



THE 5 REASONS

YOUR SALON ISN'T PAYING
YOU A DECENT WAGE



Phil Jackson



Why this will change your life and business when you implement it?

We work hard, us salon owners. Juggling multiple responsibilities and roles in our businesses can be overwhelming - it's no wonder we forgot to enjoy ourselves and lost sight of getting paid properly along the way.

So we turn to influencers and 'experts' who, instead of fixing the overwhelm, tell us to 'hustle', '10x your efforts' and 'grind 24/7'. We're drowning in unproven information or - just as harmful - advice that works for a business turning over millions per year that can hinder or even harm a smaller business. What works for them just won't work for us.

SO here it is: a no-holds-barred look at why you're not making a decent living from your salon business. It might be a painful read for some, but if you take the necessary action to correct these mistakes. You just need to be committed to taking that action and making those changes.



WHY LISTEN TO ME?

My name is Phil Jackson and I've been in the salon industry since 1999 (I know what you're thinking: 'But he looks so young?!') and a salon owner for over 20 years.

In that time I managed to build my salon business to the stage where I was earning over 50k per year while being in the salon LESS than once a week, carrying out almost NO services myself AND making a great living from my coaching and consultancy business too.

But don't go thinking I haven't seen the other side of the coin.

In 2011 over a third of my team quit while I was on adoption leave. I had nobody to run the salon, I couldn't step back into carrying out service myself and I worked my way through a huge range of anti-anxiety and antidepressant medication while we faced one of the biggest struggles in my business life.

I've had business lunches in the finest restaurants in London - but I've been forced to accept charity food boxes to keep my children fed too. I've enjoyed having a second home in the sun - and I've begged mortgage companies to help keep a roof over our heads and EVERYTHING in between.

The main reason you are going to love this is I'm not going to waste your time. None of what I'm sharing is an impractical theory. Every word is based on what I have experienced in my own salon, seen every day in my groups and heard from my coaching clients.

I am the creator of a unique program called 'Get Paid Properly' which is designed to get salon owners earning 50k+ without 'hustle', 'grind' or overwhelm. More on that another time. For now let's jump straight into the 5 Reasons Your Salon Isn't Paying You A Decent Wage.



REASON NO. 1



**YOU'RE TAKING TOO
MUCH NOTICE OF YOUR
LOCAL COMPETITION**



1. YOU'RE TAKING TOO MUCH NOTICE OF YOUR LOCAL COMPETITION.

It's not your fault! We've been told for years that pricing in relation to our competition is a good strategy.

Again and again I see the same tired information being pumped out by salon 'experts' when it comes to positioning and profit. Here are just some of the phrases revealed in a recent Google search.

You can price low

Pricing low is not a mistake, as long as you do it the smart way. New entrants in the beauty industry can opt for this strategy until they gain reputation.

<https://wpamelia.com/salon-pricing-strategy/> Accessed 2nd Feb 2021

RUBBISH! Pricing low is the quickest way to annoy your regular customers when you finally get the nerve to increase your prices. You're left with the unenviable choice of pissing off your regulars or continuing to live hand-to-mouth.

Step 1: Know The Market

Find out how much clients will pay as well as how much your competitors are charging. Consider matching or beating their pricing. However, never just price match as you need to be sure all of your running costs and overheads (both indirect and direct) are covered. Invest time and energy into adequate market research to know and understand your market.

<https://www.hji.co.uk/business/salon-pricing-strategy/> Accessed 2nd Feb 2021

The truth is, a lot of salon businesses are making little or no money. Recently, I did a survey of salon owners myself and found that over half were earning a wage from their salon below the wage you would pay a half-decent therapist or stylist. In fact, my personal estimate is that around 70% of salons break even or worse.

Pricing your services and copying ideas from your local competition is at best like sailing without a compass or at worst following another ship onto the rocks. I'm all for taking inspiration from other businesses - I do it myself every day - but it makes sense to examine ideas from businesses that are actually MAKING MONEY!



REASON NO. 2



**IT'S TOO EASY FOR
YOUR CUSTOMERS TO
REPLACE YOU**



2. IT'S TOO EASY FOR CUSTOMERS TO REPLACE YOU

Snip the logo off a salon price card and it can be hard to tell one salon's offerings from another. Services and their descriptions vary little and it means a potential new customer can barely tell salons apart. Considering we are a part of the most creative industry in the world, our lack of imagination in our services and how they are presented is astounding.

You may not think it's that important, but the truth is you're making a race to poor profits inevitable. When customers can't tell one from another, they look for other ways to decide - like price.

Consider this Aldi advertisement:



What can this tell us about salons? Essentially, when a product or service is the same (or appears to be the same), price becomes a deciding factor. And this isn't limited to the budget-conscious. My salon is the most expensive in a very affluent area, but even my customers hate to waste money.

By making your services directly comparable to your competitors you're making it too easy for your existing and potential customers to leave you to save cash.



REASON NO. 3



**YOU'RE WASTING YOUR
TIME ON SOCIAL MEDIA**



3. YOU'RE WASTING YOUR TIME ON SOCIAL MEDIA

It's turned into a part-time job, hasn't it? Keeping up with your social media. The pressure to keep turning up live, posting multiple times a day, sharing all your wisdom with anyone who'll click. But be honest with me. When was the last time your social media actually gained you a full-paying, high-quality client?

