marco Island, FL	780	4.78	2.46	\$ 20.66	\$ 42,980
North Port-Sarasota-Bradenton, FL	1,440	4.45	2.29	\$ 19.71	\$ 40,990
Johnstown, PA	210	4.44	2.29	\$ 18.06	\$ 37,570
Punta Gorda, FL	220	4.05	2.09	\$ 17.88	\$ 37,180
Lewiston, ID-WA	110	3.97	2.04	\$ 17.44	\$ 36,280
Wheeling, WV-OH	230	3.97	2.04	\$ 17.12	\$ 35,610

Annual mean wage of hairdressers, hairstylists, and cosmetologists, by area, May 2023



Top paying metropolitan areas for Hairdressers, Hairstylists, and Cosmetologists:

Metropolitan area	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
Seattle-Tacoma-Bellevue, WA	4,480	2.16	1.11	\$ 31.64	\$ 65,800
Spokane-Spokane Valley, WA	500	1.97	1.01	\$ 28.95	\$ 60,220
Fort Collins, CO	540	3.10	1.60	\$ 28.72	\$ 59,740
Louisville/Jefferson County, KY-IN	840	1.27	0.65	\$ 28.48	\$ 59,240
Bremerton-Silverdale, WA	180	1.94	1.00	\$ 28.12	\$ 58,490
Portland-South Portland, ME	490	2.36	1.21	\$ 26.78	\$ 55,710
Olympia-Tumwater, WA	240	1.92	0.99	\$ 26.28	\$ 54,660
Kennewick-Richland, WA	240	1.88	0.97	\$ 25.94	\$ 53,960
Bellingham, WA	170	1.87	0.96	\$ 25.86	\$ 53,790
Durham-Chapel Hill, NC	460	1.37	0.71	\$ 25.68	\$ 53,410

Nonmetropolitan areas with the highest employment in Hairdressers, Hairstylists, and Cosmetologists:

Nonmetropolitan area	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
North Northeastern Ohio nonmetropolitan area (noncontiguous)	680	2.09	1.08	\$ 19.11	\$ 39,750
Western Pennsylvania nonmetropolitan area	430	3.07	1.58	\$ 15.96	\$ 33,190
West Northwestern Ohio nonmetropolitan area	430	1.73	0.89	\$ 18.60	\$ 38,680
Southern Pennsylvania nonmetropolitan area	420	2.21	1.14	\$ 16.55	\$ 34,430
South Central Wisconsin nonmetropolitan area	410	1.96	1.01	\$ 15.40	\$ 32,020

Nonmetropolitan areas with the highest concentration of jobs and location quotients in Hairdressers, Hairstylists, and Cosmetologists:

Nonmetropolitan area	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
Western Pennsylvania nonmetropolitan area	430	3.07	1.58	\$ 15.96	\$ 33,190
Southern Vermont nonmetropolitan area	240	2.40	1.23	\$ 21.20	\$ 44,090

Northeast Lower Peninsula of Michigan nonmetropolitan area	170	2.29	1.18	\$ 22.96	\$ 47,770
Eastern Ohio nonmetropolitan area	300	2.22	1.14	\$ 25.96	\$ 53,990
Southern Pennsylvania nonmetropolitan area	420	2.21	1.14	\$ 16.55	\$ 34,430

Top paying nonmetropolitan areas for Hairdressers, Hairstylists, and Cosmetologists:

Nonmetropolitan area	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
Western Washington nonmetropolitan area	140	1.11	0.57	\$ 27.07	\$ 56,310
Eastern Ohio nonmetropolitan area	300	2.22	1.14	\$ 25.96	\$ 53,990
Massachusetts nonmetropolitan area	130	2.01	1.04	\$ 24.18	\$ 50,290
Southwest Maine nonmetropolitan area	330	1.73	0.89	\$ 24.18	\$ 50,280
Northeast Maine nonmetropolitan area	70	1.08	0.56	\$ 23.69	\$ 49,280

[About May 2023 National, State, Metropolitan, and Nonmetropolitan Area Occupational Employment and Wage Estimates](#)

These estimates are calculated with data collected from employers in all industry sectors, all metropolitan and nonmetropolitan areas, and all states and the District of Columbia. The top employment and wage figures are provided above. The complete list is available in the [downloadable XLS files](#).

The percentile wage estimate is the value of a wage below which a certain percent of workers fall. The median wage is the 50th percentile wage estimate—50 percent of workers earn less than the median and 50 percent of workers earn more than the median. [More about percentile wages](#).

- (1) Estimates for detailed occupations do not sum to the totals because the totals include occupations not shown separately. Estimates do not include self-employed workers.
- (2) Annual wages have been calculated by multiplying the hourly mean wage by a "year-round, full-time" hours figure of 2,080 hours; for those occupations where there is not an hourly wage published, the annual wage has been directly calculated from the reported survey data.
- (3) The relative standard error (RSE) is a measure of the reliability of a survey statistic. The smaller the relative standard error, the more precise the estimate.
- (9) The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.

Other OEWS estimates and related information:

[May 2023 National Occupational Employment and Wage Estimates](#)

[May 2023 State Occupational Employment and Wage Estimates](#)

[May 2023 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates](#)

[May 2023 National Industry-Specific Occupational Employment and Wage Estimates](#)

[May 2023 Occupation Profiles](#)

[Technical Notes](#)

Last Modified Date: April 3, 2024



Hairdressers, Hairstylists, and Cosmetologists in Klamath County, OR

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Job Posting Activity	8
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What is Lightcast Data?

Lightcast data is a hybrid dataset derived from official government sources such as the US Census Bureau, Bureau of Economic Analysis, and Bureau of Labor Statistics. Leveraging the unique strengths of each source, our data modeling team creates an authoritative dataset that captures more than 99% of all workers in the United States. This core offering is then enriched with data from online social profiles, resumé, and job postings to give you a complete view of the workforce.

Lightcast data is frequently cited in major publications such as *The Atlantic*, *Forbes*, *Harvard Business Review*, *The New York Times*, *The Wall Street Journal*, and *USA Today*.



Report Parameters

1 Occupation

39-5012 Hairdressers, Hairstylists, and Cosmetologists

1 County

41035 Klamath County, OR

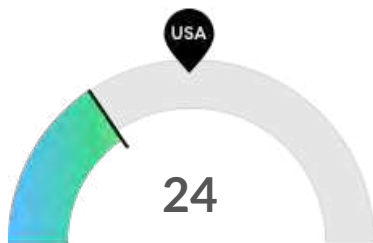
Class of Worker

QCEW Employees

The information in this report pertains to the chosen occupation and geographical area.

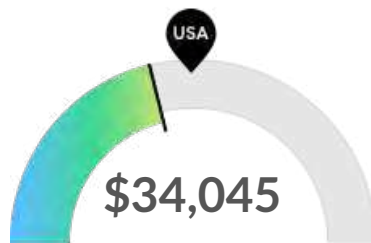
Executive Summary

Aggressive Job Posting Demand Over a Thin Supply of Regional Jobs



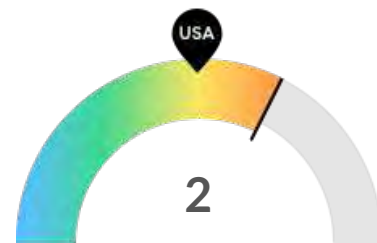
Jobs (2023)

Klamath County, OR is not a hotspot for this kind of job. The national average for an area this size is 45* employees, while there are 24 here.



Compensation

Earnings are about average in Klamath County, OR. The national median salary for Hairdressers, Hairstylists, and Cosmetologists is \$34,965, compared to \$34,045 here.



Job Posting Demand

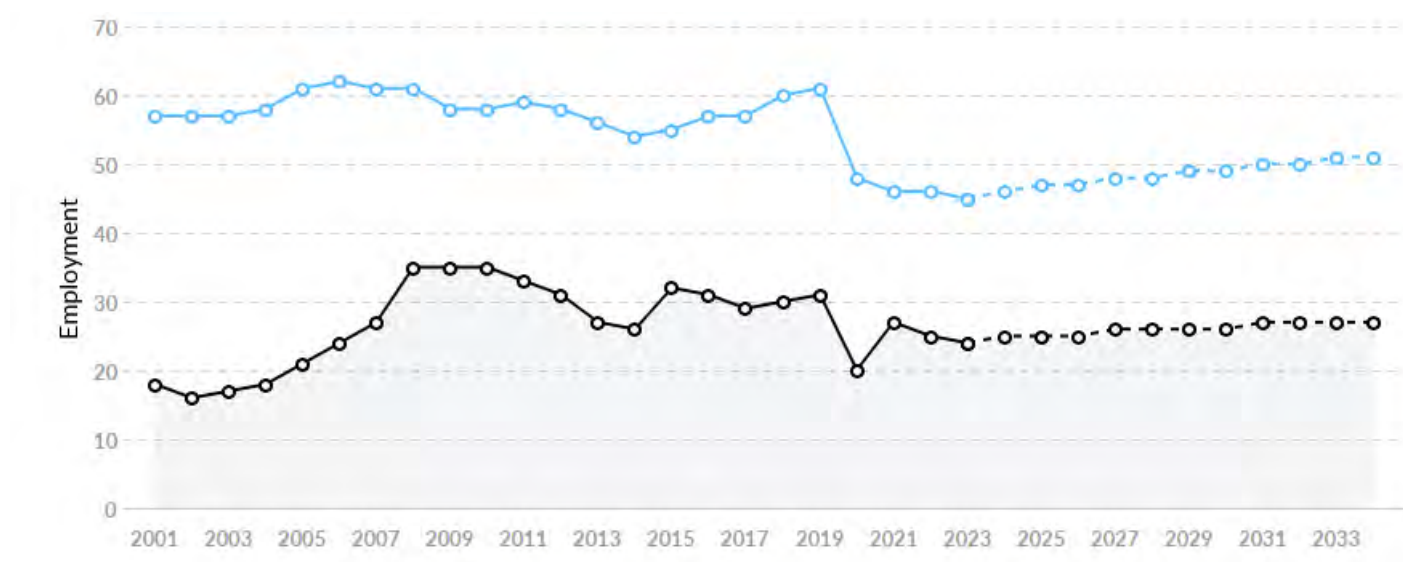
Job posting activity is high in Klamath County, OR. The national average for an area this size is 1* job posting/mo, while there are 2 here.

*National average values are derived by taking the national value for Hairdressers, Hairstylists, and Cosmetologists and scaling it down to account for the difference in overall workforce size between the nation and Klamath County, OR. In other words, the values represent the national average adjusted for region size.

Jobs

Regional Employment Is Lower Than the National Average

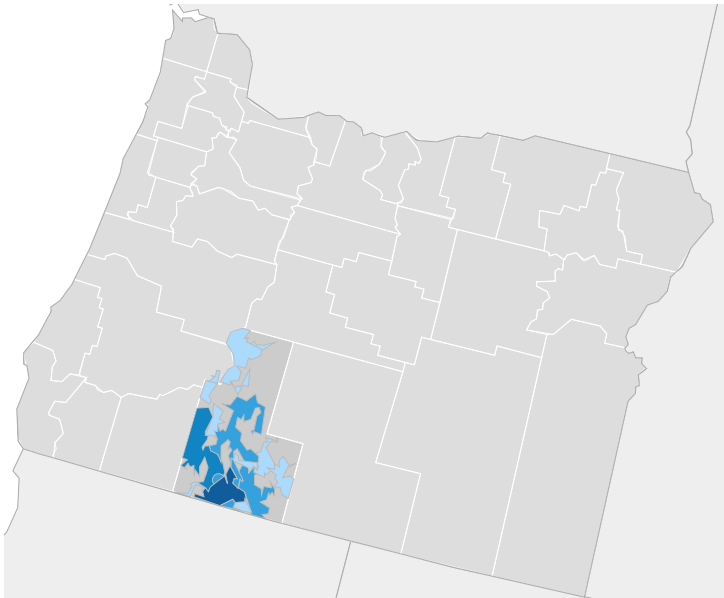
An average area of this size typically has 45* jobs, while there are 24 here. This lower than average supply of jobs may make it more difficult for workers in this field to find employment in your area.



