

Haircuts go high-tech at Great Clips

Publish Date: November 10, 2016

Hair salon chain Great Clips is using technology to boost its business. Instead of making conventional appointments, customers can check in from their smartphones or computers, securing their place in line before they arrive. The stylists access a digital database called Clip Notes to review technical information about a customer's previous visits and preferences, so the customers get exactly what they want, every time — regardless of location or stylist.

Since online check-in was implemented in 2011, the app has been downloaded some 5 million times; today roughly 30 percent of the haircuts at Great Clips begin with this online check-in. Clip Notes was introduced two years later, and it, too, has been contributing to the company's 48 consecutive quarters of comparable-salon sales increases, according to Steve Hockett, the company's president. "Great Clips' front door is the smartphone, and it's in the pockets and purses of our customers," Hockett said. "That means it's also the front door of our shopping centers and co-tenants."

Great Clips opened its 4,000th salon this year. Steady, moderate growth in the U.S. and Canada is the goal; the company aims to have 5,000 salons operating by 2021.

Data mining helps the company track customers and serve them better, according to Hockett. "Sometimes we say that we're actually a data brand that does haircuts," he said. Great Clips began collecting customer data through point-of-sale systems in the 1990s. Once it had several years of numbers on individual cut cycles and patterns, the company began studying the data in the 2000s, building metrics and identifying trends. "The repeat customer is key to our business," Hockett said. "Our tech innovations enable us to better understand our customer and how to keep them coming back."

Crunching all those numbers, ironically, creates service that is *ITAL>>*more personalized, not less. "Getting your hair cut is a very personal, hands-on service," Hockett said. Because it affects one's very appearance, he notes, the need for customer confidence is high. At most mom-and-pop salons, customers are loyal to their stylists, who know them personally and can recall haircut history and preferences from memory. But Great Clips wants customers to be loyal to the brand rather than the stylist, since they are seeing no particular stylist regularly anyway — and may in fact go to other Great Clips salons when they travel or after a move. Clip Notes ensures that customers' unique profiles can follow them: the style or type of haircut, the amount taken off, the length of hair, the shape of sideburns and the like. Thus, the customer can avoid the hassle of having to explain such details, something he or she may not even possess the technical vocabulary to do easily.

As any chain grows, consistency of product and service becomes paramount — and more difficult to control. Great Clips' ability to ensure satisfaction enables the customers to comfortably visit — and to keep returning to — more and more of its increasing numbers of salons.