

Antony ([00:02](#)):

Welcome to the Grow My Salon Business podcast, where we focus on the business side of hairdressing. I'm your host, Antony Whittaker, and I'll be talking to thought leaders in the hairdressing industry discussing insightful, provocative, and inspiring ideas that matter. So get ready to learn, get ready to be challenged, get ready to be inspired, and most importantly, get ready to grow your salon business.

Antony ([00:30](#)):

Hey It's Anthony here, and welcome to today's episode of the Grow My Salon Business podcast. And whether it's your first time or perhaps you are a regular listener, as I always say, it's great to have you here with us today. I'm currently doing a monthly series of Facebook Live interviews on behalf of John Paul Mitchell Systems, and both the guests and the content have been great. So I'm also gonna be repurposing some of them as my weekly podcasts, but as they were originally also recorded for video, if you would rather watch than listen then these lives are also housed on the Grow My Salon Business YouTube channel. So today we have Jennifer Ekers from the Hollywood Hair Salon, which is located in the town of Centralia in Illinois. And I always love talking to Jennifer and the team at Hollywood here because I always learn something from them.

Antony ([01:26](#)):

And today is no exception. Oftentimes, it's either the really big high profile hairdressers with the celebrity clientele that come up with the innovative new ways of working that get acknowledged for being successful when it comes to business and innovation. But Hollywood here isn't a big city salon with a high profile celebrity clientele, but it is a really successful salon group of three salons situated in smaller towns. So today we're gonna talk about a whole range of topics that cover what makes a salon business successful. And whether you have a small salon with one or two team members or a chain of salons I will guarantee that you will learn something too. So without further ado, welcome to the show Jennifer Akers from Hollywood Hair.

Antony ([02:17](#)):

Hi Antony It's great to be here.

Antony ([02:18](#)):

Okay, so look, let's get straight into it. I've sort of you know, painted a little bit of the picture of what sort of business you've got, but, just tell us how long has the salon been in operation? When did you first open?

Antony ([02:34](#)):

So we've been in business since 1994, so about 28 years. That has been our central location, that's our flagship. In 2018, we opened our second location in Shiloh, which is about 45 minutes from our central location closer to St. Louis, more metropolitan area. Then in 2019 we had our Maryville location, which just kind of fell into our lap. It was a little bit of a surprise to us. But we've been over here in Maryville since 2019, and we do have about 50 employees across all locations. Some of them do rotate salons and then some of them do stay in their home location.

Antony ([03:16](#)):

Right, Okay. Now, I know also that you have an interesting ownership model with multiple owners. So we're gonna talk to you about that later on. What is the employment model, is it employees or renters? How does that work?

Antony ([03:32](#)):

We do have all employees. Our stylists on commission, our new talent stylist who are just outta school, they start out as hourly along with our sales associates, our partners, and our expeditors. Once our new talent stylists have reached the numbers that would actually bring them in more commission base, than it does hourly, that's whenever they switch over to that commission structure.

Antony ([03:58](#)):

Right, Okay. Well that's interesting. Now, I did a little bit of Googling before we jumped on the call because I often refer to the fact that you are from a small country town sort of thing, and central just so that our listeners know population of 13,000 according to Google. And I know the second salon you said is in Shiloh, and you said to me that had a bigger population, but according to Google, that also only has a population of 13 thousand, and then it says Maryville has seven thousand. So is that sound about right you?

Antony ([04:37](#)):

The 13,000 Shiloh is surrounded by several other small towns. It's very much so we do have about 250,000 people within, I would say about a 15- 20 mile radius around us when in Maryville it is bigger like the Shiloh location as well.

Antony ([04:59](#)):

Okay, got it. All right. Now do they all have the same target markets, these 3 salons?

Antony ([05:08](#)):

Shiloh location has been built on families. We have a lot of families where we have grandma and grandpa all the way down to the greatgrandkids. Our silo location does have a, it has Scott Air Force base, which is real close there, and we get a lot of our business from the base. We also get a lot of our business from the housing areas that are right around there. Maryville is more so, I guess you would call 'em travelers back and forth from St. Louis. You know, they're ones that are more white collar live over on this side, but do travel more to the city for, you know, for their jobs.

Antony ([05:51](#)):

Yeah, yeah. And does all three salons have the same price point, the same business model, offer the same services, et cetera?

Antony ([06:00](#)):

So we do offer predominantly the same services across all locations. Our Shiloh and Maryville locations do have the same price structure. It is just a little bit higher than location, but I would say about 15 to 20 dollars at most per visit.

Antony ([06:16](#)):

Right, ok. And you might have said this already, opening hours, are they the same across the three of them or do they vary slightly?

