

Brian Sheehan: 0:05

Welcome to Retail Intel, the podcast where we dive deep into the dynamic world of commercial real estate. I'm your host, Brian Sheehan, and I'm thrilled to be your guide on this journey through the bustling streets of retail, the aisles of shopping centers and the world of commercial property investment. Today, I'm excited to have Amy LeClaire, co-founder of Sit Still Kid Salon, with us. Amy has an inspiring story of entrepreneurship and innovation in the retail space. Sit Still Kid Salon is known for its unique approach to children's haircuts, combining fun and creativity to make the experience enjoyable for both kids and parents. I'm eager to learn more about her journey and the story behind Sit Still Kids Salon. Well, Amy, I'd love to start with your background. Can you tell us more about your career journey and what led you to co-found Sit Still Kids Salon?

Amy Leclerc: 0:59

Sure. Well, you know, given that I'm almost 48, I've been working for a long time. My career started in New York City. Well, you know, given that I'm almost 48, I've been working for a long time. My career started in New York City. I moved to the East Coast after growing up and going to college on the West Coast and dove right into the media industry. I was working. My first like real J-O-B job was at a big ad agency called gray advertising. So as a young 20 something that was a really exciting place to start a career and I think that's where I really learned a lot about branding and storytelling around brands, which I think has actually been really well developed for me, even through a long linear career since then. But that led to getting into the modeling industry. I was in a lot of indie fashion publications from downtown New York really devil's product-esque experience. And after meeting my now husband, we moved back to the West Coast.

Amy Leclerc: 2:03

So I'm from Oregon originally and I found myself in the Portland area taking exercise classes at a brand new boutique fitness studio called Bar 3, and really fell in love with that class and that studio experience. I'd always been really interested in health and wellness and the long story short, found myself at the dining room table of Bar T's founders, who shared with me that they wanted to grow Sit Still 3, the franchise model. At the time I knew nothing about franchising and in fact, I'm pretty sure, said you shouldn't do that. That's what McDonald's does. Franchising is where brands go to die. Don't do it. And they were very sweet and smart in saying understood that actually franchising can be an incredible way for women entrepreneurs to bring a small business to their community and create a legacy for themselves and their families. And so I got behind that and building a plane while flying. It is a great descriptor of what happened in those early years of R3. But my time there, we took the brand from a handful of

locations to over 150. By the time I left, he created a digital business. We were in almost every single state.

Amy Leclerc: 3:29

I opened my own Bar 3 in the West Village of New York and it was just an incredible wild ride. Really felt like I got my MBA in franchising thanks to Bar 3 and all the opportunities that came. You can imagine, from 2010 to 2018, boutique fitness was doing a huge board. Long gone were the days of just mom and pop yoga studios. It's like no. Spin bar, yoga, hybrid Pilates, specialized fitness was growing in just a really really rapid cadence and it was really exciting to be a part of that. I think I really saw myself working at Bar 3 forever. I mean, there was many years that I just thought, gosh, this is it. There is so many places we can take this, so much momentum, and it was really a happenstance opportunity that puts Sit Still literally like right in my lap.

Amy Leclerc: 4:32

I, while at Bar 3, had two small children and went to Facebook to say where do I take my kiddos to get their haircut in Portland? And it was really interesting because from every corner of Portland the answer was sit still. There's this really cute place. You have to drive to the suburbs but sit still, sit still, sit still. So I followed that advice, took my son for his first haircut at sit still and had a real aha moment. At this point, knew enough about what it took for a franchise to tick and really saw the recipe for an incredible franchise brand in that one Sit Still location 2018, had coffee with the woman who had started that location, had been operating it for 11 years. She said I want a franchise and really the rest is history. We have been actively franchising Sit Still Kids Salon since 2019.

Brian Sheehan: 5:31

It sounds like quite a leap to go from boutique fitness to just the salon world generally. But then now a niche of that. Talk about that transition a little bit. Was it helpful to have that background when you moved into opening so many Sit Still Kid salon locations?

Amy Leclerc: 5:51

Yeah, yeah, absolutely. I don't think I would have had the confidence, nor would my business partners or two other women from Bar 3. We all exited to get into, like the kids hair space. I mean it was a real head scratcher for a lot of people. Enterprise. It was a sexy category. It's like kids' hair. What was so resonant about Sit Still one was just the experience at this salon.