Most salon owners are spending a ton of time and either getting very few decent clients from it or worse still putting up with the demands of a load of discount-hunters.

It's not your fault. We look up to people like Gary Vaynerchuk who are putting out little gems like this:

***"If you are not producing 100 pieces of content... every single day
you are leaving the greatest opportunity in the world on the table."***

<https://www.garyvaynerchuk.com/create-content-100-pieces-per-day/> Accessed 2nd Feb 2021

I have plenty of respect for him, but the truth is trying to stand out on social media in the same way as someone like Gary is like trying to pitch your driving skills against a professional racecar driver. It's literally his full-time job to create content and what's more, he's almost certainly not squeezing content creation around a column full of clients, cashing up, placing orders and trips to the wholesalers.

Social media might be great for keeping in touch with your existing clients but pushing yourself to turn up more, post more, share every inner feeling, opinion and idea is a scattergun approach to getting new clients. Worse still, many salons have built enviable numbers in their audience only to find that the audience is waiting for the next big discount or freebie - a far cry from the profitable customers a salon needs to survive and thrive.

A big social media audience is hard work and largely a matter of vanity. You're smarter than that!



REASON NO. 4



**YOU'RE SPENDING
YOUR TIME DOING THE
WRONG WORK**



4. YOU'RE SPENDING YOUR TIME DOING THE WRONG WORK

I used to say that we didn't come into our industry for the money. That there are easier ways to earn what we do. Not any more.

We've spent so much time and money upskilling, trying to stand out as professionals in the minds of your customers. Not to mention the risks we take operating our own businesses as entrepreneurs. But something doesn't add up.

You see in other industries, after a certain amount of training, hard work and risk-taking, the business owner or the CEO gets rewarded. It used to be that earning 30k, 50k or more was out of reach for salon owners. No more! With the right positioning, pricing and services we can earn what we deserve.

But it's pretty tricky to pay yourself as the CEO of your own business when you're filling your day with tasks that earn you little or nothing. Your diary should be filled with the activities that actually grow your business - not cluttered with tasks that could and should be done by someone else.

I once coached a hair salon where the owner was complaining that he was underpaid. When we started to examine how he was spending his time, I noticed a 1 1/2 hour block of time set up as a recurring meeting in his schedule. Every Saturday, first thing in the morning.

"What is this meeting?", I asked.

"It's when I clean the windows".

Yes, you read that correctly. This guy was taking one of the most profitable slots in his salon calendar and spending it on a task he could have got someone else to carry out for probably £10. Literally swapping the opportunity to earn hundreds for want of spending £10.



4. YOU'RE SPENDING YOUR TIME DOING THE WRONG WORK

We discussed it further and he felt it was important that his team saw him doing a menial task, that there was some kind of dignity in him being 'in the trenches' with them. My counter-argument was that it was probably more inspiring for his team to see that after working for decades in our amazing industry, there was more to look forward to than cleaning windows!

Stop carrying out minimum-wage tasks in your business. It's keeping you from what you should be doing to make money and grow.



REASON NO. 5



**YOU'RE WASTING
MONEY ON SHINY
STUFF**



4. YOU'RE WASTING MONEY ON SHINY STUFF

We love it don't we? A trip to a trade show. The bustle and - my goodness! - everything looks so good under all those lovely bright lights! We reassure ourselves that we're keeping up with developments, understanding the latest techniques and staying ahead of the curve.

Then we see it - the clouds part, everything seems a little brighter and ... is that a heavenly choir bursting into song? A shiny new machine or product. Could your search be over? Add in someone beautiful with a silky-smooth sales patter and you're hooked. Convinced you that this is the solution your customers have been crying out for - the answer to your salon's prayers.

Before we know it we're writing an eye-watering cheque or worse still, signing a finance agreement which inconveniently isn't even paid off before the next trade show - and the next 'golden' opportunity.

I spent £250 per month on a ***** machine. It never made money or broke even	E - Essex
I got one of those bloody ***** machines that charges you £12 just to turn it on. Never made a profit on it.	S - E Sussex
I leased a ***** machine and probably only covered my costs about 6 months out of the 3 years I had it.	K - Yorks
I spent £8- 9k on a ***** machine. I get much quicker and better results from other treatments. It was my most costly mistake.	K - N Ireland
I have a ***** machine that's still sitting in the salon and I can't sell it either. I think it was about 10k and I didn't make the money on it. I bought it as the result of the sales pitch at Manchester Professional Beauty. I bought it without really doing full research on it.	S - Leics.

Again and again, we've been told that we need the newest, the latest, the most up-to-date when the truth is that results are often the same as we were getting anyway. Or worse still relatively unproven. What's more, your clients haven't even heard of this amazing new solution, much less been crying out for it.

CONGRATULATIONS

On taking your first step towards getting paid properly. I know it isn't easy to see, maybe for the first time, where you've been going wrong. But I firmly believe it's the beginning of a wonderful journey of growth and, finally, **GETTING PAID PROPERLY!**

I don't have to tell you that who you hang out with MATTERS - being around a wonderful, supportive group of salon owners is a great start. JOIN US in my free Salon Ignition Facebook group. I can't wait to hear about your journey and help you toward greater success.

MY SALON IGNITION GROUP IS HERE



CLICK HERE TO JOIN

