



A **Mindshare Technologies** case study

Increasing Cross-Sales and Sales of Add-On Products

Case Study #2 - Hair Salons

The Challenge:

How to improve cross-sales and sales of ancillary add-on products.

The Client:

Multi-unit franchisee of 2,100 store U.S. Hair Salon Chain

Situation:

For many years, sales of hair care products had stagnated at 3-4% of revenues. Although, employees perceived that they were educating customers on the products, sales remained flat.

Action:

Mindshare was installed to allow our client to get immediate daily input from their customers. The point-of-sale receipt for each customer included a printed offer to call a toll-free number and receive an incentive. Customers called the number, answered a few questions via the telephone keypad, and received a redemption code good for their next service. In addition to the quantitative response, each customer could also leave a verbatim voice recording of their feelings about the service.

Specific attention was given to measuring stylist recommendation of hair care products. A baseline measurement was recorded. Then individual training and coaching sessions were held. Goals were set, and additional focus was placed on increasing customers' perception of how many times a stylist suggested add-on products.

Each month, management used the month-end and week-end reports and spent the first week of the next month reviewing, training, and setting goals with front-line associates.

Results:

Sales of hair care products grew **from 3% to 8%** in just two months, after remaining stagnant for eight years. Survey responses to the question, "Did the stylist suggest products?" jumped **from 46% to 55%** in two months.

To quote the franchisee directly, "I couldn't have made the program work if I didn't have the ongoing customer data. I have tried a million different strategies in the past eight years. It wasn't until I could "prove" to the staff that they were not educating the customers that the improvement happened."

Revenues have increased, profits have increased, repeat customers have increased, and customer loyalty has increased.

About Mindshare Technologies:

Mindshare's business monitoring tools help companies improve operational excellence and minimize customer attrition through personal customer involvement. Shortly after their service experience, customers respond to a brief survey using their touch-tone telephone or web interface. Mindshare's proprietary survey technology captures the voice of the customer in real-time and immediately transforms it into actionable intelligence through powerful and incisive enterprise reporting. Reports are updated immediately so that client management can incorporate customer insights directly into their operations. Mindshare serves clients in more than 25 industries, and collects surveys in 67 countries and in 14 languages for companies of all sizes. For more information visit www.mshare.net or contact us:

CONTACTS: Richard Hanks (801) 743-7580 rhanks@mshare.net
John Sperry (801) 743-7567 jsperry@mshare.net