Antony ([06:24](#)):

So our central and Shiloh location have the same hours. Our Maryville location, there's our a little bit later in the day we start a little bit later. We are still building our business here in Maryville. So we're trying to cater directly to, you know, the guests and what they, what works best for them.

Antony ([06:43](#)):

Right, ok. Now, oftentimes when you, you know, you talk to people that are from, you know, smaller towns, I've got smaller salons, and when you talk about, you know, performance, when you talk about productivity levels, when you talk about price points when you talk about, you know, the productivity you expect from stylists etc, oftentimes they will say, well, that's all very well if you are in, you know, Los Angeles or Chicago or New York. But where we're based, that wouldn't be possible. And one of the things that really stands out about your business is the performance. You know, the profitability, the productivity that you get from these salons is really quite exceptional. Now, I know Sonya, who started the business, her original salon in Centralia, that's been over a million dollar salon now for a number of years. Can you talk to us a little bit about the productivity levels that you're getting out of those 3 businesses at the moment?

Antony ([07:45](#)):

So this year we are on track to hit about three millions dollars across all locations. We started out the year a little slow with our retail. One of the things that we implemented after COVID was salon scale, which has been amazing for our company, but something that kinda threw a little loophole to us whenever it came to tracking our numbers. We do use nivo too and on our smart centre we have the option to put up tiles that show you exactly what your service and your retailer arm broke down by bottle sold, specific services, things like that. So the first part of the year, all of our numbers were based on salon scale being included. So it made everything a little bit higher than what it really was far as individual numbers. So the first 6 months we were at about 12% profit for the salon, our goal is about is 20% for the year. So now that we are focused and we are, you know, tuned into exactly which numbers we're looking at, what we can and what we can't include we definitely we're really hoping to hit that 20%.

Antony ([08:55](#)):

Right. Well, I just wanna stop you on that figure because that is an exceptional figure, you know, So first of all, I wanna congratulate you on that. A lot of people, a lot of sell owners, when I talk to them and I say to them, you know, what, what percentage is your profit is your business running at? A big percentage of them don't know. You know, their stock answer is, well, look, I need to talk to the accountant to get information but they'll say they're profitable. And the reality is that a lot of them aren't, because a lot of them make the fundamental mistake of thinking that what they pay themselves as the owner their wage is profit and that's not profit. Profit is what's left over after everything is paid, including you as the owner. Now, I know that through previous conversations with Sonya is that when she says 12% profit is what we're currently running at, that she means 12% after all overheads.

Antony ([09:45](#)):

And when she says 20%, that again means after everyone's been paid. And that is really quite exceptional because you will often hear an average figure floated around of, you know, somewhere between four and 8% is what the average salon does in the US and in reality, an awful lot of salons don't make any profit at all. They pretty much break even in their lifestyle businesses. So that's, you know, of what I wanted to talk to you about today is you have a phenomenal business and it's not phenomenal by chance. I mean, there's a lot of really good things that go on in the background there. So, you know, if you're watching this, I don't want you mistake this sort thinking, well, this is just a little salon in a country town I'm not going to learn anything from them. I guarantee that there's a lot of stuff that you can learn from this. So let's dig into that. You just said, you know, with three salons you're tracking at almost 3 million in sales, which is phenomenal. How much of that is retail? What sort of percentage of your total sales come from retail? Because I know that's also one of your secret weapons.

Antony ([10:55](#)):

So currently our retail to our service is about 28% with salon scale included. We're hoping by the end of this year that we're gonna hit that 35% mark. That is our goal for the year.

Antony ([11:10](#)):

Okay. So goal is 35%. Again, you currently at 20, so you know great, great numbers. If you're measuring that as retail to service, do you know off the top of your head the figure that is, what percentage of that 3 million is retail? You don't..

Antony ([11:31](#)):

No I don't.

Antony ([11:31](#)):

Ok, different, different people have different ways of measuring it. They're all, they're all relevant and running at 28% is, there's nothing wrong with that. And, the goal of 35% again, is fantastic. Are you, when I talk to owners at the moment, a lot of them will say that their retail is declining and they'll then they'll tell me some story about Amazon and people buying online. What is your experience? Is it declining or are, are you finding that it's, you know, plateaued or growing? What's happening with your retail?

