

## GuestVision celebrates 10 years in beauty

This month, *Beauty Industry Report* (BIR) catches up with **Ted Therriault**, president of **GuestVision Technology Solutions**.

GuestVision is celebrating its 10th year in business with many exciting milestones, including more than 1,500 installations and a dominant role as a market leader in software for franchise and high-volume salons, multi-unit beauty retail stores and cosmetology schools.

**BIR: Ted, what does GuestVision Technology Solutions deliver to its clients?**

**Ted Therriault (TT):** GuestVision delivers software, hardware and service solutions encompassing every area of the beauty businesses it serves, from point-of-sale to inventory management, guest marketing to employee scheduling, all backed by comprehensive reporting. GuestVision's unique centralization technology keeps multi-location businesses and franchises in sync with central data across the enterprise. GuestVision also has pioneered a level of flexibility and customization that stands alone, allowing us to maintain consistency across a franchise while providing options to individual business owners to tailor GuestVision, manage their business and analyze their information in their own unique way.

**BIR: How long ago did you know you wanted to start GuestVision?**

**TT:** As crazy as it sounds, I started my first company when I was 12, helping people learn to use the Apple IIe computer. After internships at Microsoft and an educational software arm of IBM in high school and college, I graduated with an undergraduate degree in computer science. An algorithm I wrote became a dream job offer: chief information officer (CIO) for a budding information services company in Seattle, which grew to more than 50 offices around the country. In building the technology as the company itself was built, I learned much of what I leverage every day at GuestVision and also learned how important the right tool is to get the most out of information.

**BIR: Did you always know you would be in the beauty business?**

**TT:** When I started, I did not know the beauty industry would become the home of

our success. While I was in business school, I founded GuestVision in 2001, with a single, but incredibly broad goal: to build technology that helped improve businesses by making it easier to collect quality data and turn it into actionable information. Joining nine chambers of commerce, I met with every type of business from insurance salesmen to locksmiths to real estate agents. At one fortuitous meeting, I met our first beauty client, who owned two **Fantastic Sams** franchise salons and was dissatisfied with his software and the options he had. He remarked that we should look at building software for his salons that could ultimately become the preference franchise wide. When we examined his alternatives, we had to agree that there was a real opportunity.



designed specifically for franchise salons and the first fitted to their chain in more than 20 years. From the version we first released in January 2003 to the version we are now releasing in January 2011, we have always built GuestVision to be more than just another one-size-fits-all beauty software product. Instead, we build flexible, capacious, customized software and solutions to meet the highly specialized needs of multi-location, high-volume beauty businesses. That specificity was the key to all the opportunities since.

**BIR: How did you expand beyond one chain?**

**TT:** While we knew GuestVision had the opportunity to reach many different kinds of beauty businesses, it also had to grow slowly. Growing slowly meant being both patient and aggressive: patient to allow GuestVision to become great at delivering software and even better at delivering service to our customers, but also aggressive enough to recognize and prepare for future opportunities. We've held onto that philosophy throughout. Opportunity

fortunately knocked loudly every two years, allowing us to establish a leadership position before embarking on the next segment of the industry. We built a retail beauty system for **Northwest Beauty** in Spokane in 2004 and launched into that segment. Now we have numerous retail beauty locations, with as many as 50,000 skus. Two years later, **Marinello Schools** encouraged us to build a school specific system for their 10 schools, and now they use GuestVision for their student salon and attendance management in nearly 50 schools. Most recently, in 2008, we began building a system that is rolling out to hundreds of military locations for its largest beauty and barber concessionaire. Each new market segment has added new functionality and new capacity—both in software and service—that we then can deliver to our existing clients.

**BIR: How did specializing GuestVision to each market segment help you grow?**

**TT:** By focusing on chains, franchises, multi-location retailers and high volume schools, we fill a need that had gone unmet. For an individual owner or the franchisor, these large scale businesses were spread over too many locations, were too distributed geographically and generated too much data to be managed effectively with the software available. Most beauty industry software had been designed before the Internet made communication between locations easy and affordable, and before an enterprise-grade database could reliably run on a standard PC. While existing software served the mom and pop salon owner well, the ability to scale to many locations, remotely access your information and manage your business centrally was simply absent.

Each segment we serve also needed specialized software to manage its very different business. Examples abound: Stylists might work in more than one location of a chain salon, but their pay needs to be calculated centrally. Retail locations need to centrally manage one product list, but be able to charge different prices in different markets to stay competitive. Schools capture information not only about the transactions across their counter, but the services

performed in the classroom and on the student salon floor. Each segment could not use generic salon management software. By listening to all the reasons why, GuestVision designed and delivered software that uniquely fulfilled their needs.

