

YOUR GUIDE TO

Creating your booking policy

How to set a policy for deposits and cancellation fees,
and let staff and clients know about it.



This guide is endorsed by:



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Writing your booking policy

Once you've decided which option is right for your business (whether it's taking deposits, charging cancellation fees, or both), you'll need to set up your booking policy, so it's nice and clear for your clients.

A clear policy doesn't just help to protect your income, it can also help to legally protect your business from disputed payments and unhappy clients, so it's got to be a goodie!

Step 1.

Decide what you'll charge

If you're setting up deposits, first up you'll need to decide if you'll charge a flat fee or a percentage per service. Industry standard is 50% of the service price – it's easy to communicate and it's enough to cover the value of your time without being a barrier to booking.

But it's all up to you and the services you offer – if you have high hourly costs or high-value services, you might want to set a higher deposit fee to reflect the value of your time. Whereas, if your business has lower overheads or shorter services, you might be comfortable with a lower deposit amount. If you're setting up cancellation fees, you'll also need to consider what you'll charge.



#TIMELYTIPS

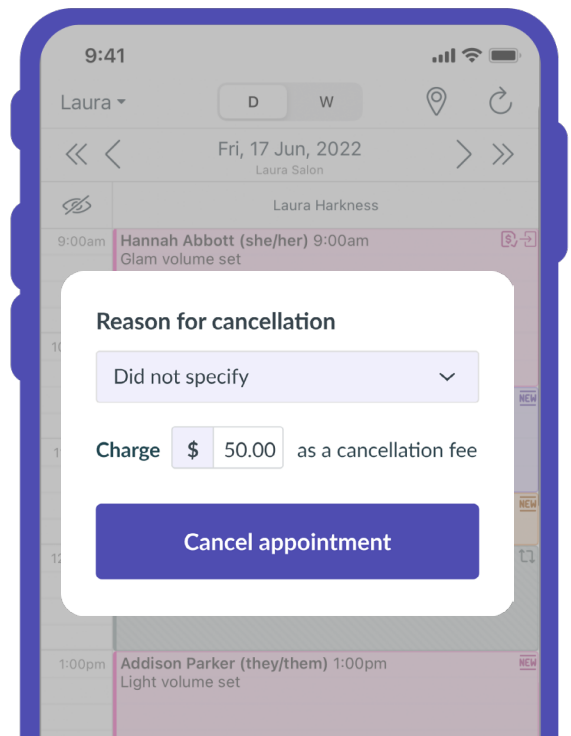
You can set different deposit fees across your different services, which is helpful for high-value or longer services where it's extra important that the client turns up. Or you can even choose to collect deposits only on specific treatments.

Step 2.

Decide your cancellation window

Next, you need to decide how close to the scheduled service a client is allowed to cancel without losing their deposit or being charged a cancellation fee.

Most businesses use a 24-hour timeframe, but you should consider how easy it is for you to fill a cancellation spot when you make this decision. If you need longer to fill a gap in your calendar, you might want to give yourself 48 or even 72 hours – these are also widely used in the industry.



Step 3.

Consider different scenarios

Have a think about different scenarios that might affect your policy. For instance, you may want to reserve the right to hold onto a deposit if you need to cancel a client due to their poor behaviour or rudeness.

And bear in mind, every-so-often you'll need to make an allowance if a client is suddenly unable to attend their appointment (in some life or death scenario!)

#TIMELYTIPS

Don't forget to enable Timely's Waitlist feature, which makes it super easy to fill those cancelled spots fast!

Step 4.

Be aware of the legals

In most countries, there are laws saying a business needs to be able to justify the value of the deposit that's being withheld.

You can only keep an amount that's enough to cover your losses from the cancellation or no-show – so that's lost profit and any products you can't now use etc.

It needs to be fair and reasonable, and clearly stated at the point of booking.

Check with your lawyer or relevant industry association if you have any concerns.



“Our policy at Beautylashious is \$40 per service, or 50% of the treatment cost if it's over \$100 – this pays for the therapist to be there if we do have a no-show or late cancellation.”



NESRIN AZIZ, Beautylashious

An example policy

Here's a policy you can use as a template. We recommend you have your lawyer check over your policy before you put it in place.