Jennifer ([12:05](#)):

We're definitely growing. We recently started using investment quote tickets. So for every guest with every service provider, they do have a ticket that they fill out. It's on the backside of their work ticket, and it goes over what services they have in mind that they wanna do. It also has the products that they recommend for the guest. We have our concierge service then who during the final style portion of the visit goes over, gets that ticket from the stylist, pulls all of those retail products, brings it up to our sales associate up at the front. And that way whenever the guest comes to check out, the stylist has all those products right there waiting for them that can go over. And that we've seen a major increase with our retail since we started using those. We also, every morning I get ready our daily goals. So I take our estimated service sales for the day and then I do 23% of that to make our retail goal for the day. That way our entire team has a common number in, you know, in mind that that's what we're gonna hit for the day, rather than doing it as individuals, we thought we would have better results. You know, whenever we have our partners, our sales associates, our stylist, everybody working to that common goal.

Antony ([13:21](#)):

Right. Okay. And you have a meeting every morning to set that goal.

Jennifer ([13:25](#)):

So I do those myself. I take for each of our salons and then we have several different chat groups that I post those in that way everybody across the all of our locations has those goals available for them. We also post those in each of our locations in our back room and our breakroom then we keep that updated about every one to two hours throughout the day.

Antony ([13:47](#)):

Right now I talked at the beginning and I keep saying the word innovation. And so I wanna dig into some of the innovations that you do. The first one I wanna talk about is Trello. Now I'd heard of Trello. I didn't know a lot about it. I imagine that there'd be a lot of owners out there that won't know much about it. So you know, every time that I talk to you, there is innovation, there are great new ideas for marketing and how you run your business. And so Trello is the first one I want you to explain to us. So what exactly is it and how do you utilize Trello in the salon?

Jennifer ([14:27](#)):

So Trello is an app that we have all of our team members download whenever we onboard them at the beginning of their hiring. We have several different boards. One is for our sales associates, one is for our expeditors, who are the ones who come in and they do some of the shampooing, but mostly behind the scenes work. Then we have another board for strictly for our partners where it goes over step by step exactly how we do things. So exactly how we blow dry, exactly how we roll towels, exactly how we shampoo step by step. Then we also have our technical board for our stylists so that they can always go back to that, you know, if they're ever having any kind of issues or questions or whatever it may be. They always have that access right there at their fingertips. That's been a huge thing for us as far as our training program because then, like I said, they always have that with them. They have access to it at any time so that they can go back and they can watch all of those videos.

Antony ([15:25](#)):

Okay. So its, I imagine as you were talking, people were thinking, oh, it's a bit like Pinterest, but the difference between Trello and Pinterest is, you just mentioned it at the end videos. Yes. You've got all your training videos in there, you've got all your manuals in there, you've got all your onboarding things. Absolutely everything you keep within Trello. Yeah.

Jennifer ([15:47](#)):

Yes, absolutely. And all of the videos that we have are made by our team. So, ok. We're not taking videos that, you know, we find on YouTube or wherever it may be. Everything is made in house by our team members. That way they can see, you know, this is how we do it here, these are our systems, and this will be the level that you'll be held accountable to achieve.

Antony ([16:13](#)):

Ok. So give us a few tips about those videos. Are they short? Are they, you know, five minutes? Are they three minutes? Are they 15 minutes? How do you, you know, put that together? Because some of them, like if you were doing an induction or an onboarding video, you know, you could take hours for that. So

obviously you're not taking hours for that, what's the sort of formula that you're doing to break these things down? Bite size.

Antony ([16:37](#)):

So most of our videos are anywhere from about a minute and half to about five minutes at the most. And we break everything down to the smallest. So there are ton of videos on there. We've spent so many hours making them, but, you know, whenever you have somebody who either has no hair experience or is right outta school, you know, they need that step by step training. You know, it's, it's a whole different world. So yeah, we do break it down to every little detail and we have them every day. They have certain videos that they have to watch during their training. Then the next day, whenever they come in, they've already seen those. They have an idea of what's going on. That way we can put those things into play and it just makes a lot more sense for them.

Antony ([17:22](#)):

Ok. And are these videos that you just knock up yourselves on your iPhone? It's not like some big production, It's like you just get your iPhone out and you video, this is how we shampoo, this is how we do inventory, this is our opening procedure, this is our, how we present coffee, you've everything in ther like that, small bite size pieces of this is how we do it.

Jennifer ([17:42](#)):

Most of them are just recorded on our phones. We have more of our technical video. So more of like our shampooing and treatments and things like that. Those are done in Apple movie. That way we can voice over so that we can kinda speed up a little bit so it isn't quite an extended amount of time. Yeah.

Antony ([18:06](#)):

As general manager, Jennifer, I've got your title right, haven't I?

Jennifer ([18:09](#)):

Yes.

Antony ([18:10](#)):

I haven't promoted you? Is that your baby, doing all that side of it?

Jennifer ([18:17](#)):

So I have been in charge of our sales associates board. That was the very first one, that I jumped right in and took thwe reigns, it's worked great. So I'm absolutely in love with Trello. It's made my job so much easier. It's made my location manager's job so much easier. It's made our technical manager's job so much easier, you know, and it's a great way to be able to hold everybody accountable to make sure that our systems are being done correctly.