Amy Leclerc: 6:25

And when you're a mom of young kids or a parent of young kids, you are sort of suddenly thrown into these decision-making scenarios where it's like you know, taking

your kid to the doctor, to the dentist, hiring nannies or daycare, there's all these decisions put in front of you and when it comes to kids' hair, there's just was never an obvious answer. It's like parents were really left to their own devices and I think any of us who have been in business long enough know a great business is solving a problem. And when we started to look under the hood of this particular business and saw how well she did and then studied the category at large, the question really became like, if not us, who? You're right, it's niche. The salon category, you know, is what it is. There are hair salons everywhere.

Amy Leclerc: 7:26

But when it came to specializing for kids and families, we saw there were very, very few players Now coming from boutique fitness, which had become incredibly competitive. In the close to decade I had spent at Bar 3, it was really exciting to think there's like a ton of white space here. And so, knowing that, and knowing that what did exist was really lackluster, what did exist was really lackluster there are a handful of brands doing essentially exactly what we do, but doing so in a way that feels dated, that feels uninspiring that my partners and I really felt like an opportunity to reimagine this space and cater to a modern family, the millennial parent who expects more when it comes to their kids. And that's what we've been up to.

Brian Sheehan: 8:23

Talk a little more about that, then, for people who are unfamiliar with the brand. How do you explain it to people? What is Sit Still Kids Salon?

Amy Leclerc: 8:30

Short answer a modern day kids salon catering to children and their families. The longer explanation is a very high touch, elevated, experience driven children's hair salon that wows parents and kids with every appointment. Something that distinguishes us from adult salons, barbershops and kids' hair salons, you know, at large, is our ability to really personalize the experience to meet the needs of any kiddo that walks through our doors. And that is a tall order, you know. Anybody who has kids and is sort of in this child rearing era of their lives knows kids are not a one size fits all. Right, you don't necessarily know what you're going to get from a kiddo's first haircut, where you might have a kiddo who's terrified, to the tween who's sort of like I don't want to go to a kid's hair salon.

Amy Leclerc: 9:34

What is there at Sit Still? That's relevant for me and solving for all of that. We have, from the get, really made it our commitment that we will meet a child where they're at, based on whatever needs they have walking through the door. So that's everything from kiddos

who have some sensory sensitivities to cutting any type of hair. The depth of what we do is that much more than anything else out there, and that is our staying power.

Brian Sheehan: 10:10

I don't think about that. How much variety there is, I guess, in your customer base when you focus on children.

Amy Leclerc: 10:18

Yeah, so that really points to how you recruit, train and develop your staff right? I mean, it's easy for me to say it, but the proof is in the pudding. The proof is in what's happening in Marymount Cincinnati right now at our salon, when a kiddo who needs to sit on their parents' lap and play with a certain toy walks through the door. Like, how are we adapting our experience to that? And I mean I could go on and on as to how we prepare ourselves best to be able to make that a successful experience, but that is our commitment.

Brian Sheehan: 10:58

You know, obviously the focus is on kids and I'm thinking about some of the different, oh, salon and hair cutter type users in our different centers across our portfolio and what are some things about working with kids that people might not appreciate. I mean, you mentioned a couple of those things kind of the variety and the extra touch, but are there other infrastructure things that you need to make you know that business successful or other things operationally that you need to really focus on to make it a success?

Amy Leclerc: 11:29

You know, I think what's interesting about our space is we are cutting kids' hair, but our client's really a parent, you know, your five-year-old is, for better or worse, not booking their own hair appointment, and so I think that is really where we saw the opportunity and my partners and I, you know being moms, really, in this sweet spot of you know, we've got kids. They need their haircut. Let's design an experience that we want as parents, because we're there. We're not dropping our kiddo off and picking them up when their appointment's over. We are there. So it's this dual experience that are happening in tandem.

Amy Leclerc: 12:13

How are we catering to mom and dad and how are we delivering the service for the kiddo? And at its best, that's such a win-win because it's like we are surprising and delighting everybody who's walking through the door. An example would be you know,

we have drink service at Sit Still. Parents are offered sparkling water, a cold brew, rosé. They're not expecting that.

Amy Leclerc: 12:38

That's like no, we see you, like mom, we see you, you know, to our retail, we have really curated retail. That isn't stuff that you know you're seeing every day on Amazon. So I think the short answer is our attention to detail, the level of detail that goes into every decision that we make and back, engineering an experience that feels resonant with parents and kids. I think that's really just the differentiator from if you took your kiddo to a barbershop where 90% of the clientele is men but hey, they take walk-ins and they have a booster. You could go there. Parents do go there. They often do. That's sometimes just what's there. So we really need Sit Still to be a 360 experience that feels so personalized to our client base.