Deposit:

A deposit of 50% of the cost of your total booked services is required to secure your booking. The value of your deposit will be deducted from your services on the day of your appointment. You may change or cancel your booking up to 24 hours before your appointment either by contacting us via phone or SMS, or by logging into our booking system from our website. You may ask for your deposit to be refunded to you, or you can save it to your account to be used against a future appointment. Any cancellations within 24 hours, or failure to show up to your appointment will result in your forfeiture of your deposit, without exceptions.

Cancellation policy:

We require at least 24 hours notice for any cancellations and changes to your appointment. Cancellations within 24 hours, or failure to show up to your appointment will result in your forfeiting your deposit, without exception. We reserve the right to cancel your appointment at any time.

Running late for your appointment:

To ensure punctual service for all clients, appointments that start late due to client tardiness will finish at their scheduled time, resulting in a shorter service for you. No discounts will be given for appointments that are shorter due to client lateness. If you are more than 15 minutes late for the start of your appointment you will be marked as a no-show and your deposit will be forfeited.

Preferred communication:

Changes to your appointment must be made via our dedicated salon phone number. Messages via social media or stylists personal numbers may not be seen and may result in your forfeiting your deposit.

Card processing fee for in-salon payments:

A card processing fee of 2.5% will be applied to all in-salon payments made using credit or debit cards to cover transaction costs.

This example policy is endorsed by:



Getting your staff onboard

Now it's time to get your staff ready to implement and action your new policy.

Get everyone together for a session to cover off your new policy, the reasons behind it, and how you're going to let clients know. Set some time aside to train staff on how to take a deposit or charge a cancellation fee, so everyone feels confident.

Discuss when you will and won't charge clients

- Even if you set a really strict policy there will likely be times when you'll either refund a deposit or not charge a fee, based on your better judgement
- Talk about this as a team and agree what you will and won't allow
- Consider medical emergencies or bereavement, or unforeseen circumstances like car breakdowns
- Once you've got a good consensus, you'll be able to trust your staff to make the right call when the situation comes up

Practice what you'll say to clients

- While you might feel a little silly, it can be really helpful to roleplay what you'll say to your clients
- Take it in turns pretending to be the client and run through how you'll introduce the new policy
- Roleplay charging your clients in line with your cancellation policy too

It's important your staff understand why you're introducing a cancellation policy, so they have the knowledge and feel more comfortable enforcing it. In Timely you can pull a report to show the number of no-shows and their revenue value over a period of time to help back up your decision.



JESSICA CRANE
Specialist in salon success

Businesses who turn on deposits see no drop in bookings over a 6-week period.



Roleplay examples

Some ideas on what you could say on the phone or in person to your clients.

We're just letting you know that in order to make sure our salon is running smoothly, we now require a 50% deposit when you're booking. Don't worry, it'll come off the cost of your service when you come in and see us! How would you like to pay for that today?

I'm really sorry to hear you won't be able to make your appointment today. Unfortunately you're now outside our cancellation period (which you can find in your appointment confirmation email), so you'll forfeit your deposit you paid. This is because we need to make sure the stylist is still paid for the appointment that we won't be able to fill at this late stage. We can rebook you now, but you'll need to pay a new deposit.



#TIMELYTIPS

Feeling a bit awkward about introducing deposits or a cancellation fee to your clients? Blame the software (or the “boss”, like they do at Beautylashious)! We don't mind if you want to blame us when you're speaking with your clients. For example:

“I'm really sorry, our software won't let us take a booking without a deposit so I can't make an exception.”

“I'm so sorry but our software is set up to automatically charge the cancellation fee if you cancel this close to your appointment.”

Letting your clients know

Now that you and your staff are feeling 100% confident and ready for your new policy to meet the world, it's time to start communicating with your clients.

As with communicating any business changes, if you're upfront, polite and give them plenty of time, your clients will be far more accepting and you'll set yourself up for success.

Decide on a launch date

The first thing you'll need to do is decide on a date when you'll officially start charging deposits or cancellation fees – draw a clear line in the sand.

Consider making the change at the start of a month to keep it easy to remember, and give your clients plenty of notice.

Make announcements and tell your VIPs

Post your new booking policy on your website, and let your clients know via your social media, or an email or SMS campaign (or all of the above).