Antony ([18:43](#)):

Right. Okay. Well I think that's a great idea. Is it easy to use, easy to get started and set that sort of thing up?

Jennifer ([18:49](#)):

There are a lot of videos out there. It was a little tough at first. But once you start playing around with it and it all just kind of falls into place.

Antony ([19:00](#)):

Yeah. Ok. Well I think that's great. So highly commendable. Another thing I know you do is we spoke briefly about it before we, you know were recording, was the online consultation forms. So tell us about those. Cause again, I find that, you know, some people have dabbled with that as a result of covid. But I, I wanna hear how you've interpreted that.

Jennifer ([19:25](#)):

So we have a great guy who is awesome whenever it comes to technical things. And he made it up, it's basically a survey. It's made through Google and we send it out as a text message. We have the We phone system, so we can call, we can text everything from it and we send it out to all of our new guests. So anybody who's coming in that's never been with us before, we send this message, it has a link to go directly to this form and they have specific questions on there that they have to answer just to give us a good idea as to what they're looking for outta their visit. And then we do, once we receive that back from them, we make a custom consultation form basically where we go into Canva and we put down all of the things that we would recommend for that day. So things that they maybe have never heard of or never would've thought of, you know, far as like deep conditioning treatments volume and length enhancements, product recommendations. You know, we put all those things out there so that they have kinda an idea as to what they're coming into.

Antony ([20:26](#)):

Right. Okay. So what do you make up? Is it literally a mood board of information?

Jennifer ([20:32](#)):

Yeah.

Antony ([20:32](#)):

Right. Ok. So I'm just trying to get my head around what that looks like. That's that's great. What sort of response does that have from clients?

Jennifer ([20:40](#)):

They seem to really like it. Yeah. And then whenever they come in, they're a lot more open to additional services. So, you know, and they may even question us like, hey, you know, you recommended this, tell me about it. You know, rather than us having to always bring it up to them.

Antony ([20:55](#)):

Yeah. Well I, I know one of the other things that I'm impressed with is your treatment. And I love the story behind that. So tell us about the treatment part, because I know treatments are a big part of your business. And again, the innovative thinking and what inspired it is impressive.

Jennifer ([21:16](#)):

And so we actually took a whole, our whole team up to Chicago one weekend and we had a training with Paul Mitchell and then we went out to us Harry Carrie Steak Steakhouse in Chicago. And everybody

was kinda looking at the menu and they're like, Well, I guess I'll get pasta or I'll get this, I'll get that. And, you know, nobody really had any idea what they wanted. Then our server actually came around with this giant silver platter and he had wrapped every piece of meat that they serve there. And he went through and he described every detail, where it came from, how it was fed, how it's prepared, you know, the great things about it, what he recommends, just gave us every detail of it. And by the end of going through those, every single person at our table decided, well, they're gonna have steak.

Antony ([22:06](#)):

You know, forget the pasta. So we were talking about it afterwards and we said that would be something really cool that we could bring back to our salon. So we started our treatment cart, which same thing, it is a cart that we can roll over to the guest. We have all of our different treatments laid out on there. Our partners actually give this great explanation. They do ask the stylist first, which one they recommend. That way they kinda know which one to push a little bit more. But they do give the guests the opportunity to hear everything that we have to offer. And that has really increased our treatment numbers over the last couple years.

Antony ([22:40](#)):

Okay. Any, any percentages or dollar values that you can put to that and share?

Jennifer ([22:46](#)):

So that is another one of our daily goals and our goal for it is that we do 50% of our colours receive a treatment and we hit that pretty much every day, it's very unlikely for us not to hit that goal.

Antony ([23:08](#)):

Wow. Okay. So do you know off the top of your head what the average bill is in the company?

Jennifer ([23:17](#)):

I would say anywhere from about 175 to about 250 for somebody that's getting color cut and treatment.

Antony ([23:28](#)):

Right, Okay. That'd be interesting to know an exact figure. You've used lots of different words. Now, I dunno if they're familiar to other people, but some of them are not familiar to me. So I wanna dig into some of those. One of them you, you mentioned was concierge and you know, everyone's heard the concierge before, but they generally think of in the context of a hotel. Here you are with a salon and you used this terminology concierge. Tell us what is the concierge, what do they do?

