

Advice From My Salon Suite Franchise on Staying Afloat

By Callie Evergreen | April 7, 2020



For [My Salon Suite](#), a salon franchise offering fully-furnished suites where beauty professionals can own and operate their own businesses, COVID-19 closures require that all parties involved get creative to stay afloat.

With more than 150 locations in the U.S. and Canada and 5,000 members nationwide, Ken McAllister, My Salon Suite CEO, said they haven't laid anyone off, nor have they deferred anyone's payments. He's waived royalty fees for March for impacted states, as well as the March national ad fund payment for all franchisees.

"We're helping our franchisees survive the storm financially, so when the storm does lift, we get 100 percent opened back up again," said McAllister. "We're

getting their costs down as low as possible to make sure they survive it, and then making sure our members can put food on the table for their families."

With My Salon Suite locations in multiple states, each with varying rules regarding closures, McAllister likened the experience to a hurricane or huge storm, feeling tossed left and right. Mid-call, McAllister received a text that said their last store had been mandated to close.

McAllister and the corporate team proactively started an online website for franchisees to access all available information on COVID-19 related matters. They also advised franchisees to start working with landlords immediately.

"Some landlords have been very accommodating and some have basically said to shove it," said Aaron Gillaspie, a multi-unit franchisee of My Salon Suite.

[Gillaspie is president and CEO of Willis Park Corp., the Houston-based venture capital firm he created to operate My Salon Suite locations](#), along with Hand & Stone Massage and Facial Spa, of which he's also a franchisee. Gillaspie was the first 'zee to sign a 10-unit deal with My Salon Suite in 2015.

McAllister and the corporate team encouraged franchisees to suspend their members' rent payments, if possible. Before any closures were mandated, Gillaspie told his My Salon Suite members their rent would be reduced by 50 percent through May 31.

“We ran our numbers and it’s a long-term play,” Gillaspie said. “It’s not a gamble because this isn’t about money, it’s about the right thing to do...We’ve been extremely blessed to have low turnover rates and high retention, so these are the times you have to step up, and that’s what we’ve done.”

McAllister said they have cash to survive more than 12 months, depending on the length of the event. He also added they have an in-house SBA expert who has been providing advice for franchisees on applying for loans.

“We were way ahead of the curve,” McAllister said. “We were also fortunate in the loans section—we went to two big banks and asked for a systemwide program to be set up for our franchisees.”

My Salon Suite was already in the process of rolling out individual websites for each beauty professional where their customers can buy products and gift cards, and COVID-19 accelerated that process. Gillaspie is also seeing his members getting creative on social media to educate their clients.

“We have a lady messaging all of our homeschool parents, teaching them how to do braiding at home for kids so they can feel comfortable,” Gillaspie said. “If you can be that creative and put a link at the bottom for gift cards...these members are building brand loyalty.”

McAllister noted this is an opportunity for both ‘zees and ‘zors to work on their brand and make their products better.

“Use this to assess where you are,” McAllister said. “There’s only a handful of brands that will be able to say they kept their entire organization intact. That’s what I want to be able to say eight months from now.”

Three snippets of advice from McAllister for other ‘zors and ‘zees:

“Everyone will have to look at their own market...restaurants will be different from gyms, and gyms will be different from haircuts. Communicating with each other is the big thing. With owners and members, stay in touch every day and try to curate a constant flow of communication.”

“Stay in a routine. Get the business under control, and get in the routine of being positive. There will be an end.”

“Second, focus on recovery. Once you come out of the storm, how do you get proactive fast? We’re working on programs on the backside on how to recover fast, so when we do open up, with 150 stores, [we’ll know] how fast we can ramp them back up.”