


Booth Boss or Salon Squad



*Navigating the
topic of suite rental
with your salon or
spa team*



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This idea of booth renting is an extremely challenging topic that commission salon & spa owners are faced with and constantly trying to combat.

The beauty industry, poses many options on how up and coming professionals can choose to build their career. They are constantly being enticed by social media and industry influencers who paint a glamorous picture when it comes to booth/suite rental making many believe that is the only way to go. When in reality, the life of booth/suite rental is not so glamorous. The sad truth is, that many of them do not realize how good they have or could have it working for a commission salon/spa.

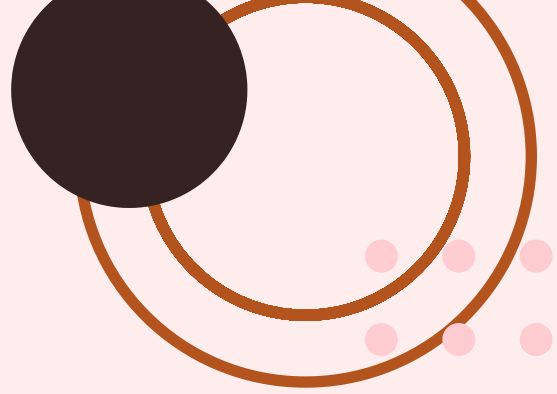


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LIE #1 One of the biggest lies is that you get to keep all of the money you make when you are a Rental service provider.

NUMBER BREAKDOWN	Booth/Suite Rental	Commission Employee 45% Commission
Average # of Clients	70	70
Average Service Ticket	\$125	\$125
Total Service Revenue	\$9000	\$9000
Cost of Professional Supplies 14%	\$1300	N/A
Cost of Rent	\$1200	N/A
Cost of CRM Software	\$70	N/A
CC Fees 4%	\$425	N/A
Liability Insurance	\$100	N/A
Taxes Paid 20%/10%	\$2200	\$1000
Marketing 3%	\$300	N/A
Education 2%	\$180	N/A
Client Amenities	\$100	N/A
Phone/internet/hotspot	\$50	N/A
TOTAL LEFT OVER	\$3075	\$3600

*No retail products or sales are included in this chart, since that can be a variable if they choose to sell retail as a renter.



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LIE #2 I don't have to work as hard as a Rental Service Provider

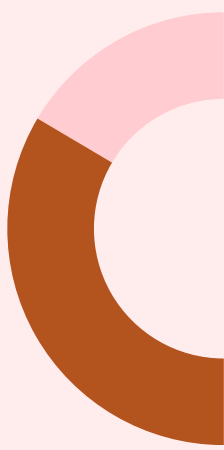
TIME COMMITMENT	Suite Rental	Commission Employee 45% Commission
Inventory-counting, ordering, unpacking	2 hours per week/8 hours per month	N/A
Marketing- taking pics, posting, organic reach, running ads, running promotions, networking, etc	3 hours per week/12 hours per month	1 hour per week/ 4 hours per month
Managing Appointments-booking, rescheduling, charging no show fees, answering questions, etc.	4 hours per week/16 hours per month	N/A
Housekeeping-laundry, dishes, cleaning, stocking client supplies, etc.	5 hours per week/20 hours per month	N/A
Accounting- Record keeping, card settlements, bank runs, sales tax (if applicable)	2 hours per week/8 hours per month	N/A
Behind the chair- Providing services.	32 hours per week/128 hours per month	32 hours per week/128 hours per month
ADDITIONAL TIME SPENT WORKING ON THE BUSINESS	48 hours per week/192 hours per month	33 hour per week/ 132 hours per month



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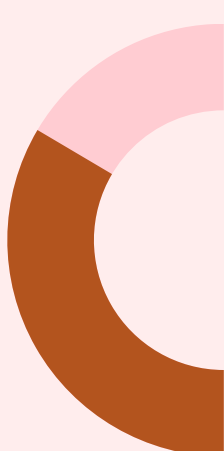


Booth/Suite Rent Pros /Cons



PROS	CONS
Your drive = your success	Financial risk
Create your own brand	Expenses are due even when you are not working
Work when you want	No team - No tribe
Full control	Pay 100% of your taxes

Commission W-2 Pros /Cons



PROS	CONS
Sole focus is servicing the client	You are not your own boss
You have a collaborative team	Percent of your income goes to cover salon/spa expenses
Help Building a clientele	Have to use the salon/spas product brands
Vacation time / Sick pay	Salon sets your prices
Education opportunities	Follow handbook and rules
Leave work at work	Held to specific standards

Additional Pros to consider as a Salon/Spa Squad Employee

- You are an employee of a salon/spa
- Access to state unemployment benefits
- Employer pays half of Medicare and Social Security (7.65%)
- Employer pays credit card fees on revenue AND your tips
- Covered by Workers Compensation Insurance (on the job injury coverage)
- Lower tax burden than self-employed
- Client generation and scheduling is handled for you
- Guaranteed pay
- Potential Health insurance benefits
- Potential IRA or 401k
- Education provided or shared expense
- Retail commission revenue
- Laundry and maintenance supplied
- Hair color and backbar provided
- Marketing provided through multiple channels
- Provided products for back bar and retail
- Salon Software & Website costs covered
- Sick Pay (mandatory in some states)
- Potential PTO, Vacation pay
- Experienced Mentorship



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It's time salon and spa bosses!!! Let's get real about something we often dodge: the buzz around ditching the team vibe for solo rental glory. It's out there, tempting our crew with the "be your own boss" dream. And yeah, some might chase it, but that's cool. Our job? Send them off with good vibes and not sweat it.

Talk to your Team

- When having discussions on this skewed topic with your team it is super important that you tailor it to your business and the specific perks you offer your employees.
- Be straight up front with new hires letting them know the difference between these two career models and how they can build long term success with your company, by you giving them the work life balance they dream of and the opportunity to actually **make more money**.
- Be up front about the pros and cons. Don't bash being a rental stylist. Instead just educate them on the amazing benefits of working in a commission salon/spa.

In Conclusion

Here's the kicker – loads of our talents aren't itching to juggle all that biz hustle. They're down to stick with us for the long haul.

Our power move? Be the ultimate cheerleader, laying out all the paths but also spotlighting the awesome perks we bring to the table. That's how we keep our squad tight and steer clear of the turnover trap.