

NJ Day Spa Owner Says Restructuring Pay Scale Is Key To Surviving Recession

Valentina Chistova, a day spa owner in New Jersey, says restructuring the pay scale is one big part of surviving the cash crunch and moving forward with a more profitable business model.

June 22, 2009 - [PRLog](#) -- The Day spa industry has long been known for high commission payouts.

Massage therapists, estheticians, any beauty service provider can be earning upwards of 50% of a ticket sale for a given service. Given the high commission payouts and high overhead associated with larger Day Spas, how can spa owners make a reasonable living without devoting 24 hours a day and 7 days a week to their business? More importantly, how can day spas survive the recession today and position themselves for a more successful business model in the future.

Valentina Chistova, a successful and renowned Day Spa owner in New Jersey has counseled many spas on revising their pay structure to ride out the recession. In particular, Chistova is a big proponent of salary versus commission. Many salons and day spas have progressed to offering a salary based pay structure, but too many spas are still suffering the consequences of high commission payouts.

What follows is an excerpt from an interview conducted by TCR Marketing with Valentina Chistova regarding Day Spa pay structure and the recession.

TCR Marketing: Valentina, is today's economy changing the way you think about pay scale or pay structure in the spa industry?

Valentina: It's a great question and a great topic for discussion in our industry.

For decades, Spa employees have enjoyed the benefits of high commissions, short work weeks, and pleasant working environments. When I look back to a time when there were not as many Spas or schools producing therapists, I feel it was a better time for both parties. Commissions were high, but business was saturated, and demands for therapists peaked. Although spa owners had to offer higher payouts, the return was well worth it. With economic trends on the downturn and luxury spending out the window, I don't see how the spa industry can survive the recession on a business model that shares almost half the revenue with employees.

TCR Marketing: Is restructuring the spa industry's pay scale the key to surviving the recession and promoting future growth for day spa owners?

Valentina: Absolutely. I know it is very hard to offer your employees a different pay scale, but it can be done within reason. Spa employees need to understand that with such large overhead and high commissions, Spa Owners can literally work 24/7 and still make a meager living. Meanwhile, technicians enjoy short work weeks and nearly 50% of the revenue they bring in. It should change; employees should understand that receiving even 35% doesn't necessarily leave the spa owner with a profit of 65%. Owners need to have a private, one on one conversation with their employees and explain this. If they want to go someplace else, let them go. This will give owners an opportunity to hire a fresh face and a new attitude, an employee that knows from walking in the door that this is how we do things here and this is why.

TCR Marketing: What benefits will the employee see from being on a salary with a smaller commission?

Valentina: It will give the employee steady, guaranteed income so they can budget their earnings and always know where they stand. In a struggling economy like we are faced with now, this is more valuable than assuming you can make more money with a higher commission. I am offering my employees a 'salary

package'. The package will include their guaranteed daily salary, their commission percentage, and a benefits package to which I will contribute. For me, having my employees on salary helps me budget my business more accurately. I can then have more flexibility to contribute towards their benefits if I know what my fixed costs are each month. I can't always be guessing how each month will turn out.

According to Valentina, spa owners can get a firmer grip of their fixed expenses and overall budget when they know where each employee stands on a monthly basis. "With the salary, you always know where you are starting out each month, how much money you will have to pay out. From there, you can work down your debt as you start to accumulate revenue each month. It also helps you get a better grip of your marketing. Do I need to do a last minute sale? Am I going to meet my goal this month?"

Valentina says she has begun the process of transitioning her employees from commission only to salary plus commission. The move has helped her re-gain control of her expenses and better understand the monthly goals she needs to set for herself and her business.

About Valentina Chistova

Valentina Chistova is a world-renowned aesthetician and beauty expert whose experience encompasses all facets of skin care and body treatments. Internationally trained, educated and certified, Valentina has devoted more than twenty years to her profession. Throughout her successful career she has provided services to many celebrities, including Mrs. Globe 2001, famous socialite and entrepreneur Ivana Trump, well-known KTU radio personality Michelle Vassage and Olympic figure skating champion Galit Chait. Prior to launching AQUAMEDICA, Valentina also consulted with leading dermatologists, providing skin care regimes for their patients.

Valentina is a member of the National Cosmetology Association and a CIDESCO candidate (Comite International Desthetique et de Cosmetologie Desthetique), which is the highest degree of beauty therapy certification available in the United States and worldwide. Most recently, Valentina completed a rigorous training program with the Spanish organization Wontersaf, one of the world's leading centers for trichology, capillary diagnostics and scalp and hair treatment to combat hair loss and other hair dysfunctions. Valentina also holds a Registered Nursing Degree from Kharkov State University and Cosmetology degrees from the Kharkov Medical Institute in the Ukraine and the Capri Institute of Cosmetology in New Jersey.

For more information about Aquamedica Salon and Day Spa, please visit <http://www.aquamedicaspa.com>

Press Contact:

Stacey Berlin
732.757.7944
Stacey@tcr-marketing.com

--- End ---

Source	Pasch Consulting Group
State/Province	New Jersey
Zip	07712
Country	United States
Industry	Business , Beauty , Financial
Tags	Nj Day Spas , Nj Spas , Long Branch Salon Spa , Spa Industry , Day Spas , Day Spa Industry News
Link	https://prlog.org/10264359



Scan this QR Code with your SmartPhone to-

- * Read this news online
- * Contact author
- * Bookmark or share online