BUSINESS SERVICES OPERATIONS RESEARCH

LunchboxWax Dublin

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I. Executive Summary

> **REPORT PURPOSE:**
> The purpose of this research report is to analyze the overall current customer experience being provided at the LunchboxWax located in Dublin, CA and to develop a strategic plan to enhance the management of customer satisfaction.

BUSINESS OVERVIEW:

LunchboxWax is a full-service speed waxing salon which provides a menu of waxing services to customers in the Dublin and larger Tri-Valley Area. The store recently opened in late 2015 and has currently hired nine employees including one salon director and eight waxologists. Over the past two years, they have developed a strong reputation within the community for providing quality and safe hair removal. The businesses target market is both men and women who are in the ages of at least 16 to early 30s.

RESEARCH AND FINDINGS:

In order to design an effective and unique customer experience management strategy, we conducted both primary and secondary research, as shown in the table below.

Primary Research	Secondary Research
Interview with Salon Director	Internet Research (Official LunchboxWax Website)
Interview with Waxologist	Internet Research (Online Yelp Reviews)
Customer Feedback Survey	
Employee Insight Survey	
In-Salon Observations	
Focus Group	

Through these methodologies, we were able to gain a foundational understanding of the current customer experience at the salon and areas of strengths and weaknesses. We were also able to map out the opportunities which are highlighted in our proposed strategy: the BOX Initiative.

Booking Made Easy | **Opportunities for Employee - Customer Relationship Growth** | **Xtra Customer Care**

METRICS & BUDGET:

After careful calculation and market research into the variety of services that can be deployed, the total cost of the BOX Initiative comes to $17.636.00. Using the Return on Investment formula, if the BOX Initiative produces a 27% ROI, then the proposed strategy can be determined a success.

II. Introduction

A. Description of the business

LunchboxWax is a full-service speed-waxing salon which provides a menu of waxing services, while aiding customers in better understanding and caring for their skin. The salon has been serving men and women alike in the Tri-Valley area since late 2015 and has provided the community with quality and safe hair removal services. The salon's unique belief is: "We are proud to empower women and men through waxing services that allow them to be confident, hair-free and carefree." LunchboxWax Dublin is a franchise of a chain of LunchboxWax salons which were founded in 2010 by Debi Lane, who is

Figure 2.1 LunchboxWax Outside Building View

the current CEO of the company. Debi Lane originally owned and operated a multi-service day spa in Sun Valley, CA catering mostly to vacationers and tourists until she realized the business potential of her new speed-waxing technique. "I came to realize waxing was generally an after-thought or ads-on at spas as well as hair and nail salons," Lane said. "A comfortable, clean and chic destination dedicated to nothing but someone's comfort and waxing needs makes sense for consumers and business owners. It's proven to be the smartest business move I've ever made." She launched California's first wax-only salon in 2010, and began awarding franchises in 2013. As part of a national franchise, Nicky and Peter L. opened California's first LunchboxWax in

Figure 2.2 Part of LunchboxWax Team Pictured

Dublin in July 2015. They hired a friendly and experienced staff of eight waxologists and a salon director and established key strengths of a strong company reputation, a qualified team of employees and urban design of their salons.

B. Description of the community

LunchboxWax is located in the Persimmon Place commercial complex in Dublin, California. which is an upcoming hub of restaurants, shopping, and various consumer services. Additionally, the area is surrounded by apartment communities and a nearby freeway exit which provides easy access to the location. The city of Dublin, which is part of the

Figure 2.1 *Permission Place Geographic Overview*

Alameda County, is located in the heart of the rich Tri-Valley and is known for its commercial conquests. Families and tourists from across the Tri-Valley area (which encompasses the cities of Pleasanton, Livermore, Dublin, San Ramon, and Danville) frequently visit its popular shopping centers and commercial plazas (such as Permission Place) and serve as the primary customer base.

Demographic	Economic	Socioeconomic
The population of Dublin is 59,583 people with a median age of 36.6. The ethnic makeup of the population significantly reflects the diversity found in most Tri-Valley cities, with 42.3% Caucasian residents, 33.8% Asian residents, 11.7% Hispanic residents, and 6.05% African American residents. There is a balanced ratio between men and women, and most households are young families with small children living in single family homes averaging at $682,200 or apartment communities.	The median household income in Dublin is $118,773. This is significantly higher than the average California household income of $61,818, proving that Dublin is one of the wealthier communities in the state of California. The most common jobs held by residents are in management, administrative, or computer & mathematical areas. The city's principal economic activities include its popular commercial complexes attracting consumers from across the Tri-Valley, and also its climbing real estate market.	With an average household income of $118,773 and a poverty rate of 3.96%, most residents in the city of Dublin have necessary funds to spend on recreation. The city has opened multiple movie theaters, shopping/dining options, and a water park in order to provide its residents (and the residents of nearby cities) with a variety of activities. Additionally, to ensure the well-being of its families, there are multiple hospitals and public schools with high rates of excellence.

C. Overview of the business's current customer experience

     The table below provides a brief summary on the key attributes of salon. Through analyzing factors such as corporate culture, business's mission, target market, branding efforts, and promotional strategies one can gain an overall understanding of the salon's current operations and its effects on their level of customer experience management.

Key Attributes

Corporate Culture	**VISION:** "Beautiful. Collaborative. Purposeful." The company manages to communicate its goals and vision to employees in a way that makes them a part of a unified team. Since there are only a few locations across California, the CEO and founder of the franchise chain remains in close contact with store owners and employees. The business management and environment is a clear reflection of the culture encouraged by the corporate team.
Mission	**Mission Statement:** "Walk into LunchboxWax with hair you don't want, leave feeling bare and beautiful in just a matter of minutes! As a full-service speed-waxing salon, we deliver a unique customer experience. It's true what they say about us – hair today, gone tomorrow. We utilize refined, effective waxing techniques to give you that smooth skin feel and boldly confident look in no time at all." The business's mission is focused on their customers which is highlighted in the mission statement above, and the overall company inhibits the greater goal of expanding speed-waxing knowledge and services on a national scale.
Target Market	The businesses target market is both men and women who are at least 16 years of age who are interested in using waxing as their primary method of hair removal. As waxing is a rather modern option for hair removal, the target market can be narrowed down to consumers with evolving attitudes on this service.
Branding Efforts	The LunchboxWax Salon brand honors three main elements: their goal of providing a safe and healthy treatment, their modern and luxurious salon design, and their variety of waxing services.
Promotional Strategies	Although the business has a great branding foundation, they do not have any prominent promotional strategies in place. The business is currently relying on "word-of-mouth" recommendations for attracting new customers. Through improving their customer experience, they can further secure this method of getting new customers.

III. Research Methods

A. Description and rationale of research methodologies selected to conduct the research study

In order to determine the current customer experience management status and strategies to improve, we conducted the following research methodologies which helped gather both quantitative and qualitative data. Our research is categorized into two types: primary research and secondary research.

