



WORLDWIDE SALON MARKETING
FRANCHISE - EXECUTIVE SUMMARY

"If you and I opened competing hamburger stands, I would blow you out of the water. Because you would look for a great location, the best beef, the most striking stand. On the other hand, I would simply find a starving crowd, with money. Find out what they want, and feed it to them."

Gary Halbert

How to feed an easily-defined, starving USA crowd exactly what they want: The done-for-you tools that help them not only survive the recession, but *prosper* in it.



...from \$7,000 a month to \$70,000 a month – in ten months!...

"When we signed up for the Worldwide Salon Marketing Inner Circle program and received the Toolkit, we were on the verge of closing our doors and going broke. The \$8,000 first-year Membership fee terrified us. Ten months later, the business is up 1000%, we've had to move to larger offices twice, hire more staff...recession? Nonsense. You guys deliver!"

Dr Tim & Kanna Reilly, Body Solutions Laser & Skin, Scottsdale AZ

Over 350,000 salon & spa owners across America – almost ALL of them desperate for the same tools and simple money-making strategies that saved Tim & Kanna's business.

At just 2% of the total market, that's \$56 million in high-margin sales per year.

Here's how...

THE OPPORTUNITY

To profit from demand for proven, done-for-you marketing and sales training tools, delivered in an easy-to-use format, to a starving crowd.



"...I was doing okay. But since I got the Worldwide Salon Marketing Toolkit, it's doubled...."

"Joining the Inner Circle program and getting the Toolkit was the best thing I've done for my salon.

"I was doing okay. But the done-for-you ads and flyers, and all the coaching I get, it's meant my business has grown hugely, while all around me competitors and complaining about how tough things are..."

**Tamara Schultz-Snyder,
Merle Norman Salon,
Tehachapi, CA**

Salon & spa owners who know how to be stylists and aestheticians, but next to nothing about how to get customers...

Now, they have the proven tools to do it for them.

Without re-inventing the wheel.



Introducing:
Worldwide Salon Marketing's
Inner Circle marketing & mentoring
program, and the
**Essential Salon Owner's
Marketing Toolkit™**



THE COMPANY

"...at the core, we're publishers and marketers of *information*. And as the recession bites harder, the demand for our kind of money-making information and 'how-to' knowledge about getting customers through the door just keeps growing.

"We get over 100 applications *every month* from salons & spas wanting in – over half of those come from the States, and that's without *any* offline marketing at all, just Internet.

"We just can't service the huge US market from Australia. So there's a big opportunity for somebody in the US to simply roll out what we're doing, use all of our marketing, our products, our billing systems... it's a simple, low-cost business with no need for any debt, and good, clean cash flow."

Greg Milner, Co-founder & CEO, Worldwide Salon Marketing

Worldwide Salon Marketing Pty Ltd

is an Australian-based company formed in 2004 to market and sell its proprietary marketing & sales tools, templated ads, flyers and sales letters, and coaching programs to hair salons, beauty salons and day spas. The company is headquartered in Perth, Western Australia. WSM is headed by founder Greg Milner, and employs 5 full-time staff at its head office.

Its wholly-owned US subsidiary is Worldwide Salon Marketing USA LLC, 215 West Loucks Street, Sheridan, Wyoming 82801-4226.

Company History – the chance meeting that launched a business.

By early 2004, former TV producer Greg Milner had morphed into both a student and teacher of the craft of 'direct response' copywriting. "I was working hard, writing copy for dozens of small and large businesses, everything from newspaper and Yellow Pages ads to sales letters, and designing whole marketing campaigns for them," says Greg.

"But it was a hard way to make money. Then I met a woman who owned a salon. She complained that there was no 'off-the-shelf, done-for-you' marketing material for salon owners," he says.

"So, in a spare room at my house, I sat down and began writing what would become the world's first (and still the only) complete marketing and sales system for the salon & spa industry."

Since inception, sales have doubled year on year. Currently in Australia alone more than 400 salons and spas are joining the \$10,000 Inner Circle marketing & mentoring program annually. In 2009, the company was listed as one of the 100 Fastest Growing Small to Medium businesses in Australia by the respected Business Review Weekly Magazine.



"....A huge difference...."

"Whenever I put out an ad where I follow the system, the phones would ring... you know, sometimes I wouldn't even know the ad was out yet, and the phone would already be ringing...before I got the system, I would just sit around waiting...there would be maybe ONE phone call a month....now I have clients who are spending much more per transaction...the staff training tools are brilliant too...I would definitely recommend becoming a member, it's a great tool, it makes all of your advertising worth the money that you're paying..."

**Miranda Dreyer,
Spa Urban Retreat,
San Diego, CA**



"...my numbers skyrocketed..."

