



# 2020 Consumer Survey Report:

## Cracking the Code to Customer Loyalty



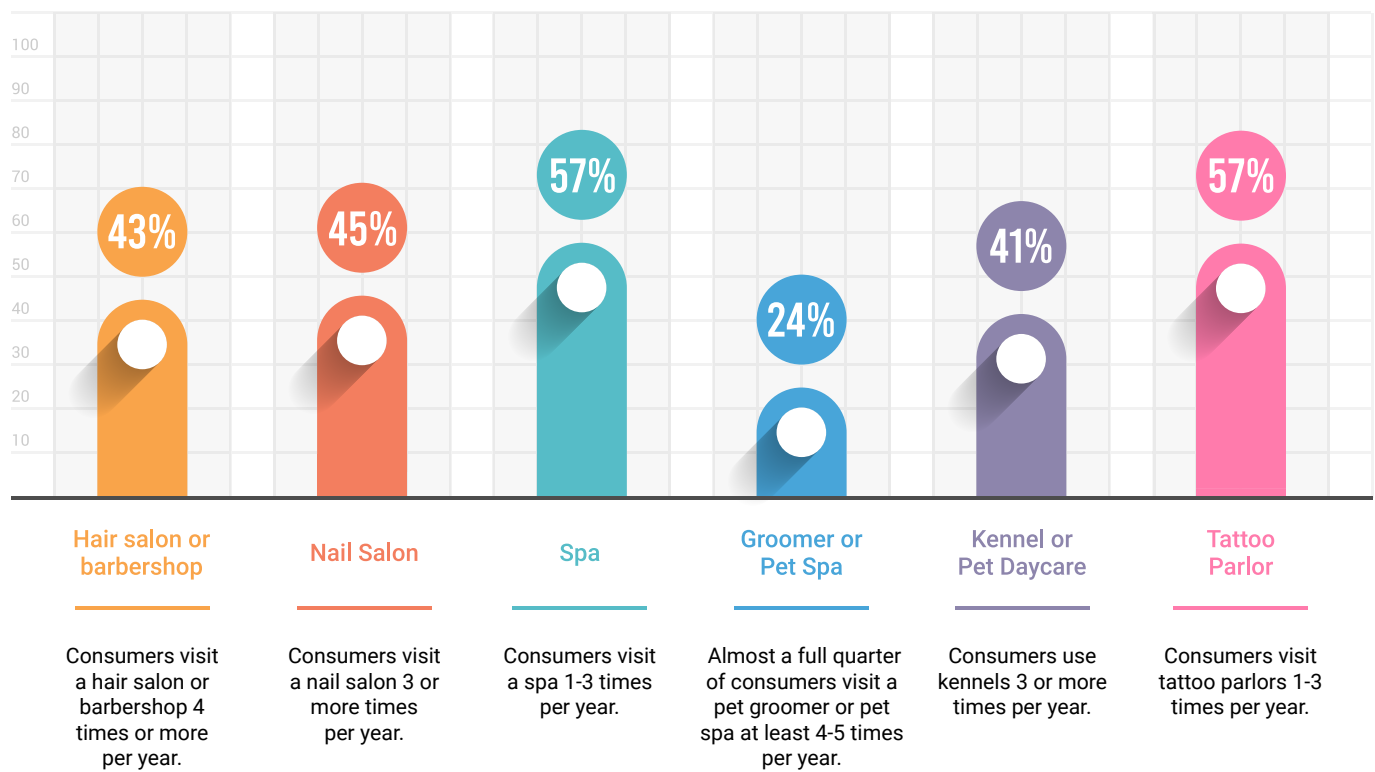
Customer loyalty is the lifeblood of the American small business. Through thick and thin, small businesses rely on repeat customers for economic sustainability and future planning. Naturally, every hair and nail salon, pet services business, spa and tattoo shop wants to be their client's "go-to" place. Amidst the COVID-19 crisis, small businesses and their loyal customers have had to weather harsh changes. As small businesses reopen their doors, it will be important to reengage their customer bases to grow and get back on their feet. A lot goes into building and earning customer loyalty – from quality of service and personal relationships, to location and convenience. But it's hard for business owners to know how to excel in each of these aspects – or which ones consumers prioritize. Understanding this is essential to not only building a savvy strategy for growth, but also to allocating resources impactfully.

In February 2020, prior to the escalation of COVID-19 in the United States, DaySmart Software conducted a survey of 2,000 U.S. consumers who have visited hair and nail salons, pet services businesses (pet groomers, spas, kennels, daycares), spas and tattoo shops in the last year to better understand what they prioritize when finding their go-to professional service providers. The results indicate that consumers place heavy emphasis on small business employees and personalized service when choosing where to spend their money regularly. Read on to learn more about today's consumers' preferences and behaviors, and how to gain and maintain customer loyalty.

# Consumer Preferences and Behaviors

Service providers, like hair and nail salons, spas, pet services and tattoo businesses, are pillars of the small business community, with consumers visiting them several times per year. Hair salons and barbershops are the most visited, with 43% of respondents saying they go four to five times per year. This is followed by nail salons and pet groomers, spas, kennels and daycares, which consumers visit 3-5 times per year on average, and spas and tattoo shops, which consumers typically visit 1-3 times per year. Interestingly though, one-quarter of consumers say they visit the groomers 4-5 times per year – showing they care equally about their pets’ haircuts as their own.

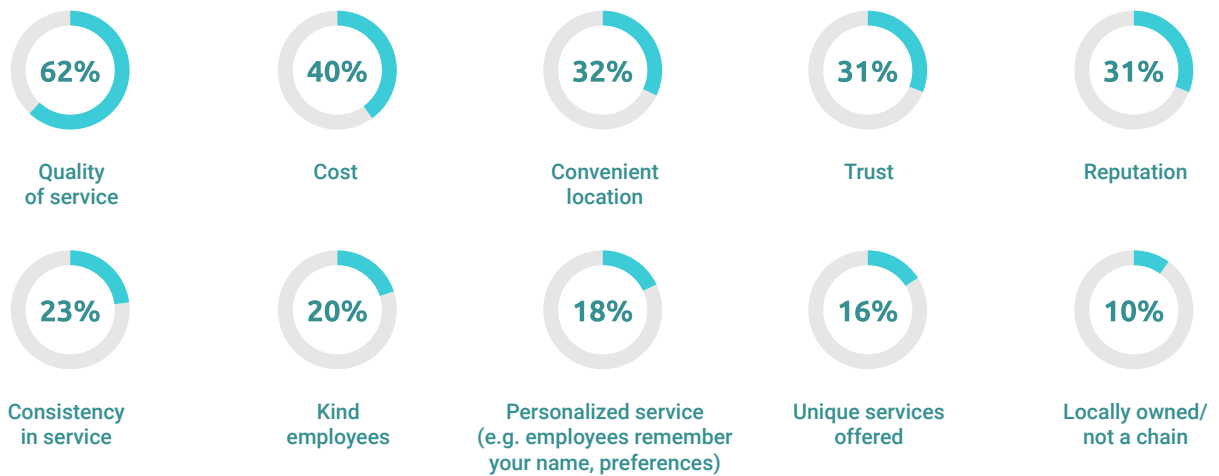
Consumer Visits to a Business in the Past Year



When visiting one of these businesses, consumers believe quality of service is the most important trait. This is followed by cost, convenient location, and trust and reputation. Despite personalized service being lower down on the list (18%), 72% of consumers say they enjoy getting personalized promotions and/or messages from the businesses they visit. So, while personalization may not be top of mind for consumers, it can certainly add value to, and even differentiate, their experience with a business.

Consumers believe quality of service is the most important trait when visiting a business.

## Most Important Traits When Visiting a Business



In order for an experience to qualify as “personalized,” 57% of consumers believe that the business should make them feel like their preferences are known without having to ask. It’s also important for the business to offer specific recommendations based on consumers’ needs (53%) and to offer a coupon for a product or service the consumer has purchased before (48%). These results indicate that consumers want businesses to acknowledge their history or loyalty – and may feel that personalized service should be the reward for their repeat business.

**Consumers want businesses to acknowledge their history or loyalty – and may feel that personalized service should be the reward for their repeat business.**

## How Customers Define Personalized Service



The stakes are high when it comes to both quality of service and employee-customer interactions. Sixty percent of consumers say they would never go to a business again if that business ruined the service they went there for (e.g., haircut, manicure, tattoo). Fifty percent say they would never go back if an employee was rude to them. In fact, more than three-quarters (77%) of consumers are less likely to visit a business again after receiving bad customer service. That said, the majority of consumers still prioritize convenience over experience. Forty-four percent of respondents say they would rather keep visiting a business that continues to deliver a poor experience than go through the stress of finding a new one to visit.

**44% of respondents say they would rather keep visiting a business that continues to deliver a poor experience than go through the stress of finding a new one.**

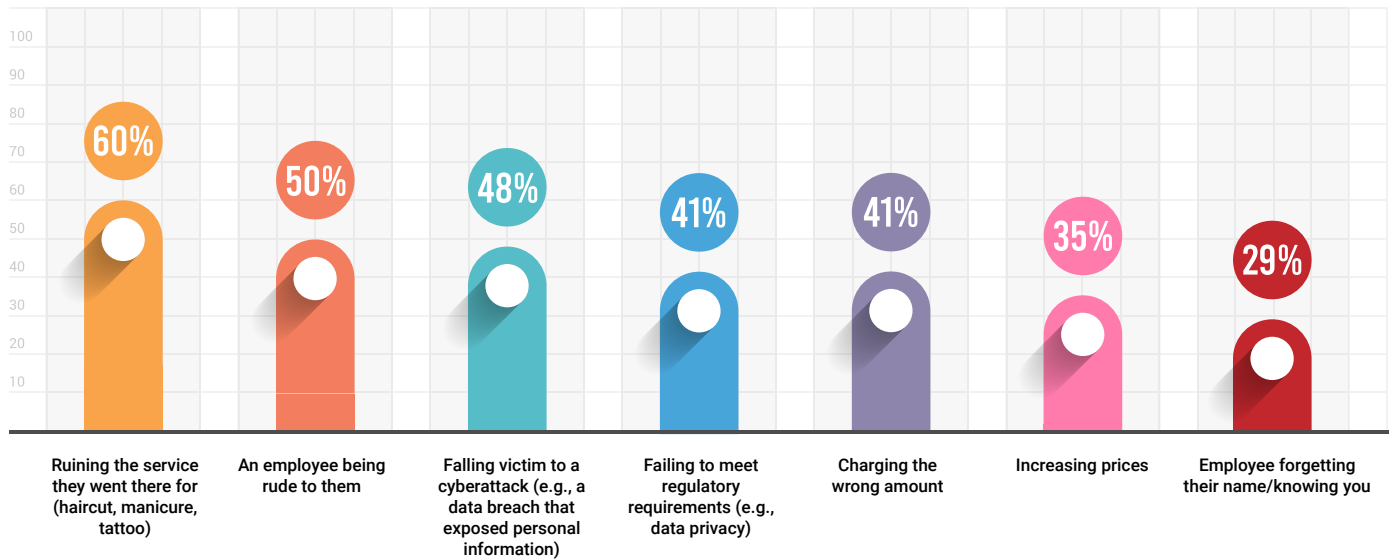


**About half of consumers would not go back to a business if they fell victim to a cyberattack.**

## Impact of the Digital Age

For about half (48%) of consumers, a business falling victim to a cyberattack would be a deal breaker. Cybersecurity risks are also top of mind with many small businesses, given most still maintain important client information on pen-and-paper systems. Knowing security and regulations are top priorities for respondents, small businesses should consider how to safeguard that information with the right technology.

## What Would It Take for a Consumer to Never Visit a Business Again?

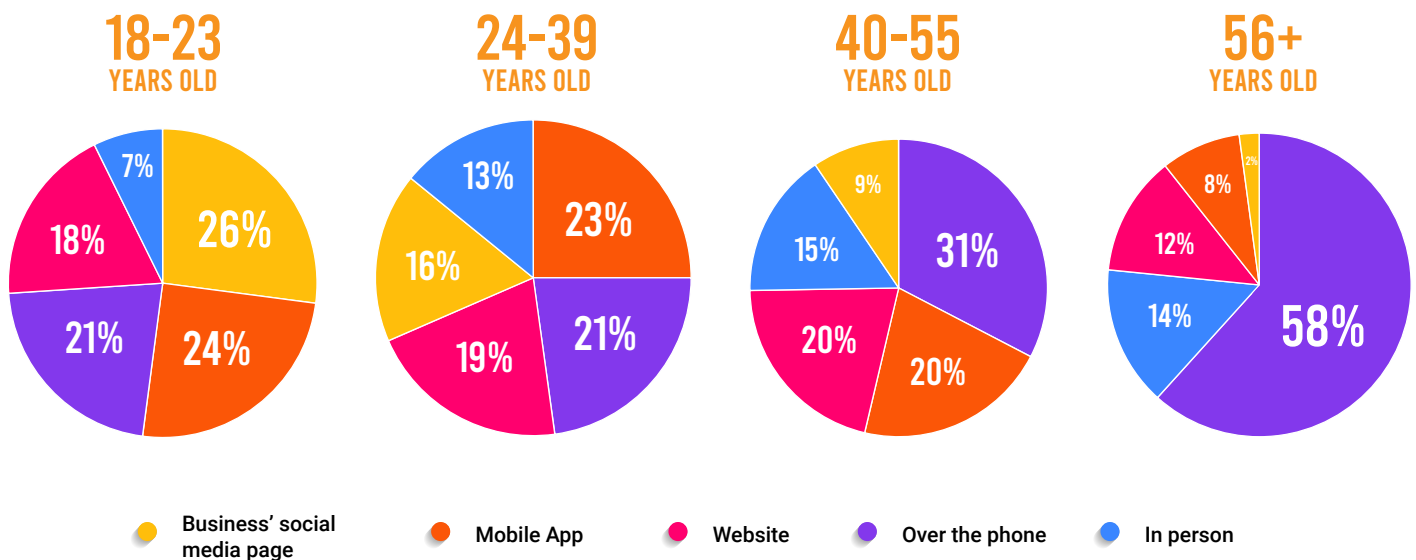


When building customer experience, small businesses must consider which technology to deploy – on both the front and back end – to be as user-friendly and convenient for customers as possible. When it comes to booking appointments, visits or reservations, respondents generally prefer to do so over the phone. However, when broken down by age, the top choice for 18- to 23-year-olds is to book on a business' social media page (26%). Twenty-four- to 39-year-olds prefer to book on a mobile app (23%), and 40- to 56-year-olds or older prefer to book over the phone (58%).