	Region	2023 Jobs	2024 Jobs	Change	% Change
●	Klamath County, OR	24	25	0	1.7%
●	National Average	45	46	1	2.0%

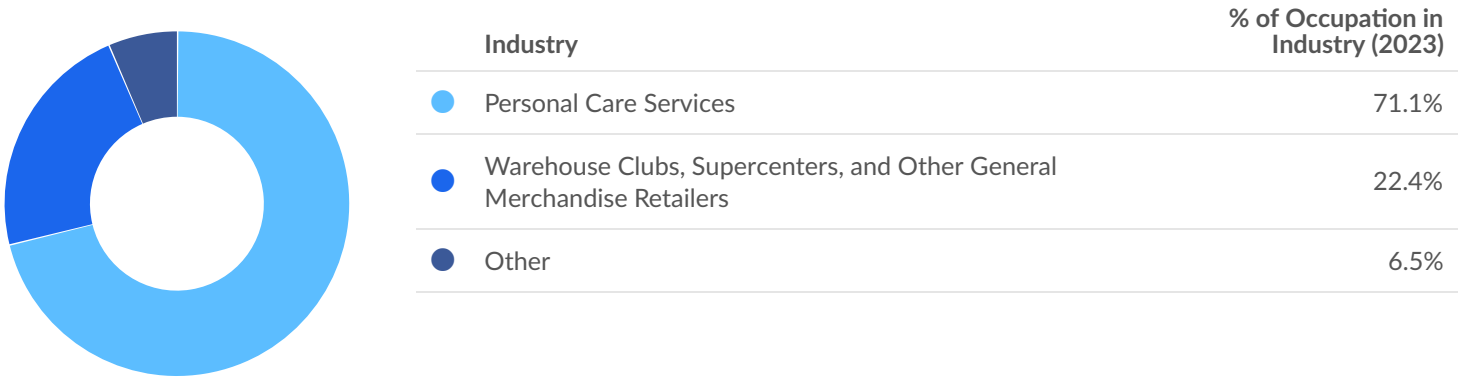
*National average values are derived by taking the national value for Hairdressers, Hairstylists, and Cosmetologists and scaling it down to account for the difference in overall workforce size between the nation and Klamath County, OR. In other words, the values represent the national average adjusted for region size.

Regional Breakdown



ZIP	2023 Jobs
Klamath Falls, OR 97603 (in Klamath county)	12
Klamath Falls, OR 97601 (in Klamath county)	<10
Chiloquin, OR 97624 (in Klamath county)	<10
Klamath Falls, OR 97602 (in Klamath county)	<10
Merrill, OR 97633 (in Klamath county)	<10

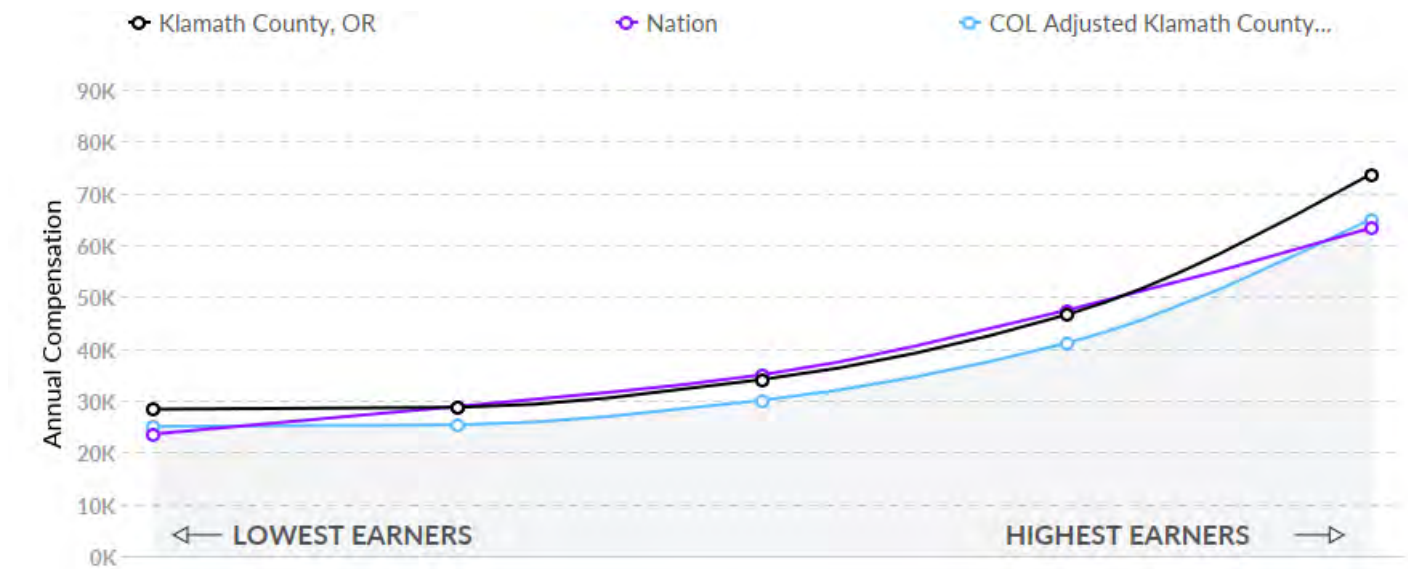
Most Jobs are Found in the Personal Care Services Industry Sector



Compensation

Regional Compensation Is 3% Lower Than National Compensation

For Hairdressers, Hairstylists, and Cosmetologists, the 2023 median wage in Klamath County, OR is \$34,045, while the national median wage is \$34,965.



Job Posting Activity



39 Unique Job Postings

The number of unique postings for this job
from Jan 2023 to Nov 2024.



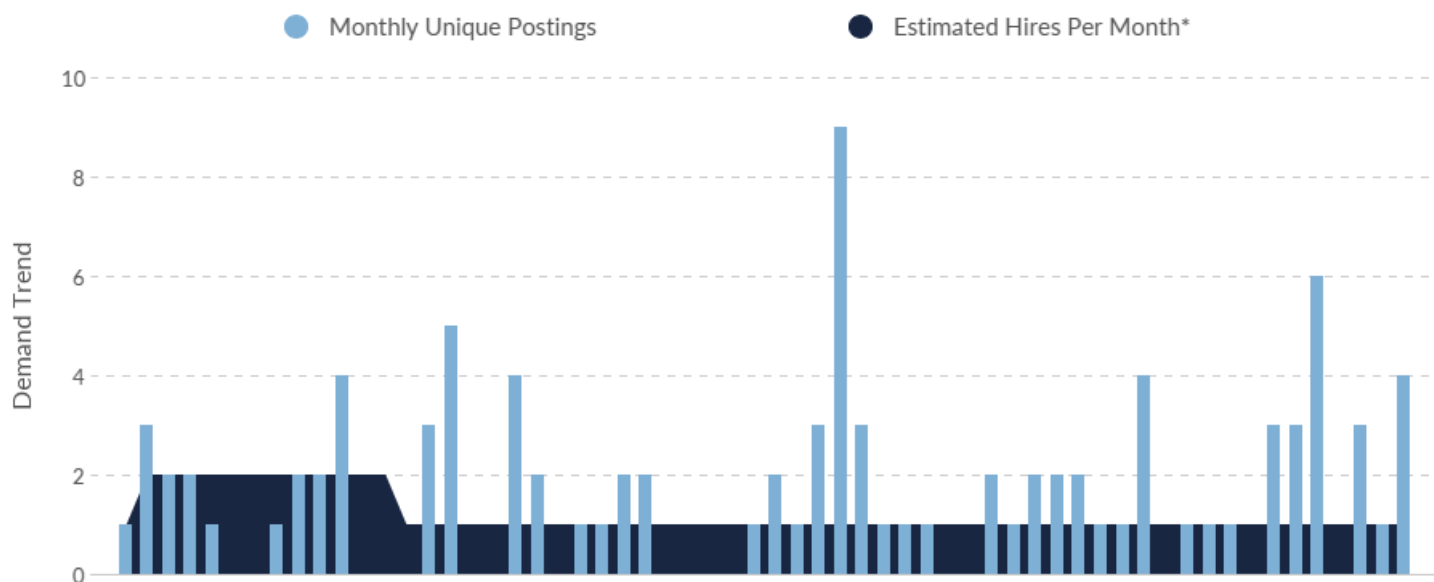
8 Employers Competing

All employers in the region who posted for this job from Jan 2023 to Nov 2024.



28 Day Median Duration

Posting duration is the same as what's typical in the region.



Occupation	Avg Monthly Postings (Jan 2023 - Nov 2024)	Avg Monthly Hires (Jan 2023 - Nov 2024)
Hairdressers, Hairstylists, and Cosmetologists	2	1

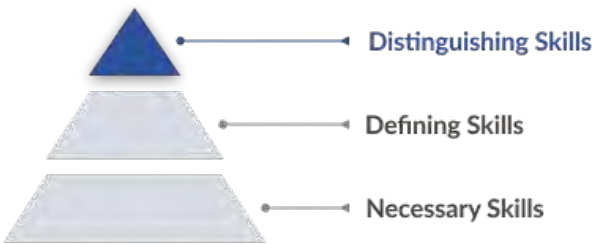
*A hire is reported by the Quarterly Workforce Indicators when an individual's Social Security Number appears on a company's payroll and was not there the quarter before. Lightcast hires are calculated using a combination of Lightcast jobs data, information on separation rates from the Bureau of Labor Statistics (BLS), and industry-based hires data from the Census Bureau.

Top Companies	Unique Postings
Great Clips	15 <div></div>
Regis Corporation	4 <div></div>
SmartStyle	4 <div></div>
City Of Gainesville	3 <div></div>
Jobs For Humanity	2 <div></div>
KAR Global	2 <div></div>
Ulta Beauty	1 <div></div>

Top Job Titles	Unique Postings
Hair Stylists	20 <div></div>
Stylists	11 <div></div>
Cosmetology Instructors	4 <div></div>
Cosmetologists	2 <div></div>
Licensed Hair Stylists	1 <div></div>
Salon Stylists	1 <div></div>

Top Distinguishing Skills by Demand

An occupation's Distinguishing Skills are the advanced skills that are called for occasionally. An employee with these skills is likely more specialized and able to differentiate themselves from others in the same role.



Skill	Salary Boosting	Job Postings Requesting	Projected Growth	Growth Relative to Market
Hairstyling	✓	0	+6.4%	Stable
Hair Coloring	✓	0	+11.1%	Growing

Top Defining Skills by Demand

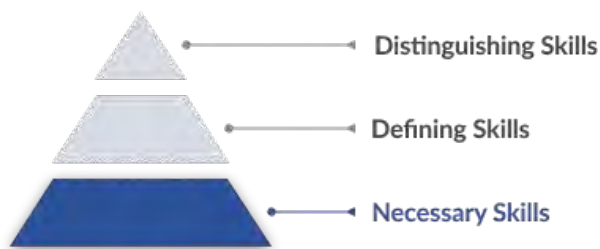
An occupation's Defining Skills represent the day-to-day tasks and responsibilities of the job. An employee needs these skills to qualify for and perform successfully in this occupation.