"I tried radio advertising that brought me in Zero, Zilch, Nada, Nothing! I did mailings to my clients but I didn't do the package deals, so I didn't get the results I wanted. Now I have your strategies it's so exciting when you see my numbers are down but the salon's are up.

In closing I would like to say how much this really does work. Anybody who is sceptical may feel free to call me (603) 520-0657 or e-mail me at villageimage@verizon.net I truly believe if you're struggling in your shop, working 24/7 and can't keep staff or retain clients, You need to join and watch your numbers sky rocket."

**Susan Woodbury,
Village Image, Belmont
NH**

THE INDUSTRY

According to long-time US beauty industry coach and trainer Bert Carder, CEO of California-based Worldwide Salon Marketing affiliate *Your Beauty Network* (www.ybn.com), there are 350,000 salons & spas across the continental USA.

While they range from small 'mom-and-pop' operations to multi-location chains, collectively they are a large, easily-identified niche business market that possesses the perfect attribute for the business-to-business information marketer. In essence, the industry is

an inch wide, but a mile deep.

Here's a partial list of what makes the beauty salon industry so attractive for the WSM products and services:

- Owners of salons & spas typically are trained to be no more than *technicians*. They know how to do skin treatments, cut hair, apply color.
- They have neither the skills nor the inclination to learn *how* to write compelling marketing copy, to learn how to sell, how to organize their marketing campaigns. You *can* teach a man to fish and he'll eat for a lifetime. But most people just want the fish. Preferably scaled, filleted and served.
- In the United States alone, an average of 80 salons & spas close down *every day* – and another 80 open up to replace them. This *churn* rate provides a constantly-replenished source of new prospective Members.
- As the recession bites, more and more salons and spas are resorting to the only 'marketing' tactic they know to attract clients – discounting. It is a practice which is both unnecessary and self-defeating. WSM members are putting their prices UP, and reaping the rewards of attracting better quality clients, increased turnover, greater profits.

THE BUSINESS MODEL

Online – Offline – Conferences – Affiliate Marketing

Worldwide Salon Marketing has built and maintains a sophisticated, extensive global infrastructure of websites, direct mail processes, trade advertising, affiliate marketing, conferences and other lead generation systems all designed for a single, focused purpose....

To generate a constant, growing stream of educated, eager, driven prospects – the *starving crowd*.

THE SALES FUNNEL

1 Every month, over 500 salon & spa owners sign on for our free 7-step Online Marketing **Mini Course** (www.beauty-salon-marketing.com), request our **Free 90 minute DVD**, or sign up for a free monthly Salon **Success Strategies** hard-copy newsletter.

2 From all sources, both online and offline, over 100 salon & spa owners apply for a 30-day Test Drive of the Inner Circle marketing & mentoring program, via online and hard-copy survey forms (see www.worldwidesalonmarketing.com/innercircle.html)

3 Prospective members are automatically sorted, processed and graded by the company's award-winning Infusionsoft CRM system, which handles all credit card billing, program fulfillment, list management, auto-responders

4 Survey respondents are phoned and interviewed about themselves, their business, their aspirations and goals. **No salon owner can simply join the program automatically.** The interview process is designed to weed out the tire-kickers, the insolvent and the hopelessly disorganized.

5 Successful applicants are inducted into the program, or declined until they meet certain requirements. Winning applications are billed for shipping and insurance of the **Toolkit** (\$347) and begin the monthly billing cycle of \$661/month after 30 days.



"I joined Inner Circle 2 1/2 months ago, and I have already doubled my sales. From running at a loss I'm now making great profit."

"In fact when I joined the Inner Circle on 30 Day Trial I didn't have enough money for the first payment. But I did have enough for the shipping and handling, so with a 30 Day Trial I thought I've got nothing to lose. I knew if I don't do something I'm not going to be in business for much longer. I made far more than I needed for the first payment in the 30 days.

I've implemented lots of things, which have already brought me 30 new clients in 60 days, to New Client Letters, Hollywood Woman flyers and more. It's so easy, all I have to do is put my salon details in your templates.

Last quarter my salon made \$20,000. In the 2/12 months since I joined Inner Circle the salon has more than doubled sales to \$42,000."

**Coralie Allen,
Motorhead Hair D'Zyne,
Hurstville NSW**



"This program does work - this month up by \$7,000!"

"This program does work! My salon has had its best month ever in April. I was up almost \$7000. Two of my hairstylists had their best weeks ever. Little by little I am implementing ideas from the toolkit. I am taking this Tuesday off in the salon to work on the business. I would never have even thought of doing that before WSM!"

*Wendy Haverlack,
Changes Salon, Ohio*

No cold calling. No 'foot soldier' sales force. No asking for the order.

The entire process is designed to cut out the 'hard labor' of making sales.