Millennials (age 24-39) prefer to book appointments through a mobile app.

Gen Z (age 18-23) prefers to book appointments through a business' social media page.

## Consumer Preferences for Booking Appointments



In fact, digitization is appreciated by consumers across the board. Seventy-four percent of respondents are more likely to continue visiting a business if they can utilize online resources to book appointments – a percentage that jumps to 81% for consumers between ages 18-23 and 79% for consumers between ages 24-39.

In today's world of online reviews, Facebook pages, Yelp and traditional word of mouth, small businesses are rightfully concerned with the way consumers give feedback and how that feedback – especially if it's public – can impact a brand's reputation. According to respondents, consumers are equally likely to write an online review about a business whether they received good or bad service. They are also equally likely to write an online review after a follow-up email or after receiving a verbal request from the person who did their service. In tracking consumer sentiment, reputation management software can help monitor online reviews – good or bad – and notify small businesses owners.

Interestingly, consumers are more likely to provide direct feedback to the person providing the service depending on what the service is. For example, consumers are more likely to speak up about a bad haircut than they are a bad tattoo.

**74% of respondents are more likely to continue visiting a business if they can utilize online resources to book appointments – and 81% of Gen Z (18-23) feel this way.**

**Consumers are equally likely to write an online review after receiving good or bad service.**

**Consumers react quickly; 39% of respondents have written a bad online review while still receiving a service at a business.**

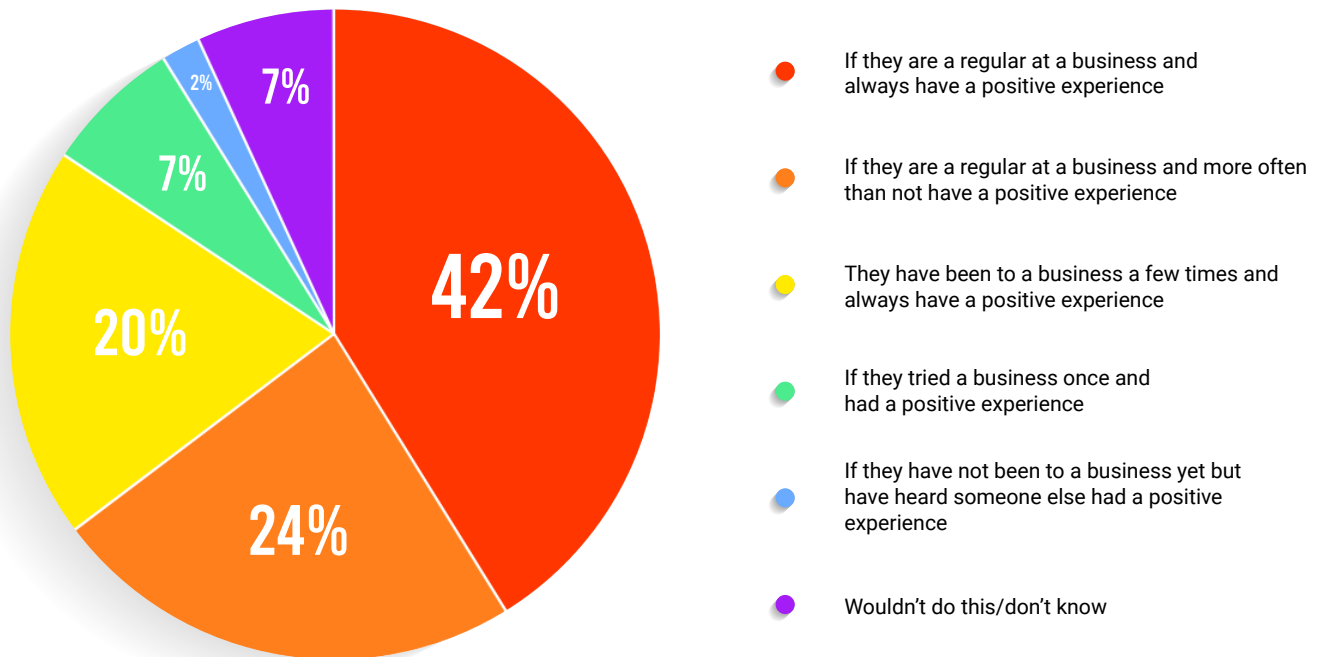
**Which of these bad service experiences are consumers more likely to speak up about?**



## Consumer Loyalty

When customers are regulars at a small business, they are more likely to refer that business to another person. Of the 66% of consumers who need to be a regular to refer a business to another person, 42% would only refer it if they always have a positive experience.

What It Takes for Consumers to Refer a Business



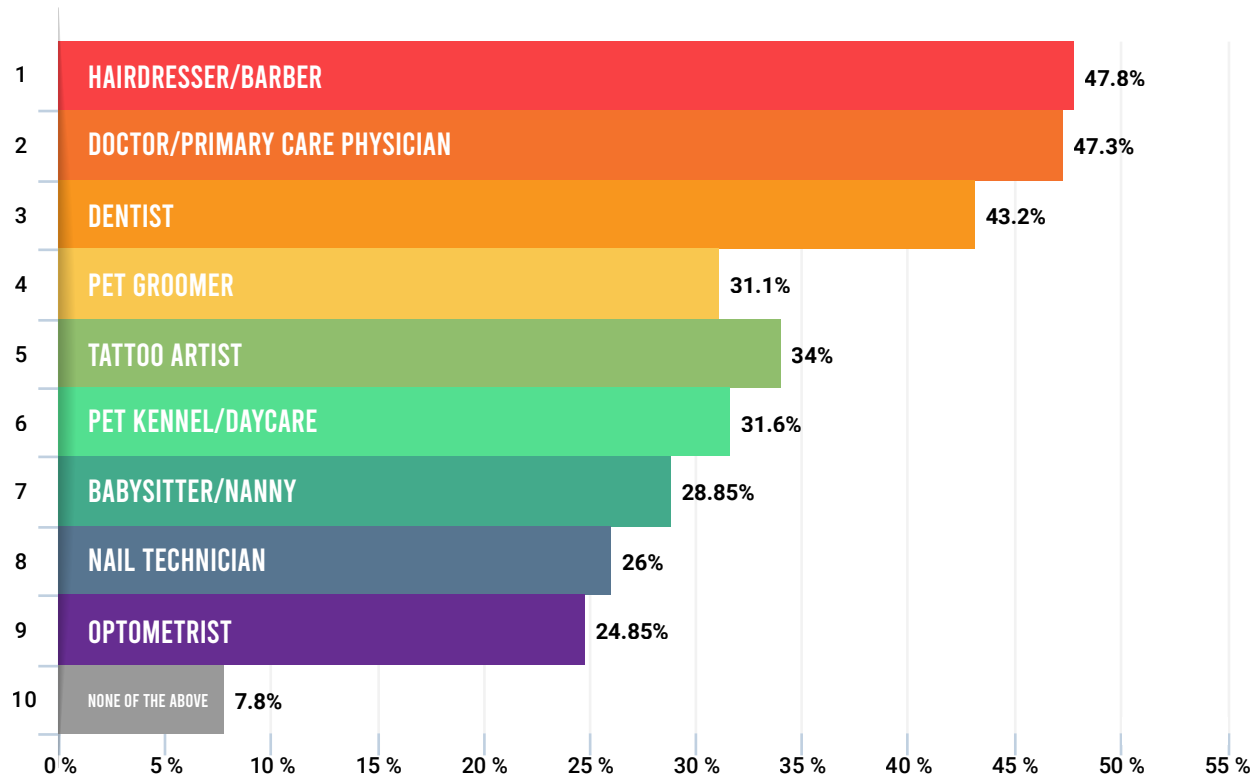
But earning customer loyalty and “regulars” isn’t simple or easy. According to the findings, consumers are pickier when it comes to finding a hairdresser or barber who they are comfortable with than a doctor. Interestingly, they are also pickier when choosing a pet kennel or daycare than a babysitter or nanny.



Consumers are pickier when finding a hairdresser or barber who they are comfortable with than a doctor.



## How Picky Are Consumers When Choosing A Business?



When it comes to feeling totally comfortable at a business, consumers say it takes 3-4 visits on average across the board.

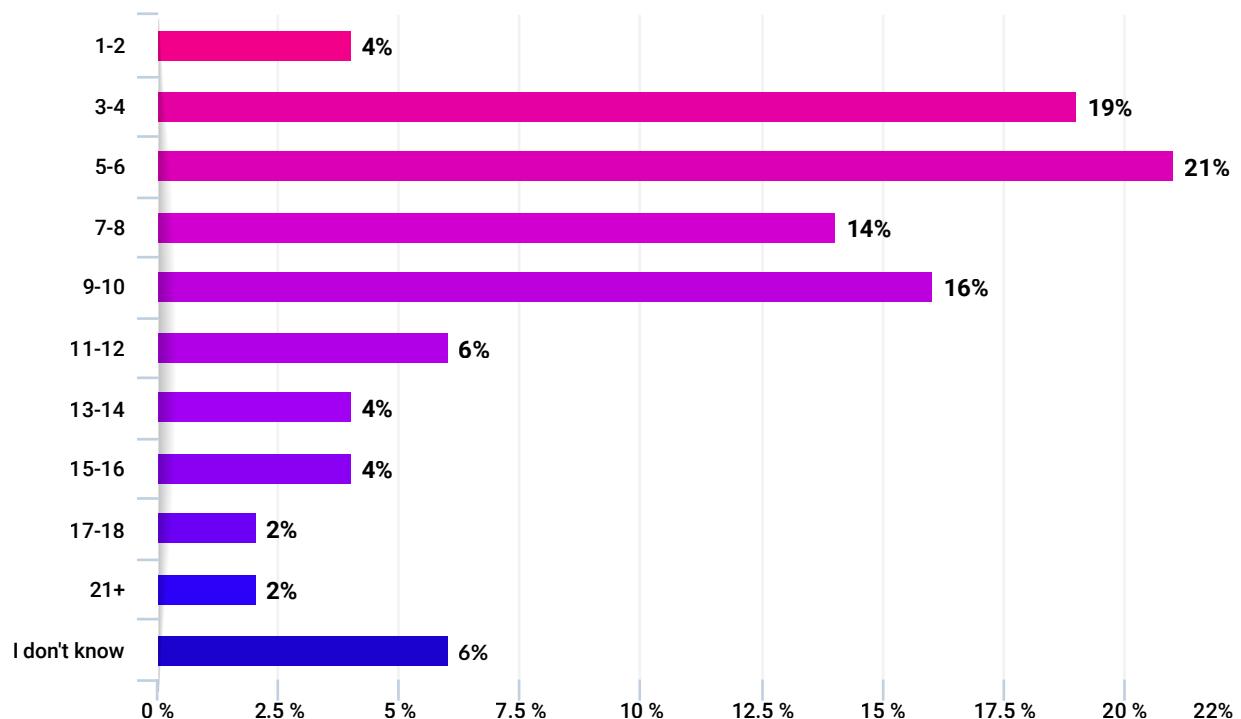
## How Many Visits it Takes Consumers to Feel Comfortable at a Business



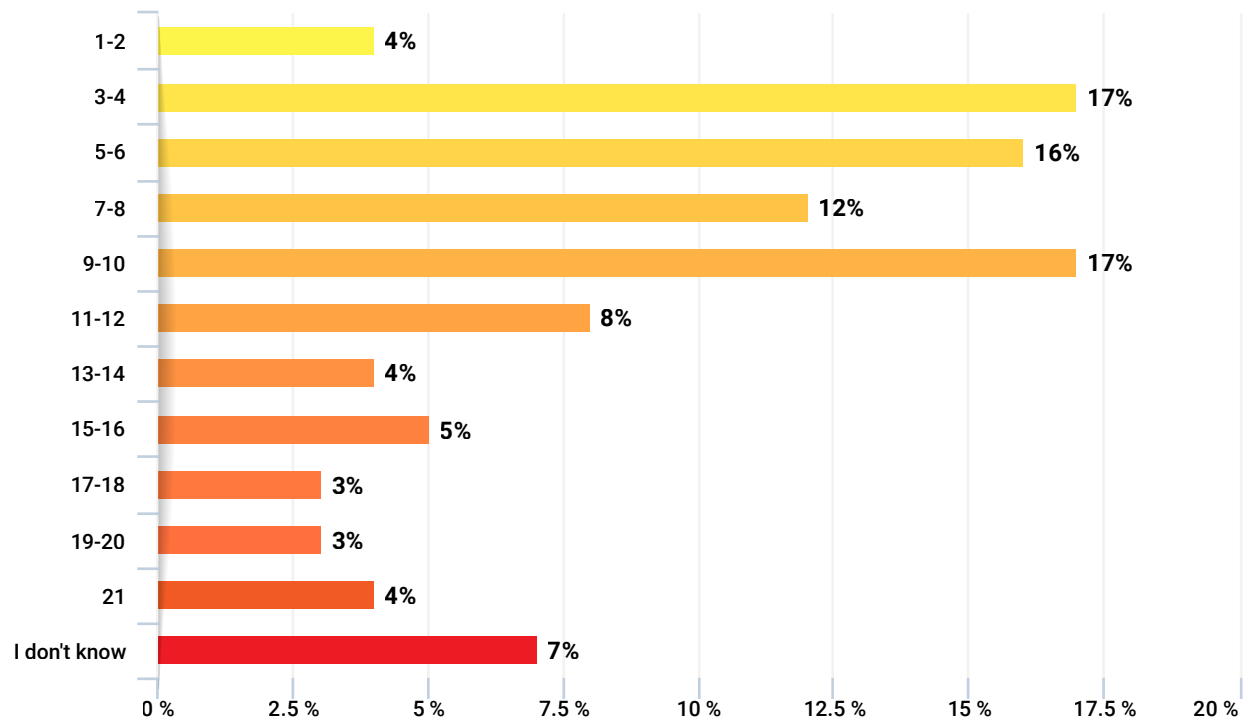


Once customers are comfortable, it takes a few more visits for them to consider themselves a “regular.” For 51% of consumers, it takes 10 visits or fewer to a business for them to consider themselves a “regular.” Similarly, for 45% of consumers, it takes 5-10 visits for them to be considered “loyal” to that one particular business.