Primary research is conducted through interviews, surveys, observations, and a focus group to gather first-hand information. Secondary research is accomplished through existing data such as the official LunchboxWax website and online Yelp reviews. The combination of both gives us the necessary information needed to create a strategy to tactfully improve customer experience management.

Research Method	Rationale
Interview #1: Salon Director	Gain an overall view of the business's processes and objectives, and currently implemented customer experience strategies.
Interview #2: Waxologist	Gain an overall view of the business's management techniques and the customer service expectations employees are required to meet.
Survey #1: Employees	Collect data related to employee satisfaction and their engagement experiences with customers.
Survey #2: Customers	Collect data related to current customer preferences, priorities, values and experiences, and use of points program.
Frequent Customer Focus Group	Test reaction to propose plan with established customers who match the business's target market.
In-Salon Observations	Gain a snapshot of the employee's interactions with customers and the overall daily business process.
Internet Research: LunchboxWax Website Analysis	Gain an overall view of the business/company's goals and mission; understand their branding and promotional approach.
Internet Research: Yelp Reviews	Gain further knowledge on previous customer's experiences & their feedback on features they liked or want improvement in.

B. Processes used to conduct the selected research methods

Described below are the 7 different methods of research used to conduct the research study.

Research Timeline

	SEPT 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018
Interviews	██				
Secondary Research	██	██			
Surveys		██	██		
Salon Observations			██	██	
Focus Group				██	██

Interview #1: Salon Director

We conducted two different interviews in our research study. The first interview was conducted on September 15th, 2017 with Jordan (the Salon Director). We chose to in-depth interview her on her knowledge regarding positive employee engagement to improve customer service, and her experiences with customer service management to gain an overall understanding of the current CSM tactics being used at the salon.

The interview consisted of the following questions:
1. How would you define customer experience and what are any key factors that affect it?
2. How satisfied do you think your customers are from the moment they first contact you to the moment they complete their appointment?
3. What are some areas you think your team can improve their customer service in? Any feedback from customers?
4. How does corporate management/culture affect your salon's relationship with customers?

Interview #2: Waxologist

The second interview was conducted on September 29th, 2017 with Jessica, one of the eight waxologists. We chose to interview her on her personal experiences with customers, her opinion on the current management style, and positive improvements she believes would make a significant difference in the overall customer experience being offered.

The interview consisted of the following questions:
1. What are the day to day operations of the store like? Could you describe your schedule?
2. Who is your ideal customer?
3. What are some areas you think your team can improve their customer service in? Any feedback from customers?
4. What do you think about the current management style?

Survey #1: Employees

We sampled two anonymous surveys from October 2017 to November 2017. First, we designed a survey with a positive and clean vibe for employees to submit responses during a store visit. Each question provides us with a description on the employee's perspective on the salon's current customer experience management and their performance's effect on the customer service they are providing. There were a total of 9 employees that were assessed, including the Salon Director and 8 waxologists.

Survey #2: Customer

Second, we designed another survey with the basic questions which are generally asked when you are submitting a review online. Each question provides us with a description on the customer's perspective on the level of customer service that they were receiving, information regarding their experience with the salon, and gave us an overall understanding of the current customer's expectations and priorities. There was a total of 24 customers who completed the survey, and majority of them matched the salon's target market.

In-Salon Observations

A key essential to customer experience is positive relationships and interactions between employees and customers. In order to understand the current store environment and gain first-hand insight on the customer-employee relationships, we periodically visited the salon between November 2017 and December 2017 and recorded our observations.

Internet Research: LunchboxWax Official Website and Yelp Reviews

We conducted two segments of Internet Research. The first segment was a thorough study of the LunchboxWax official website. In order to grasp a foundational understanding of the LunchboxWax franchise chain, we reviewed and analyzed the information about the company's mission/values made available on their website. We also trialed their online booking service to test the reliability and overall digital experience. The second segment was analyzing the online reviews on the popular tourist site Yelp. To ensure that the information we received from the surveys/interviews matched the opinion of a larger group of past customers, we decided to analyze the customer feedback and ratings from 2016 to 2017.

Focus Group: Frequent Customers

We conducted a focus group of ten frequent customers with a balanced ratio of five female customers and five male customers, all within the age group of early 20s to late 30s, to give feedback on our plan. We presented the findings of our research study and the proposed plan that stemmed from our research conclusions. Based on the feedback from the focus group, we made tweaks to our proposed strategy and also shared the results with the Salon Director so she could utilize the information in making positive changes in her salon's current customer experience being presented.

Through this diverse combination of research methodologies, we were able to record reliable qualitative and quantitative data, which would build the foundation for our proposed strategy.

IV. Findings and Conclusions

A. Findings of the research study

Interview #1: Salon Director

Through the interview with Jordan (the Salon Director), we were able to gain insight into her understanding and views on employee management and customer service. We also extracted information about LunchboxWax's daily operations, target markets and competition. Jordan also provided background on her experiences with customers and the ways she as a director believes the overall customer experience at the salon can be improved. *(Interview transcript is available in the Appendix).*

Interview #2: Waxologist

Through the interview with Jessica (one of the eight waxologists), we were able to gain a holistic understanding of the expectations put forth by corporate and the franchise on employee behavior and conduct. We also learned about Jessica's personal experiences with customers, her opinion on the current management style, and positive improvements she believes would make a significant difference in the overall customer experience being offered. *(Interview transcript is available in the Appendix).*

Survey #1: Employees

The survey we conducted of all nine employees helped to provide insight on the employee's perspective on the salon's current customer experience management. *(Survey is available in the Appendix).*

The main takeaway from the survey results were:

- Employees believe that although they are excellently trained and experienced waxologists, they could use training in the field of customer service
- Employees constantly struggle with the online booking service which causes confusion between customers and other employees.
- Employees believe that customers are satisfied with management style but believe that increased communication could make day-to-day operations run smoother.

Survey #2: Customers

The survey we conducted of a small sample of 24 customers proved to be extremely useful in getting insight on the current customer experience segments that customers appreciated versus the segments that they wanted to see improvement in. This was an important step in determining the new strategies/ approaches that needed to be implemented in order to improve customer experience. The three main questions we asked in our customer survey were: *(Survey is available in the Appendix).*

(1) *"On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's waxing services?"*

(2) *"On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's overall experience?"*