Jennifer ([24:03](#)):

Concierge is one of our sales associate members, one of our sales team. And during the final style portion of the guest visit, they go over with an iPad, they have our schedule up, they look to see when their past appointment was, how many weeks it's been, and then they go to the guest and they say, now as a VIP service at Hollywood, we would love to go ahead and set you up for your next visit. I see that your last appointment was five weeks ago. If we go another five weeks, that will put us on, they'll tell them the day and the time. And then that has really increased our rebook percentage because we, our goal is 80% every day, but we're usually in that upper eighties into the nineties, every day across all locations because of our concierge. Once they have that appointment set up, they do go over our salon

app, tell them all the perks of using it, and then we also at that time get the investment quote from the stylist, which has all the products listed, all of the services that they have received for the day. So our concierge then goes up and pulls all of those products, prepares those at the, at our sales desk with referral cards, one of our loyalty cards for Take home. And that way whenever the stylist brings the guest up, everything is there ready and waiting for to go over with them.

Antony ([25:18](#)):

Right, Okay. So it's not just a, it's not just oh, they're the receptionist. Right. It's a lot, it's a lot more than that.

Jennifer ([25:26](#)):

Yeah. It's very one on one with the guest.

Antony ([25:29](#)):

Yeah. Yeah. Ok. Fabulous. another thing I know you have you know, again, you drop in this terminology and it always makes me wanna sort of stop and go, well, what do you mean by that? And, and this was when we were talking again last time we, we connected and you talked about digital beverage menu. What's your digital beverage venue?

Jennifer ([25:49](#)):

So we have our liquor license at all three locations. We had to fight for that and, and some of, because, you know, that's something that's not of that often for a salon to actually carry a full bar as well. We have, it's on a tablet, we take it to every guest. Whenever we seat them, we let them know that here we have our digital beverage menu, you wanna take a look. We do have our full bar available. We have our summer specials right now. We have some great frozen beverages. Then we also have our complimentary, as well as our signature beverages as well that are at no cost. The guests then, you know, takes a look through it, decides what they want, they place that order, it comes up on our desktop computers at our sales desk. We then go make those beverages for them, deliver. It's just a very seamless process.

Antony ([26:38](#)):

Right. Okay. So obviously tea, coffee etc is on there. Are you talking like there's a full range of cocktails or something on there as well?

Jennifer ([26:51](#)):

We have everything from bourbon to martinis to specialty shots. We got it all.

Antony ([27:00](#)):

And is this popular?

Jennifer ([27:01](#)):

Yes it is very popular.

Antony ([27:02](#)):

Great. Fantastic. Ok. So another thing that I'm impressed with is the fact that you have a virtual assistant. I mean, lots of people in business these days do have virtual assistant. I'm lucky enough that I have one, but I've not come across a owner that uses virtual assistant until, of course I spoke to you. And I know that you have a virtual assistant, so do you wanna tell us you know, who they are and what exactly they do and how that, how that works in the context of the salon?

Jennifer ([27:32](#)):

Absolutely. So we have Dana, she's our virtual assistant. She's actually located in the Philippines. She's amazing. So she does a lot of our behind the scenes work for us. So she takes all of the good reviews that we've received from our guests and then she reaches back out asking if they'll then go on Google and Yelp and different platforms like that to leave those as well. Just get presence out there a little bit more. She does with our, she does stuff with website. Just anything and everything that you can think of behind the scenes. She's awesome.

Antony ([28:07](#)):

Right. Okay. So a lot of people be listening to this thinking, well I want one of those. So, and you mentioned that she's in the Philippines, you're in Centralia. How did you go about setting that up?

Jennifer ([28:18](#)):

So we went through, it's called Phyllis Song and you can Google her and it'll come right up. But we had an interview with her where she went over everything that we were looking for from a virtual assistant. She then gave us all these different participants, you know who been virtual for other people in the past that worked through her company and then we had the option to choose which one we wanted for us.

Antony ([28:44](#)):

The reason why a lot of people do this is that it's economically you know, advantageous to use someone you know, from the Philippines or other countries who can do a lot of that backend work for you. So that's interesting and the fact you've only had a couple of weeks, I know it's early days, so it'd be very interesting to touch base on that, you know, further down the line to find out how that's working. Cause I know you said to me when we spoke about it before that she was even gonna be confirming all your appointments, stuff, etc. Will that be by phone or by text or email or how will that work?

Jennifer ([29:18](#)):

So she will do it by phone. We do have the we phone system, like I said earlier. So she is able to pull that up from her home and she'll actually on Mondays in the future, she will be able to take phone calls, book appointments, things like that virtually from her home for us that way. Something that we found is that on Mondays especially, which is our training day, you know, we're not in the salon, but we do get a lot of phone calls. Yeah. So we wanna make sure that we don't miss any opportunities there to get guests onto our schedule. So by having her do that, it's gonna open up our hours a lot more and, you know, without having to have one of our physical employees here in the locations.