**How Many Visits it Takes to Be Considered a Regular**



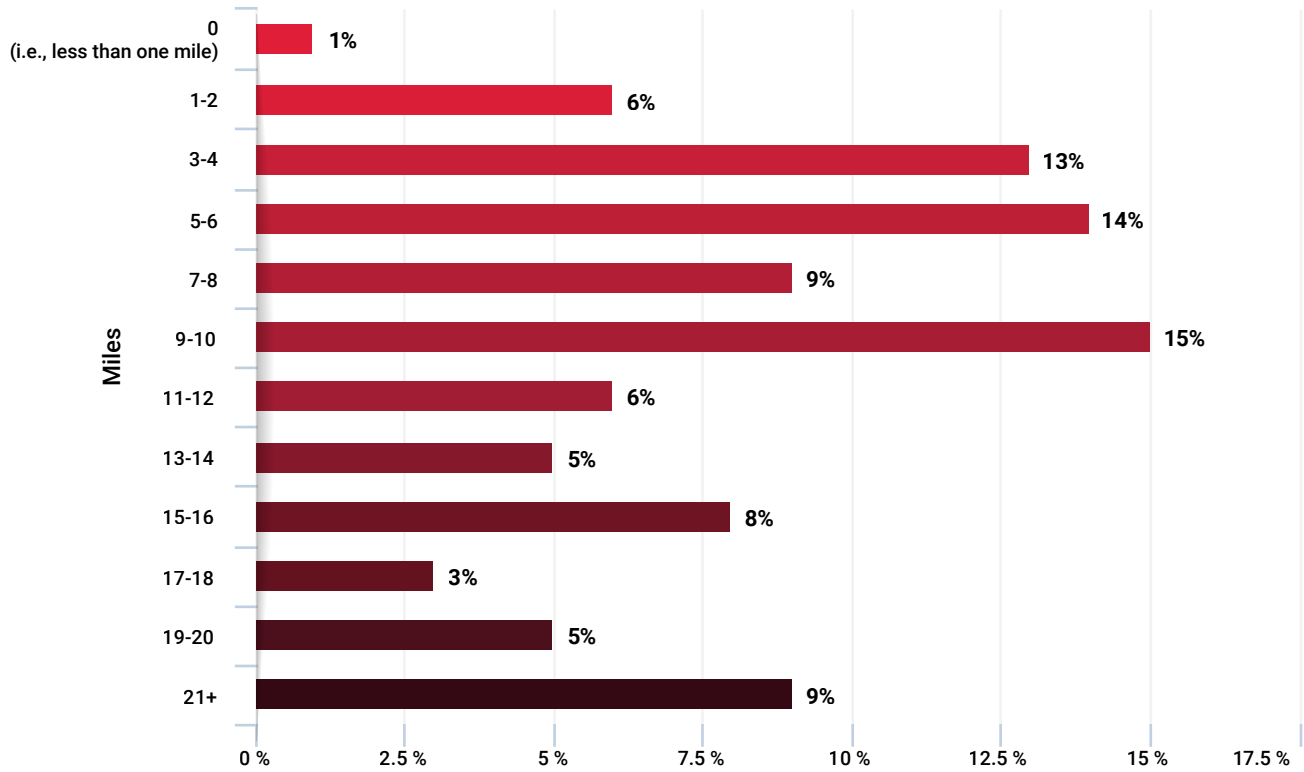
### How Many Visits it Takes to Be Considered Loyal



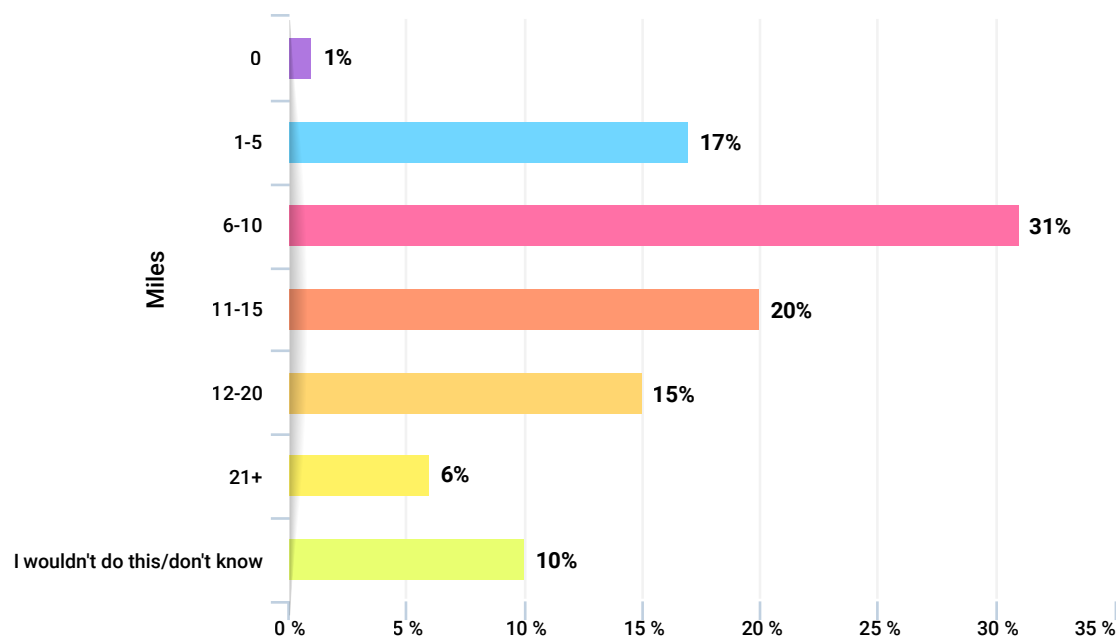
How far that loyalty takes the customer may depend on the individual. Fifty-eight percent of consumers are only willing to travel up to 10 miles to visit a business they are loyal to, while 25% are willing to travel 15 miles or more. It also depends on the circumstance of the distance. Seventy-one percent of respondents would be upset if their favorite business relocated. That said, if customers were the ones that had to relocate, they would be willing to travel farther to still visit that business. In this case, 31% of respondents say they would be willing to travel up 6-10 miles, and 41% would be willing to travel 11-21 miles or more.



## How Far Loyal Customers Will Go to Visit a Business



## How Far Consumers Will Go After Relocating



Even once businesses earn a customer's loyalty, the data indicates that consumers' allegiances really lie with the people, rather than the brand. Seventy-six percent of respondents say they are more likely to be loyal to a particular employee rather than the overall business. In fact, 48% say they would follow an employee from a business they were a regular at if they moved to a new business. With these findings, businesses must prioritize attracting and retaining talent to differentiate their business. A key piece of this process is modernizing operations and investing in tools that make employees' jobs easier. Not only will this improve job satisfaction, but it will also free up employees so they are able to focus on fostering the valuable relationships with customers that keep them coming back.

**76% of consumers say they are more loyal to individual employees than to the brand.**

Consumer loyalty to employees makes sense given their favorite parts of being a regular revolve around customer service and personalization. According to respondents, the number one benefit of being a regular is trusting the people at the business and their capabilities (61%). This is followed by the employees knowing their preferences (57%) and knowing what to expect from the services (57%).

#### Top 5 Benefits of Being a Regular at a Business



Consumer loyalty to employees also benefits the business, especially when it comes to looking past mistakes. According to results, consumers are more tolerant of mistakes related to employees and personalization than they are to the way the business operates. For most operational mistakes, it would only take one to two occurrences for consumers to never visit the business again. For instance, 44% of consumers say if they were overcharged for a service once or twice, they would never visit a business again. Similarly, 54% say if a business forgot to remind them of their appointment between one and four times, they would lose their business. Since the stakes of these easy-to-make mishaps are high, small businesses should invest in software that eliminates both. Integrated payment processing and automated appointment reminders can ensure that businesses don't jeopardize loyalty over operations-related mistakes.

**44% of consumers say they would never visit a business again after being overcharged for a service 1-2 times.**

There seems to be slightly more leeway when employees make mistakes, such as forgetting a customer's name or preferences – each of which would need to happen three to four times to lose the business.



### How Many Times Can a Mistake Happen Before Losing Consumers' Business?

Provided the wrong service	Provided the right service but they didn't like it	Overcharged them for a service
5% say 0	3.5% say 0	4% say 0
43% say 1-2	36% say 1-2	40% say 1-2
25% say 3-4	30% say 3-4	26% say 3-4
12% say 5-6	13% say 5-6	13% say 5-6
5% say 7-8	7% say 7-8	7% say 7-8
3% say 9-10	4% say 9-10	4% say 9-10
3% say 11+	2% say 11+	2% say 11+
4% say it wouldn't stop me from going to a business/I don't know	5% say it wouldn't stop me from going to a business/I don't know	4% say it wouldn't stop me from going to a business/I don't know

### Forgot to remind me about their appointment

7% say 0  
27% say 1-2  
27% say 3-4  
14% say 5-6  
8% say 7-8  
4% say 9-10  
2% say 11+  
11% say it wouldn't stop me from going to a business/I don't know

### Employee forgot their name

9% say 0  
19% say 1-2  
24% say 3-4  
16% say 5-6  
8% say 7-8  
5% say 9-10  
3% say 11+  
15% say it wouldn't stop me from going to a business/I don't know

### Employee forgot my product/service preferences

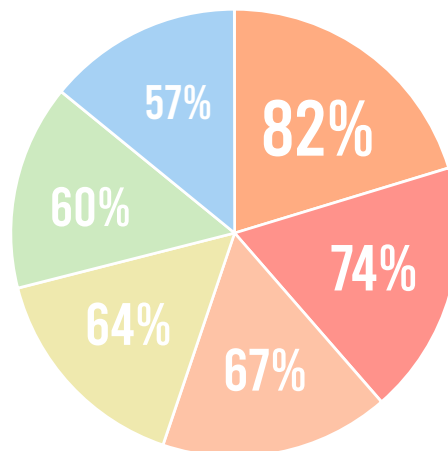
6% say 0  
25% say 1-2  
27% say 3-4  
15% say 5-6  
7% say 7-8  
5% say 9-10  
3% say 11+  
13% say it wouldn't stop me from going to a business/I don't know

**Loyal customers want their go-to small businesses to succeed – and they don't want the hassle of finding a new place.**

After receiving a service they are not happy with, loyal customers are also more likely to bring up concerns directly with the person providing their service (82%) or the manager (74%) rather than just no longer visit that business (67%) – another benefit of customer loyalty. In fact, the majority of consumers would rather bring up their concerns directly than avoid it due to loyalty (57%) or fear of offending the person (60%). This indicates that consumers would prefer to give their “go-to” business another chance, rather than have to find a new one.

### When Loyal Customers are Unhappy With a Service, They are Likely to...

- Bring up their concern directly with the person providing their service
- Bring up concern directly to a manager
- No longer visit that business
- Write a review online about their concern
- Avoid bringing up their concern because they do not want to offend the person providing the service
- Avoid bringing up their concern out of loyalty to the business/person providing the service



Even so, nearly 6 in 10 consumers (59%) say a business would need to offer a complementary/free future service to win their loyalty back after a bad experience. This is followed by a reimbursement for the service (54%), a discount for a future service (50%) or a formal apology (49%).

## Vertical Findings

### Hair Salons, Barbershops and Nail Salons

Hair salons, barbershops and nail salons are a vital piece of the economy, with the average consumer visiting at least one or a combination of them three times per year. When visiting these small businesses, consumers value the same traits – with quality of service being the top priority, followed by cost, convenient location, reputation and trust.

Hair Salons and Barbershops	Top Traits When Visiting...	Nail Salons
62%	1. Quality of Service	58%
40%	2. Cost	37%
32%	3. Convenient Location	31%
31%	4. Reputation	31%
31%	5. Trust	30%

These consumers also appreciate receiving personalized promotions and/or messages from the hair salons and barbershops (72%) or nail salons (70%) they visit. In order for an experience to count as personalized, respondents say they need to feel like employees know them and their preferences without having to ask. They also need...