Brian Sheehan: 13:37

I'm remembering a time when I was a kid and I had hair and my dad took me to a barber and when I came home and my mom saw me, she turned white and started to tear up a little bit and the gist of the conversation was what did you let them do to him? It was that kind of experience you know that I never forgot. But it's refreshing to know that there's a place like this now that exists, that not only caters to the child but the parent, like you said. Who's the customer?

Amy Leclerc: 14:08

Yeah. Yeah, that's interesting. I mean, people have these stories that you know. That to us also is this indicator that this is really sort of a moment in time for kids and their memories about getting their hair cut are either going to be amazing, or what you just shared with me. You know, you went somewhere that just wasn't really equipped to understand. You know how to make it what your mom wanted, what you wanted.

Brian Sheehan: 14:36

Right.

Amy Leclerc: 14:36

Your dad was directing or not directing to the person what your mom wanted, what you wanted, what your dad was directing or not directing to the person cutting your hair.

Brian Sheehan: 14:41

I think there's a sizable portion of our audience that listens to this podcast because they're interested in how do I grow my business from one or two locations to 10 or 50, or I dream about having 100 locations someday. Can you talk about some of the

challenges that you experienced or that you knew that you had to overcome in order to grow Sit Still Kids Salon successfully?

Amy Leclerc: 15:10

Yeah, I mean, I think really at the heart of that question is really looking at the operational infrastructure in place and how transferable that knowledge is, because you know to hear sort of like I've got one or two of these and they're working and I want 10. How do I go from two to 10 or 10 to 100 really comes down to the playbook and understanding in that category, like, sit still where. It's like we cater to children between the ages of two and 10 who have hair that needs to be cut rinse repeat, rinse, repeat. It is a business that is appropriate all across the country. This isn't regional. This isn't. We don't have a niche demographic. We need kids and we need a minimum household income. That sort of points us toward we could be anywhere so we could have hundreds of locations.

Amy Leclerc: 16:05

For the owner who is looking to grow, it's really asking themselves could I train someone to do exactly what I do and they could be successful in whatever market that is. Is that a neighboring market? Well, there's some benefits to that if you're growing to grow regionally so that you just have proximity. But I think it really just comes down to tools and resources and then having people on the other side of those tools and resources, whether that's through the franchise model and a franchise owner or through corporate expansion and having a general manager or a chief operator that has the ability to execute on said resources. That's the success plan. You need the resources and then you need the executors to bring those resources to life.

Brian Sheehan: 17:01

That's fascinating. I think part of the problem that you see a lot in retail today, what's holding people back in part, is, you know, if there's one word for it, it's just kind of mediocrity. There's a mediocre experience, there's not enough product selection, the food's not exceptional, and it sounds like you were very intentional when designing the physical space and also the entire experience about making it exceptional.

Amy Leclerc: 17:33

Yeah, those are table stakes and you know, I always think of experience driven retail as needing to appeal to all the senses and, visually, like you've just got to be stand out, Like our salons are beautiful they are just they're beautiful. They are just they're beautiful and not because we've spent an exorbitant amount of money, you know, fine tuning them, because we've made really measured decisions to ensure it's a space where kids and parents feel good. So in terms of, like you know, lackluster aesthetics, no way we're delivering. One of the best compliments I think we've ever received about

our salons was from a creative director who shot a campaign in one of our salons and he said this is like the Apple store of kids' hair. And that really has gone far with my partners and I, because that is what we're striving for.

Brian Sheehan: 18:36

Yeah, it's quite a compliment.

Amy Leclerc: 18:37

And Apple, it's really minimal. You know, part of the beauty is in what's not there. We have really restrained from like balloons and cartoons and primary colors and just doing what, honestly, has been done before. So the space being beautiful, it not smelling like a hair salon, not smelling like chemicals or you know harsh products, to being really inviting around drink services and having lollipops for kids, and just every little detail challenging that status quo. That I think, if I'm hearing you, is that mediocrity of like we can kind of afford to be just okay because we're a utility and parents have to get their kids' hair cut somewhere. So we've really pushed the bounds of what we believe parents should expect from this experience with their children. And, yeah, mediocrity is not going to get us where we want to go.