Antony ([30:01](#)):

Yeah. Fantastic. for anyone who doesn't know what the We phone system is, could you just explain that?

Jennifer ([30:09](#)):

Yeah, so we have, they have desktop phones and then they have portable phones full and it syncs with your computer, so the guest can call it, puts up little bubble in on the computer screen saying who's calling. It also has the availability where we can go in and we can text them, we can do back and forth texting from our salon phone number with the guest. And then we also, like I said, that's where we send out our consultation forms. If we need to adjust anything timing wise with the appointments, whenever we wanna you know, if we wanna confirm if we couldn't get a hold of them any other way, we can do all of that through that texting. We can also accept or send pictures, things like that for stylist to make their consultations go a little bit smoother, especially if they are new guests.

Antony ([31:00](#)):

Yeah. Right ok. And you've mentioned your salon app a couple of times. How important is that to the running of the business?

Jennifer ([31:09](#)):

It has been great. It gives our guests something fun to do, I guess you would say. It has a daily on there where you literally just go on, swipe your finger across the screen and they can win deep conditioning treatments, take home products, things from our boutique. There's just all kinds of cool stuff. It also has the option for electronic referrals. So you can send them out through text, you can send 'em through emails, you can post it on your social media. And then we do have a great referral program for our guests as well, which is all kept track within the app. They also have the opportunity to book online. There's great features with it.

Antony ([31:46](#)):

Right, Okay. Wow. It's incredible what you're doing there. What's next in innovation? Have you got something? I'm sure you've got something.

Jennifer ([31:59](#)):

Right now we're really focusing on building our teams. You know, I know across the country everybody says we need more team members. So something that we're really focusing on right now is figuring out how with our website and, you know, with our app and our social media, how can we, you know, get new team members.

Antony ([32:20](#)):

Okay. And is that, do you have some magic solution that other people would benefit from hearing or <laugh> or do you like the rest of the meer mortals out there experiencing the same challenge?

Jennifer ([32:34](#)):

So we've been very fortunate. We do have school about 25, 30 minutes from our Shiloh and Maryville locations. Yeah. So we've had, we've gotten quite a few girls from them here lately. But something that we just recently started doing, which has been, we've had great feedback from, is we will randomly pop into the schools with either tacos or pizza cookies or donuts or something like that, you know, and just let 'em know like, hey, we're here, you know, come see us, come talk to us. And then we always follow up with all of the the Mitchell students as well as our local schools too. We follow up with them as well. Just to follow the girls and, and the guys and see, you know, where are they at within their education, you know, and keep track of and put those little bits in there, like come see us, we'd love to talk with you we'd love to see you.

Antony (33:38):

Good, good. Let's talk a little bit about that. The people side of your business and productivity levels and how you pay people etc. Can you explain that, for example, how do you, what's your system for paying people? I know they're employees. How does that work?

Jennifer (33:51):

So with our commission employees, they are, let's see, we do have a career path set. So our mentors, are, which they're amazing. They've done so much for us over the years. And Terry and our owner, Sonya, they put a career path in place where with each level they have certain goals that they have to hit. It's all based on their service, their take home, their retention how many new guests they bring in, you know, their rebook. They have all these numbers laid out. So whenever we get new stylists, they do start out as new talent right outta school. They then, once they hit those, their numbers they move up to designers, master designers, and then our stylist. And each level has its own, you know, its own numbers that they have to as well as extra perks as they grow their business. You know, to give them a little bit more freedom to kinda make choices for themselves a little bit.

Antony (34:46):

Sure. Ok. Now I've said before that you have some interesting terminology. Just give us some names of each of those levels that you have within the salon.

Jennifer (34:58):

So we have our sales associates. So it's our sales team. Those are the first faces you see whenever you walk in the door. You know, they greet you whenever they come in. One of our big things is we strive to be the Ritz Carlton, which sounds funny being a salon, but whenever a guest walks in, we greet them by name, you know, we want them to feel at home. We want them to be like, wow, they who I am, you know, it gives them that just great home, happy you care that I'm here feeling. So we have our sales team, then we have our expeditors, who have no cosmetology experience at all. Most of them are younger. So they're the girls who keep everything running for us. They do all of our laundry, they do all of our sweeping, our towels, our dishes, you name it. They, they're in charge of all that. They keep the salon going all day long. Then we have our,

Antony (35:48):

So, so, so let, I just wanna jump in there. So the sales team in a, in a normal salon, that would be what they call front of house or receptionist, but yes. So you're calling them your sales team because they have a wider job description than just being a receptionist. Yeah. Now, so I've got that right, haven't I?

Jennifer (36:09):

Yeah.

