

Professional BEAUTY

JUL•AUG 10 THE BIBLE OF THE AUSTRALIAN AND THE PACIFIC INDUSTRY

Scanning the horizon

The future
of skincare
technology

She's (still) got the look

*Makeup
and maturity*

BYRON BAY SPAS

*Fit for
a lord*

Ethical treatment

APAN's
industry
standard

The Makeup Movement

A palette of artists

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Breathe new life into your skin



By GAY WARDLE

It seems logical enough, but one of the easiest ways to increase your profit is to increase your prices. In light of the “GFC” it is easy to fall into a doom and gloom attitude thus disregarding some of the simplest profit-building strategies. However, contrary to popular opinion, businesses that offer “luxuries” can prosper in uncertain times because people need, more than ever, to feel good about themselves. When addressing your prices, it is as good a time as any to examine how your business is run and the true value you are delivering.

So how do you increase prices with the confidence that you are not going to diminish your client numbers? That comes down to a combination of rational thinking, belief in your ability and the service you offer, and trust in your relationship with your client.

The rational thinking to consider is that the outcome of achieving higher revenue is that your profit will increase your profit exponentially. Your expenses should already all be covered by your current

pricing strategy. Therefore, an increase should result in pure profit and more than make up for any slight change in client numbers that may or may not occur.

BUILD CONFIDENCE IN YOUR SERVICE

Under-charging is extremely common amongst many service providers; particularly women. In the beauty industry, many therapists are focused on the price and not on the value of the service to the client. This is down to many therapists lacking confidence in their abilities and placing a true value on the service they provide.

For many clients, a regular visit to the beauty salon is not just a luxury but a necessity which enables them to escape from the daily toil for an hour or two, every so often. It is a chance to unwind, relax and find some inner peace and for many clients, it helps balance their otherwise frantic lives. At the end of the day the client wants to feel good about themselves so there is a true value in the service you are providing them.

So how do you maintain belief in your service? I reinforce to participants in my advanced skin analysis courses that one of the most important ways to keep their confidence high is to continually educate themselves by upskilling and undertaking lifelong learning. Sharpening your knowledge regularly will also sharpen your enthusiasm, level of service and confidence.

The other thing I see as vital to having confidence in your service is asking for feedback from your customers. It could be in the form of a questionnaire or it could be as simple as remembering to ask your clients questions every now and then, such as “What do you think about the service we offer?” or “Is there anything you think we could do differently?” You will be surprised how much worthwhile information this can uncover, which in turn can reinforce your confidence that you are delivering what clients want. Knowing your service levels are right you can then have the confidence to test your prices.

BUILD CLIENT RELATIONS

Truly satisfied and happy clients will not be deterred by a price rise in high-quality services they value. Often the relationship a beauty therapist has with their client is something most clients will value more than money. Ask yourself: if you had to put a monetary value on what your best friend is worth, what would it be? Would any amount of money persuade you to give them up? Your clients will value their relationship with you in the same way and a high percentage of your clients won't ever switch to a competitor based on price.

The relationship you have with your client is also a barrier to them switching to another business. There is risk in breaking a relationship and not knowing if they can find a quality provider somewhere else. The exceptional service you are providing should be valued. It is valued by your client so you should value it too and therefore charge a fair price for it.

Here are SOME TIPS to ensure YOU ARE PROVIDING EXCEPTIONAL service and setting YOURSELF APART (thus allowing you to charge more):

- Understand that the beauty industry is a service industry. It is all about helping the client feel good about themselves. We need to service their needs, wants and desires.

- Improve your knowledge and skills. Knowledge gives you more treatment options and lets you know what you need to analyse and what questions to ask; this is the backbone of great service.
- Improve your listening skills. Don't just talk to fill in time; really listen. Listen to the feeling behind what clients are saying and try to find out what outcomes are important to them.
- Make your clients feel important and treat them with respect.
- Provide honest information to your clients. Honesty sometimes involves telling people what they really need, not what fits a budget figure they have pulled out of the air. Explain treatments and products to your client so they choose the option which will get real results. By educating clients this way you will keep them coming back and ensure a steady stream of referrals. Believe in your own value!
- Educate yourself and your staff. If you are too busy to take time out for training then you risk a gradual decline in skills, service and confidence. Lock in training as a must-have/must-do in your diary.
- My suggestion is to train your staff to increase the service they are providing to your clients and charge fair rates for those services. Here are some tips to consider to assess whether you should and could charge more for the services you are providing:
 - Are you too busy looking after your clients? If you are busy then you can charge more!
 - Are your clients "price shopping"? If they are, then you are positioning yourself as a commodity and not as a service provider. Change the way you handle initial enquiries to turn the process towards client analysis rather than price-quoting.
 - When did you last raise your prices? Are you keeping up with inflation as an absolute minimum?
 - Of your new client consultations, how many do you convert? If it is more than eight out of 10 then your prices are too low. You are a bargain and your clients know it.
 - Finally, have confidence that your clients are coming to you for you. Place a true and proper value on yourself.

You'll never know if your price is too high until you test it. If you test it and it works, then you are adding straight to your bottom line and the profitability of your business! 📌