(3) *"Are you satisfied with LunchboxWax Dublin's online booking service?"*

The purpose of questions (1) and (2) were to differentiate the level of satisfaction between the waxing service being provided and the employee to customer interaction experience. The purpose of the third question was to gain an understanding of the level of satisfaction of the beginning customer interaction with LunchboxWax (which is when they book an appointment).
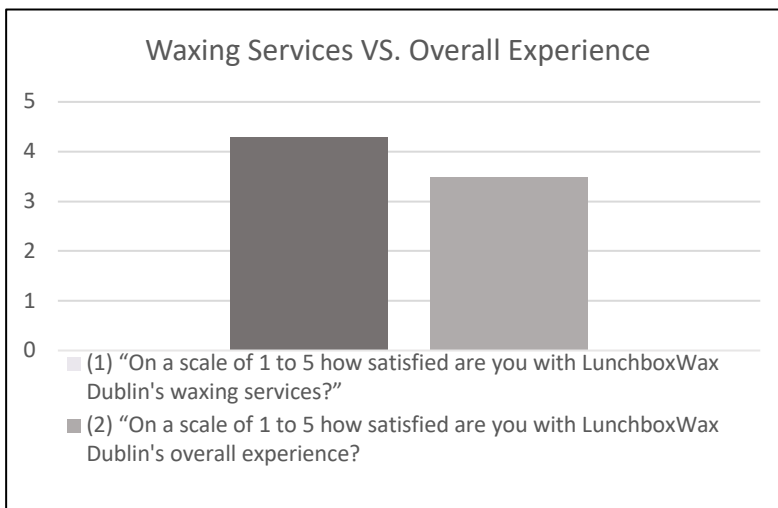

Figure 4.1 Bar Graph Analyzing the Customer Satisfaction Difference between Waxing Service Being Provided and the Employee to Customer Interaction Experience

Figure 4.2 Pie Chart Analyzing the Customer Satisfaction Response's on the online booking service

In-Salon Observations

From November to December we conducted a series of regular store visits. The purpose of these store visits was to observe "employee to customer" interactions and gain an understanding of their relationship's impact on overall customer experience. We also wanted to familiarize ourselves with the staff members in order for them to be more comfortable working with us and cooperate with surveys and other questions. Through these store visits, we were able to achieve a healthy relationship with the staff members and also great insight into the issues regarding customer experience management.

The three pictures displayed below include: the first overview of the salon when you step in, a view of the appointment room where waxing services are provided, and the back room with Lunchbox Wax skin care products on display. These photos provide a general overview of the ambiance and urban design of the salon which feeds directly into a customer's immediate impression of the overall business.

Figure 4.3
Inside the salon first look

Figure 4.4
Inside the appointment room

Figure 4.5
Back room with skin care products

During our store visits, we made the following observations:
- Employees had a positive approach to all customers but were clearly not trained in customer service.
- There was a lack of communication between Director and Employees lead to misunderstandings and conflicts on appointment schedules, the online booking service did not seem updated.
- Customers often had to wait in the front of the salon because employees would leave the front desk unmanned, and this would often lead to delay in appointment schedule.
- The overall salon had a modern and luxurious design, which gave customers a great first impression.
- There were many LunchboxWax luxury skincare products that were sent to the store but not being used, and the store had a points system that was not properly advertised and lead to extremely few customers participating.

From the official LunchboxWax company website (www.lunchboxwax.com), we were able to study the company's overall goal and objectives. The website also had an online booking system which seemed outdated and difficult to maneuver, and often crashed when we attempted to book an appointment which could easily turn away a potential customer. The second part of our Internet research was analyzing online Yelp reviews left by previous customers. The average star rating for the salon was a 4.5 and the reviews all revolved around a few main points highlighted in the following review by Briana N. from Pleasanton and Annikka B. from Dublin which are two prominent cities in the Tri-Valley Area. The complete reviews from Yelp.com can also be found in the Appendix.

Yelp Review 5.9.2017

"I just had my first experience here with Ariel and it went great! Ariel is super knowledgeable and made my first waxing experience amazing. I did my lower half legs which were $47, which is a completely reasonable price…the place itself is SUPER clean and adorable! However, I do need to mention that the online booking service messed up my time and person that I selected. I had to wait around 20-25 [minutes] to get my appointment and then had to go with a different person which was a little annoying.

by Briana N. from Pleasanton, CA

Yelp Review 8.30.2017

"My husband and I both use their services and are satisfied every time. However, the online booking system always messes up our appointment…I'm tired of waiting 20 min for my appointments every visit.

by Annikka B. from Dublin, CA

Key Issues/Strengths Grasped:

- Customers were impressed by the waxologist's level of expertise and knowledge, which led to a satisfactory waxing service being provided.
- Customers were pleased with the modern design of the salon which was clean and luxurious and provided for a professional and stellar first impression of the physical business.
- Customers were annoyed with the online booking system which was inefficient, sending the salon incorrect booking results and causing unnecessary wait-times.
- Overall, customers rated the salon highly for the waxing services that they provided but had frequent complaints on their level of customer service.

Focus Group: Frequent Customers

*A frequent customer can be described as a customer who has booked a minimum of seven appointments with at least two different waxologists (between 2016 to 2017).

<u>FOCUS GROUP AGENDA:</u>

1. **Introduction**
   - 1.1. Introduce DECA and Business Services Operations Research Project goal and objectives.
   - 1.2. Customer introductions with the following information:
     - Name
     - Age Group
     - Resident City
     - Month/Years as a LunchboxWax Dublin customer
2. **Present Research Findings and Conclusions**
   - 2.1. Present survey results and ratings on the different variables included in the customer survey, along with the in-store observations and online review analysis in order to provide a foundation of the current perspective the proposed strategy stems from
3. **Present the BOX Initiative**
   - 3.1. Provide customers with the opportunity to test certain mobile application features with a guided demo of certain features such as:
     - Booking appointments on mobile, calendar display of past/upcoming appointments, and the option to complete mobile payments for appointments with Apple Pay and Google Wallet
     - "Chat Now!" option which would allow customers to communicate directly with their waxologist
   - 3.2. Inquire about customer's level of identification with the current staff demographic, and present the concept of increasing diversity in staff to identify better with community population
   - 3.3. Inquire about customer's awareness of upcoming deals and promotions
4. **Conclusions & Wrap Up**
   - 4.1. Thank all customers for their participation in the focus group and ask for any final suggestions

In the frequent customer focus group, we followed the agenda described above and the following are

the key suggestions/feedback mentioned by customers:

- The concept of improving the online booking system would greatly improve the level of service being provided at the salon; the mobile booking system will increase convenience in making bookings and implementing notifications would be beneficial in keep track of upcoming appointments.
- Increasing diversity in staff would help customers better identify with their waxologist and feel more comfortable during sensitive appointments.
- The "Chat Now!" feature would greatly help in instant questions about skincare after an appointment and other waxing related questions; would also help in building waxologist-customer relationships.
- Customers were not aware at all of past or existing deals and promotions.
- Overall, customers would rate plan as a 4.5/5 in effectiveness and in responding to their needs.

B. Conclusions based on the findings

We have summarized the key findings obtained from the conducted research study in the SWOT Analysis below, differentiating between the positive and negative aspects of customer experience currently present at the store.