Antony (36:10):

And then the next one you said you, you use this term expeditor, which I've never heard before. But I know it means speed things up basically, doesn't it, an expeditor, so that's what you call your, are they assistants? They're not assistants as they normally go on to do hair. Are they specifically employed to look after those background tasks, shampooing coffee, cleaning up. Is that, is that what they do?

Jennifer ([36:38](#)):

Yes, that is, they keep us, they expedite our services by, you know, as soon as or as the stylist takes a guest from the chair, they're over there sweeping and resetting that area. That way the next guest, you know, can go right in without that stylist having to, you know, take any time to worry about cleaning up themselves. So, yeah.

Antony ([36:57](#)):

Ok. All right. So next one. After Expeditors, what are they?

Jennifer ([37:01](#)):

Then we have our partners, so that's our assistants. They're the girls that are in cosmetology school currently, or have graduated but not really ready to go on the floor yet. They wanna get a little bit more inhouse experience before they do. They do all our treatments for shampooing, things like that.

Antony ([37:23](#)):

Right. Ok. Sorry to interject cause I'm fascinated by all this, why do you call them partners?

Jennifer ([37:29](#)):

Well, that we've always kinda called them partner, but they're more so they're our assistants. We've, we're trying to really change the names within our locations. So we wanna give them that title that, you know, makes them feel the best about themselves and

Antony ([37:44](#)):

Yeah. Yeah. No, I'm all for that. I, I mean, I, interestingly enough, I did a podcast that came out today, which is about titles that you give people on your team and, and that titles had meaning, you just nailed it then when you said you want them to feel good about themselves. And I know Starbucks for example, I don't know if they still do, but they used to refer to all of their team as their partners, so I was curious as to why you called them partners. So what's the next level after that?

Jennifer ([38:18](#)):

So the next level after that are our new talent stylists. Those are the girls that are fresh outta school ready to go on the floor, ready to, you know, start their career.

Antony ([38:26](#)):

Mm. Okay. And then after that,

Antony ([38:30](#)):

After that, we have our designers. So those are our new talent stylists who have hit all of their numbers on their career path and they've leveled up to that designer level.

Antony ([38:40](#)):

Okay. So they have certain categories where they've gotta hit the numbers before they get moved up to the next level and when they go up to that next level their charge out rate goes to the next level up. So therefore they're earning more money as well

Jennifer ([39:09](#)):

Yes

Antony ([39:14](#)):

And what are the levels after that, the next one,

Jennifer ([39:15](#)):

The next one is our legacy stylist. So

Antony ([39:18](#)):

Legacy, yeah,

Jennifer ([39:18](#)):

Ladies and gentlemen that have been with us, usually anywhere from about five to 10 on, you know, have ones that have really excelled, that have made it there a little bit quicker. But then we also have, you know, our forever stylist that'll, that have been with us forever through the long haul through everything. So.

Antony ([39:41](#)):

Yeah. Ok. It's fascinating. I mean, there's lots of different terms out there, different terminology and and I love the creativity behind that and the thought that's been given to those different positions. So when we touched on this before but how do you pay people? So I understand, and I am sure the viewers understand the level system and how they've got to hit certain benchmarks before they get promoted to the next level, they earn would be underpinned by, you know, minimum wage at least, but how do you pay people over and above that?

Jennifer ([40:21](#)):

So with our stylists, they are commissioned, so they do receive 45% of every request guest. So anybody that comes to them based on their reputation or, you know, repeat guests then we do 40% for anyone who's a salon guest. So anybody who was brought in on the salon's reputation rather than on the stylist. So say they called and they didn't care who they saw, that would be a salon guest. And with that

Antony ([40:53](#)):

If they came back a second time, would they be a 45% one because they've turned them into a regular, Right. Yeah. Ok. Sorry to interrupt. There is this a little bit of a time lag there. I didn't mean to do that. Ok. Oh, that's, that, that's, that's fascinating. So another thing I wanted to ask you about is your partnership model, because, you know, I was talking to Sonya, I dunno, seven or eight years ago, I guess, and at that point she had one salon and it was, you know, already breaking the million dollar mark then, and I know she wanted to expand. Now talking to in 2022 there's three salons, there's obvious growth happening and there are multiple partners in the business. So I'm intrigued about that partnership model. What do you have to do to become a partner? Do you buy your way into it or, you know, how does that, how does that work?

Jennifer ([41:47](#)):

So its bought in, we do have Sonya as well as three additional partners. They are a legacy stylist for us so they all behind the chair as well. It's very much so likeminded individuals with a greater goal in mind, you know, more than just being a stylist. So they've all been with for 10 years, I believe it this, and you know, they just have that common goal in mind that they want Hollywood here to be something greater than we could ever imagine.