It's a good idea to speak to your regular clients or VIPs as they come in for their services, and let them know when they rebook that they'll need to agree to your new policy – you'll be glad you practised what you wanted to say in advance.

Post everywhere about the upcoming changes to get ahead of the news! In your online bookings process, on your website, social media, in-person, and on the phone with client comms.



LASHANA SHEPHERD, Business Development Manager, Inskin Cosmetics

Communications examples

Feel free to use these templates to announce your policy to your clients or communicate to them when you're implementing it (just remember to change out the details for your own!)

Policy announcements: Social media or email

[Subject:] **Announcement: We're going to start taking deposits**

[Email body:]

To keep our salon running as smoothly as possible, we're putting a booking policy in place. From the 1st December, when you make a booking with THE SALON, we'll require a 50% deposit on your service. This deposit will come off your total when you pay at the end of your appointment, so you pay a little less on the day.

Any customer who doesn't show up to their appointment, or who cancels at the last minute, will forfeit their deposit.

This helps us to cover the costs of missed appointments and helps keep our calendar as accurate as possible (so you've got the best chance of nabbing yourself the appointment day and time you want!)

You can read our new cancellation policy here and if you have any questions, please send them to feedback@thesalon.com. Thanks for your understanding!

Policy announcements: Text message

Hi FIRST_NAME

We wanted you to know, we're going to start taking deposits.

From 1st December, we'll require a 50% deposit when you book.

This helps cover costs of missed appointments.

Read more at: thesalon.com/cancellation-policy

Questions? feedback@thesalon.com

Thanks for your understanding

THE SALON

Missed appointment messages: Email

[Subject:] **Missed appointment fee**

[Email body:]

Hi FIRST_NAME

We were sorry to see that you missed your appointment with us at THE SALON today.

In line with our policy, because we didn't hear from you before the appointment, [you'll forfeit the 50% deposit you paid / a \$45 cancellation fee will be charged to your card].

Please contact us on NUMBER if you'd like to arrange a new time to come in and see us.

All the best
THE SALON Team

Missed appointment messages: Text message

Hi FIRST_NAME

You missed your appointment at THE SALON today.

In line with our policy, [you'll forfeit the 50% deposit you paid / a \$45 cancellation fee will be charged to your card].

Please contact us on NUMBER to arrange a new time.

Late cancellation messages: Email

[Subject:] **Missed appointment fee**

[Email body:]

Hi FIRST_NAME

Unfortunately, you cancelled too close to your appointment time with us at THE SALON on DATE.

In line with our policy, because you cancelled within the 24-hours prior your appointment, [you'll forfeit the 50% deposit you paid / a \$45 cancellation fee will be charged to your card].

Please contact us on NUMBER if you'd like to arrange a new time to come in and see us.

All the best
THE SALON Team

Late cancellation messages: Text message

Hi FIRST_NAME

You cancelled too close to your appointment time at THE SALON.

In line with our policy, [you'll forfeit the 50% deposit you paid / a \$45 cancellation fee will be charged to your card].

Please contact us on NUMBER to arrange a new time.

After your policy is live

No matter how well you prepare, be ready to tweak your policy and make small changes as you roll it out with your clients – things like your fee amount or your cancellation window.

It's totally fine to make changes, just communicate them thoroughly with your staff and make sure you update your written policy too.

Dealing with concerns

You might have a few clients who get upset or have concerns.

In our experience no loyal, valuable clients will leave because of a booking or cancellation policy, but it can be helpful to set up an email address to direct any clients to, like Nesrin has.

Remember that this will be hardest on you. Your clients will come around quickly, and for your staff it's just a new process at work. This may feel like a huge change, but it's a totally normal thing for a business to do. In no time at all you'll wonder how you ever operated without your shiny new booking policy!

Something like feedback@bizname.com gives clients a place to vent any feelings (rather than at your staff) and getting things in writing gives you space to think about how you want to respond.



NESRIN AZIZ, Beautylashious

Where to now?

Take a look at this handy checklist plus a guide for turning TimelyPay on:

- [Your guide to getting started](#)

If you need additional support from us, reach out via the website:

[Get support](#)

