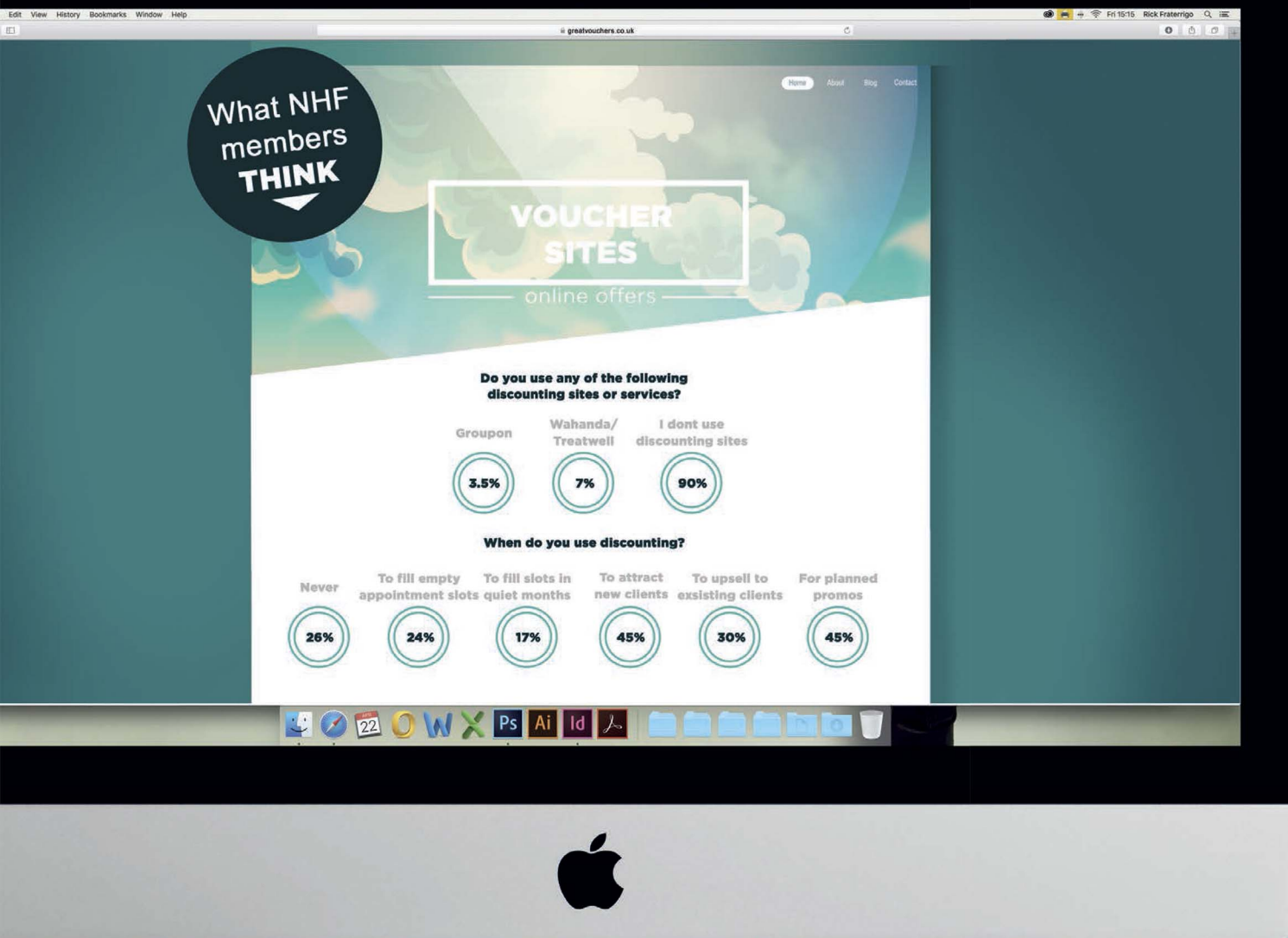


VALUE ADDED?



SHOPPERS MAY LOVE THEM, BUT NHF MEMBERS FEAR A GROWING 'DEALS CULTURE' IS DAMAGING THE INDUSTRY. OVER THE NEXT TEN PAGES, SALONFOCUS LOOKS AT HOW SALONS CAN RESPOND TO DEMAND FOR DISCOUNTS.

A couple of years back a survey by the social media research body Brandwatch concluded that more than eight out of 10 Britons, 82%, had used a discount deal or voucher.

Shoppers are now very familiar with sites such as Groupon, Vouchercodes, Wowcher and Treatwell, and many will scour them for the latest deals before heading off down the high street or going out for a meal.

But, as the latest NHF survey has made very clear, hairdressing and beauty salons and barber shops by and large feel deeply sceptical about the benefit of such sites.

The survey of nearly 200 members carried out in March found a massive 90% actively resisted using such sites, with just 7% using Treatwell (formerly known as Wahanda) and 3% using Groupon.

The consensus among members appears to be that, while such sites can generate footfall in the short run, the fact they take a cut on top of what is already a discounted price means the figures rarely stack up for the salon.

“ THE SURVEY OF NEARLY 200 MEMBERS CARRIED OUT IN MARCH FOUND A MASSIVE 90% ACTIVELY RESISTED USING DEALS SITES

'DEAL HUNGRY'

Just as importantly, the sort of "deal hungry" clients who use such sites rarely become loyal, regular clientele and simply force salons to keep prices low to compete. As Leigh Rands, director of The Cutting Room (The Salon) in South Yorkshire, has summed it up overleaf: "We want clients who are consistently loyal, not those who are just pursuing cheap deals."

A quarter (26%) of the salon owners surveyed said they never used discounting or price-based deals to increase footfall in the salon. However, nearly half (45%) did feel discounting could sometimes be an effective way to attract new clients or useful when combined with a wider promotional campaign.

Other common reasons for using discounting included filling empty slots in the appointment book on a quiet day (24%), boosting trade at quiet times, such as during January, (17%), and to encourage clients to have or buy additional products and services (30%).

The most common way salons tracked whether discounting approaches were working was by monitoring the number of new clients it brought in (41%), followed by assessing how many new clients were retained as a result (36%) and monitoring how many new clients were having additional services (28%).



FIND OUT MORE
Turn over to find out what members say about discounting and deals websites.