Skill	Salary Boosting	Job Postings Requesting	Projected Growth	Growth Relative to Market
Cosmetology	✗	34	+12.6%	Growing
Barber License	✗	28	+5.0%	Stable
Ear Piercing	✓	2	+9.1%	Growing
Cosmetics	✓	2	+13.8%	Growing
Professional Hair Care	✗	1	+8.2%	Stable
Cosmetology License	✗	1	-1.9%	Lagging

Top Necessary Skills by Demand

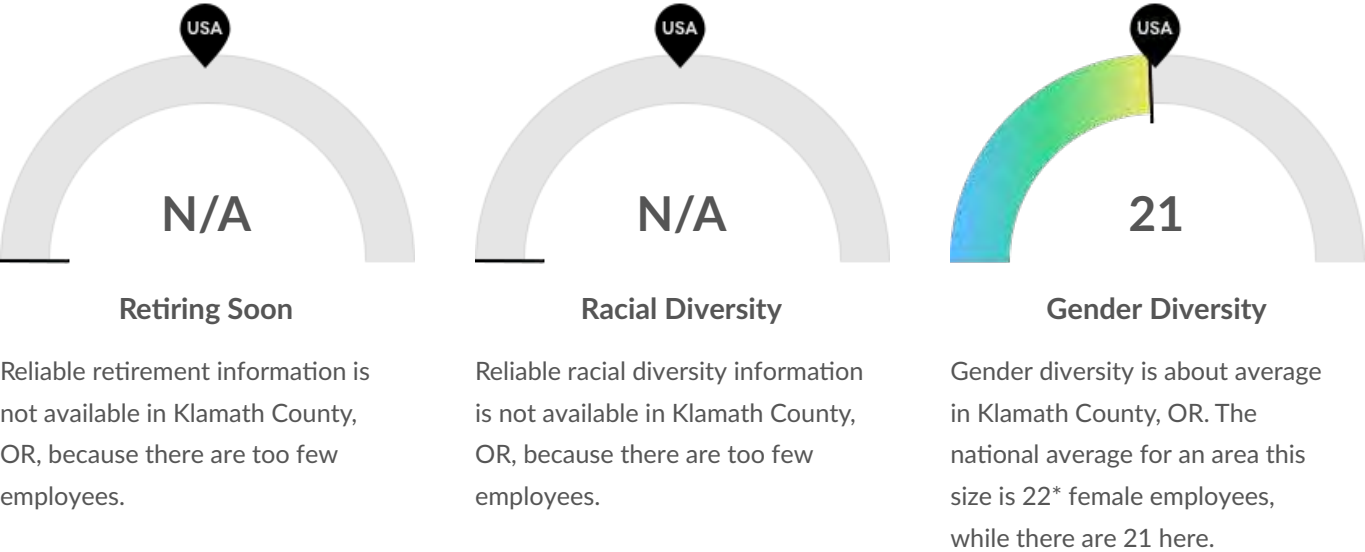
An occupation's Necessary Skills are the specialized skills required for that job and relevant across other similar jobs. An employee needs these skills as building blocks to perform the more complex Defining Skills.



Skill	Salary Boosting	Job Postings Requesting	Projected Growth	Growth Relative to Market
Product Knowledge	✗	0	+17.6%	Growing

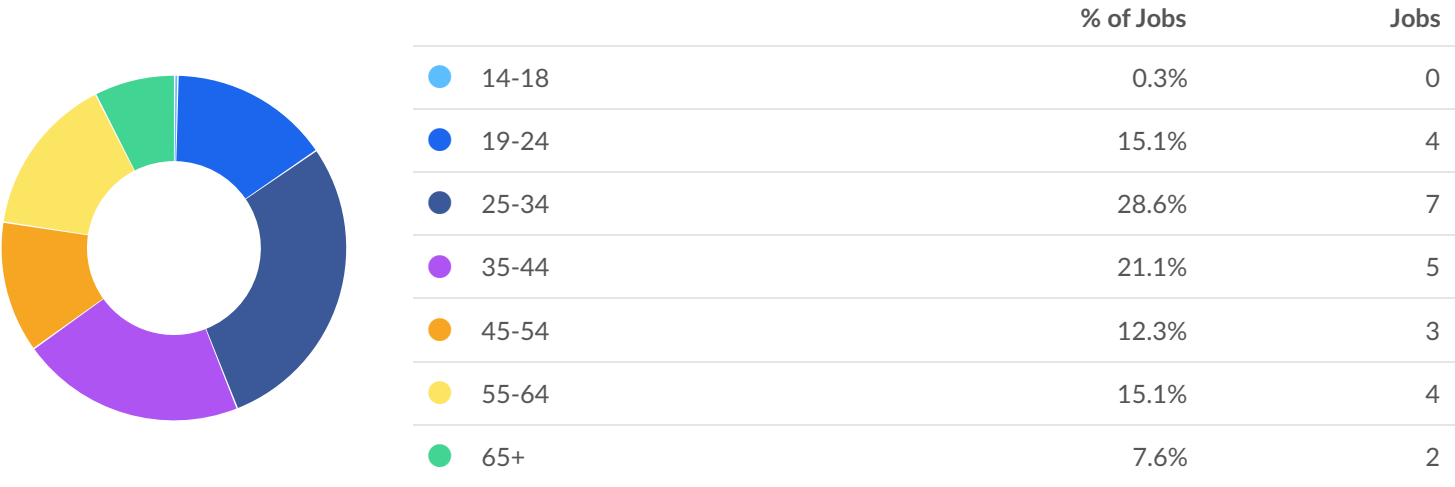
Demographics

Reliable Retirement and Diversity Information Is Not Available

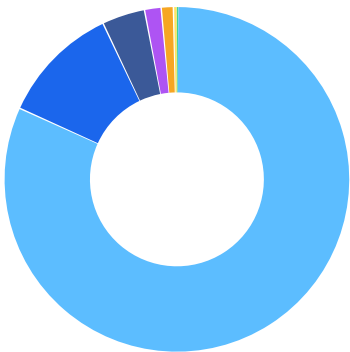


*National average values are derived by taking the national value for Hairdressers, Hairstylists, and Cosmetologists and scaling it down to account for the difference in overall workforce size between the nation and Klamath County, OR. In other words, the values represent the national average adjusted for region size.

Occupation Age Breakdown

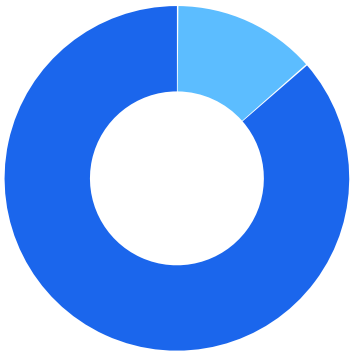


Occupation Race/Ethnicity Breakdown



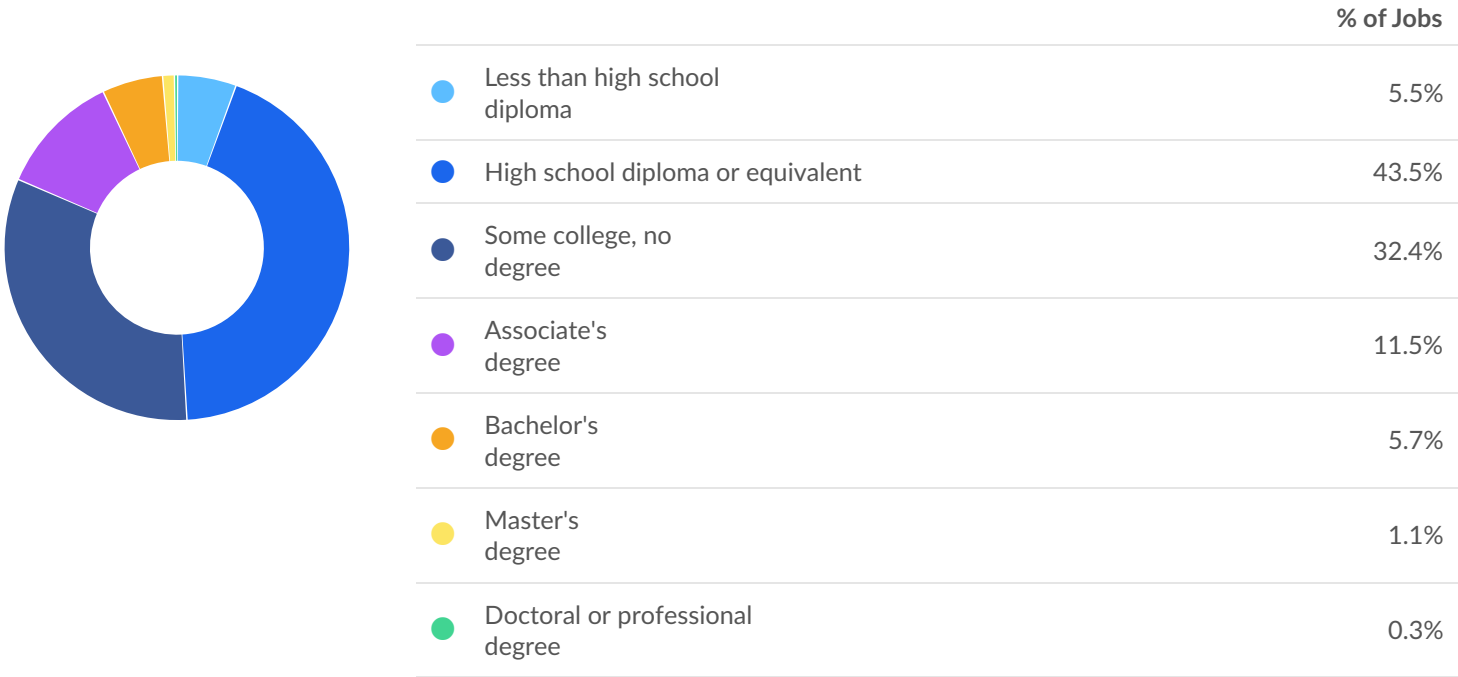
	% of Jobs	Jobs
White	81.7%	20
Hispanic or Latino	11.2%	3
Two or More Races	4.0%	1
American Indian or Alaska Native	1.6%	0
Asian	1.1%	0
Black or African American	0.4%	0
Native Hawaiian or Other Pacific Islander	0.0%	0

Occupation Gender Breakdown



	% of Jobs	Jobs
Males	13.5%	3
Females	86.5%	21

National Educational Attainment



Occupational Programs



3 Programs

Of the programs that can train for this job, 3 have produced completions in the last 5 years.



0 Completions (2023)

The completions from all regional institutions for all degree types.



4 Openings (2023)

The average number of openings for an occupation in the region is 5.

Not enough data to show the Top Programs section.

Not enough data to show the Top Schools section.

Appendix A

Hairdressers, Hairstylists, and Cosmetologists (SOC 39-5012):

Provide beauty services, such as cutting, coloring, and styling hair, and massaging and treating scalp. May shampoo hair, apply makeup, dress wigs, remove hair, and provide nail and skincare services. Excludes Makeup Artists, Theatrical and Performance (39-5091), Manicurists and Pedicurists (39-5092), and Skincare Specialists (39-5094).

Sample of Reported Job Titles:

Hair Stylist
Stylist
Cosmetologist
Hair Designer
Beautician
Hair Dresser
Hairdresser
Hairstylist
Wig Dresser
Mortuary Beautician

Related O*NET Occupation:

Hairdressers, Hairstylists, and Cosmetologists (39-5012.00)

Appendix B - Data Sources and Calculations

Location Quotient

Location quotient (LQ) is a way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region unique in comparison to the national average.

Occupation Data

Emsi occupation employment data are based on final Emsi industry data and final Emsi staffing patterns. Wage estimates are based on Occupational Employment Statistics (QCEW and Non-QCEW Employees classes of worker) and the American Community Survey (Self-Employed and Extended Proprietors). Occupational wage estimates are also affected by county-level Emsi earnings by industry.

Staffing Patterns Data

The staffing pattern data in this report are compiled from several sources using a specialized process. For QCEW and Non-QCEW Employees classes of worker, sources include Occupational Employment Statistics, the National Industry-Occupation Employment Matrix, and the American Community Survey. For the Self-Employed and Extended Proprietors classes of worker, the primary source is the American Community Survey, with a small amount of information from Occupational Employment Statistics.

Cost of Living Data

Lightcast's cost of living data is based on the Cost of Living Index published by the Council for Community and Economic Research (C2ER).

Lightcast Job Postings

Job postings are collected from various sources and processed/enriched to provide information such as standardized company name, occupation, skills, and geography.

Institution Data

The institution data in this report is taken directly from the national IPEDS database published by the U.S. Department of Education's National Center for Education Statistics.

Personal Service Managers in Klamath County, OR

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What is Lightcast Data?

Lightcast data is a hybrid dataset derived from official government sources such as the US Census Bureau, Bureau of Economic Analysis, and Bureau of Labor Statistics. Leveraging the unique strengths of each source, our data modeling team creates an authoritative dataset that captures more than 99% of all workers in the United States. This core offering is then enriched with data from online social profiles, resumés, and job postings to give you a complete view of the workforce.

Lightcast data is frequently cited in major publications such as *The Atlantic*, *Forbes*, *Harvard Business Review*, *The New York Times*, *The Wall Street Journal*, and *USA Today*.



Report Parameters

1 Occupation

11-9170 Personal Service Managers

1 County

41035 Klamath County, OR

Class of Worker

QCEW Employees

The information in this report pertains to the chosen occupation and geographical area.