Positives (+)	Negatives (-)
Strengths: • Excellent waxologists who are skilled and experienced in their field and have earned a solid reputation with their customer base • Salon architecture and design is extremely urban and modern and gives customers a good first impression • The store has strong company backing, and receive numerous excess resources from the LunchboxWax company	**Weaknesses:** • Lack of communication causes frequent and unnecessary misunderstandings that leads to increased conflicts between the staff, and inconveniences to customers • Staff has not been professionally trained in customer service • Many customers experience long wait times before appointments • Store deals/points system not highly promoted
Opportunities: • Provide waxologists with professional customer service training which will help them enhance their employee to customer interactions • Create a new and improved online booking system that is easier to use and provides correct booking results to avoid issues with appointment timings • Increase promotion of existing deals/offers and promote the frequent customer points system • Utilize the LunchboxWax luxury skincare products that were sent to the store • Implement a mobile application	**Threats:** • Other salons that provide waxing services but better overall customer experiences • The current poor customer service experience due to long wait times is ruining the store reputation • The broken booking system could discourage customers from making another appointment • Poor communication between employees having a negative impact on employee performance, and hurting employee/ customer relations

Figure 4.6 *Research Study Findings Table*

Research Method	Key Findings	Conclusions
Interview #1: Salon Director	• Gained an overall view of the business's processes and objectives • Learned of currently implemented customer experience strategies • Understood day to day operations	• Business is known for its excellent waxing services • There is a daily scheduled provided through the online booking system • There are no team meetings or structured means of communication
Interview #2: Waxologist	• Gained an overall view of the business's customer service areas to improve • Learned about employee communication	• The customers are satisfied with the waxing services but there is room for improvement in customer service
Survey #1: Employees	• Employees experience with LunchboxWax is varied	• Similar results to interviews • Dissatisfied with online booking system
Survey #2: Customers	• Customer age group is varied between 16-30s • Customers have similar responses and there are 3 general issues	• Pleased with overall salon atmosphere/design • Impressed with waxing services • Dissatisfied with online booking system
Frequent Customer Focus Group	• The booking system should be integrated into the mobile app	• The plan should focus on employees as well
In-Salon Observations	• Overall atmosphere was calm and clean	• Need for increased and professional communication between team members
Internet Research: LunchboxWax Website Analysis	• The company is extremely new and only recently awarding franchises	• There is strong company support due to the small number of stores
Internet Research: Yelp Reviews	• Online review feedback matched the feedback given by customers	

V. Proposed Strategic Plan

A. Objectives and rationale of the proposed strategic plan

The LunchboxWax Dublin customer experience journey begins when a customer makes their inaugural appointment booking, to their first interaction with a LunchboxWax Dublin employee, and finally to their waxing service and overall appointment experience. Based on the findings and conclusions of the research study, we have developed the following strategic plan which will increase the customer satisfaction level at each stage of the customer experience journey. The BOX initiative integrates three main components listed below to kick start a successful customer experience & increase the current returning customer rate.

Booking Made Easy

Objective: To provide customers with an overall convenient booking experience (online and in-salon).
Rationale: The current online booking system books incorrect times/waxologists which causes unnecessary wait-times and conflicts between employees. Through implementing a new booking system and daily staff meetings, appointment schedules will run smoothly without issues, thus ensuring a satisfactory customer experience.

Opportunities for Employee-Customer Relationship Growth

Objective: To enhance employee-customer communications and personalize the interactions between customers and their waxologists which will build lasting connections and a unique customer experience.
Rationale: The employees do not currently place emphasis on building relationships with their customers. Through implementing strategies to amplify employee-customer interactions, the salon can secure returning customers who are felt safe and comfortable throughout their appointment.

Xtra Customer Care

Objective: To provide customers with a specialized LunchboxWax experience which ensures customer satisfaction and appreciation.
Rationale: Customers are currently exceptionally satisfied with the waxing services they receive, but there is room for improvement in the external customer care which can improve a customer's overall LunchboxWax experience.
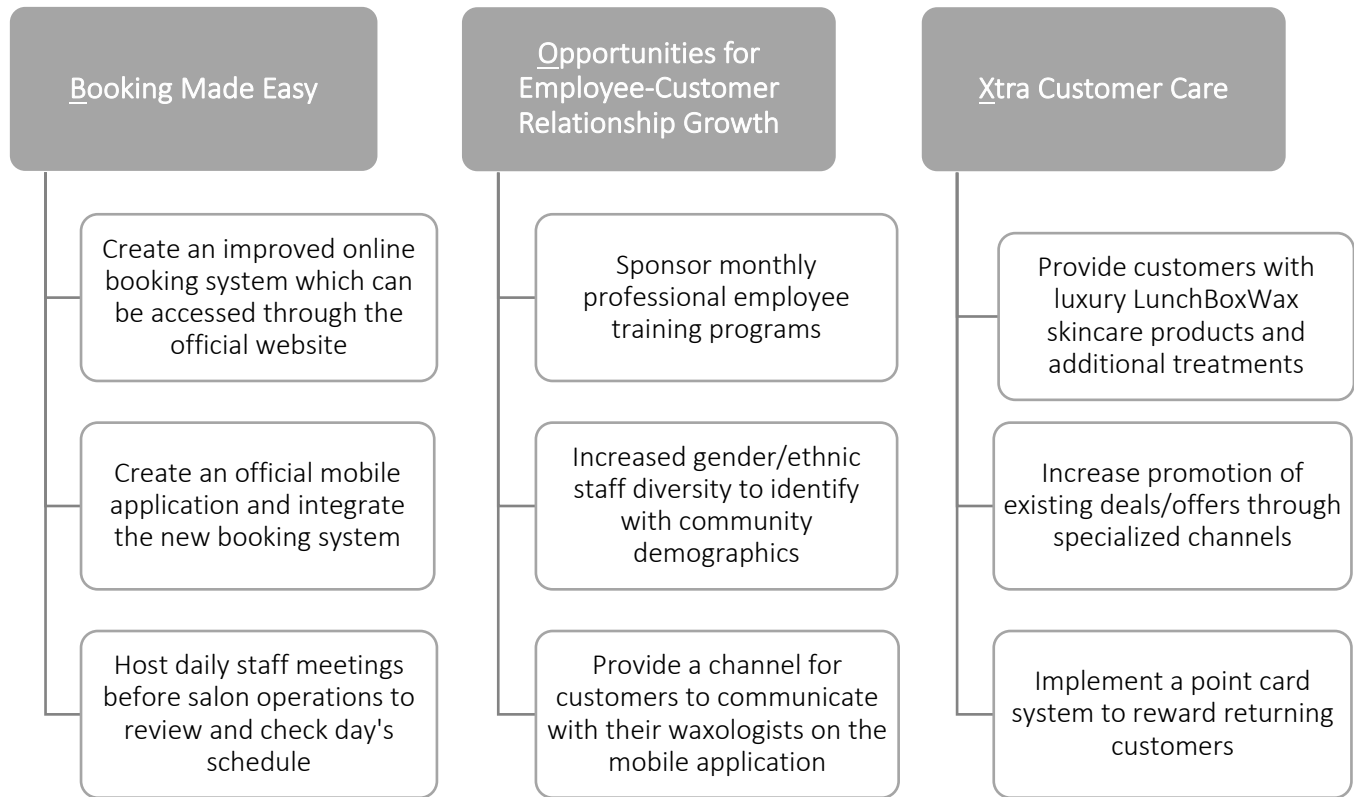
B. Proposed activities and timelines