Personalization Preferences	Hair Salons and Barbershops	Nail Salons
To feel like employees know them and their preferences without having to ask	57%	56%
Specific recommendations based on their needs	53%	53%
A coupon for a product or service they have received before	48%	49%
One-on-one consultations with employees	47%	48%
A discount/promotion for their birthday	40%	39%
A greeting at the door	38%	39%

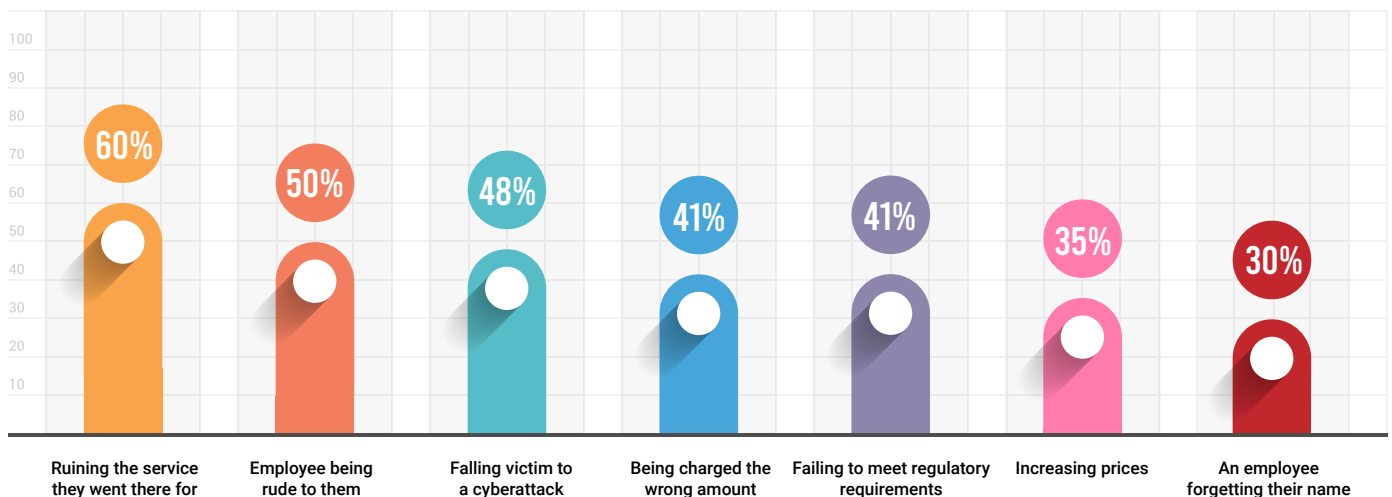


Delivering high-quality services and customer experiences is critical for maintaining business. Approximately three-quarters of consumers are less likely to visit a hair salon/barbershop (78%) or nail salon (74%) again after receiving poor customer service. In fact, 6 in 10 consumers would never go back to a hair salon/barbershop if they ruined their haircut (60%) or a nail salon if they ruined their manicure/pedicure (59%). Interestingly, consumers' priorities slightly differ from there. The second biggest offense to hair salon/barbershop patrons is an employee being rude to them (50%), whereas for nail salon patrons, it's falling victim to a cyberattack (49%). That said, cybersecurity is still a top priority for both groups, so small businesses should consider how to safeguard that information with the right technology.

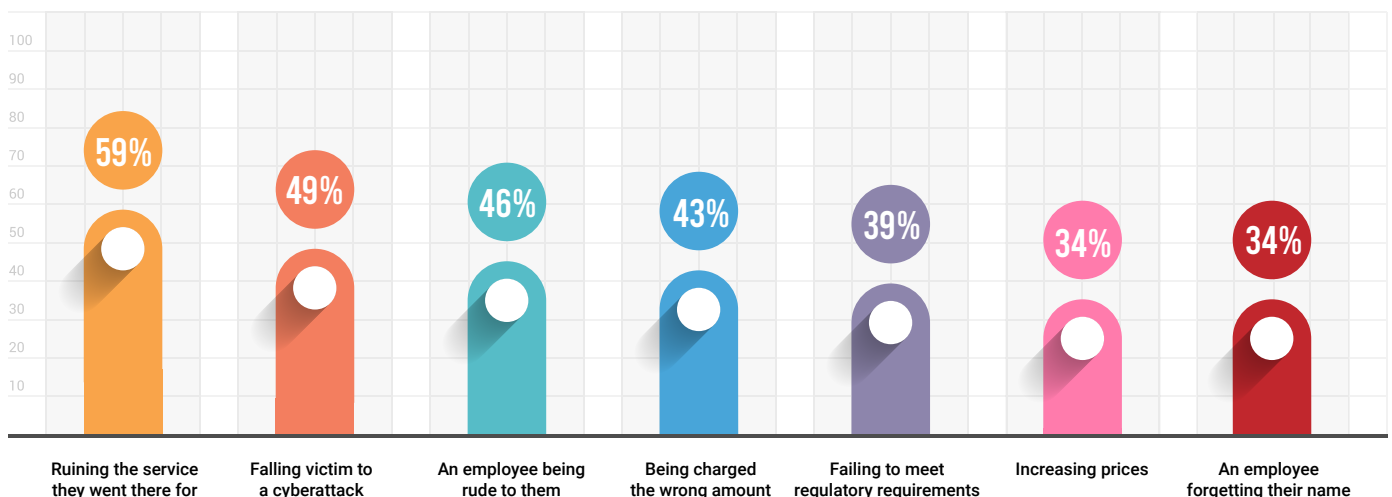
**Nearly half of consumers would not go back to a hair salon/barbershop (48%) or nail salon (49%) if they fell victim to a cyberattack.**

### Top Dealbreakers for Hair Salon and Nail Salon Consumers

Hair Salons/Barbershop Customers



Nail Salon Customers



When it comes to technological preferences, consumers would still rather book appointments over the phone than on a mobile app, website or social media page. That said, the majority of consumers say they are more likely to continue visiting a hair salon/barbershop (74%) or nail salon (78%) if they can utilize online resources to book appointments. This result indicates how using digital technologies can help encourage repeat business.

**The majority of consumers say they are more likely to continue visiting a hair salon, barbershop or nail salon if they can utilize online resources to book appointments.**

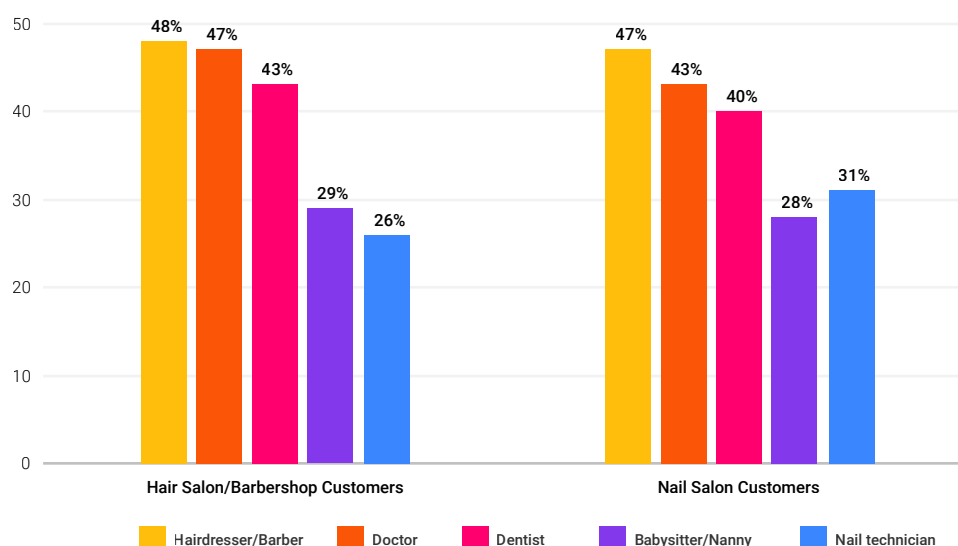
When it comes to online reviews, 40% of consumers say they are equally likely to write one whether they received a good or bad service, and 29% say it is more likely after good service. In the age of fragile brand reputation, this result is promising for hair salons, barbershops and nail salons. Respondents also say they are equally likely to write an online review after being prompted by a follow-up email from the business or after receiving a verbal request from the person who did their hair or nails. When consumers have written bad reviews, 40% have done so while still receiving a service at a hair salon/barber shop, and even more (46%) have done so while still at a nail salon.

## Winning Customer Loyalty

Customers who are regulars are more likely to refer another person to their hair salon/barbershop (66%) and nail salon (65%). Most of those respondents – 42% and 39% respectively – need to always have a positive experience to refer another person to that business.

Building a roster of regulars is no simple task. According to the findings, consumers are pickier when it comes to finding a hairdresser or barber who they are comfortable with than a doctor. Patrons are also much pickier when it comes to finding a go-to hairdresser/barber than a nail technician. When visiting each type of business, it takes consumers between four and five visits on average to feel comfortable.

**The Hardest Relationships to Build, According to...**





Once consumers are comfortable at a hair salon/barbershop or nail salon, it takes a few more visits to build long-term customer loyalty. According to respondents, it takes eight visits to a business on average for consumers to consider themselves a “regular,” and between eight and nine visits on average for them to be considered “loyal” to that one particular business.

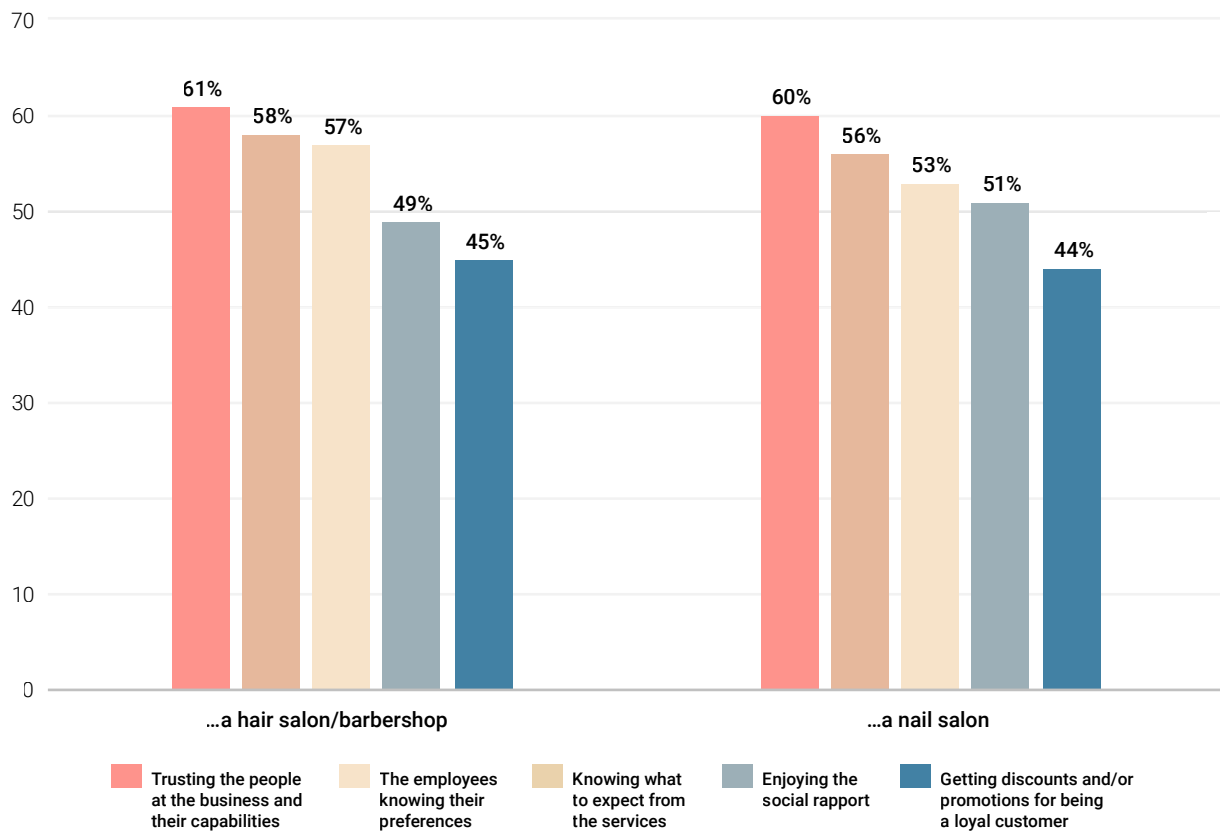
Fifty-seven percent of hair salon/barbershop patrons and 60% of nail salon patrons are only willing to travel up to 10 miles to visit a business they are loyal to. That said, one-quarter (25%) of hair salon/barbershop patrons would travel more than 15 miles versus just one-fifth (21%) of nail salon patrons. The majority of respondents would be upset if their favorite hair salon/barbershop (73%) or nail salon (71%) relocated. That said, if the customer had to relocate, they would be willing to travel farther – with 51% willing to travel 6-15 miles to a hair salon/barbershop they are loyal to and 53% willing to travel 6-15 miles to a nail salon they are loyal to.

This loyalty is not necessarily to the hair salon/barbershop or nail salon, however. Seventy-six of hair salon/barbershop patrons and 78% of nail salon patrons are more loyal to a particular employee than to the brand. In fact, 48% of respondents say they would follow their hairstylist if they moved to a new business, and 52% of consumers would follow their nail technician. With these allegiances, it is critical that hair salon, barbershop and nail salon owners actively work to attract and retain their talent. The more that they can streamline employees’ more mundane tasks, the more employees will be able to build valuable relationships with customers – and the more likely employees will be satisfied with their jobs, keeping those customers around.

**More than three-quarters of consumers are more loyal to their hairdresser, barber or nail technician than to the business itself.**

In fact, several of the traits that consumers prioritize in choosing and returning to a business are related to customer service and personalization. According to 6 in 10 respondents, the number one benefit of being a regular at a hair salon/barbershop or nail salon is trusting the people at the business and their capabilities. This is followed by the employees knowing their preferences and knowing what to expect from the services.