Executive Summary

There Is No Viable Supply of Regional Talent



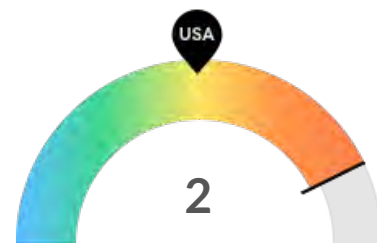
Jobs (2023)

Klamath County, OR is not a hotspot for this kind of job. There are no employees here.



Compensation

Reliable compensation information is not available in Klamath County, OR because there are too few jobs.



Job Posting Demand

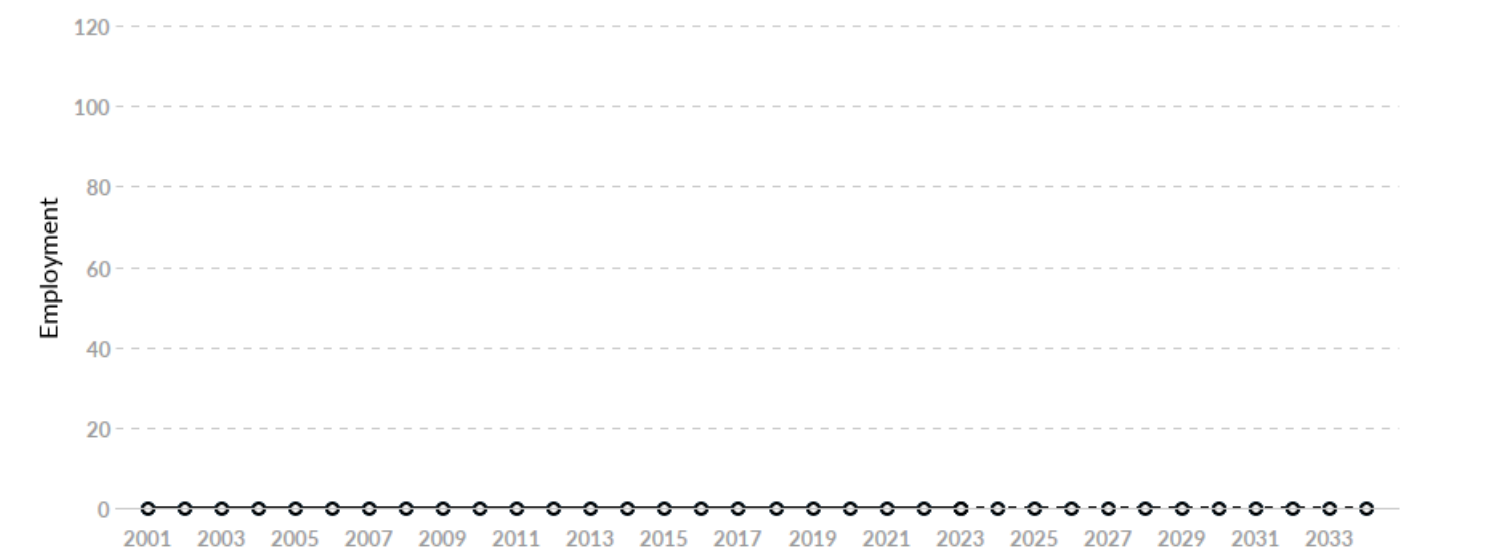
Job posting activity is high in Klamath County, OR. The national average for an area this size is 1* job posting/mo, while there are 2 here.

*National average values are derived by taking the national value for Personal Service Managers and scaling it down to account for the difference in overall workforce size between the nation and Klamath County, OR. In other words, the values represent the national average adjusted for region size.

Jobs

There is No Viable Supply of Regional Employment

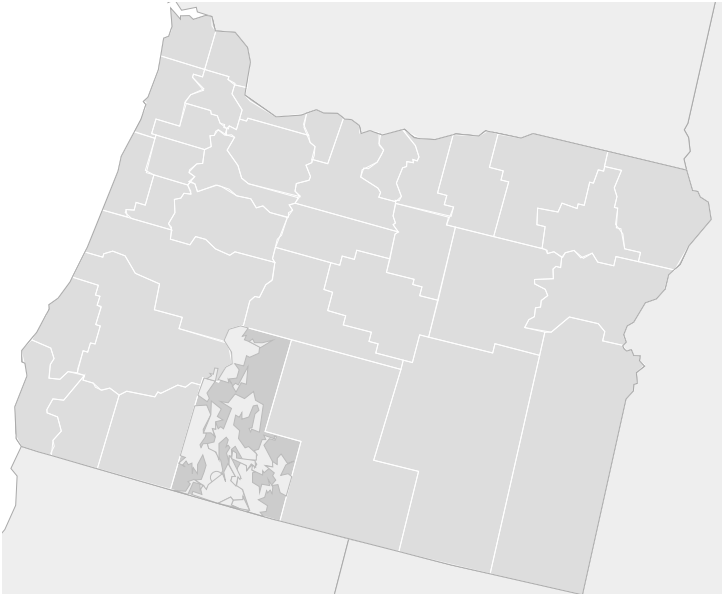
In this case, both the regional employment and the national average employment are less than 10*. Numbers this low are due to selecting a highly niche occupation or a very small geographical area. Try expanding your search to include larger occupations or geographies.



	Region	2023 Jobs	2024 Jobs	Change	% Change
●	Klamath County, OR	0	0	0	0.0%
●	National Average	0	0	0	0.0%

*National average values are derived by taking the national value for Personal Service Managers and scaling it down to account for the difference in overall workforce size between the nation and Klamath County, OR. In other words, the values represent the national average adjusted for region size.

Regional Breakdown



ZIP	2023 Jobs
Klamath Falls, OR 97601 (in Klamath county)	0
Klamath Falls, OR 97602 (in Klamath county)	0
Klamath Falls, OR 97603 (in Klamath county)	0
Crater Lake, OR 97604 (in Klamath county)	0
Beatty, OR 97621 (in Klamath county)	0

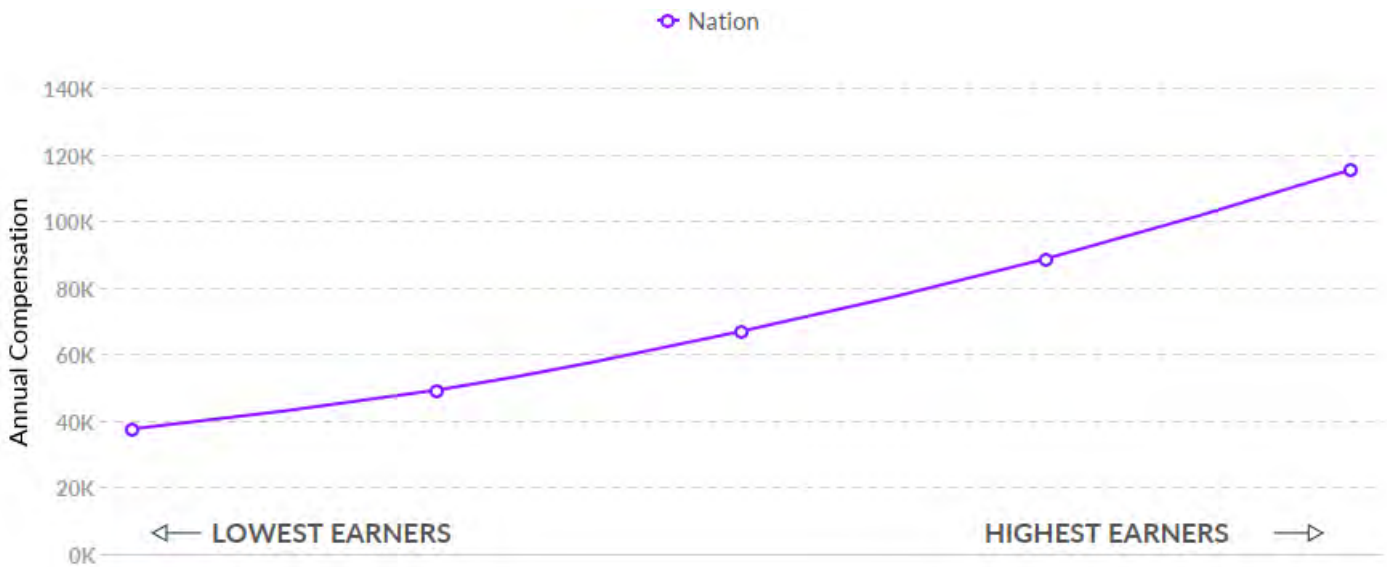
Occupation Staffing Patterns by Industry Sector

Not enough data for this chart.

Compensation

Regional Compensation Is Unavailable

Reliable compensation information is not available in Klamath County, OR, because there are too few employees. In 2023, the national wage for Personal Service Managers is \$66,844.



Job Posting Activity



37 Unique Job Postings

The number of unique postings for this job from Jan 2023 to Nov 2024.



4 Employers Competing

All employers in the region who posted for this job from Jan 2023 to Nov 2024.



47 Day Median Duration

Posting duration is 19 days longer than what's typical in the region.

Top Companies	Unique Postings
Great Clips	26 <div></div>
SmartStyle	5 <div></div>
Regis Corporation	3 <div></div>
Sports Clips	3 <div></div>

Top Job Titles	Unique Postings
Salon Managers	21 <div></div>
Assistant Salon Managers	15 <div></div>
Salon Coordinators	1 <div></div>

Top Distinguishing Skills by Demand

Not enough data to display Distinguishing Skills for this occupation.

Top Defining Skills by Demand

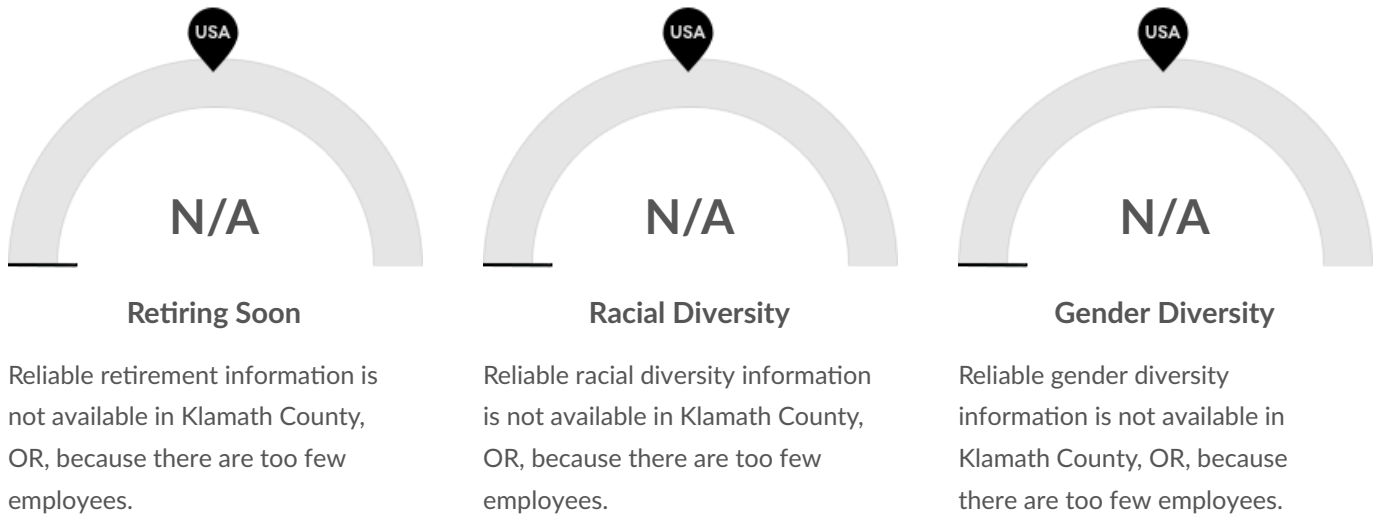
Not enough data to display Defining Skills for this occupation.

Top Necessary Skills by Demand

Not enough data to display Necessary Skills for this occupation.

Demographics

Reliable Retirement and Diversity Information Is Not Available



Occupation Age Breakdown

Not enough data for this chart.

Occupation Race/Ethnicity Breakdown

Not enough data for this chart.

Occupation Gender Breakdown

Not enough data for this chart.

Occupational Programs



1 Program

Of the programs that can train for this job, 1 has produced completions in the last 5 years.