Brian Sheehan: 19:40

If you had to describe it visually, are there certain design elements that you know is a hallmark of your salon, or can you talk about your approach aesthetically, because it doesn't sound like natural light and great visibility for parents to be able to see us.

Amy Leclerc: 20:13

The interior does feel very elevated, but it's definitely a mix of high and low attributes. We use a lot of white space, I think, hence that apple comment. But then we have really fun accents. We have decal confetti that is on part of the wall. That's just like a nod to the fun and sort of like party atmosphere. We host a lot of events in our salons. We use natural wood, but then we use a ton of IKEA white furniture to showcase our retail. So it's really like minimal aesthetics that pop because we've got this beautiful white background.

Brian Sheehan: 20:57

Kind of a pivot here. I'm curious are there certain performance metrics that are relevant to your business that may not be relevant to other retail businesses, or do you use kind of standard performance metrics to gauge the performance of your salons?

Amy Leclerc: 21:14

Yeah, I mean we are looking at, we're slicing and dicing this business inside out, upside down all the ways. Some things that are really important for our owners to be tracking

every single month are new client visits. We're a young business. Most of our salons that are open have not even been open two years, so they are very much continuing to build a foundation. So getting new clients in the door every single day is a must and then retaining those clients. So we are not officially a membership model but we somewhat function like a membership because kids have hair grows, needs to be cut and we've got a really big opportunity to grab kiddos when they're two and keep them till they're 10. That's a great business, but they need to rebook and within that you can imagine kiddos with short hair come more often. So it's like really catering our outreach and our reminders and our marketing to kind of know the just the general like schedule that makes sense for whatever haircut a kiddo's getting. So, yeah, new visits, retention and then average ticket price.

Amy Leclerc: 22:35

Because we are a service retail hybrid. If we are doing our job, parents are leaving our salons with products to support their kiddos' hair. We are big on educating. You know your kiddo has unruly curls, well, we have a product to solve for that. We're educating during the service and then selling that product on the way out the door. So you know, looking at that average ticket to just ensure that we're really serving our clientele to the best we can by suggesting products that are appropriate for their kids, and then all the add-ons that we offer as well. So that's what makes this business exciting is like you've got the core product but then all the things that could be layered on.

Brian Sheehan: 23:23

Yeah, I love that multi-layered component of your business and it seems like anymore, to your point, that's kind of a table stakes to be successful in retail anymore and I'm curious if, well, what percent kind of roughly the retail sales component makeup is of your total revenue and is that growing over time? Is that shrinking Is the goal to grow it?

Amy Leclerc: 23:47

Yeah, it can be up to 20%. We have salons that sell a lot of retail and that's awesome. It is not our core offering. It is not the thing we want our owners laser focused on. It needs to be plug and play from an operational perspective, which, transparently, is a hard nut to crack, because what sells in Scottsdale isn't necessarily what's going to sell in Brooklyn and you can imagine, you know, throughout the country. So it needs to be seasonal, it needs to be marketplace specific and as we grow, we're able to leverage better relationships with vendors, which is helpful. So of the 20%, most of that is hair care. Most of that is the two-in-one the shampoo, the detangler, the pomade. We have highly efficacious, really clean brands that we offer within the salon. So parents love that. But it's a fine line to have that be part of our business offering to a franchisee that

doesn't overwhelm them. So, yes, it should be growing. In our dream scenario, we have our own line of hair care products for our families, so it's ever evolving.

Brian Sheehan: 25:08

Think about the future for a second. But one thing that you said I thought is interesting it hadn't occurred to me that essentially your customer is aging out of the business at a certain point. How do you think about you know, continuing that relationship over time? Where do you think they go once they kind of age out? Is that a part of kind of the future for you somehow to stay engaged with that family?

Amy Leclerc: 25:35

Yeah, it is of high consideration to us. You know how much effort are we putting toward retaining somebody from say like 8 to 10 and then 10 to 12? The majority of our services are shortcuts, which in most cases are boys. Little boys are the bread and butter of our business. They can come multiple times a month sometimes. So it's a great client for us. They tend to age out faster. Around 8 to 10, the barbershop starts looking kind of cool. Maybe there's like a sports clips. They can go with their dad. That's not necessarily a client that we need to pivot to try to like bring back. I'm not putting TVs on the walls, we're not putting Nintendos in sit still. That's just not the path for us. So that's sort of how we're addressing that market when it comes to boys. Girls have a longer longevity with us.