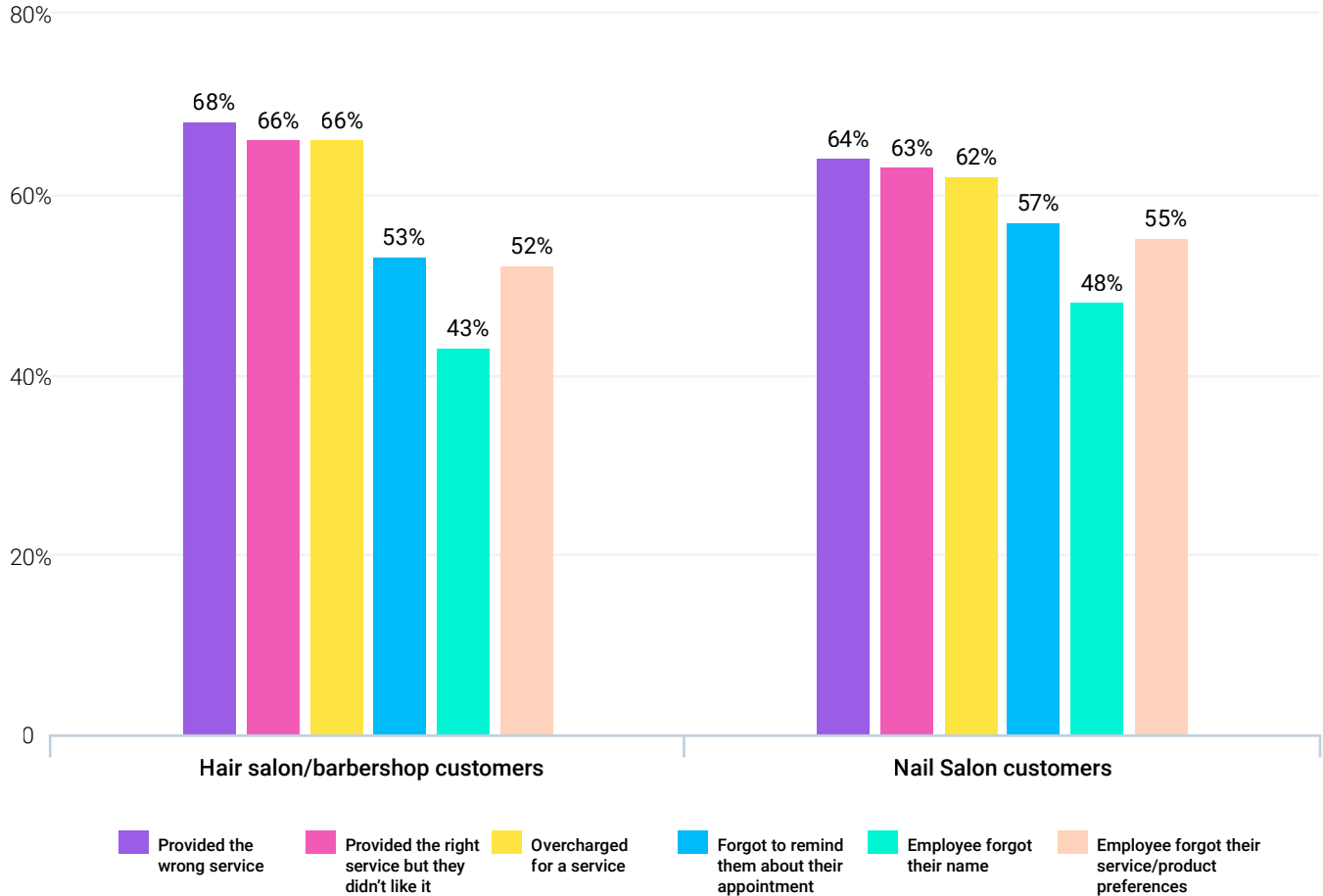
## Favorite Benefits of Being a Regular at...



Consumers are also more tolerant of mistakes related to customer service than logistics. For instance, it would only take being overcharged for a service once or twice for 40% of consumers to never go back to a hair salon/barbershop and 33% of consumers to never go back to a nail salon. Similarly, more than one-quarter of consumers say they would not go back to a hair salon/barbershop (26%) or nail salon (28%) if the business forgot to remind them of their appointment once or twice. Comparatively, an employee would have to forget a customer's name at least five times or more for about one-third of consumers not to return to a hair salon/barbershop (33%) or nail salon (37%). Salon owners can reduce these stakes by implementing business management software that integrates payment processing and automates appointment reminders, ensuring consistent and accurate service.



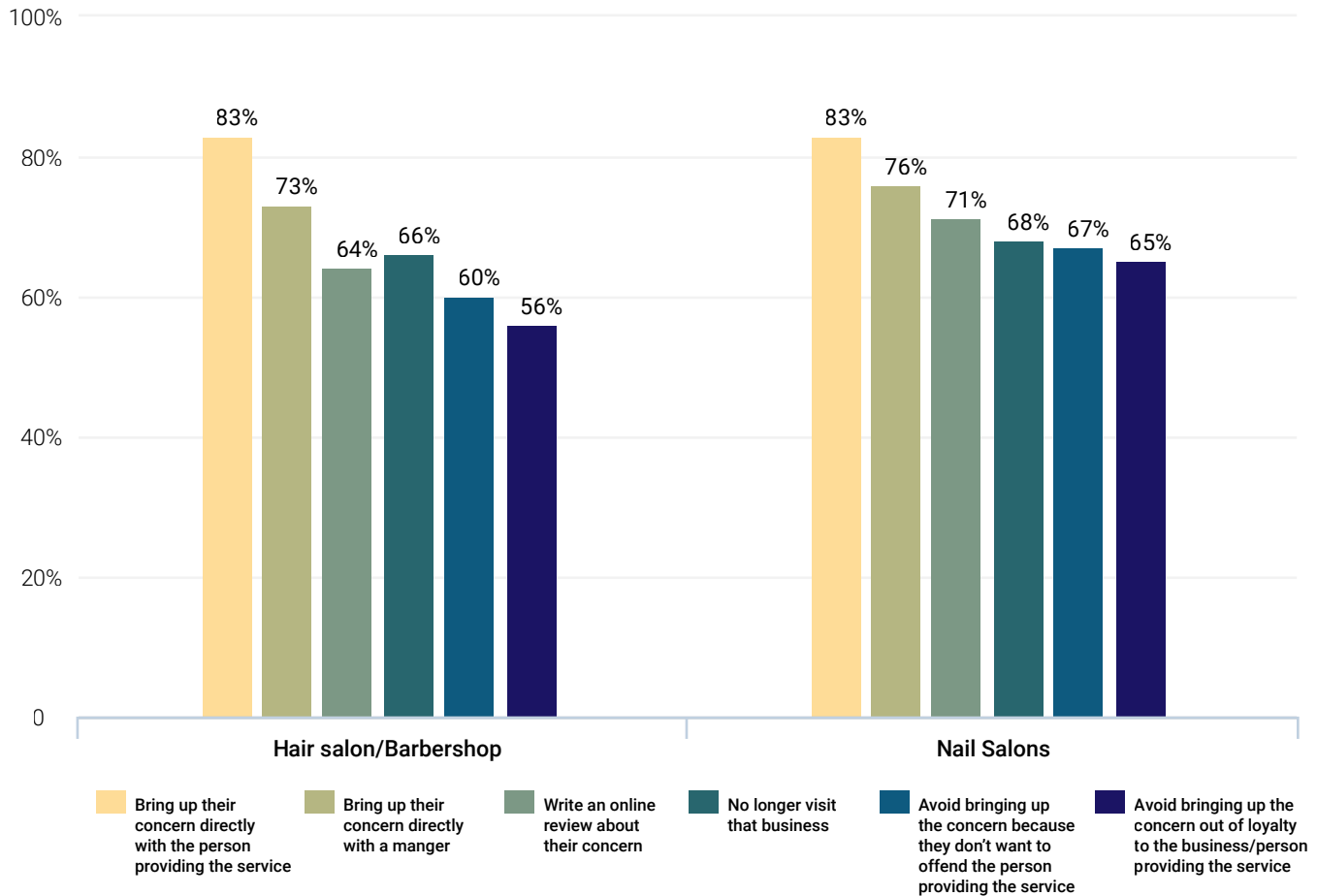
## Number of Mistakes it Would Take to Never Go Back to a Business



Despite the high stakes of consumer preferences, 45% of hair salon/barbershop patrons and 52% of nail salon patrons would rather keep visiting a business that continues to deliver a poor experience than go through the stress of finding a new one. After receiving a service they are not happy with, 83% of loyal customers are also more likely to bring up concerns directly with the person providing their service versus just no longer visiting that hair salon/barbershop (64%) or nail salon (71%) – another benefit of customer loyalty. In fact, the majority of consumers would rather bring up their concerns directly than avoid it due to loyalty or fear of offending the person. This indicates that consumers would prefer to give their “go-to” hair salon/barbershop or nail salon another chance, rather than have to find a new one.



## After Receiving Bad Service, Consumers are Likely to...



After a bad experience, more than half (59%) of consumers say a hair salon/barbershop or nail salon would need to offer a complementary/free future service to win their loyalty back.

## Spas

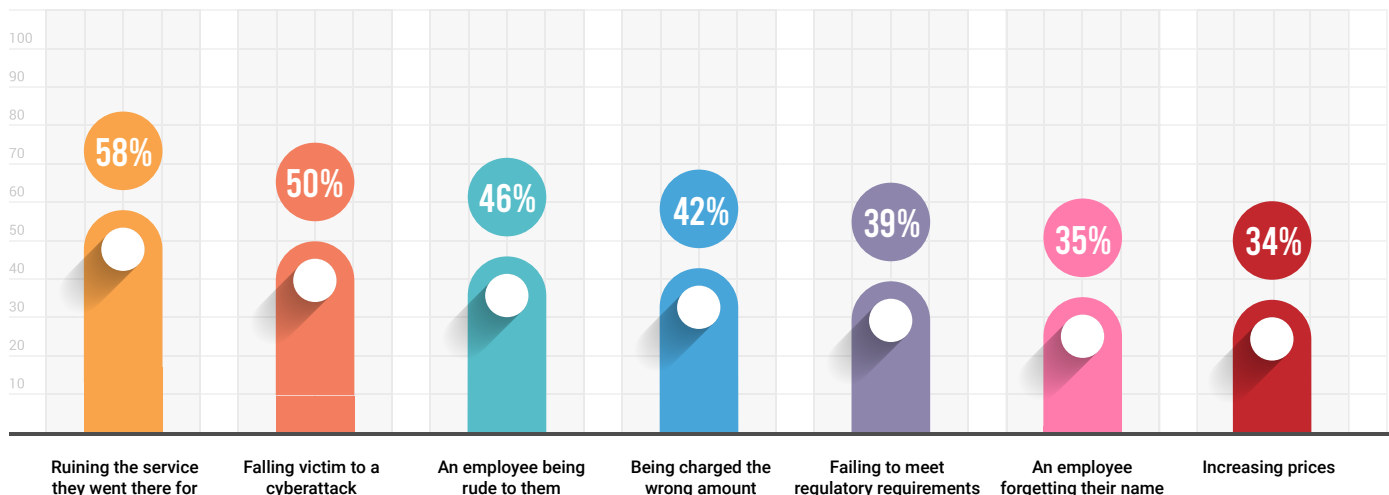
Spas – including med spas and beauty spas – are an integral part of the economy, with the average consumer visiting them between two and three times per year. When visiting spas, consumers say the most important trait is quality of service (57%), followed by cost (35%), reputation (32%), convenient location (31%) and trust (31%). While only 20% of respondents say personalized service is a priority when visiting a spa, 71% say they enjoy receiving personalized promotions and/or messages. According to respondents, in order for an experience to qualify as personalized, they need to feel like employees know them and their preferences without having to ask (57%), can make specific recommendations based on their needs (54%), offer a coupon for a product/service they have received before (49%) or provide a one-on-one consultation with an employee (49%).

**Consumers define personalization based on tailored customer service.**

**Half of consumers would not go back to a spa if they fell victim to a cyberattack.**

Delivering high-quality services and customer experiences is critical for spas to maintain business. Three-quarters of consumers are less likely to visit a spa again after receiving bad customer service. In fact, 58% consumers would never go back to a spa if an employee ruined the service they went there for. This is followed by falling victim to a cyberattack (50%) – underscoring why spas must prioritize cybersecurity and consider how to safeguard customer information with the right technology (particularly those that are required to be HIPAA-compliant).

### Top Deal Breakers for Spa Customers



When it comes to technological preferences, one-quarter of consumers would still rather book appointments over the phone (25%) than on a mobile app (22%), website (19%) or social media page (16%). That said, 79% of consumers say they are more likely to continue visiting a spa if they can utilize online resources to book appointments. This result indicates how using digital technologies can help encourage repeat business.

When it comes to online reviews, 40% of consumers say they are equally likely to write one whether they received a good or bad service, and 30% say it is more likely after good service. In the age of fragile brand reputation, this result is promising for spas. Respondents also say they are equally likely to write an online review after being prompted by a follow-up email from the business or after receiving a verbal request from the person who did their service. When consumers have written bad reviews, 46% have done so while still receiving services at the spa.

**8 in 10 consumers say they are more likely to continue visiting a spa if they can utilize online resources to book appointments.**



## Winning Customer Loyalty

Sixty-four percent of consumers say they are most likely to refer another person to a spa they are a regular at. Of these respondents, 39% will only refer another person if they always have a positive experience.

Building a roster of regulars is no simple task. According to the results, it takes consumers between four and five visits to a spa on average to feel comfortable. Once consumers are comfortable at a spa, it takes a few more visits to build long-term loyalty. According to respondents, it takes an average of about eight visits to a spa for them to consider themselves a “regular,” and between eight and nine visits on average for them to be considered “loyal” to that one spa.

Sixty-one percent of consumers say they are only willing to travel up to 10 miles to visit a spa they are loyal to, while 21% say they would travel 15 miles or more. Seven in 10 respondents (71%) would be upset if their favorite spa relocated. That said, if the customer had to relocate, they would be willing to travel farther – with 51% willing to travel 6-15 miles to a spa they are loyal to.

Consumer loyalty may not be with the brand, however. Seventy-seven percent of consumers say they are more loyal to a particular employee than to a spa business itself. In fact, 52% of respondents say they would follow their go-to spa employee if they moved to a new business. With these allegiances, it is critical that spa owners actively work to attract and retain their talent. The more that they can streamline employees’ more mundane tasks, the more employees will be able to build valuable relationships with customers – and the more likely employees will be satisfied with their jobs, keeping those customers around.

**More than three-quarters of consumers are more loyal to spa employees than the business itself.**

In fact, several of the traits that consumers prioritize in choosing and returning to a spa are related to customer service and personalization. According to 59% of respondents, the number one benefit of being a regular at a spa is trusting the people at the business and their capabilities. This is followed by the employees knowing their preferences (57%) and knowing what to expect from the services (53%).