13 Completions (2023)

The completions from all regional institutions for all degree types.



0 Openings (2023)

The average number of openings for an occupation in the region is 5.

CIP Code	Top Programs	Completions (2023)
52.9999	Business, Management, Marketing, and Related Support Ser...	13 <div></div>

Top Schools	Completions (2023)
Oregon Institute of Technology	13 <div></div>

Appendix A

Personal Service Managers in Klamath County, OR

Appendix B - Data Sources and Calculations

Location Quotient

Location quotient (LQ) is a way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region unique in comparison to the national average.

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Emsi occupation employment data are based on final Emsi industry data and final Emsi staffing patterns. Wage estimates are based on Occupational Employment Statistics (QCEW and Non-QCEW Employees classes of worker) and the American Community Survey (Self-Employed and Extended Proprietors). Occupational wage estimates are also affected by county-level Emsi earnings by industry.

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Lightcast's cost of living data is based on the Cost of Living Index published by the Council for Community and Economic Research (C2ER).

Lightcast Job Postings

Job postings are collected from various sources and processed/enriched to provide information such as standardized company name, occupation, skills, and geography.

Institution Data

The institution data in this report is taken directly from the national IPEDS database published by the U.S. Department of Education's National Center for Education Statistics.

Salon Managers* in Oregon

*Job titles used in government data sources are slightly different from the one you've chosen. This report uses data from the closest matching official classifications (listed below) as a proxy for Salon Managers data.

Personal Service Managers, All Other

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Occupational Programs	14
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What is Lightcast Data?

Lightcast data is a hybrid dataset derived from official government sources such as the US Census Bureau, Bureau of Economic Analysis, and Bureau of Labor Statistics. Leveraging the unique strengths of each source, our data modeling team creates an authoritative dataset that captures more than 99% of all workers in the United States. This core offering is then enriched with data from online social profiles, resums, and job postings to give you a complete view of the workforce.

Lightcast data is frequently cited in major publications such as *The Atlantic*, *Forbes*, *Harvard Business Review*, *The New York Times*, *The Wall Street Journal*, and *USA Today*.



Report Parameters

1 Occupation

Personal Service Managers, All Other

1 State

41 Oregon

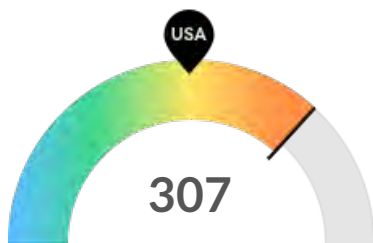
Class of Worker

QCEW Employees

The information in this report pertains to the chosen occupation and geographical area.

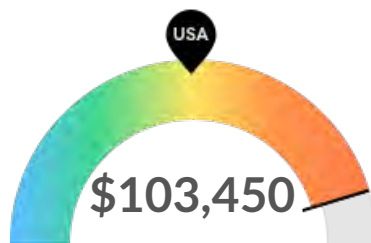
Executive Summary

Aggressive Job Posting Demand Over a Deep Supply of Regional Jobs



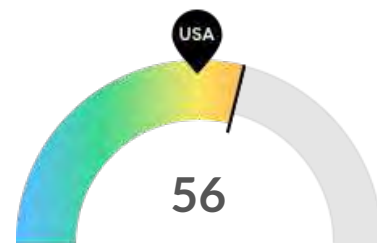
Jobs (2023)

Oregon is a hotspot for this kind of job. The national average for an area this size is 160* employees, while there are 307 here.



Compensation

Earnings are high in Oregon. The national median salary for Salon Managers is \$57,574, compared to \$103,450 here.



Job Posting Demand

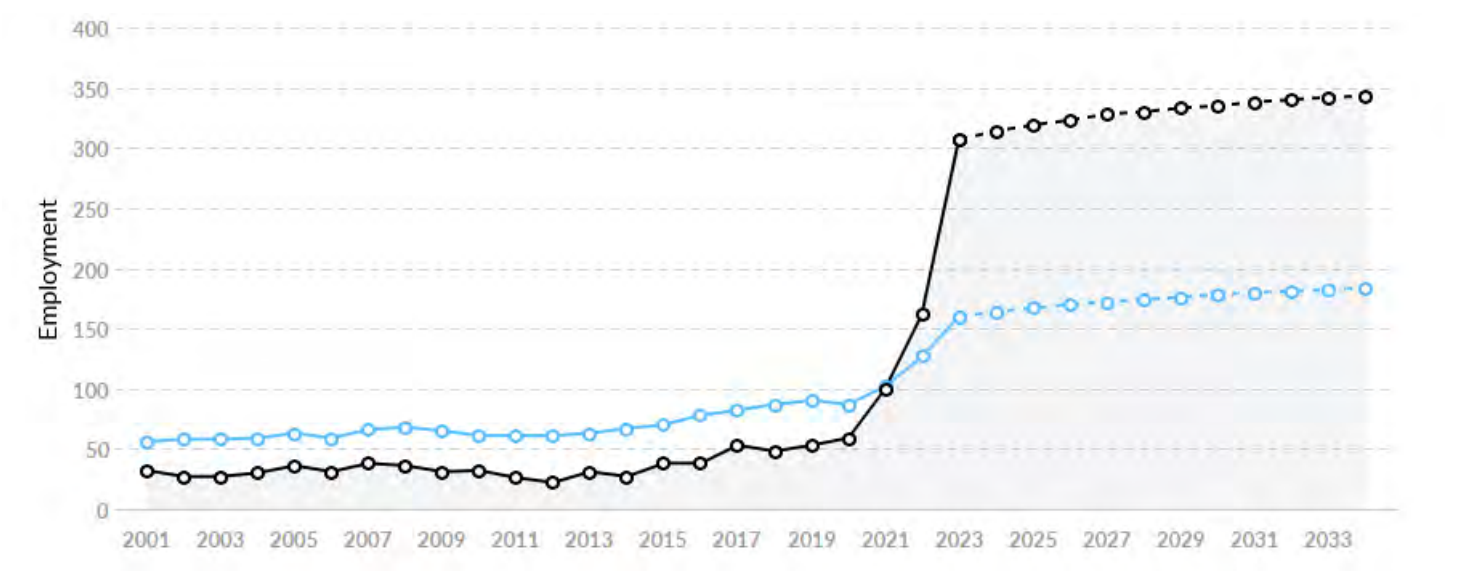
Job posting activity is high in Oregon. The national average for an area this size is 45* job postings/mo, while there are 56 here.

*National average values are derived by taking the national value for Salon Managers and scaling it down to account for the difference in overall workforce size between the nation and Oregon. In other words, the values represent the national average adjusted for region size.

Jobs

Regional Employment Is Higher Than the National Average

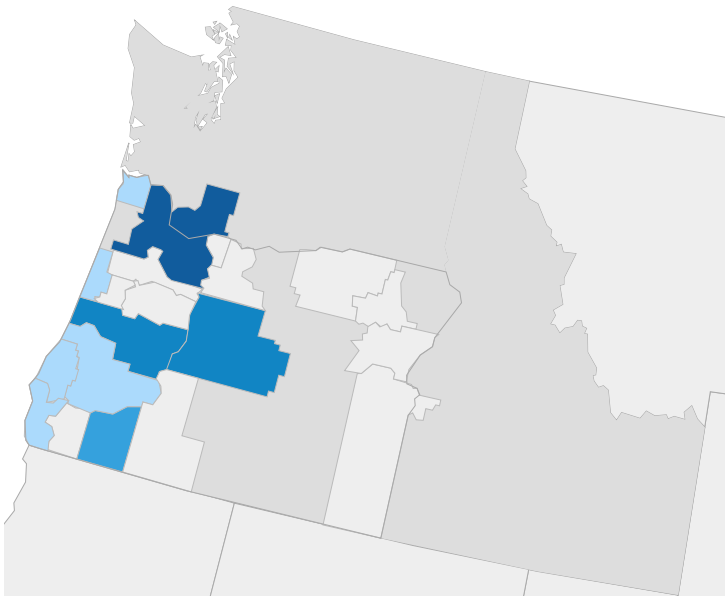
An average area of this size typically has 160* jobs, while there are 307 here. This higher than average supply of jobs may make it easier for workers in this field to find employment in your area.



	Region	2023 Jobs	2024 Jobs	Change	% Change
●	Oregon	307	314	7	2.3%
●	National Average	160	164	4	2.4%

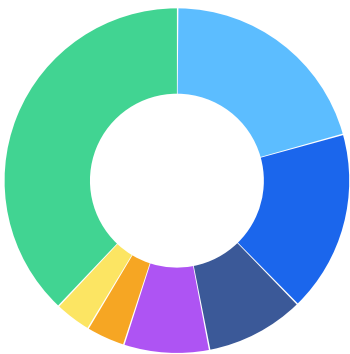
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Regional Breakdown



MSA	2023 Jobs
Portland-Vancouver-Hillsboro, OR-WA	302
Eugene-Springfield, OR	<10
Bend, OR	<10
Medford, OR	<10
Newport, OR	<10

Most Jobs are Found in the Other Amusement and Recreation Industries Industry Sector

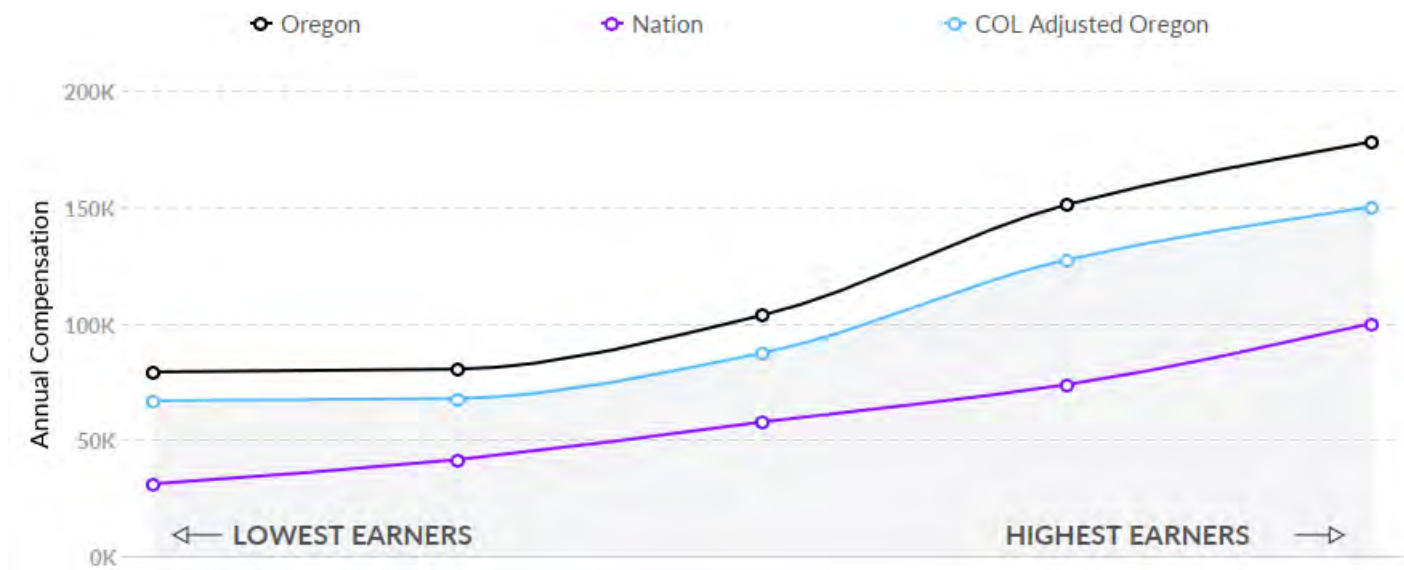


Industry	% of Occupation in Industry (2023)
Other Amusement and Recreation Industries	20.6%
Personal Care Services	17.0%
Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	9.3%
Traveler Accommodation	8.0%
Local Government, Excluding Education and Hospitals	3.6%
Other Personal Services	3.4%
Other	38.0%

Compensation

Regional Compensation Is 80% Higher Than National Compensation

For Salon Managers, the 2023 median wage in Oregon is \$103,450, while the national median wage is \$57,574.



Job Posting Activity



1,279 Unique Job Postings

The number of unique postings for this job
from Jan 2023 to Nov 2024.