Booking Made Easy	Opportunities for Employee-Customer Relationship Growth	Xtra Customer Care
Create an improved online booking system which can be accessed through the official website	Sponsor monthly professional employee training programs	Provide customers with luxury LunchBoxWax skincare products and additional treatments
Create an official mobile application and integrate the new booking system	Increased gender/ethnic staff diversity to identify with community demographics	Increase promotion of existing deals/offers through specialized channels
Host daily staff meetings before salon operations to review and check day's schedule	Provide a channel for customers to communicate with their waxologists on the mobile application	Implement a point card system to reward returning customers

Figure 5.1 *Proposed Activities following the Proposed Plan*

Booking Made Easy

Create an improved online booking system which can be accessed through the official website

A booking system is the platform where a customer's first interaction with a service-providing business takes place, which creates the first impression for the business's services and sets the tone for the entire customer experience journey. Through booker, a spa and salon management software, LunchboxWax Dublin can redefine their booking standards and implement a professional and convenient method of booking daily appointments which will ensure that waxologist schedules are accurate and identical to the appointment requests made by customers. This will allow the salon to navigate a customer's first interaction towards a positive route decrease inter-employee issues caused by conflicting schedules, which overall improves the experience of both the customer and employee.

Create an official mobile application and integrate the new booking system

With the use of mobile technology becoming increasingly popular, it is extremely beneficial for LunchboxWax Dublin to create and implement a mobile application which will service as an added digital competent of their customer experience. Along with enhancing customer experience, the implementation of an innovative and useful mobile application will provide the salon with a competitive advantage over other waxing salons. A screenshot image of potential appointment booking feature in the mobile application is shown to the right. The mobile application could be financed and created through proto.io which is a small-business friendly platform that helps entrepreneurs kick-start their u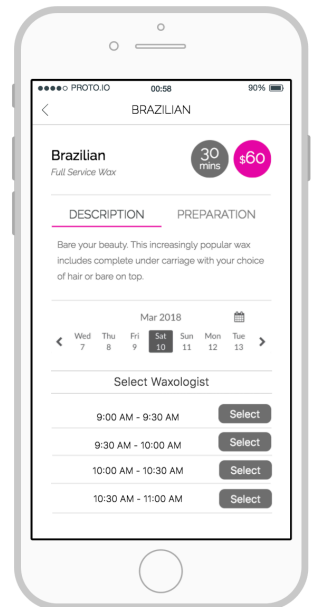ser-friendly mobile applications for customers. The following table outlines the key mobile application pages and features:

Figure 5.2 Mobile Appointment Booking Demo

App Page	Features
Appointments	• Customers can book appointments on the app, which it notifies the business when an appointment has been booked • Displays calendar schedule of customers past and upcoming appointments • Customers can pay for appointments on the mobile app through Apple Pay and Google Wallet
About Us	• LunchBox Wax Dublin contact information (email and phone number) • Link to the official website • Hours of operation • Salon address and driving directions via Google Maps
Chat Now!	• Customers can easily message their waxologist to ask any questions about skincare after a waxing service or any other service-related inquiries
Promotions	• Collect 500 points to unlock a free service • A "Tell a Friend" share button, which can be used to share LunchboxWax and the mobile app via messages, email, notes and a variety of social media platforms
Notifications	Notifications will be sent to customers when: • Reminder alert the day before appointment (9 am) • "Thank you" notification after appointment is complete

Host daily staff meetings before salon operations to review and check day's schedule

In an effort to decrease the amount frequent of issues caused due to a failing booking system, another variable in creating a full-proof daily schedule is implementing daily staff meetings before operating hours. In these meetings, the Salon Director will be responsible for reviewing the times/waxologist's booked for each appointment with all employees working that day. The director will ensure that each waxologist is aware of their day's schedule and is present 15 minutes before their scheduled appointment. Through reviewing the schedule beforehand, any issues in wait times and incorrect bookings can be communicated with the customer and fixed in a timely fashion. This will give the salon an upper hand in effectively managing their appointment schedules and improving their customer's appointment experience.

Opportunities for Employee-Customer Relationship Growth

Sponsor monthly professional employee training programs

As mentioned in the employee interview and surveys, the current employees at LunchboxWax Dublin are exceptionally trained and certified in cosmetology and providing waxing services. Each waxologist has received an education in cosmetology and specialized training in providing waxing services. The current Salon Director has experience in management but has not received any professional training or education in business administration management. Through enrolling all employees in a monthly professional employee training program (focusing on customer service), the waxologists and Salon Director alike will become equipped with the knowledge and expertise they currently lack in providing a stellar customer experience. With the combination of excellent knowledge in waxing services and now customer service, the employees will be able to improve their communications and relationships with customers and provide customers with a satisfying overall experience which will increase their chances of returning and recommending a friend.

Increased gender/ethnic staff diversity to identify with community demographics

As mentioned in the introductory section of this report, the majority population in the Tri-Valley Area (the premiere customer pool) is a balanced ratio of males and females of Caucasian and Asian ethnicity. However, the current waxologist staff present at the salon is primarily female and Caucasian, which only a fraction of the customer pool can identify with. Through hiring a more diverse gender and ethnic group of waxologists, LunchboxWax Dublin can create a more inclusive environment in their salon where customers feel comfortable and connected with employees. This is especially significant in sensitive appointments where customers may feel more comfortable with a certain gender identifying employee. This theory was presented in the frequent customer focus group where 8/10 customers agreed that they would feel more comfortable if they would connect with the waxologist providing them with the service.

> *Sensitive appointments can be described as waxing services being provided in private and sensitive areas of one's body.*

Provide a channel for customers to communicate with their waxologists on the mobile application

In an effort to build upon waxologist's-customer relations, the implementation of a "Chat Now!" feature on the official mobile application would provide customers with a secure and professional channel to communicate with their waxologist *outside* of salon appointment times. This channel can be used for customers to make inquiries about after-wax skin care issues, preparing for a wax before an appoint-ment, or any other LunchboxWax Dublin related services. In the employee training program, employees will be provided strict guidelines and knowledge on how to respond to messages in a professional but informal manner. Additionally, we will work with closely with employees to determine the appropriate hours and expectations for active participation in this feature. Through the proper implementation of this feature, customers will be
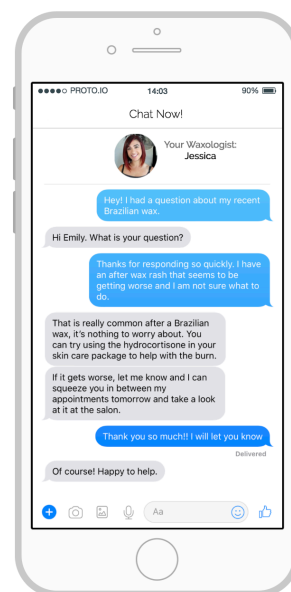

Figure 5.3 Chat Now! Demo

able to contact their waxologist's with a quick message and will build lasting relationships which will improve the overall quality of their LunchboxWax Dublin experience.