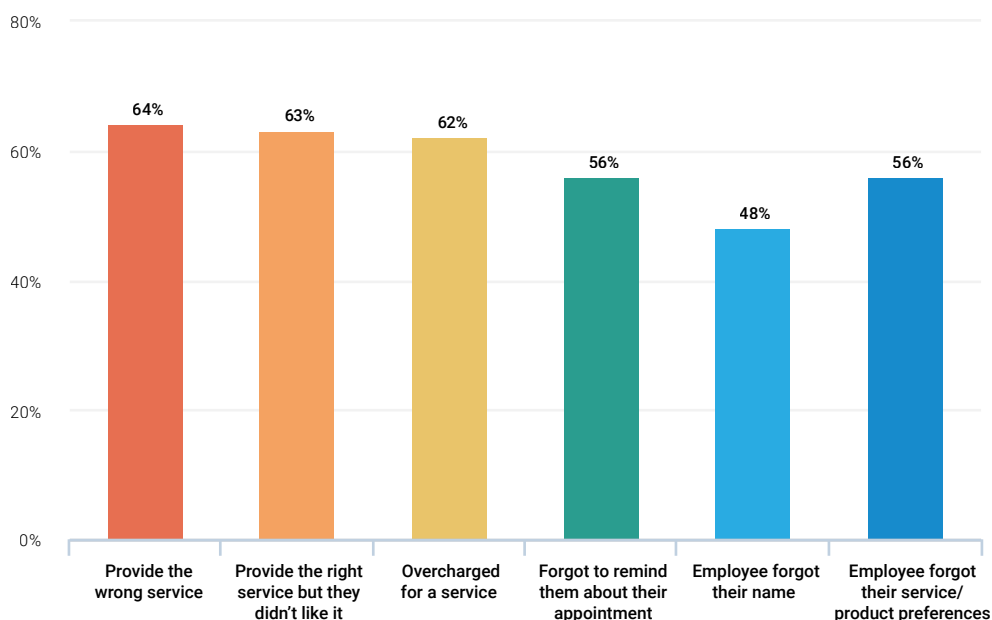


### Top 5 Favorite Benefits of Being a Regular



Consumers are also more tolerant of mistakes related to customer service than logistics. For instance, one-third (33%) of consumers say it would only take being overcharged for a service once or twice for them to never go back to a spa. Similarly, more than one-quarter of consumers (27%) say they would not go back to a spa if it forgot to remind them of their appointment once or twice. Comparatively, more than one-third (37%) of consumers say an employee would have to forget their name at least five times for them not to return to the business. Spa owners can reduce these stakes by implementing business management software that integrates payment processing and automates appointment reminders, ensuring consistent and accurate service.

### Consumers Who Would Never go Back After this Mistake Happened 1-4 Times



Despite the high stakes of consumer preferences, 52% of respondents say they would rather keep visiting a spa that continues to deliver a poor experience than go through the stress of finding a new one. After receiving a service they are not happy with, 83% of loyal customers are also more likely to bring up concerns directly with the employee providing their service than just no longer visit that spa (68%) – another benefit of customer loyalty. In fact, the majority of consumers would rather bring up their concerns directly than avoid it due to loyalty (65%) or fear of offending the person (67%). This indicates that consumers would prefer to give their “go-to” spa another chance, rather than have to find a new one.

### After Receiving Bad Service, Spa Customers are Likely to...



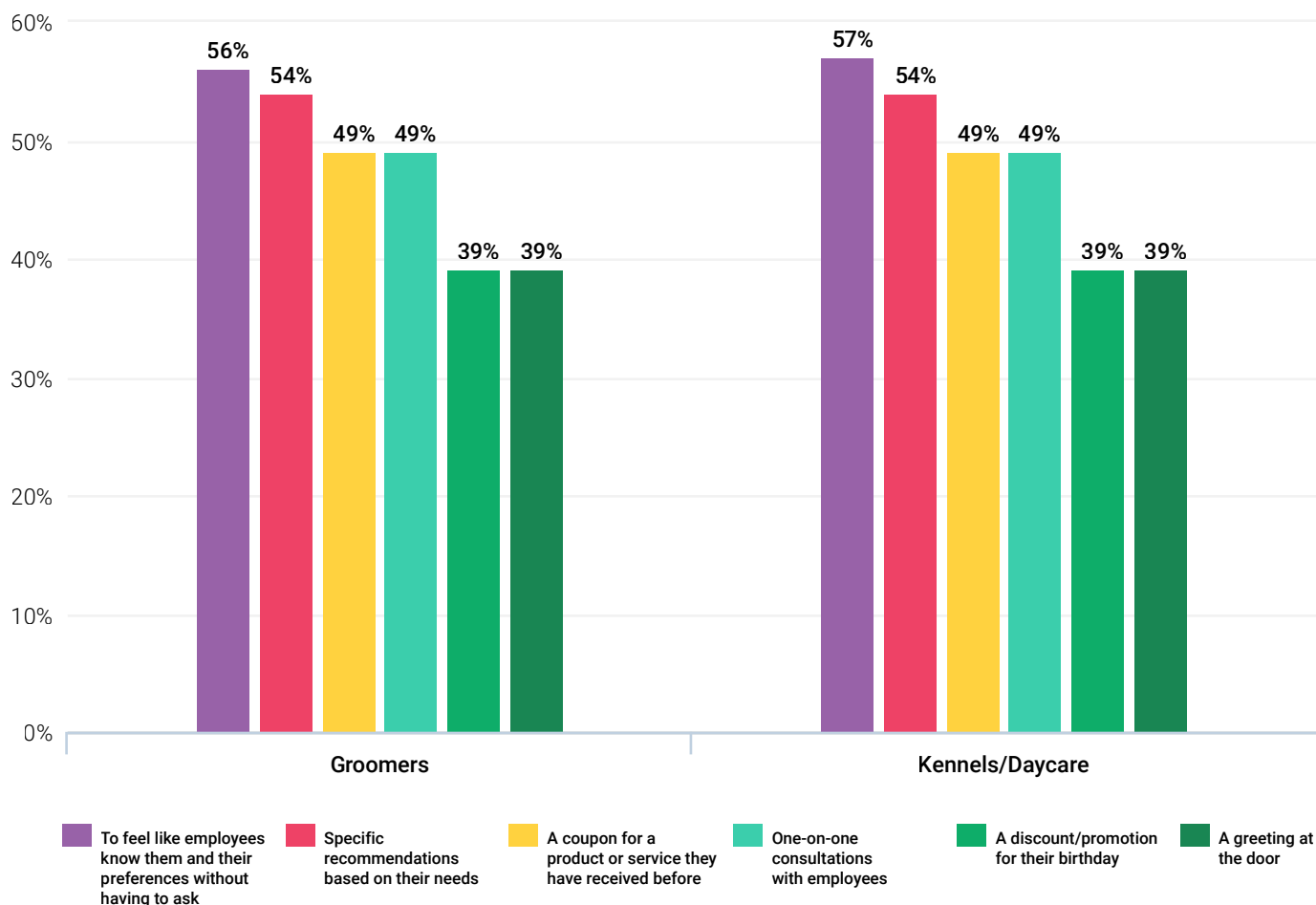
After a bad experience, more than half (59%) of consumers say a spa would need to offer a complementary/free future service to win their loyalty back. This is followed by a discount for a future service (52%), a reimbursement for the bad service (52%) and a formal apology (48%).

## Pet Services Businesses

Pet services businesses – including groomers, pet spas and kennels/daycares – are an important part of the small business economy, with the average consumer visiting them between two and three times per year. When visiting these small businesses, consumers value the same traits – with quality of service being the top priority (58%), followed by cost (35%), reputation (32%), trust (31%) and convenient location (31%).

One in seven consumers also say they enjoy receiving personalized promotions and/or messages from the groomers and kennels/daycares they visit. In order for an experience to count as personalized, respondents say they need to feel like employees know them and their preferences without having to ask. They also need...

## Personalization Preferences

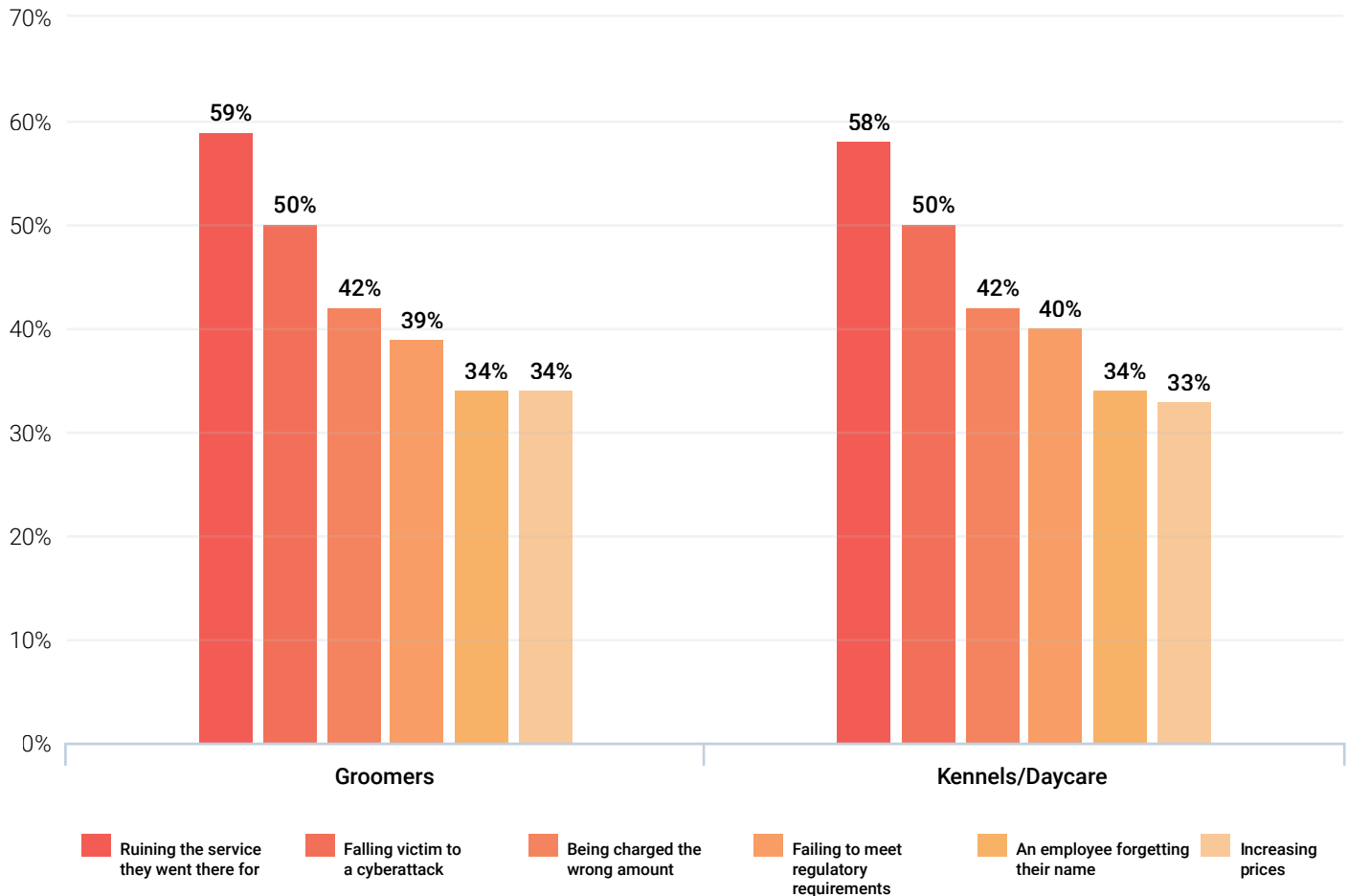


Delivering high-quality services and customer experiences is critical to maintaining business. Three-quarters of consumers are less likely to visit a groomers or kennel/daycare again after receiving poor customer service. In fact, about 6 in 10 consumers would never go back to a groomer (59%) or a kennel/daycare (58%) if they ruined the service they went there for. The second biggest offense to groomer and kennel/daycare patrons is falling victim to a cyberattack (50%). As cybersecurity is a top priority for consumers, small businesses should consider how to safeguard that information with the right technology.



**Half of consumers would not go back to a groomer or kennel/daycare if they fell victim to a cyberattack.**

## Deal Breakers for Consumers



When it comes to technological preferences, consumers would still rather book appointments for the groomers (23%) or kennel/daycare (25%) over the phone than on a mobile app, website or social media page. That said, the majority of consumers say they are more likely to continue visiting the groomers (78%) or a kennel/daycare (79%) if they can utilize online resources to book appointments. This result indicates how using digital technologies can help encourage repeat business.

**The majority of consumers say they are more likely to continue visiting a groomers or kennel/daycare if they can utilize online resources to book appointments.**

When it comes to online reviews, 4 in 10 consumers say they are equally likely to write one whether they received a good or bad service. Thirty-eight percent of groomer patrons and 39% of kennel/daycare patrons also say they are equally likely to write an online review after being prompted by a follow-up email from the business or after receiving a verbal request from the person who did pet care. When consumers have written bad reviews, 46% have done so while still receiving services at the groomers or kennel/daycare.

## Winning Customer Loyalty

Sixty-four percent of consumers say they are more likely to refer another person to a groomers or kennel/daycare they are regulars at. Most of those respondents – 40% and 39%, respectively – need to always have a positive experience to refer another person to that business.

Building a roster of regulars is no simple task. According to the findings, consumers are equally picky when choosing a pet groomer and a dentist they are comfortable with. Interestingly, they are pickier when choosing a kennel/daycare than a babysitter/nanny they are comfortable with. When visiting the groomers or a kennel/daycare, it takes consumers between four and five visits to feel comfortable on average.

Once consumers are comfortable at a groomers or kennel/daycare, it takes a few more visits to build long-term customer loyalty. According to respondents, it takes between eight and nine visits to a business on average for them to consider themselves a “regular” or “loyal” to that one particular business.

Fifty-nine percent of respondents say they are only willing to travel up to 10 miles to visit a groomers or kennel/daycare they are loyal to. That said, one-fifth (21%) of respondents would travel up to 15-21 miles or more. Seventy-one percent of respondents would be upset if their favorite groomers or kennel/daycare relocated. That said, if the customer had to relocate, they would be willing to travel farther – with 53% of respondents saying they would travel 6-15 miles to groomers or kennel/daycare they are loyal to.