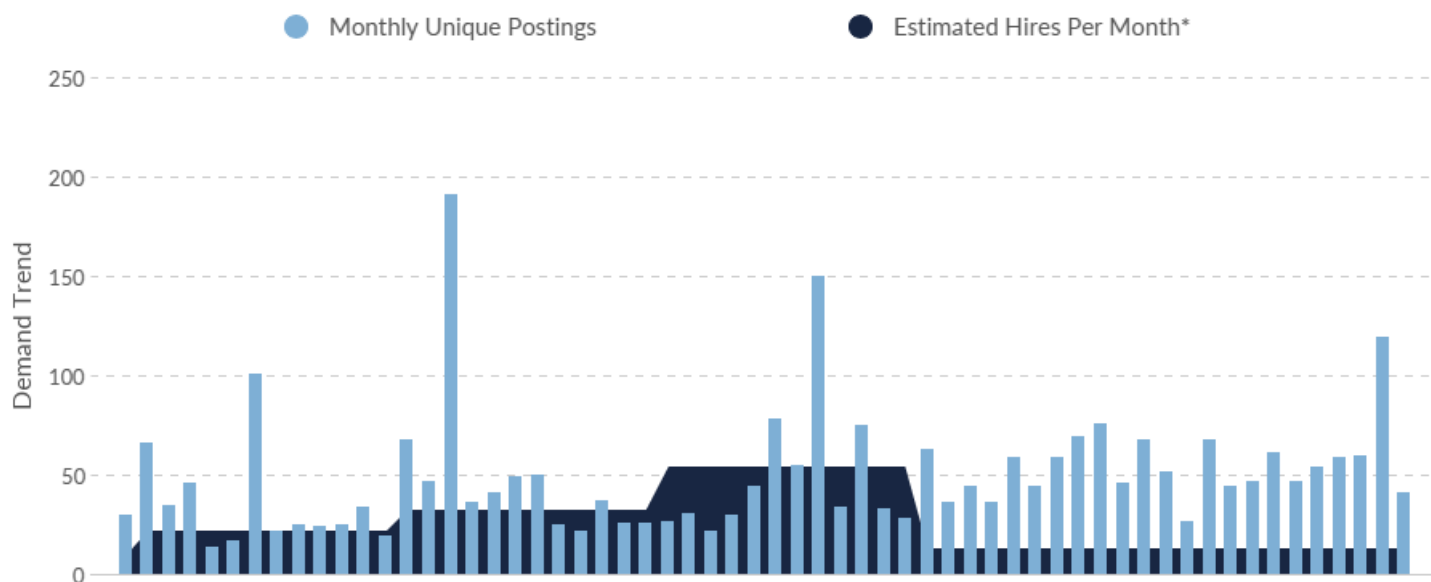
158 Employers Competing

All employers in the region who posted for this job from Jan 2023 to Nov 2024.



29 Day Median Duration

Posting duration is 2 days longer than what's typical in the region.



Occupation	Avg Monthly Postings (Jan 2023 - Nov 2024)	Avg Monthly Hires (Jan 2023 - Nov 2024)
Personal Service Managers, All Other	56	13

*A hire is reported by the Quarterly Workforce Indicators when an individual's Social Security Number appears on a company's payroll and was not there the quarter before. Lightcast hires are calculated using a combination of Lightcast jobs data, information on separation rates from the Bureau of Labor Statistics (BLS), and industry-based hires data from the Census Bureau.

Top Companies	Unique Postings	Top Job Titles	Unique Postings
Great Clips	615 <div></div>	Salon Managers	415 <div></div>
Regis Corporation	72 <div></div>	Assistant Salon Managers	368 <div></div>
Supercuts	40 <div></div>	Wellness Directors	50 <div></div>
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McMenamins	10 <div></div>	Fitness Managers	15 <div></div>
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Top Distinguishing Skills by Demand

Not enough data to display Distinguishing Skills for this occupation.

Top Defining Skills by Demand

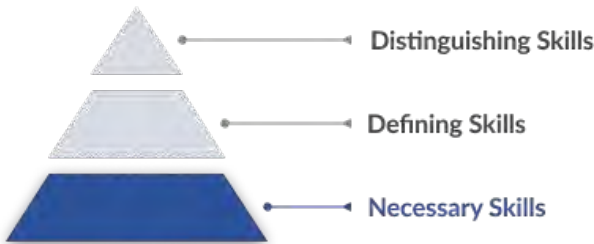
An occupation's Defining Skills represent the day-to-day tasks and responsibilities of the job. An employee needs these skills to qualify for and perform successfully in this occupation.



Skill	Salary Boosting	Job Postings Requesting	Projected Growth	Growth Relative to Market
Cosmetology	<div></div>	452	+12.6%	Growing
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Professional Hair Care	<div></div>	113	+8.2%	Stable

Top Necessary Skills by Demand

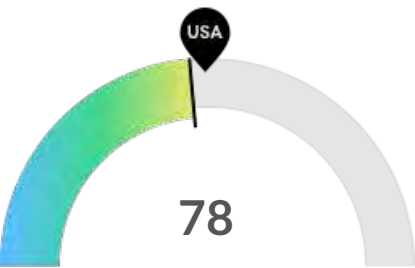
An occupation's Necessary Skills are the specialized skills required for that job and relevant across other similar jobs. An employee needs these skills as building blocks to perform the more complex Defining Skills.



Skill	Salary Boosting	Job Postings Requesting	Projected Growth	Growth Relative to Market
Marketing	×	105	+23.0%	Rapidly Growing
Cardiopulmonary Resuscitation (CPR) Certification	×	49	+14.8%	Growing
General Mathematics	×	14	+14.8%	Growing

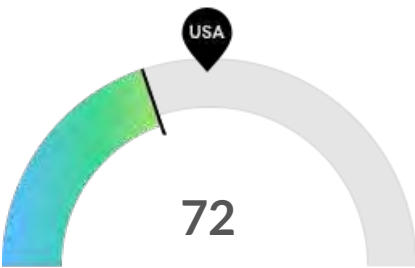
Demographics

Retirement Risk Is About Average, While Overall Diversity Is Low



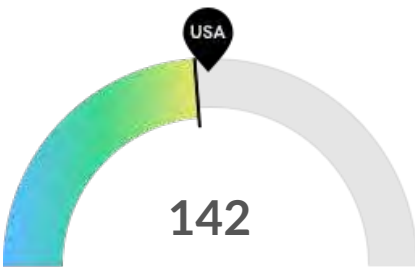
Retiring Soon

Retirement risk is about average in Oregon. The national average for an area this size is 85* employees 55 or older, while there are 78 here.



Racial Diversity

Racial diversity is low in Oregon. The national average for an area this size is 100* racially diverse employees, while there are 72 here.

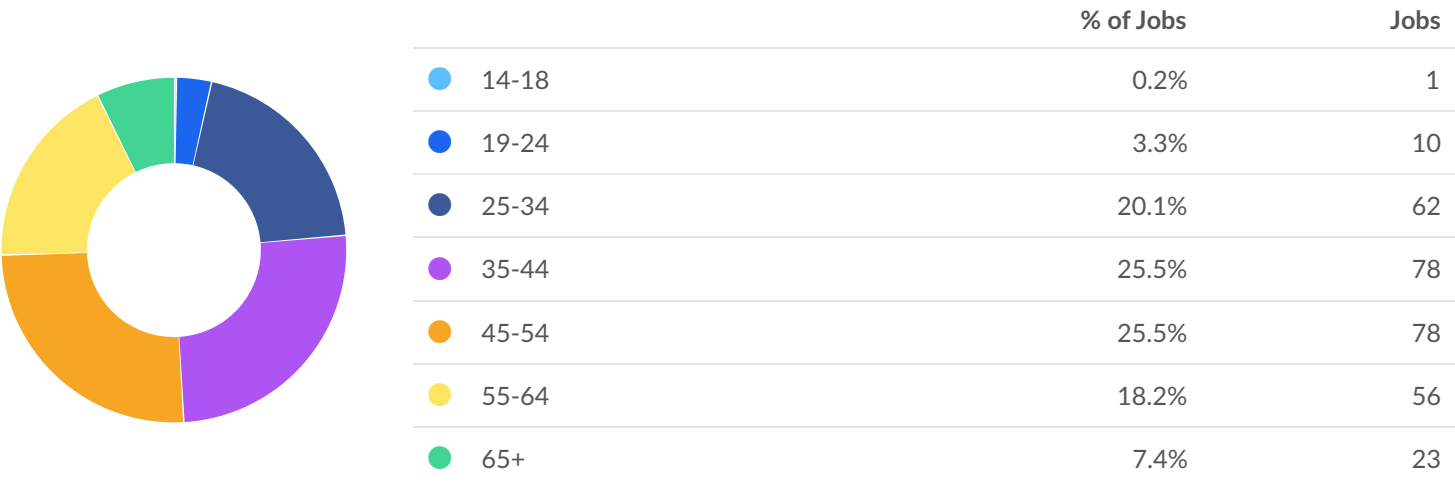


Gender Diversity

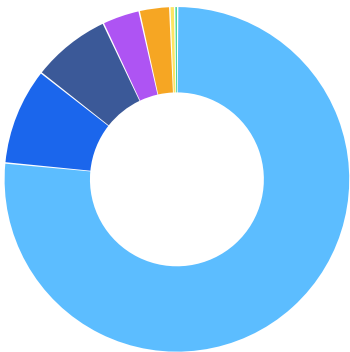
Gender diversity is about average in Oregon. The national average for an area this size is 152* female employees, while there are 142 here.

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Occupation Age Breakdown

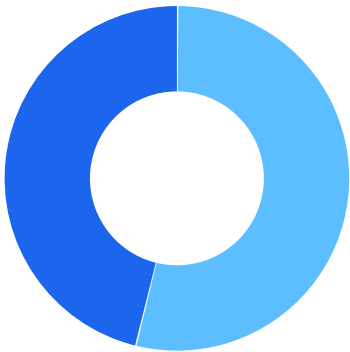


Occupation Race/Ethnicity Breakdown



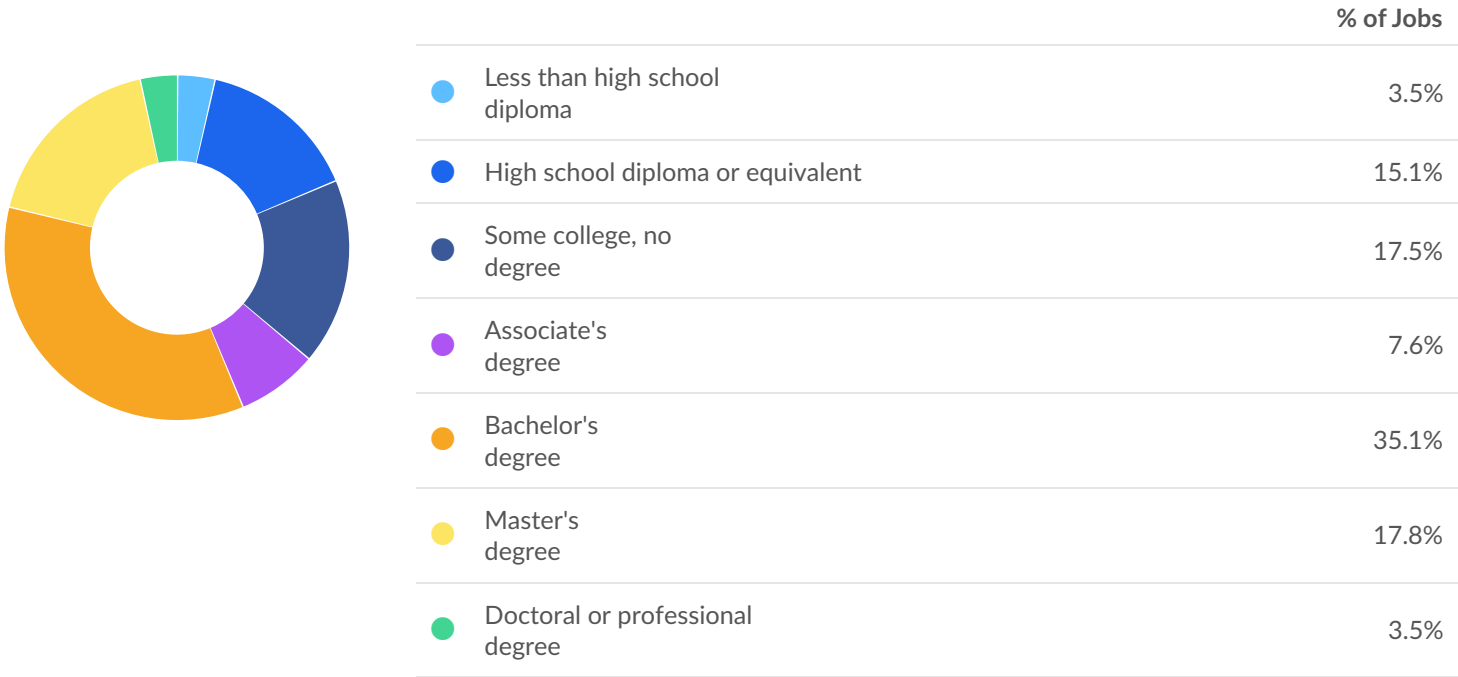
	% of Jobs	Jobs
White	76.5%	235
Hispanic or Latino	9.1%	28
Asian	7.4%	23
Two or More Races	3.5%	11
Black or African American	2.9%	9
American Indian or Alaska Native	0.4%	1
Native Hawaiian or Other Pacific Islander	0.3%	1

Occupation Gender Breakdown



	% of Jobs	Jobs
Males	53.8%	165
Females	46.2%	142

National Educational Attainment



Occupational Programs



6 Programs

Of the programs that can train for this job, 6 have produced completions in the last 5 years.