Antony ([42:21](#)):

Yeah. And are they all partners in all of the businesses or is someone a partner in Shiloh and someone else, a partner in Maryville. And how does that work?

Jennifer ([42:31](#)):

So our Centralia location is solely Sonya and then our Shiloh and Maryville as well as if we have any going forward, which we hope to, that is all four included.

Antony ([42:42](#)):

Good. Okay. So it's a it's a very interesting model and I often talk to people these days about, you know, how the hairdressing business model is evolving and changing and, you know, lots of people will talk, sometimes disparagingly about the salon suite model and the amount of independents and booth renters there are in the industry, and as I'm always saying to them, you have to look for the opportunities to reinvent the business model and sort of see this partnership idea of taking people with you on the journey is one way of doing that. And so, you know, yet again here you're you know, doing a fantastic job of that as well. So, you know, congratulations with that.

Jennifer ([43:26](#)):

Thank you.

Antony ([43:28](#)):

Okay. So listen, I, I guess we we had better start wrapping up a little bit. I know there's one thing I did wanna ask you about, and that is the the huddle thing that you do. You've already touched on where you talked about you have this goal setting thing every morning and you give people their numbers etc. What exactly does that look like, is it it a traditional morning huddle where everyone gets together and goes over the goals for the day and, and maybe the results from the day before? How does that work?

Jennifer ([43:58](#)):

And so we post the goals every morning. Then all of our teammates do go over those whenever they arrive in the salon. The stylists do go over with the apprentices who are working with them for that day. They are assigned to a specific stylist. So they go through and they look at their tickets to see, you know, this is what we have scheduled, but what, what can we do to make this day better? What can we do to, you know, make each of these tickets higher who, you know, who could get this treatment, who could get that? So they do have a daily huddle, you know, every morning when, or at the beginning of every shift with stylist and apprentices as well as our sales team does as well. Then every night, one of the things that we've found is celebrations are key.

Jennifer ([44:41](#)):

So especially with this new generation, younger generation, you know, they love to be celebrated. We should, you know, they work hard. So every evening we have posted in our, it's our Hollywood Hair Beauties, it's what we call it Facebook group. And it's a private group where it's just all of our employees together. We do go through and we put our scoreboards up for the day. So that's where we celebrate, you know, which goals we hit, which goals we are really close on. And then we do specific call outs for people that we saw who did something above and beyond for the day.

Antony ([45:17](#)):

Ok. So the scoreboards are they individuals that put up their own scoreboard or the salon, each salon has a scoreboard for their results?

Jennifer ([45:26](#)):

Each salon.

Antony ([45:27](#)):

Right ok.

Jennifer ([45:29](#)):

The whole team going for that one. So we always keep it very team oriented, everyone included.

Antony ([45:36](#)):

Right. And the salon partners that you talked about, the owners, the salon owners you said there's four of them. Are they managing actively managing the salon at the same time, or is that not necessarily their role? There could be someone else, ie. yourself who has a management, you know, position?

Antony ([45:58](#)):

So they do, we actually are divided into five categories with myself in that. So Sonya goes, she's in charge of all of our finances. We have Abby, who is in charge of all of our education. Ally is in charge of all of our marketing. Jessica is in charge of all of our HR human resources, and then I'm in charge of all of our daily operations.

Antony ([46:18](#)):

Wow. Ok. Well, listen, I have thoroughly enjoyed talking to you and you know, thank you so much for being so open and transparent about how you you run the business because I you know, talk to a lot of business owners all over the world you know, with bigger and smaller businesses, but there's so much innovation and stuff that comes outta what you're doing that it really inspires me and I'm sure it's really inspired the other people that are watching this. So Jennifer, I wanna say thank you to you and thank you to Sonya owner of Hollywood Hair. I I also wanna say to our viewers that I don't want you to think that I get, you know, these poor people onto this live, and they, you know, they, they feel they have to answer these questions and I'm very you know, confronting.

Antony ([47:07](#)):

I always ask them beforehand, Is it okay if we talk about this? And I think it's fantastic that we have people like Sonya and Jennifer that are more than, okay, more than happy, you know, to be transparent and to share what some of the successes are behind their business because they have a great business.

And you know, the proofs in the pudding. Anyone that is, you know, running at 12% and isn't happy with that want it to be and on track to do it and I might add, have consistently done it in the past from it. So so Jennifer thank you so much. Anything you wanna wrap up with before we plan off?

Antony ([47:46](#)):

I just wanna say thank you, Antony, for having me here. It's been a great time. I love talking to you and I look forward to it in the future.

Antony ([47:57](#)):

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