

Looking good, feeling good



KRISTYNA WENTZ-GRAFF / KWENTZ@JOURNALSENTINEL.COM

Susan Haise, owner of Neroli Salon & Spas in Milwaukee and Brookfield and the Institute of Beauty & Wellness, plans to open a new facility in the North Shore area this fall. Haise says her staff focuses on treating the customers well: "Greet them with a smile."

Neroli Salon & Spa business thrives on hectic world

By **TOM DAYKIN**

tdaykin@journal sentinel.com

In a world filled with stress, Susan Haise's company offers an antidote — and business is booming.

Haise is the owner of SLB Day Spa Inc., which operates Neroli Salon & Spa locations in Milwaukee's Historic Third Ward and Brookfield. Neroli opened its first location, at 325 E. Chicago St., 13 years ago this month, expanded to Brookfield two years ago, and will launch a North Shore spa in November. That newest spa will be the largest one for Neroli, the only Milwaukee-area day spa operator with multiple locations, Haise said.

The growing demand for day spas — which sell massages, skin treatments, hair stylings and other pampering practices — is a result of people looking for ways to better handle their stressful lives, Haise said.

"That 50-minute massage can be that little oasis," she said. "It gives you some time alone, to be at peace."

Haise also operates The Institute of Beauty & Wellness, where aspiring cosmetologists, massage therapists and other spa and salon staff-

ers pay thousands of dollars to learn their craft.

The institute, at 342 N. Water St., also offers hair styling, massages and other services provided by its students to the public, and that accounts for about 30% of the overall revenue generated by Haise's businesses. The two Neroli spas, including one at Brookfield Towne Centre, at the southwest corner of

"That 50-minute massage can be that little oasis."

Susan Haise,
owner of SLB Day Spa Inc.

W. Capitol Drive and N. Brookfield Road, each generate another 30% of overall revenue. The remaining revenue comes from the sale of gift cards, handled at Haise's corporate offices, 220 E. Buffalo St.

Haise's businesses total around 150 employees. That will grow to more than 200 employees this fall, when the third Neroli spa opens in the North Shore area. Haise doesn't want to disclose the specific site until her lease negotiations are completed.

The third location will cover about 7,000 square feet, she said,

compared with 5,000 square feet at the two other spas. The bigger spa will be able to better accommodate group events, such as bridal parties. The new location also will be more convenient for North Shore residents, Haise said.

That continued growth has drawn attention. Salon Today, a trade magazine, in January included Neroli among its annual list of the nation's 200 salons with the fastest growing sales. It marked the third time that Neroli has made the Salon Today 200 list. Haise declined to disclose the annual revenue of her businesses, but Salon Today places Neroli in its highest annual revenue category of \$2 million-plus.

Neroli (the name refers to orange blossom oil, an ingredient frequently found in high-end skin care products) has been able to expand by focusing on what Haise calls "the guest experience." That encompasses not just Neroli's services, ranging from a \$12 chin or lip wax to \$230 for a rejuvenation treatment, but the staff's attitude.

"Greet them with a smile," Haise said about her staff's approach to Neroli clients. "They're potentially having a bad day. Pick them up."

Please see **SPA, 6D**

Neroli Salon & Spa business thrives on hectic world

SPA, From 1D

Along with attitude, training is important, Haise said. Last year, she spent \$75,000 on staff education, and Neroli recently brought New York-based hair stylist Vivienne Mackinder to Milwaukee for a three-day training session.

"She's a master of her craft," Haise said about Mackinder, whose fee was \$4,000 per day. "She's inspirational. She's motivational."

The Institute of Beauty & Wellness succeeds by offering a high level of training to its students, Haise said.

Tuition ranges from \$2,125 for a 15-week course (totaling 300 hours) for manicurists to \$13,500 for a one-year cosmetology course (totaling 1,800 hours). The cosmetology tuition will increase to \$18,000 in 2007, Haise said.

That investment pays off for

the institute's students, Haise said. The top tier of hair stylists in the Milwaukee area typically earn \$40,000 to \$50,000 a year, she said.

Haise's business was initially named The Skin Institute & Day Spa. The spa opened on Chicago St. in 1993, but the institute didn't open until 1994 at a separate Third Ward location. Haise's original plan was to have both businesses at the same location. But that was altered because the spa attracted more customers than she expected, leading it to use space on Chicago St. that was originally set aside for the institute.

Haise, 38, was just 25 years old when she launched her business with six employees. She had previously worked for five years as a sales representative for Salon Systems Inc., a Menomonee Falls firm that sold Aveda brand skin care

and hair care products to salons and spas throughout Wisconsin and northern Illinois.

As a sales rep, Haise saw a growing demand for cosmetologists, skin care technicians and other salon and spa staffers. She figured a school to train them could be a financial success.

"There were many spas out there that needed talented skin care specialists," Haise said.

One of Haise's clients operated an Illinois salon that was financed by that operator's father, who owned a large electrical contracting firm. He was impressed with Haise's abilities, and he told her he would provide financial backing if Haise decided to start her own business. Haise accepted that offer, and she took courses at Waukesha County Technical College to learn about operating a business.

Haise also credits her street

smarts, along with a work ethic she learned from her father, a truck driver, and a nurturing side drawn from her mother, who raised five children.

"I think the combination of the two guided me to who I am today," said Haise, a graduate of Brookfield Central High School.

In 2000, Haise greatly expanded the institute, from 2,000 square feet to 12,000 square feet, and moved it to the Water St. location. The spa was renamed Neroli, and in 2004 the Brookfield location opened.

"The community just embraced the day spa business," Haise said. On average, the two Neroli spas and the institute together serve around 2,800 clients weekly, she said.

Haise's business will significantly increase its revenue with the new location. But such expansions can create

new challenges, said Peggy Mitchusson, chief executive officer of The Face and The Body, which operates three day spas in the St. Louis area.

Her business, founded in 1979, expanded slowly and didn't add a second location until 1997. The third spa opened in 2002, and Mitchusson encountered problems among some of the new staffers. In response, she created a human resources position to centralize hiring for all three spas, instead of delegating hiring to the spa managers.

"The more I can limit variables, the better it will be," said Mitchusson, whose business posts around \$8 million in annual revenue.

Like most spas, Neroli's clients are predominantly female (the metrosexual trend among males notwithstanding). A typical customer will spend 60 to 90 minutes at Nero-

li, although some also splurge on an extended package of services. Haise's favorite is the 2½-hour Himalayan body treatment, which for \$200 includes sinus cleansing, skin exfoliation, steam tent relaxation and scalp massage.

"It's just the crème de la crème," she said.

To what extent, though, are such services less a stress reliever and more an appeal to an acute sense of vanity?

"I think there can be excessive desire for services," Haise said.

But, it's also human nature for people to want to look their best, she said.

"If you look good, you feel good," Haise said. "If a guest, after leaving our location, is not complimented by her husband . . . I can't tell you how that crushes them. It's that kind of complimenting that fills the soul."