761 Completions (2023)

The completions from all regional institutions for all degree types.



29 Openings (2023)

The average number of openings for an occupation in the region is 329.

CIP Code	Top Programs	Completions (2023)
52.0801	Finance, General	283 <div></div>
30.9999	Multi-/Interdisciplinary Studies, Other	262 <div></div>
52.9999	Business, Management, Marketing, and Related Support Ser...	101 <div></div>
52.0305	Accounting and Business/Management	73 <div></div>
42.2899	Clinical, Counseling and Applied Psychology, Other	42 <div></div>

Top Schools	Completions (2023)
Portland State University	277 <div></div>
Oregon State University	162 <div></div>
Western Oregon University	84 <div></div>
Mt Hood Community College	61 <div></div>
Bushnell University	42 <div></div>
University of Portland	33 <div></div>
George Fox University	17 <div></div>
Reed College	16 <div></div>
Southern Oregon University	15 <div></div>
Multnomah University	13 <div></div>

Appendix A

Personal Service Managers, All Other (SOC 11-9179):

All personal service managers not listed separately. Excludes Financial Specialists (13-2000). Daycare Managers are included in Education and Childcare Administrators, Preschool and Daycare (11-9031).

Sample of Reported Job Titles:

Travel Agency Manager
Wellness Director
Fitness Coordinator
Fitness and Wellness Coordinator
Spa Manager
Spa Director
Spa Supervisor

Related O*NET Occupations:

Personal Service Managers, All Other (11-9179.00)
Fitness and Wellness Coordinators (11-9179.01)
Spa Managers (11-9179.02)

Appendix B - Data Sources and Calculations

Location Quotient

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Personal Service Managers, All Other in Oregon

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11-9179 Personal Service Managers, All Other

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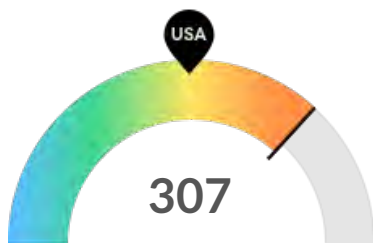
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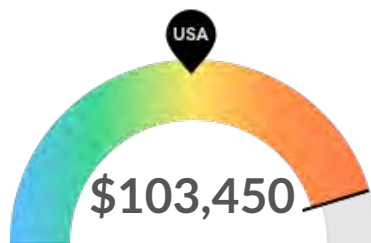
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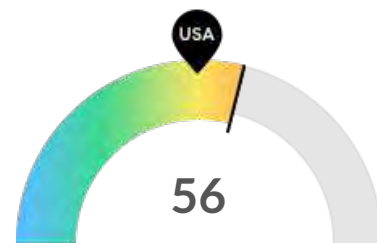
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Job Posting Demand

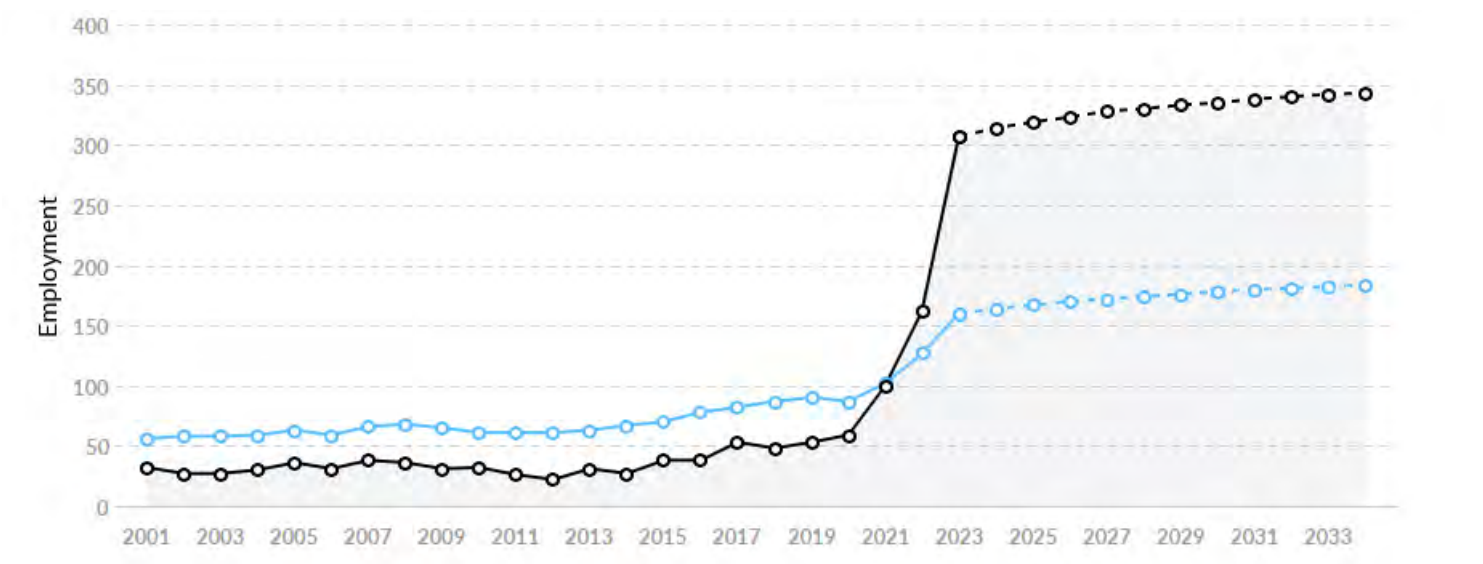
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Jobs

Regional Employment Is Higher Than the National Average

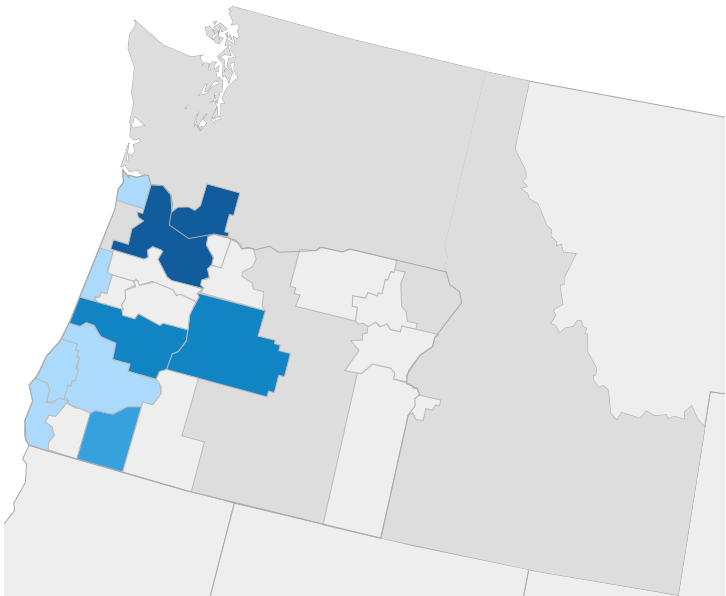
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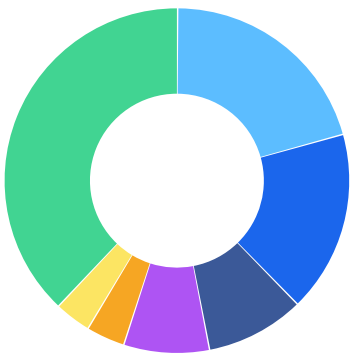
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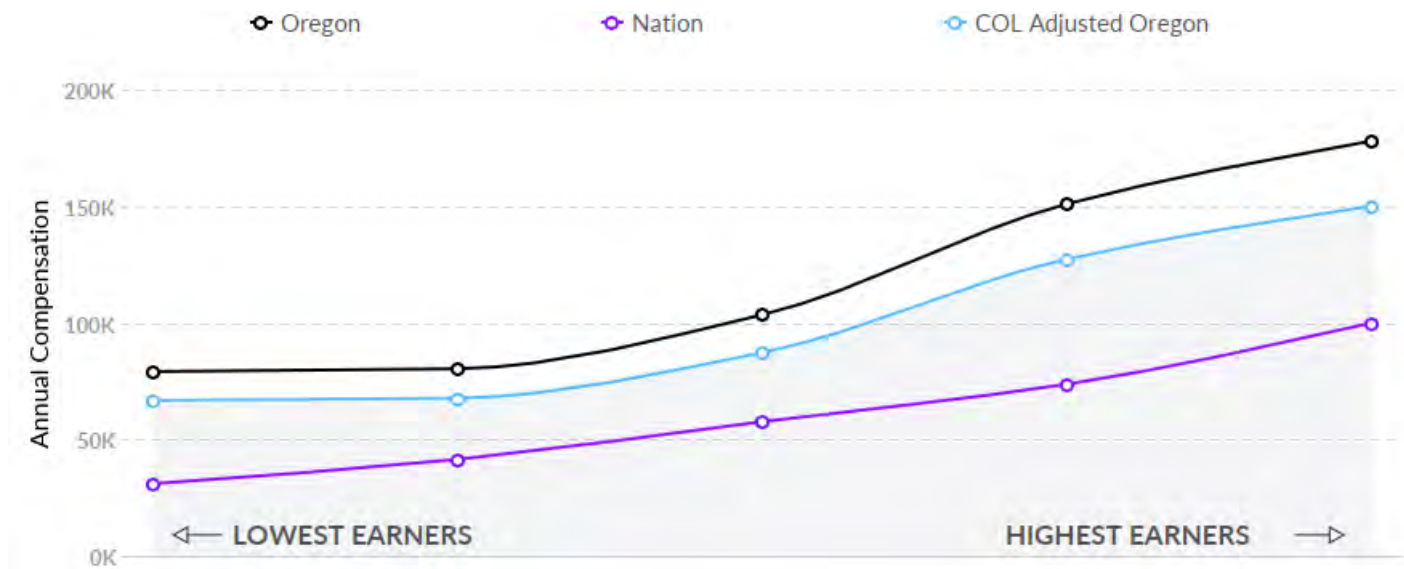


Industry	% of Occupation in Industry (2023)
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Compensation

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Job Posting Activity



1,279 Unique Job Postings

The number of unique postings for this job from Jan 2023 to Nov 2024.