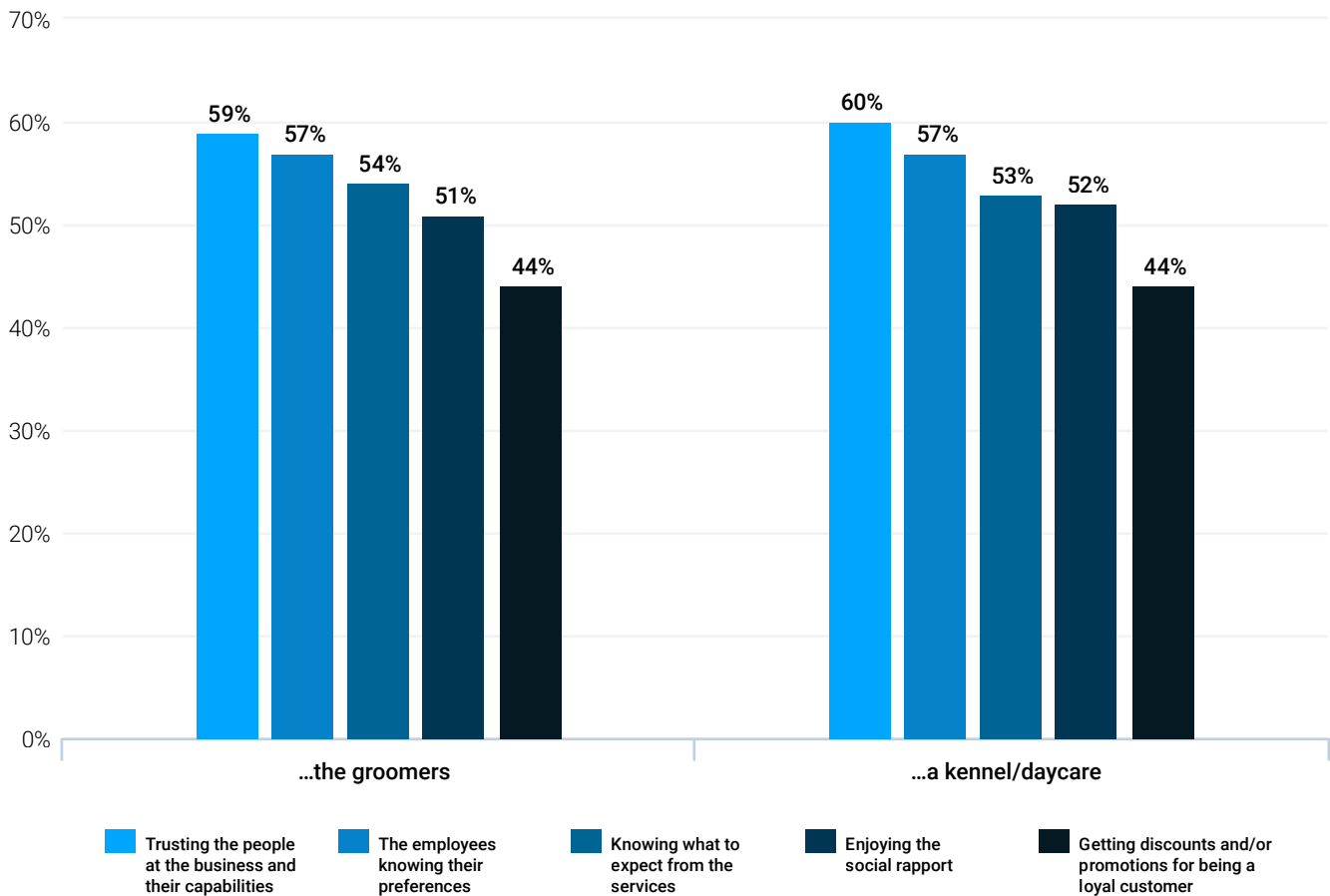
This loyalty is not necessarily to the groomers or kennel/daycare, however. Eighty-six percent of groomer patrons and 87% of kennel/daycare patrons say they are more loyal to a particular employee than to the brand. In fact, 76% of respondents say they would follow their favorite employee if they moved to a new groomers or kennel/daycare. With these allegiances, it is critical that owners of groomers and kennels/daycares actively work to attract and retain their talent. The more that they can streamline employees’ more mundane tasks, the more employees will be able to build valuable relationships with customers – and the more likely employees will be satisfied with their jobs, keeping those customers around.

**Most consumers are more loyal to employees than the groomers or kennel/daycare business itself.**

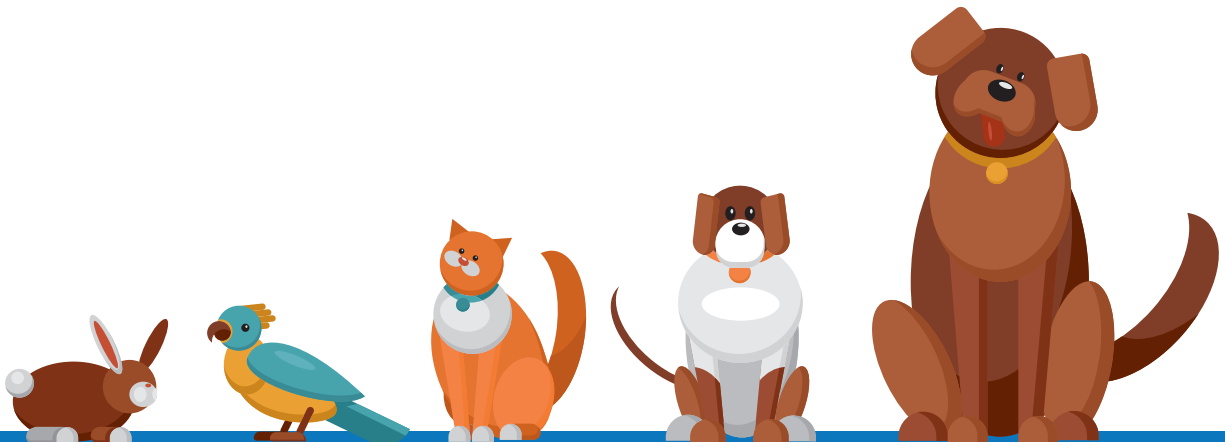
**76% of consumers would follow their favorite employee if they moved to a new groomers or kennel/daycare.**

In fact, several of the traits that consumers prioritize in choosing and returning to a business are related to customer service and personalization. According to 6 in 10 respondents, the number one benefit of being a regular at a groomers or kennel/daycare is trusting the people at the business and their capabilities. This is followed by the employees knowing their preferences and knowing what to expect from the services.

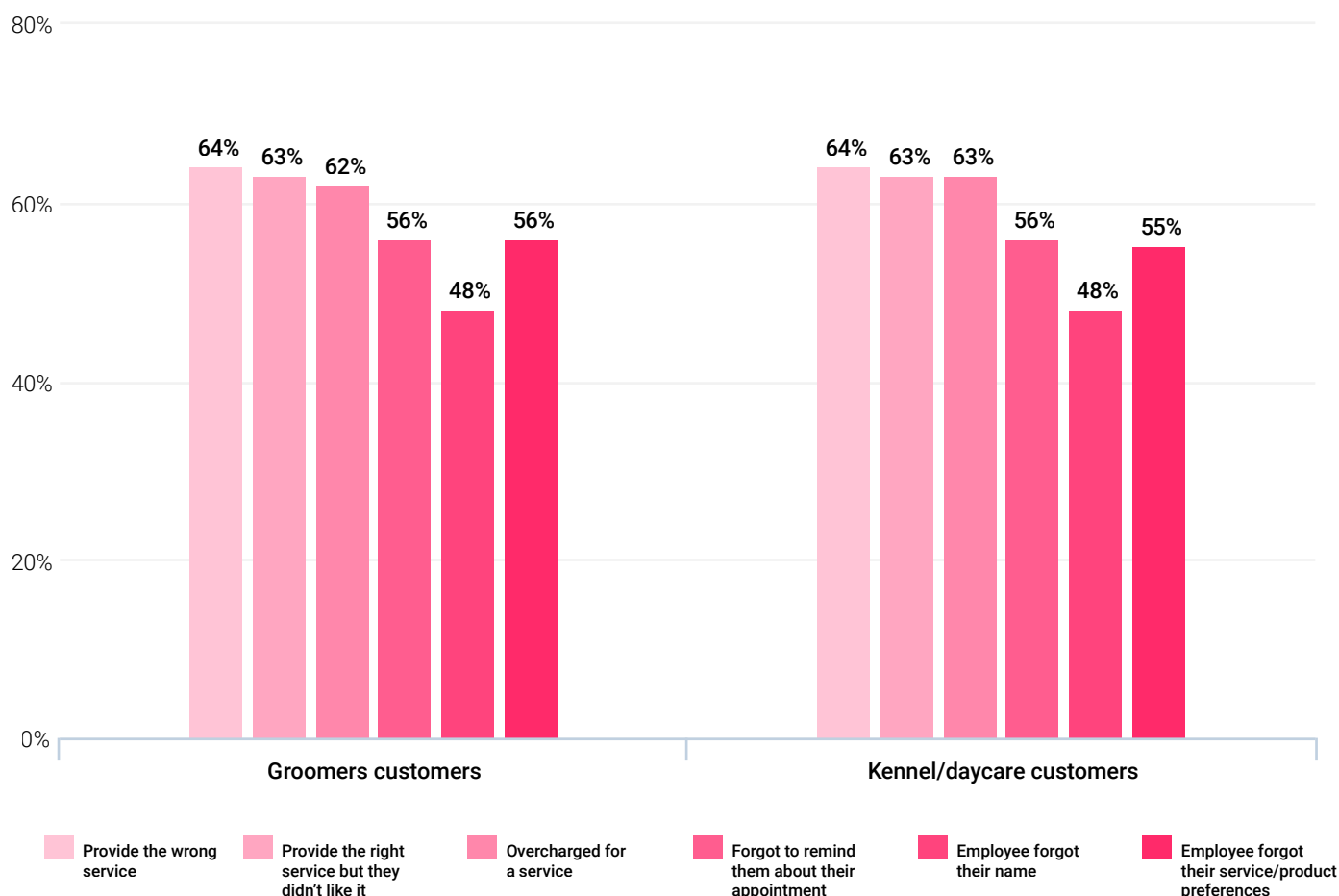
## Favorite Benefits of Being a Regular at...



Consumers are also more tolerant of mistakes related to customer service than logistics. For instance, for some respondents, it would only take being overcharged for a service once or twice for them never go back to the groomers (33%) or kennel/daycare (34%). Similarly, more than one-quarter (27%) of consumers say they would not go back to a groomers or kennel/daycare if the business forgot to remind them of their appointment once or twice. Comparatively, an employee would have to forget a customer's name at least five times or more for more than one-third (37%) of consumers not to return to a groomers or kennel/daycare. Pet business owners can reduce these stakes by implementing business management software that integrates payment processing and automates appointment reminders, ensuring consistent and accurate service.



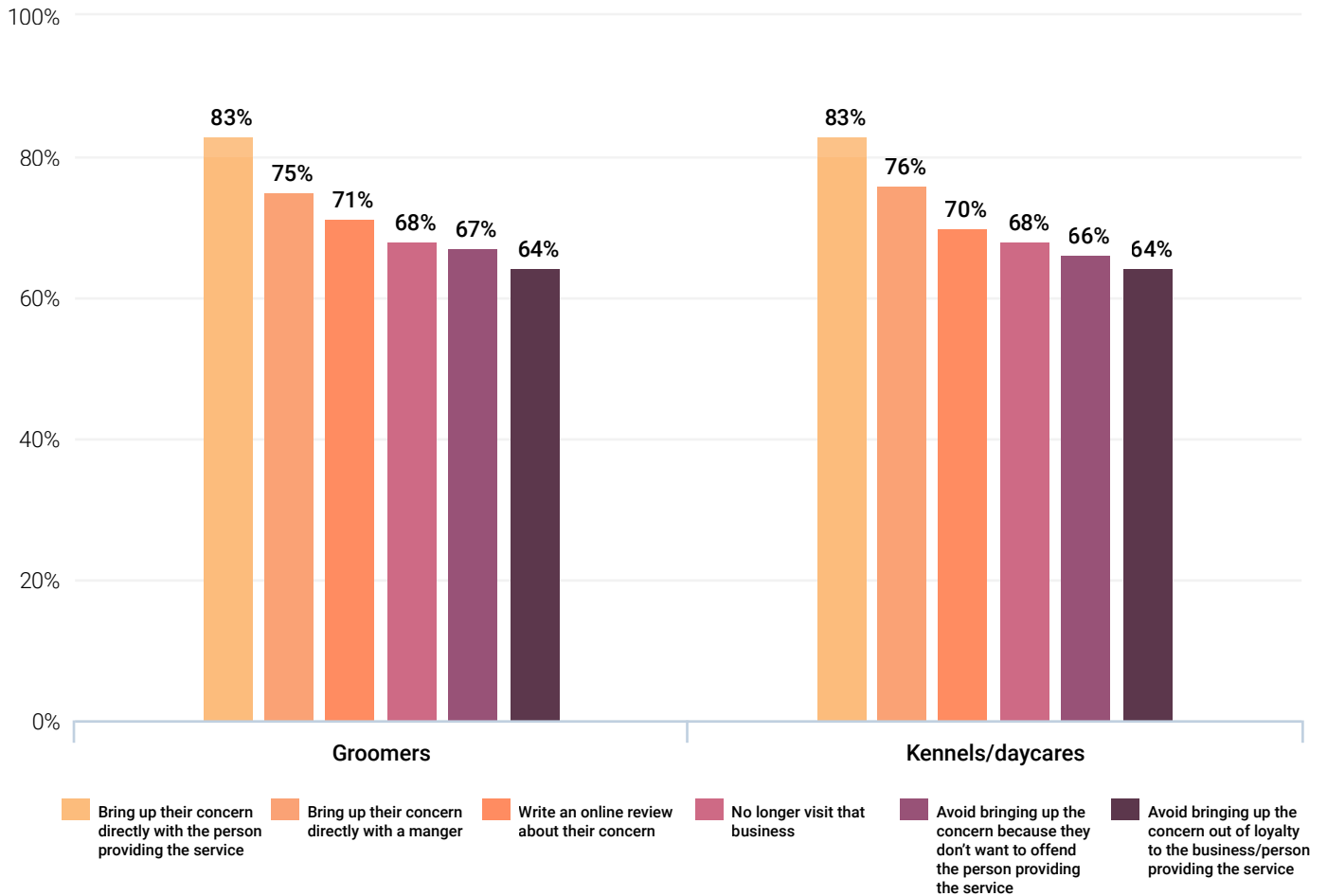
## Mistakes That Would Cause Customers to Never Come Back



Despite the high stakes of consumer preferences, 52% of respondents say they would keep visiting a groomers or kennel/daycare that continues to deliver a poor experience than go through the stress of finding a new one. After receiving a service they are not happy with, 83% of loyal customers are also more likely to bring up concerns directly with the person providing their service versus just no longer visit that groomers or kennel/daycare (68%) – another benefit of customer loyalty. In fact, groomer and kennel/daycare patrons would also rather bring up their concerns directly than avoid it due to fear of offending the person (67% and 66% respectively) or due to loyalty (64% in both cases). This indicates that consumers would rather give their “go-to” groomers or kennel/daycare another chance, rather than have to find a new one.