Xtra Customer Care

Provide customers with luxury LunchboxWax skin care products and additional treatments

The LunchboxWax company provides all franchises with signature LunchboxWax skincare and after-wax care products to aid in customer service. However, currently the products are not being offered to customers at the LunchboxWax Dublin location and are simply staged in the salon's array of products. The picture to the right shows a display of the complimentary products that are given to the salon. Through offering these products as complimentary skin-care packages after milestone appointments, LunchboxWax can improve customer satisfaction at distinguished points of a customer's journey. Milestone appointments would be (1) Your First Appointment, (2) Your Fifth Appointment, (3) The First Appointment of the new Year. With implementing this timeline, customers can be expected to retain satisfaction levels throughout their commitment with the salon.

Increase promotion of existing deals/offers through online channels

LunchboxWax Dublin hosts many deals and promotions throughout the year in an effort to reward

Figure 5.4 *Sample Facebook Advertisement*
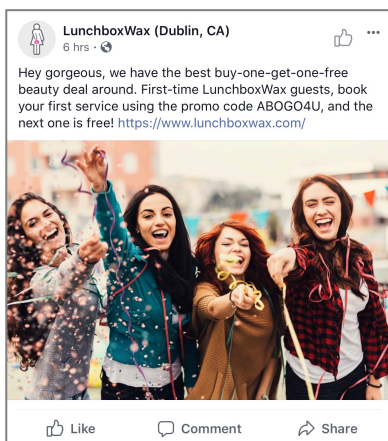
members for continuing with their services. Such promotions include "Buy One Get One Off" or "Bring a Friend" discount. Many customers however are unaware of these promotions as the salon does not promote the offers. In order to successfully advertise these offers to customers, LunchboxWax Dublin should implement the use of online channels such as Facebook, Twitter, Instagram and subscription emai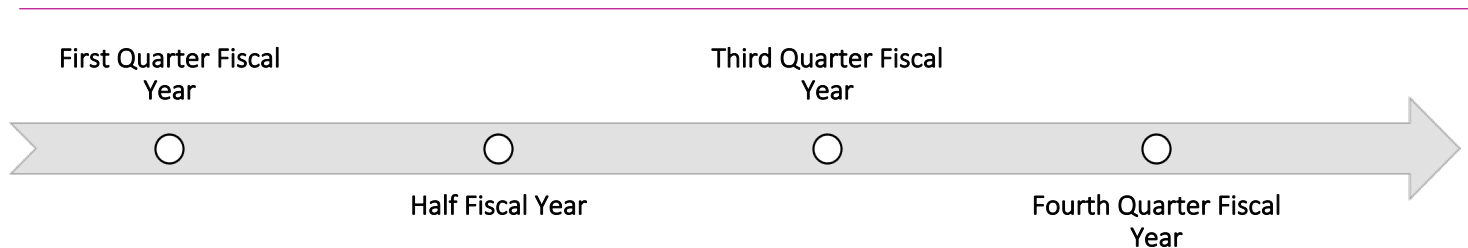l to engage directly with their customer base and increase the advertisement and awareness of such offers. Through this the promotions will be thoroughly utilized and customers will be left feeling rewarded.

Implement a point card system to reward returning customers

Another aspect of increasing the deals/promotions being offered to customers is implementing a points rewards card. The rewards card will be given to each customer who registers with the salon and customers can earn points in a vary of methods including: birthday points, referring a friend points, and loyalty points at milestone number of appointments. The points will be uploaded to each customer's account and can be tracked on the mobile application. Customers can redeem a free waxing service with 500 points, and percent discounts off a menu of waxing services at other small index amount of points. The points system will encourage customer loyalty and providing customers with a feeling of being rewarded.

Proposed Timeline

First Quarter Fiscal Year		**Third Quarter Fiscal Year**
○	○ ○	○
	Half Fiscal Year	**Fourth Quarter Fiscal Year**

First Quarter Fiscal Year	• **EVALUATION #1** • Begin the process for building a new booking system and mobile application online and • Begin daily schedule meetings • Finalize all deals and sales with corporate to begin promotion in the next phase • Notify employees about employee training and begin training curriculum
Second Quarter Fiscal Year	• **EVALUATION #2** • Implement the new booking system and mobile application (begin using App Annie) • Create an inventory of all of the skin care products and begin complimentary rewards • Begin promotion of the finalized deals/sales and implement points system
Third Quarter Fiscal Year	• **EVALUATION #3** • Begin staff diversity campaign • All parts of the plan should be implemented and in process
Fourth Quarter Fiscal Year	• **EVALUATION #4 and CUSTOMER FOCUS GROUP** • Use feedback from the surveys to check for improvement and increase in customer satisfaction

C. Proposed metrics or key performance indicators to measure plan effectiveness

To measure the success of our proposed strategic plan, we would evaluate each component of the BOX Initiative for their level of success in the variables listed in the table below. Each evaluation will take place every three months in the one-fiscal year timeline, thus scheduling four evaluations by the end of the timeline. After each evaluation, the Salon Director will help in evaluating each activity/ component to determine the factors which need to be reanalyzed and improved.

BOX Initiative Component	Metrics for Measurement
Booking Made Easy	
Create an improved online booking system which can be accessed through the official website	• Administer the customer surveys at each evaluation point in the timeline to analyze the trend in the third question: "Are you satisfied with LunchboxWax Dublin's online booking service?" • Monitor Yelp.com reviews to check for a change in the customer reviews in regards to wait-times and appointment booking experiences
Create an official mobile application and integrate the new booking system	• Number of customers who download the app • Ratings and reviews on the App Store and Google Play store • Use App Annie to utilize data analytics to study which mobile features are the most/least used
Host daily staff meetings before salon operations to review and check schedule	• Administer employee interviews and anonymous surveys to gain direct input from employees in the new organization of their schedule due to daily scheduling meetings
Opportunities for Employee-Customer Relationship Growth	
Sponsor monthly professional employee training programs	• Administer employee interviews and anonymous surveys to gain direct input from employees in their opinions on the training program/ the level of effectiveness • Conduct a series of in-store observational visits to analyze the change in employee-customer interactions/communications
Increased gender/ethnic staff diversity to identify with community demographics	• Administer the customer surveys at each evaluation point in the timeline to analyze the trend in the following questions: 1. "Do you feel that you can identify with your waxologist?" 2. "Rate your level of feeling safe and comfortable during appointments?"
Provide a channel for customers to communicate	• Use App Annie to analyze the number of customers utilizing the Chat Now! feature on the mobile application

with their waxologists on the mobile application	• Administer employee interviews to gain direct input from employees in their opinions on the Chat Now! component • Administer a customer survey to gain customers input on the feature/ suggestions for improvement on the feature
Xtra Customer Care	
Provide customers with luxury LunchboxWax skincare products and additional treatments	• Administer a customer survey to gain customers input on the skincare/ after-wax care complimentary packages • Discuss other milestone's or reward package that may be offered in the future with customers to analyze their interest in the overall concept
Increase promotion of existing deals/offers through specialized channels	• Administer a customer survey to gain customers input on their new level of awareness of upcoming deals/promotions
Implement point card to reward returning customers	• Administer a customer survey to gain customers input • Check for number of customers actively using points system

In addition to the customer/employee surveys and interview responses, in order to see a trend in the customer experience management we would hold another frequent customer focus group with the original ten frequent customers that participated in the research study focus group. Through this focus group we can discuss with the customers their opinions on the effectiveness of the BOX Initiative and the difference in their current experience versus past experiences. In the focus group, we would also discuss methods of improving plan components that are now apparent.