Worldwide Salon Marketing has never 'cold-called' salon owners to pitch to them over the phone. In fact, we don't even speak to a prospective Member until and unless they've completed either the online or hard-copy *Pre-Application Survey Questionnaire*.

The process is so well-developed and finely-tuned that by the time we get to speak to a salon owner, she is already 'pre-disposed' to join the program.

In fact, many are so relieved to have been accepted into the program they

break down in tears.

The Induction Procedure

- Salon Owners sign up as *Members* of the WSM *Inner Circle* Marketing & Mentoring program, and receive the ***Essential Salon Owner's Marketing Toolkit™***, containing manuals, CD and DVD Tutorials,
- pre-written advertising & marketing templates,
- in-salon sales training modules, as well as
- on-going support via individual and group coaching calls,
- access to the Members-Only 'sealed section' of the website, and
- monthly CD tutorials, newsletter and other marketing information on a timely basis.

REVENUE

Member salons pay \$9948 (in monthly payments of \$829 for 12 months) and then revert to \$297 per month or \$166 per month, depending on their required level of on-going support.

Currently more than 3,000 salons & spas around the world use WSM tools and strategies, with approximately 500 salons remaining as on-going members. About 35 new Members join each month in Australia. Internet marketing attracts approx 10 new members per month from the USA, Canada, New Zealand and the UK.

Revenue in the Australian market of 27,000 salons & spas:

2007: \$1.5 million

2008: \$3 million

2009: \$5 million (forecast)

Forecast size of USA Market

Replicating precisely the WSM lead generation and sales system in the USA market can conservatively be expected to generate revenue of more than \$50 million per annum, based on attracting no more than 2% of the total salon & spa market.



“Just to let all of you know I started the Queen of Referrals program in my salon and in two days I had eight new clients and the phone is still ringing! WOW what a powerful idea! I took the \$99.00 fall makeover and tweaked it a little and had three clients in my salon booked their appointment, I put three letters in nice frames around my salon where they can be seen and it started clients buzzing! I have 5000 flyers with that same ad going in a insert of a local Pennysaver magazine on Saturday, I will let you know my progress!”

***Bo Pary, Boca Salon,
Deland FL.***



"It's brilliantly simple - our marketing response is 7 times better than we've ever had before!"

My salon has been open for 3 years, but before I became an Inner Circle member our marketing campaigns were usually costly and ineffective.

The main benefit of being an Inner Circle member is that I now think with a marketing brain. And if my brain doesn't work I just copy what's been PROVEN to work! It's brilliantly simple!

In terms of my most successful marketing strategy, my last minute deals that I send out via email to my database are working well. Before I knew how to write a killer ad my response was minimal. The day after I received our kit and tried again our response was 7 times better than we'd ever had before.....and that was only the beginning :).

**Rachael D'Aguiar,
D'Aguiar:hair.skin.nails
New Zealand**

MARKETING – ONLINE

WSM has established a sophisticated and extensive web marketing infrastructure, which attracts a steady stream of prospective Members.

Among the company's websites:

www.saloncentral.com – our still-developing community networking site

www.worldwidesalonmarketing.com – our main company 'blog' site

www.beauty-salon-marketing.com – our primary lead capture site

www.beauty-salon-marketing.com/toolkit1.html - our second-tier lead generation site

www.worldwidesalonmarketing.com/innercircle.html - our third-tier lead generation site and main membership application site.

Electronic marketing goes to 12,000 + opt-in email addresses each week. This list grows by approximately 500 email addresses per month. The company spends approximately \$100,000 a year on Google advertising.

MARKETING – OFFLINE

The company also employs a tested and proven offline lead generation and sales system using trade magazine flyers and free offers.

MEMBER MANAGEMENT AND BILLING

WSM uses world best-practice CRM systems based around the Infusionsoft program, the world's leading information marketing and billing system developed by Infusionsoft in Phoenix, AZ. Worldwide Salon Marketing has twice won the Infusionsoft annual awards for best implementation of the CRM system.

Infusion's Manage Pro system, configured to WSM requirements, manages WSM's automated monthly billings, automatically-generated marketing in both electronic and hard copy form, affiliate programs and web forms.

THE MARKET

Currently, the company's sales are primarily in the Australian market, although an increasing number of sales are originating in the USA, Canada, the UK and New Zealand. Sales for the 2008-2009 financial year are tracking at approximately \$3 million, with sales forecast at \$5 million for 2009-2010. Since the company's inception, sales have doubled year on year.

The company already sells to the USA, UK, New Zealand and Canadian markets from its head office in Perth. No offline marketing of any kind is currently done outside Australia.

USA market opens with foundation WSM franchise

With their new-found success, many of our *Inner Circle* member salons & spas are seeing the business opportunities that the WSM system provides.