## After Receiving Bad Service, Consumers are Likely to...



After a bad experience, more than half (59%) of consumers say a groomers or kennel/daycare would need to offer a complementary/free future service to win their loyalty back.

## Tattoo Shops

Tattoo shops are an integral part of the economy, with the average consumer visiting them between two and three times per year. When visiting tattoo shops, consumers say the most important trait is with quality of service (56%), followed by cost (35%), reputation (32%), convenient location (31%) and trust (31%). While only 21% of respondents say personalized service is a priority when visiting a tattoo shop, 68% say they enjoy receiving personalized promotions and/or messages. According to respondents, in order for an experience to qualify as personalized, they need to feel like employees know them and their preferences without having to ask (56%), can make specific recommendations based on their needs (52%), offer a coupon for a product/service they have received before (50%), provide a one-on-one consultation with an employee (48%), greet them at the door (39%) or provide a discount/promotion for their birthday (38%).

**Consumers define personalization based on tailored customer service.**



Delivering high-quality services and customer experiences is critical for tattoo shops to maintain business. Three-quarters of consumers are less likely to visit a tattoo shop again after receiving bad customer service. In fact, 56% of consumers would never go back to a tattoo shop if they ruined the service they were there for, such as receiving a tattoo. This is followed by falling victim to a cyberattack (49%) – underscoring why tattoo shops must prioritize cybersecurity and consider how to safeguard customer information with the right technology.

**Half of consumers would not go back to a spa if they fell victim to a cyberattack.**

### Top Deal Breakers for Tattoo Customers



When it comes to technological preferences, consumers say they would still rather book appointments over the phone (24%) than on a mobile app (23%), website (19%) or social media page (17%). That said, 79% of consumers say they are more likely to continue visiting a tattoo shop if they can utilize online resources to book appointments. This result indicates how using digital technologies can help encourage repeat business.

**More than three-quarters of consumers are more loyal to tattoo artists than the shop itself.**

When it comes to online reviews, 39% of consumers say they are equally like to write one whether they received a good or bad service, and 30% say it is more likely after good service. In the age of fragile brand reputation, this result is promising for tattoo shops. Respondents also say they are equally likely to write an online review after being prompted by a follow-up email from the business or after receiving a verbal request from the person who did their tattoo. When consumers have written bad reviews, 49%, have done so while still receiving services at the tattoo shop.

## Winning Customer Loyalty

Sixty-four percent of consumers say they are most likely to refer another person to a tattoo shop they are a regular at. Of these respondents, 37% will only refer another person if they always have a positive experience.

Building a roster of regulars is no simple task. According to the results, it takes consumers between four and five visits to a tattoo shop on average to feel comfortable. Once consumers are comfortable at a spa, it takes a few more visits to build long-term loyalty. According to respondents, it takes an average of between eight and nine visits to a tattoo shop for them to consider themselves a “regular,” or for them to be considered “loyal” to that one tattoo shop.

Fifty-nine percent of consumers say they are only willing to travel up to 10 miles to visit a tattoo shop they are loyal to. That said, about one-fifth (19%) say they would travel 15 miles or more. Seven in 10 respondents would be upset if their favorite tattoo shop relocated. That said, if the customer had to relocate, they would be willing to travel farther – with 54% saying they would still be willing to travel 6-15 miles to a tattoo shop they are loyal to.

Consumer loyalty may not be with the brand, however. Seventy-seven percent of consumers say they are more loyal to a particular employee than to the tattoo business itself. In fact, 52% of respondents say they would follow their go-to tattoo artist if they moved to a new business. With these allegiances, it is critical that tattoo shop owners actively work to attract and retain their talent. The more that they can streamline employees’ more mundane tasks, the more employees will be able to build valuable relationships with customers – and the more likely employees will be satisfied with their jobs, keeping those customers around.

In fact, several of the traits that consumers prioritize in choosing and returning to a tattoo shop are related to customer service and personalization. According to nearly 6 in 10 (58%) respondents, the number one benefit of being a regular at a tattoo shop is trusting the people at the business and their capabilities. This is followed by the employees knowing their preferences (56%) and enjoying the social rapport (53%).

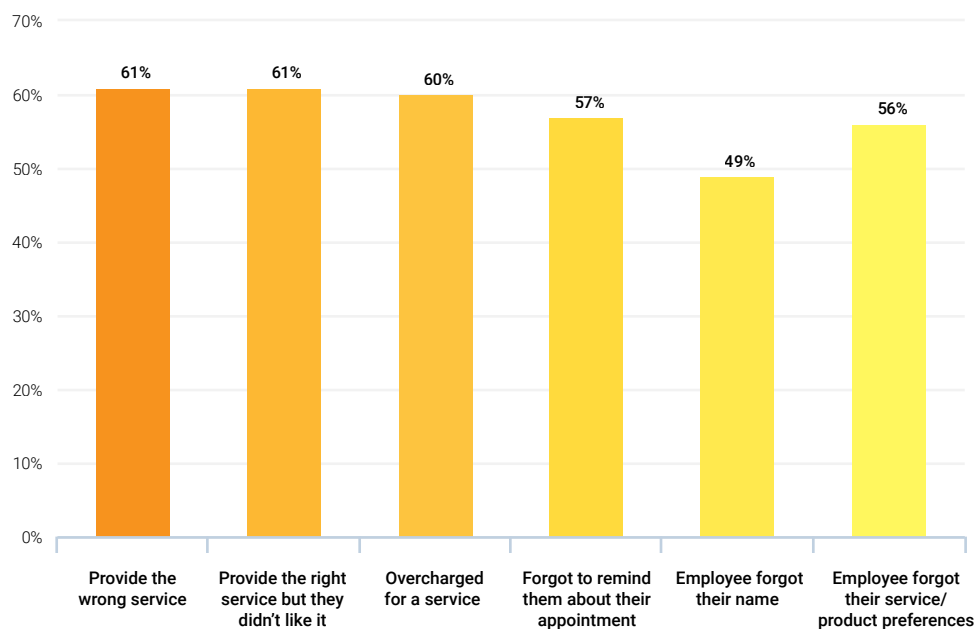
**More than three-quarters of consumers are more loyal to tattoo artists than the shop itself.**

### Top 5 Favorite Benefits of Being a Regular



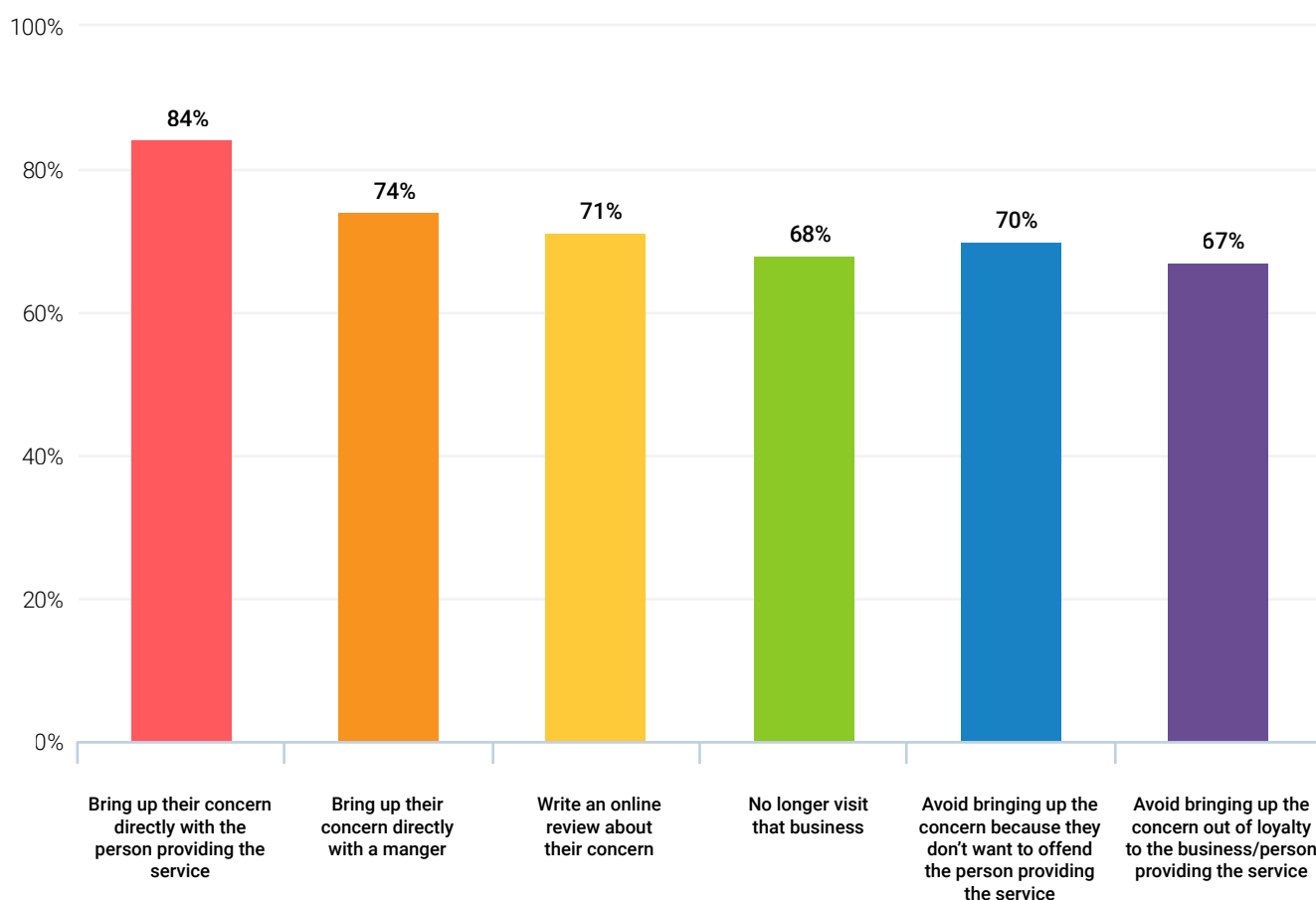
Consumers are also more tolerant of mistakes related to customer service than logistics. For instance, nearly one in three (29%) consumers say it would only take being overcharged for a service once or twice for them to never go back to a tattoo shop. Similarly, more than one-quarter of consumers (27%) say they would not go back to a tattoo shop if it forgot to remind them of their appointment once or twice. Comparatively, more than one-third (38%) of consumers say an employee would have to forget their name at least five times for them not to return to the business. Tattoo shop owners can reduce these stakes by implementing business management software that integrates payment processing and automates appointment reminders, ensuring consistent and accurate service.

### Consumers Who Would Never go Back After this Mistake Happened 1-4 Times



Despite the high stakes of consumer preferences, 66% of respondents say they would rather keep visiting a tattoo shop that continues to deliver a poor experience than go through the stress of finding a new one. After receiving a service they are not happy with, 84% of loyal customers are also more likely to bring up concerns directly with the tattoo artist providing their service versus 68% that would just no longer visit that tattoo shop – another benefit of customer loyalty. In fact, the majority of consumers would rather bring up their concerns directly than avoid it due to loyalty (67%) or fear of offending the person (70%). This indicates that consumers would rather give their “go-to” tattoo shop another chance, rather than have to find a new one.

### After Receiving Bad Service, Tattoo Customers are Likely to...



After a bad experience, more than half (59%) of consumers say a tattoo shop would need to offer a complementary/free future service to win their loyalty back. This is followed by a discount for a future service (53%), a reimbursement for the bad service (50%) and a formal apology (47%).

## Conclusion

Employees are the heroes of the customer loyalty story – and the keys to unlocking critical benefits such as repeat business, referrals, constructive feedback and more. With the unmistakable importance consumers place on customer service and personalization, small business owners need to ensure employees have enough time to forge those meaningful relationships and deliver on the catered experiences that consumers crave (and expect). Investing in business management software frees up employees from repetitive, time-consuming tasks so they can pay more attention to learning employee preferences and building social rapport. Software also reduces liability by automating the operational services that matter to employees, such as accurate payment processing and reliable appointment reminders. By implementing the right tools, small businesses are investing in their two greatest assets: their team and their customer base.

## Methodology

DaySmart Software partnered with research company OnePoll and SWNS Media Group to survey a total of 2,000 U.S. consumers in February 2020. Respondents are adults who have visited one of the following businesses at least once within the past year: hair salon, nail salon, spa, groomers, pet spa, pet services or tattoo parlor.

## About DaySmart Software

Makers of the popular and award-winning Salon Iris, Orchid, 123Pet and Inkbook software, DaySmart is the leading provider of business management tools designed to make it easier for entrepreneurs to run and grow their businesses. DaySmart desktop and cloud apps are purpose-built for the salon, spa, pet and tattoo industries, and backed by a US-based support team that is dedicated to client success. Based in Ann Arbor, Michigan, DaySmart has been a small business champion since 1999. The company has been recognized on the Inc. 5000 list for eight consecutive years.