Along with the evaluation variables described above, LunchboxWax should utilize the **Return on Investment formula** to calculate the profit success of BOX Initiative.

$$Return\ on\ Investment = \frac{(Gain\ from\ investment) - (Cost\ of\ Investment)}{(Cost\ of\ Investment)}$$

Using the formula above, LunchboxWax Dublin can substitute their one fiscal year profits from the cost of investing in the BOX Initiative in order to yield a percentage that would allow them to distinguish their Return on Investment after implementing the BOX Initiative. If the formula produces a 27% ROI, then the BOX Initiative can be considered a success.

VI. Proposed Budget

LunchboxWax is an upcoming company with a few franchises across California. This research report is focused on the LunchboxWax Dublin location and therefore the proposed investment budget is scaled to support one salon location for a one fiscal year timeline. We have summarized the projected budget needed to successfully implement the proposed plan and have reviewed with the Salon Director to ensure that this budget is maintainable by the salon. The LunchboxWax franchise owners work privately to run operations, and they will be working along with the official LunchboxWax company to approve and implement the BOX Initiative investments.

Activity	Unit(s)	Cost/Unit	Total Cost
Booking Made Easy			
Booker Subscription	12 months	$135.00/Month	$1,620.00
Proto.io Subscription	12 months	$160.00/Month	$1,920.00
iOS Store License	Yearly Cost	$99.00/Year	$99.00
Google Play Store License	One Time Fee	$25.00	$25.00
App Annie Subscription	12 months	$50.00/Month	$600.00
Host Daily Staff Meetings	Daily	$0.00/Day	$0.00
Total Expense			$4,264.00
Opportunities for Employee-Customer Relationship Growth			
Employee Training Program	9 Employees	$1,208/Employee	$10, 872
Increase Staff Diversity	$0.00	$0.00	$0.00
Chat Now!	1 Feature	$0.00/Feature	$0.00
Total Expense			$10, 872

Activity	Unit(s)	Cost/Unit	Total Cost
Xtra Customer Care			
Provide Complimentary Products and Treatments	Not Applicable	$2,000.00	$2,000.00
Increased Promotion Through Online Channels	Not Applicable	$0.00	$0.00
Implementation of Points Card	Not Applicable	$500.00	$500.00
Total Expense			$2,500.00

A few components of the budget will not incur any cost, such as hosting daily staff meetings, as they are simply managerial changes being implemented, as well as the increased promotion of deals/offers as they are pre-existing promotions which require improved advertisement. However, the "Increase gender/ethnic staff diversity to identify with community demographics" will have additional costs in hiring new employees, but since the employee salary costs are confidential within the business and we could not be provided a template amount. For the employee training programs, if the BOX Initiative was implemented we would discuss with the franchise owners to determine which program is best suited for the employees and business itself. In the budget we have included $1,208 per employee as a template cost for the component. This template cost originates from the Association for Talent Development's 2014 State of the Industry Report which found that organizations spend an average of $1,208 per employee on training and development.

Total Investment	
Booking Made Easy	$4,264.00
Opportunities for Employee-Customer Relationship Growth	$10, 872
Xtra Customer Care	$2,500.00
GRAND TOTAL	$17,636.00

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Lunchboxwax.com (LunchboxWax Official Website)

Yelp.com

VIII. Appendix

Exhibit 1: Employee Survey and Results

LunchboxWax Dublin Anonymous Employee Survey

Please complete this short survey so help us with our research project.

How long have you been at LunchboxWax Dublin?

Your answer

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's management?

1   2   3   4   5
○   ○   ○   ○   ○

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's online booking services?

1   2   3   4   5
○   ○   ○   ○   ○

How do you think LunchboxWax Dublin can improve its customer services?

Your answer

SUBMIT

Never submit passwords through Google Forms.

How long have you been at LunchboxWax Dublin?
9 responses

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's online booking services?
9 responses

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's management?
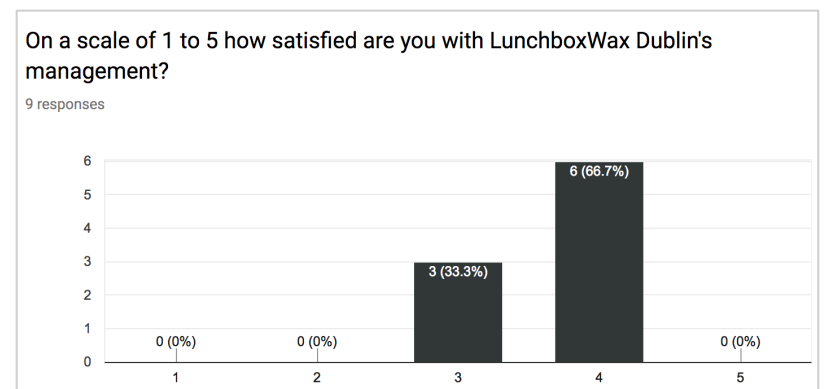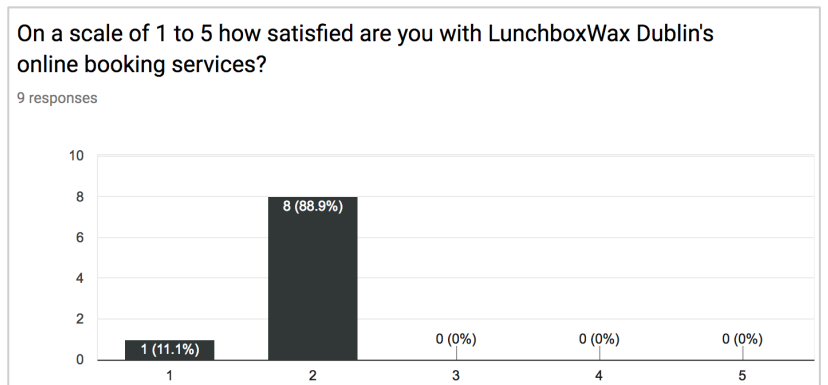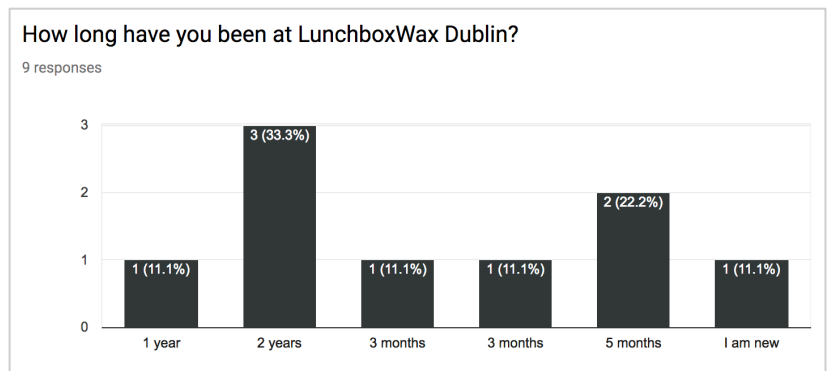9 responses

Exhibit 2: Customer Survey and Results

LunchboxWax Dublin Overall Customer Experience Anonymous Survey

Please complete this short survey so help us improve our customer experience!