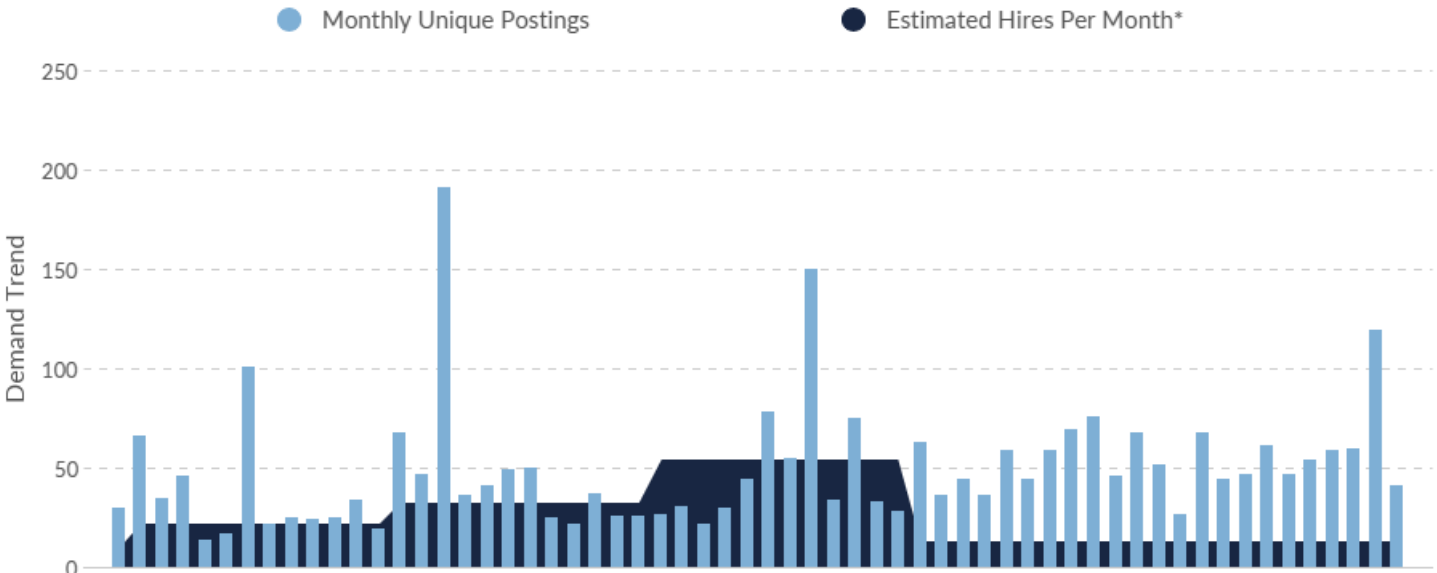
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Top Distinguishing Skills by Demand

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Top Defining Skills by Demand

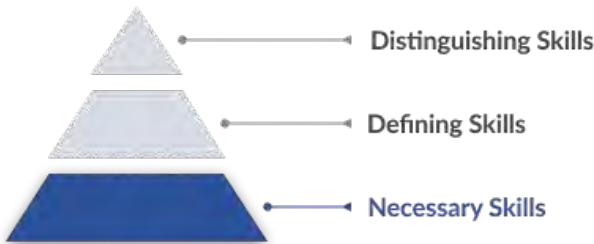
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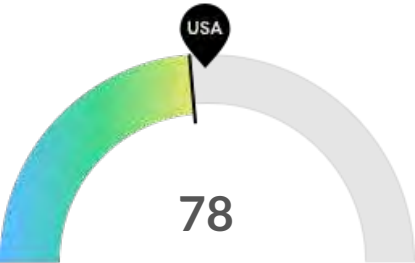
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Cardiopulmonary Resuscitation (CPR) Certification	×	49	+14.8%	Growing
General Mathematics	×	14	+14.8%	Growing

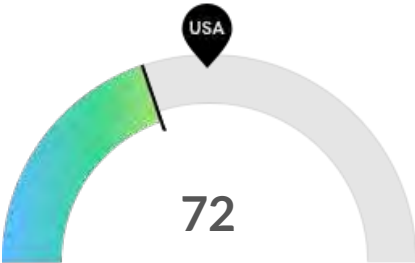
Demographics

Retirement Risk Is About Average, While Overall Diversity Is Low



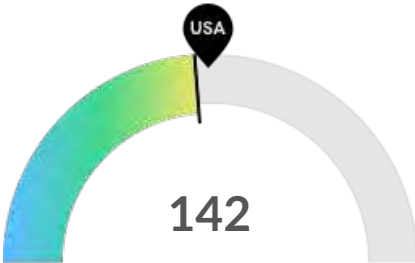
Retiring Soon

Retirement risk is about average in Oregon. The national average for an area this size is 85* employees 55 or older, while there are 78 here.



Racial Diversity

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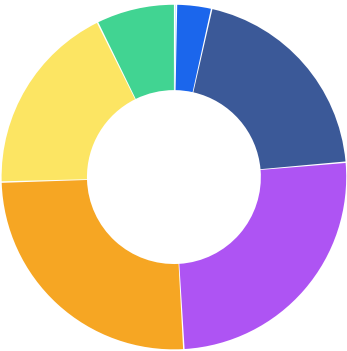


Gender Diversity

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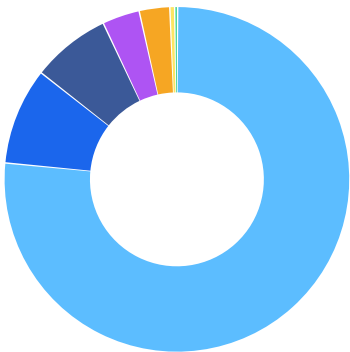
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Occupation Age Breakdown



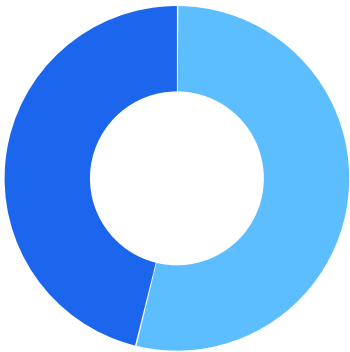
	% of Jobs	Jobs
14-18	0.2%	1
19-24	3.3%	10
25-34	20.1%	62
35-44	25.5%	78
45-54	25.5%	78
55-64	18.2%	56
65+	7.4%	23

Occupation Race/Ethnicity Breakdown



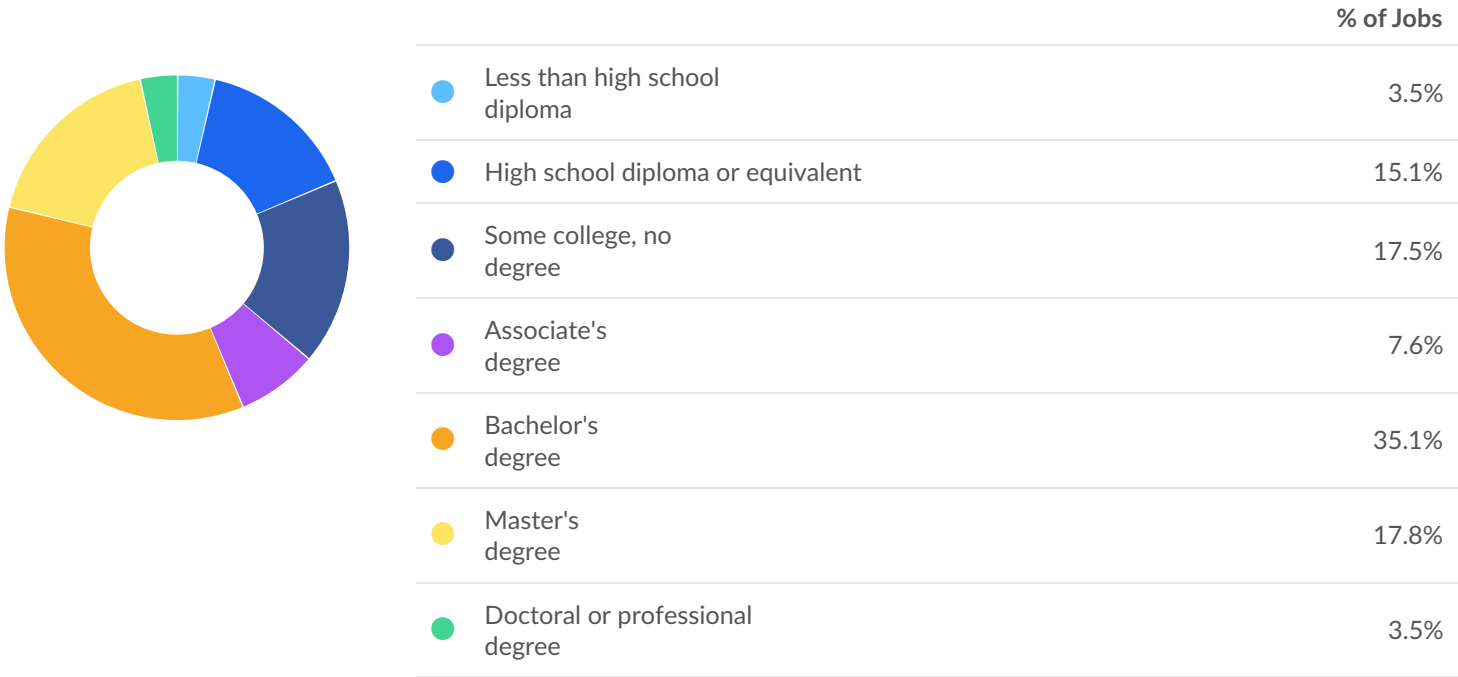
	% of Jobs	Jobs
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Hispanic or Latino	9.1%	28
Asian	7.4%	23
Two or More Races	3.5%	11
Black or African American	2.9%	9
American Indian or Alaska Native	0.4%	1
Native Hawaiian or Other Pacific Islander	0.3%	1

Occupation Gender Breakdown



	% of Jobs	Jobs
Males	53.8%	165
Females	46.2%	142

National Educational Attainment



Occupational Programs



6 Programs

Of the programs that can train for this job, 6 have produced completions in the last 5 years.



761 Completions (2023)

The completions from all regional institutions for all degree types.



29 Openings (2023)

The average number of openings for an occupation in the region is 329.

CIP Code	Top Programs	Completions (2023)	
52.0801	Finance, General	283	<div></div>
30.9999	Multi-/Interdisciplinary Studies, Other	262	<div></div>
52.9999	Business, Management, Marketing, and Related Support Ser...	101	<div></div>
52.0305	Accounting and Business/Management	73	<div></div>
42.2899	Clinical, Counseling and Applied Psychology, Other	42	<div></div>

Top Schools	Completions (2023)	
Portland State University	277	<div></div>
Oregon State University	162	<div></div>
Western Oregon University	84	<div></div>
Mt Hood Community College	61	<div></div>
Bushnell University	42	<div></div>
University of Portland	33	<div></div>
George Fox University	17	<div></div>
Reed College	16	<div></div>
Southern Oregon University	15	<div></div>
Multnomah University	13	<div></div>

Appendix A

Personal Service Managers, All Other (SOC 11-9179):

All personal service managers not listed separately. Excludes Financial Specialists (13-2000). Daycare Managers are included in Education and Childcare Administrators, Preschool and Daycare (11-9031).

Sample of Reported Job Titles:

Travel Agency Manager
Wellness Director
Fitness Coordinator
Fitness and Wellness Coordinator
Spa Manager
Spa Director
Spa Supervisor

Related O*NET Occupations:

Personal Service Managers, All Other (11-9179.00)
Fitness and Wellness Coordinators (11-9179.01)
Spa Managers (11-9179.02)

Appendix B - Data Sources and Calculations

Location Quotient

Location quotient (LQ) is a way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region unique in comparison to the national average.

Occupation Data

Emsi occupation employment data are based on final Emsi industry data and final Emsi staffing patterns. Wage estimates are based on Occupational Employment Statistics (QCEW and Non-QCEW Employees classes of worker) and the American Community Survey (Self-Employed and Extended Proprietors). Occupational wage estimates are also affected by county-level Emsi earnings by industry.

Staffing Patterns Data

The staffing pattern data in this report are compiled from several sources using a specialized process. For QCEW and Non-QCEW Employees classes of worker, sources include Occupational Employment Statistics, the National Industry-Occupation Employment Matrix, and the American Community Survey. For the Self-Employed and Extended Proprietors classes of worker, the primary source is the American Community Survey, with a small amount of information from Occupational Employment Statistics.

Cost of Living Data

Lightcast's cost of living data is based on the Cost of Living Index published by the Council for Community and Economic Research (C2ER).

Lightcast Job Postings

Job postings are collected from various sources and processed/enriched to provide information such as standardized company name, occupation, skills, and geography.

Institution Data

The institution data in this report is taken directly from the national IPEDS database published by the U.S. Department of Education's National Center for Education Statistics.