In December 2008 Worldwide Salon Marketing appointed Dr Tim & Kanna Reilly of *Scottsdale Cosmetic Laser LLC* as its first Franchise in the USA. Dr and Mrs Reilly have exclusive 5-year rights to market the WSM program in Arizona and Nevada, with right of first refusal on Texas, Colorado, New Mexico and Utah.

New Zealand market opens with foundation WSM franchise

In January 2009 the company appointed husband & wife team Chris & Rachael D'Aguiar-Sanders as the NZ franchise. Since then sales in the tiny NZ market has averaged \$35,000 each month.

Company seeks National Master Licensee

The company will either

- continue to seek out and appoint Franchisees throughout the United States, or
- appoint a suitable person or company to purchase the USA Master License for the WSM program. The Master Licensee would have the right to sell Franchises throughout the USA, or market the program itself to salons and spas throughout the USA, not including Arizona and Nevada.



"...it gives me a reason to get up in the morning now..."

"We were struggling, wondering where our next meal was coming from, and that's turned around now for us, we run a staff of 8, they're all independent contractors, and you know, when everybody's making money, things go a lot smoother. Just yesterday for example, we sold about a dozen \$99 Mother's Day Gift Certificates, just in a single day, and that's thanks to this system...we've had nothing that's not worked..."

**Judy Estes-Smith,
Healing Hands Day Spa,
Denton TX
940 387-7311**



"...6,000 pounds better than we have ever done before..."

"After 20 years in the beauty trade I applied just one of the ideas in the Toolkit and have just had my best January EVER! A slump in the economy? PAH! Using the Toolkit, January generated 20,000 pounds in sales which is 6,000 pounds better than we have ever done before."

**Joanna Philpot,
Mayflower Health &
Beauty Clinic,
35 Mayflower Way,
Beaconsfield, Bucks,
United Kingdom**

THE FRANCHISE BUSINESS MODEL

The Franchisor will:

- 1) Provide the franchisee with a complete replica of its existing offline and online marketing system, including lead-generating advertising, direct mail sales campaigns and member recruitment processes.
- 2) Provide the franchisor with all online leads generated by the company's online marketing systems in the franchisee area.
- 3) Comprehensive training in sales, order processing, return processing, the operation and maintenance of the membership program. Training is conducted over multiple modules, both on-site and using various communication technologies including GoTo Meeting, Online and Live Video, CD and DVD.
- 4) All products
- 5) Weekly phone consulting
- 6) All billing systems, i.e., the company will provide the automated billing infrastructure and remit to the franchisee its percentage of sales revenue on a monthly basis.

The Franchisee will

- 1) Implement and maintain the hard-copy lead generation and marketing systems as already developed and proven by the Franchisor
- 2) Implement and maintain the company's systemized product shipping systems
- 3) Implement and maintain the company's successful Membership phone coaching program
- 4) Market and implement the company's successful sales conference system, known as the Road to Riches Super Conference.

ON-GOING SUPPORT

The training, support and commitment from WSM headquarters doesn't stop at the completion of the launch phase. Once trained and operating as a franchisee, WSM's assistance, coaching and support is extensive and ongoing. As a partnership, WSM supports franchisees with:

- Strategic business and marketing planning
- Multimedia tools for ongoing training in sales and coaching
- Business advisory assistance
- Network conferences and functions
- Frequent field service calls
- Ongoing sales and training sessions and materials
- Frequent sales, marketing forums and an annual sales and marketing conference

FRANCHISE FEES AND REVENUES

The franchisee will pay a franchise fee relevant to the size of the area market, plus a training fee of \$10,000.

The franchisor will supply the franchisee with an initial tranche of Toolkits to the value of **double the franchise fee**. Additional toolkits will be supplied at the rate of \$400 per unit.

The franchisee will pay 20% of Membership sales revenue to the franchisor. The franchisee will be expected to meet minimum sales of 200 new members per year, net of returns.

REPORTING

Via the Company's password-protected Infusion CRM system, franchisees have instant, 24/7 online access to all reports, including leads, sales, commissions owed and paid, sales forecasting, returns, refunds, inquiries, and a large number of associated reports, all in as much detail as required, and downloadable into Excel spreadsheet.



"...It is AWESOME..."

"I've been going through the toolkit this week and IT HAS WORKED LIKE A CHARM!!!!!!!!!!!!!!!!!!!!!! And we haven't even gone through the whole kit. And remember we aren't in a high traffic area!!!!!!

I was listening to the fast start audio CD and about 30 minutes into the CD Jill read an ad that was the Hollywood Woman Package" Is that ad in the kit? I'd love to use it.

I have never seen any marketing kit put together like this IT IS AWESOME...I'm looking forward to a long business relationship with you all!!

Babe Savage
Babe Savage Salon,
Snellville GA, USA
www.BabeSavage.com
770-294-4879

FOR MORE INFORMATION

In the first instance inquiries should be made to the WSM head office:

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