How long have you been a customer at LunchboxWax Dublin?

Your answer

What age group do you fall under?

○ 18 or under
○ 20s
○ 30s
○ 40s
○ 50s+

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's waxing services?

  1   2   3   4   5
  ○   ○   ○   ○   ○

Are you satisfied with LunchboxWax Dublin's online booking services?

  1   2   3   4   5
  ○   ○   ○   ○   ○

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's overall experience?

  1   2   3   4   5
  ○   ○   ○   ○   ○

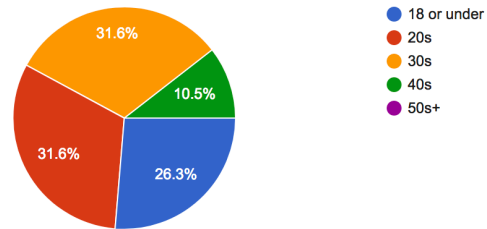How do you think LunchboxWax Dublin can improve its services to you?

Your answer

SUBMIT

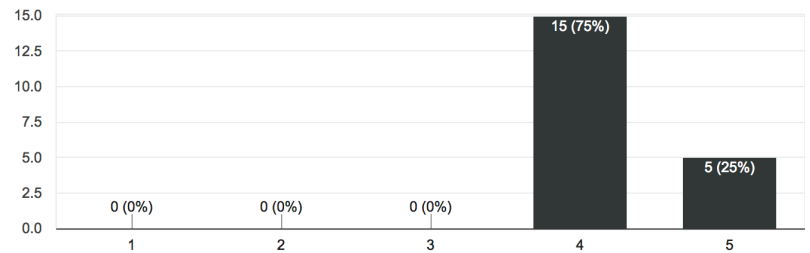Never submit passwords through Google Forms.

What age group do you fall under?
19 responses

- 18 or under: 26.3%
- 20s: 31.6%
- 30s: 31.6%
- 40s: 10.5%
- 50s+

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's waxing services?
20 responses

- 1: 0 (0%)
- 2: 0 (0%)
- 3: 0 (0%)
- 4: 15 (75%)
- 5: 5 (25%)

On a scale of 1 to 5 how satisfied are you with LunchboxWax Dublin's overall experience?
20 responses

- 1: 0 (0%)
- 2: 1 (5%)
- 3: 6 (30%)
- 4: 13 (65%)
- 5: 0 (0%)
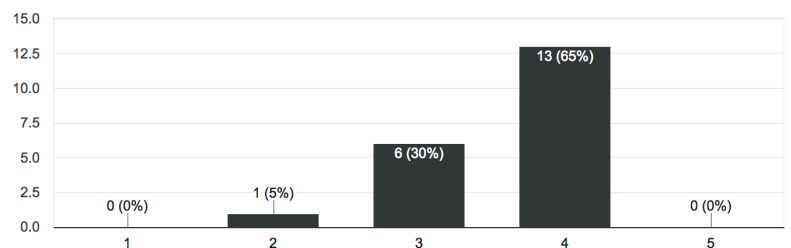
Exhibit 3: Interview with Salon Director Transcript

Interview #1: Salon Director

1. **How would you define customer experience and what are any key factors that affect it?**

   "I would say customer experience is the way my waxologists interact with customers and their overall experience at our salon. We always try to be friendly and welcoming and I really think that helps."

2. **How satisfied do you think your customers are from the moment they first contact you to the moment they complete their appointment?**

   "I think our customers are extremely satisfied, we often have people call us to ask about our services and prices and that's their first interaction with our salon so we make sure to be welcoming and ease people in because speed waxing is a new concept. We definitely uphold the same ideals when customers visit in store so they get a holistic experience."

3. **What are some areas you think your team can improve their customer service in? Any feedback from customers?**

   "We often have customers talk about long wait times because of the flawed booking system but there's honestly nothing I can do about that so I just try to leave some water out here when we're all in the back with other patients and keep the AC on"

4. **How does corporate management/culture affect your salon's relationship with customers?**

   "Since we are such a new franchise and I don't know the company is very old either, the owners and corporate and really involved with the store. They always send us these really cute skin care kits but we never give them out there just sitting in the back"

Exhibit 4: Yelp.com Review #1

Briana N.
Pleasanton, CA
374 friends
84 reviews
63 photos
Elite '18

★★★★☆ 5/9/2017
1 check-in

I just had my first experience here with Ariel and it went great! Ariel is super knowledgeable and made my first waxing experience amazing. I did my lower half legs which were $47, which is a completely reasonable price. It's located in a very new shopping area with plenty of parking spots and the place itself is SUPER clean and adorable! However, I do need to mention that the online booking service messed up my time and person that I selected. I had to wait around 20-25 to get my appointment and then go with a different person which was a little annoying.

Exhibit 5: Interview with Waxologist Transcript

Interview #2: Waxologist

1. **What are the day to day operations of the store like? Could you describe your schedule?**

   "I start my day off by checking on my first appointment and seeing when I have breaks. We don't have any meetings or anything so it's really chill." I usually clean up my room after finishing with a customer and getting them cleared with payments."

2. **Who is your ideal customer?**

   "I think my ideal customer is just any man or women who is interested in trying something new, it's always really hard when the customer is skeptical of our service since speed waxing is already such a tricky service. You have to be quick and careful or it can become a problem really quick."

3. **What are some areas you think your team can improve their customer service in? Any feedback from customers?**

   "Sometimes I feel like the customers have a great waxing experience but those with sensitive skin has a really hard time with the after effects. If we could provide some products or advice on dealing with those symptoms I think that might be helpful to a lot of customers."

4. **What do you think about the current management style?**

   "I love Jordan and corporate I think everyone is flexible and understanding and we all know our roles/purpose here but I still think we need some sort of communication because sometimes information isn't passed on correctly and it gets problematic especially when it effects customers."

Exhibit 6: Yelp.com Review #2

Annikka B.
Dublin, CA
47 friends
5 reviews
7 photos

★★★☆☆ 8/30/2017

My husband and I both use their services and are satisfied every time. However, the online booking system always messes up our appointments and I'm tired of waiting 20 min for my appointments at every visit.