Amy Leclerc: 26:37

Our salons are not kidified. They don't look baby, they don't look toddler and we offer services that are really exciting for that tween market. We can do special styling, we do sparkle strands, there's temporary hair color. We're constantly evolving that add-on piece of the business that inherently speaks more to long hair girls. So we can see that client base just staying with us a bit longer.

Amy Leclerc: 27:09

We have brought in skincare, which is a category that again would speak to more that tween market. We have some salons that bring in ear piercing certain weekends of the month. So there are things that we are doing that are bolstering that older kid experience within the salon. But we've built the model to absolutely sustain really catering to that sweet spot of, call it, two to 10. I would never want us taking our eye off that core client base. There are enough kids in any given market that fall within that age category that you know. We want to be really authentic to that experience and not get too distracted just trying to grab on to somebody who's naturally that attrition is just naturally going to happen.

Brian Sheehan: 28:03

What are your growth goals over the next five years? Still thinking about the future.

Amy Leclerc: 28:08

I really believe we have just scratched the surface. We have 26 locations open. We have another 47 in development. So the next couple years we're going to be opening a lot of salons. We are also going to be selling a lot of locations. There are key markets. I'd love to see us in sooner than later, but I would imagine that over the next five years there are hundreds of sit-stalls open across the country.

Brian Sheehan: 28:37

That's awesome, and what advice would you give to someone that's looking to start a business in, call it, children's retail sector?

Amy Leclerc: 28:48

I think, really like any category, just really knowing your client, like starting with from that client experience and building out who is the core stakeholder, who's the decision maker. You know again, based on sit. Still it wasn't just like oh yeah, balloons, cartoons, primary colors and a lollipop all kids are going to love that, my kids would have loved that, but that's not who's making the decision. So, really understanding who's making the decision and what makes whatever it is you're doing defensible against what else is out there, so that real distinction, that brand distinction, that experience distinction, really pay attention to that. For better or worse, the Amazons of the world, the online life we all live, has forced bricks and mortar retail to come up with experiences that are worth the while to shop, to go spend money in real life versus online. You've got something special happening that is justifying your existence.

Brian Sheehan: 30:04

Absolutely. You know, if you're doing well in retail today, you've probably got a pretty decent experience for your customer. I guess the last question, amy, would be around real estate and just kind of bundled together what are your size requirements? What are you looking for? Who do you like to be near? Is there anything specific to you know, having children as a core part of your customer base? That influences the type of real estate that you're looking for? Where do you do well?

Amy Leclerc: 30:33

Well, last question, first, parking Mom who's got two kids in a car seat and a stroller or whatever it might be? Parking is just in most markets. You know Brooklyn different story, but in most markets parking. Our square footage on average is about 1,000 square feet. We can flex up to 1,400. Generally those salons have a dedicated party room where our owners can create an event schedule. They can rent it out for birthday parties, sort of

endless opportunities there, but assume a thousand. We do have smaller locations in New York that are closer to six, 700.

Amy Leclerc: 31:14

It really just sort of depends on the market in terms of co-tenancy. We need to be where moms are, and you know moms at the grocery store, moms at tutoring you know the Kumons, the Mathnasiums, you know those are brands that we definitely look to. But more than just there has to be a grocery store, there has to be another kid business. I'm really interested in the psychography of our client and understanding how she's behaving in terms of where she chooses to go. So, yep, she's going to the grocery store, but is she going to a Whole Foods or is she going to a grocery outlet?

Amy Leclerc: 32:00

We need our parents to be at a certain income level to be able to utilize our services. That's just the reality. We're a premium brand so I'm looking for other premium brands within any respected category to sort of work back from. So I always look for. You know, what are the boutique fitness concepts that are out there High-end coffee shops, toy stores. I love crumble cookie, you know like the sort of like cookie category is really great for us and we can do some really fun collaborations if we're in the right center.

Brian Sheehan: 32:38

That's awesome. Well, amy, it was great speaking with you today. Thank you for joining me on Retail Intel. Be sure to check out Sit Still Kids Salon in person and on Instagram at Sit Still Kids. Whether you are an aspiring real estate mogul, a seasoned pro or simply curious about the places where we shop, dine, play and work, this podcast is your all-access pass to the world of commercial real estate. Connect with me on LinkedIn and, if you're interested in being a part of the Retail Intel podcast, send a message to nationalaccounts@phillipsedison.com. If you want to hear more about new and expanding brands like Sit Still Kid Salon, keep tuning in to Retail Intel and please subscribe, follow, like and repost. Talk to you next time.