**BIR: How has the recession affected your business?**

**TT:** While the past couple of years have been a trying time for so many businesses, GuestVision has had great fortune in the form of incredible growth, more than doubling its revenues, client base and profits. Our success in the downturn is a testament to our clients and the market needs they serve. Our clients primarily provide either a budget-conscious beauty service menu, retail products that stay in fashion or a new career opportunity in beauty. Coupled with the consolidation that has happened market wide and the need that business owners have seen to reduce costs through technology, we have been both the beneficiary and the solution.

**BIR: What was 2010 like for your business? What's new this year?**

**TT:** Our growth was even more fruitful in 2010 than 2009. Seven years after our first install in Fantastic Sams, when Fantastic Sams purchased its first corporate locations last summer, the franchise converted those stores to GuestVision. We were also named Fantastic Sams Best in Class Supplier. In September, **JKon** software, a legacy product in **Supercuts**, joined the GuestVision family, and with it brought one third of Supercuts franchises. More than our growth, what I truly believe will change our business and the businesses we serve, is our infrastructure investment. We have spent more than half a million dollars to upgrade how we help our users learn, use and maintain GuestVision. We are opening our new state-of-the-art training center in Seattle this month at the same time as the new version launches. We are also deploying three major infrastructure enhancements. Our network is enhanced with an even higher level of security and compliance driven in part by our industry-leading PCI/PA-DSS validation. A new customer service delivery platform called "GVServe" will limit hold times, respond to every call with a live person 24/7 and survey our users about their satisfaction. But the most important

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development is also an industry first: complete network management for every GuestVision location, a product we call "GVProtect."

**BIR: How is GVProtect an industry first?**

**TT:** With thousands of PCs now running GuestVision nationwide every day, and most of them left on 24/7, the risk is many times greater, and the management is many times harder. We are asked continually by our clients to help them manage the IT part of their business. GVProtect does just that.

GVProtect combines four technologies: a complete computer and network management tool to analyze events and errors, diagnose and resolve problems and deploy software remotely; a "white-listing" suite to block all web traffic except specifically allowed traffic and protect the computers from viruses; a managed anti-virus suite to eliminate the need to remember to update; and an off-site backup solution that continually protects and archives the mission-critical GuestVision data for easy recovery. Together, GVProtect monitors, mitigates or eliminates every major risk or error and in many cases, allows us to proactively diagnose and fix issues before our clients even know they occurred.

**BIR: You mention your PCI/PA-DSS validation. What is PCI and what does it mean to our readers?**

**TT:** PCI is the outgrowth of the major credit card companies' security strategy to protect customer data. Visa, MasterCard, American Express and Discover joined forces to deliver

one unified security specification that applies to the entire credit card ecosystem, from the processor to the software company to the merchant. The requirements they put in place for software companies mean that their software must meet rigorous standards if it provides integrated credit card processing. Those standards are called PA-DSS Validation and set GuestVision and other validated solutions apart as ultimately the only solutions that will be allowed to process credit cards.

Business owners also have to become compliant. If a business owner is found to be non-compliant and credit card data is stolen, the downsides can be catastrophic. On the flip side, by following the standards, the risk that any data theft is possible can be mitigated.

**BIR: What will your users notice about GuestVision 2011?**

**TT:** We want every user to feel like it is the same, only faster and easier with more features. We have achieved that: GuestVision 2011 combines more than 400 new features into a PA-DSS validated codebase that is only one quarter the size of GuestVision 2009.

**BIR: Where is GuestVision going next?**

**TT:** GuestVision continues to grow in the product it delivers, the services it provides and the customers we reach every year. This coming year will be no different. But I always return to our first guiding principle: I want to make the data we help our users collect and analyze even more actionable. Delivering comprehensive consulting and training from our new training center dovetails with new means of tracking and encouraging customer behavior, preferences and retention, as well as expanding the number of ways that the user, and the guest, interacts with GuestVision daily. Through each of these enhancements, we can

increase the value we have to the business owner and increase every opportunity we both have before us.

To learn more, reach Ted Therriault at 800-967-0249 or [tedt@guestvision.net](mailto:tedt@guestvision.net). Visit the GuestVision website at [www.guestvision.net](http://www.guestvision.net).



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