



Vertical Market Selling Guide

Massage Therapists



Purpose

This guide is provided to you at no charge to create awareness for the needs of a payment terminal solution within a specific vertical market that may be less penetrated than traditional retail stores.

Table of Contents

- Market Segment
- Market Overview
- Sales & Marketing Insights
- Payment Characteristics
- Market Resources
- VeriFone Solutions Overview



Market Segment: Massage Therapists

MCC: 7297

NAICS CODES: 62139b (Alternative Health Care Providers)

812199 (Other Personal Care Services)

Market Overview

This segment consists of some brick and mortar establishments; however, the vast majority of participants are individuals who provide massage therapy services on a part time basis. There does not appear to be a consistent classification for this group. The financial community designates a specific MCC for massage parlors; however, there is none for the independents. Different organizations use either of two separate NAICS classifications for this group, Alternative Health Care Providers or Other Personal Care Service Providers. Regardless of the classification, card acceptance is very low.

There are approximately ten thousand establishments throughout the country that are classified as massage parlors. There is no single company that commands any sort of market share. Almost all establishments are independently owned, with an average of less than five full time employees. However there are over two hundred fifty thousand additional individuals that work an average twenty hours a week providing service in a variety of environments.

Credit/Debit card use in this market segment is fairly low. Industry data shows that the average ticket amount, when a card is used (at a massage parlor), is in the \$95 range and makes up less than ten percent of the volume. There are no statistics regarding individual therapists that accept cards, though these numbers are probably even lower. The average massage therapy charge is approximately \$63.



Sales & Marketing Insights

Massage therapy has the potential to be an excellent market for the payment industry. The vast majority of therapists are independent service providers; many of which bring their services to the home, office, and other venues. On average, a therapist will see 45 customers each month. In this environment traditional countertop devices are not particularly useful and the cost of a traditional wireless device is prohibitive. The emergence of mobile phone payment technology offers a great opportunity for these individuals to economically accept card payments. The large number of practitioners provides an excellent market for card service providers.

From a marketing point of view there are two major professional/trade organizations, one of which has 51 operating local chapters (see Exhibit 1). Each organization claims over 55,000 members.

The American Massage Therapy Association (AMTA) runs an annual convention, has very active local chapters, and publishes a monthly journal and newsletter. It has a supporting member classification for industry suppliers. They offer a number of sponsored member benefit programs, including a card-based transaction processing service.

The Associated Bodyworks & Massage Professionals (ABMP), with over 70,000 members does not have an annual convention. The organization publishes two journals and a newsletter. Similar to the AMTA they do provide marketing opportunities through a supporting membership program and offer sponsored membership products and services. Like the AMTA they too list a card services partnership program for their members.



Payment Characteristics

- Card payments (parlors only), estimated percent of total payment volume : 10%
- Estimated average ticket size of card transactions (parlor only): \$95
- Average ticket size (total industry): \$63
- Average monthly number of card transactions per establishment: 11

Market Resources

- Associations
 - American Massage Therapy Association (AMTA)
 - <http://www.amtamassage.org>
 - 51 local chapters
 - 2009 conference attendance: 1800
 - 2010 conference: Sept 22-25 in Minneapolis, MN
 - Publishes *Massage Therapy Journal*
 - Associated Bodyworks & Massage Professionals (ABMP)
 - <http://www.abmp.com>
 - 70,000 members
 - Publishes *Massage and Bodywork Magazine* and *Body Sense Magazine*



VeriFone Solutions

Massage therapists, especially those who are mobile and visit clients at their homes, would need to have devices that are portable and can be brought to the point-of-service. This would allow the therapist to accept card-present transactions which could significantly lower the current overall payment costs and at the same time offer convenience to the client. VeriFone offers a variety of wireless communication options for portable devices, including the new PAYware Mobile for iPhone.

- PAYware Mobile
- Nurit 8020S
- RoamPay Swiper



PAYware Mobile



PAYware Mobile for iPhone™ allows for payments to be accepted anywhere, anytime in a secure manner via card swipe.

PAYware mobile is a PA-DSS approved payment application for iPhone™. Accepting credit card payment via PAYware Mobile comes with a variety of benefits including higher security and increased transaction savings.

Exhibit 1: State Information

State	Salon Count	AMTA	
		Chapter Web Site	Chapter Membership
Alabama	88	http://www.amta-alchapter.org	414
Alaska	47	http://www.akaamta.org	318
Arizona	204	http://www.azamta.org	1,337
Arkansas	94		166
California	1,056	http://www.amta-ca.org	3,129
Colorado	336	http://www.amtacolorado.org	1,741
Connecticut	129	http://www.amtactchapter.org	2,175
Delaware	31	http://www.amta-de.org	234
District of Columbia	5	http://www.amta-dc.org	178
Florida	955	http://www.amtaflorida.org	3,115
Georgia	256	http://www.amtaga.org	1,040
Hawaii	53	http://www.amtahawaii.org	445
Idaho	86	http://www.amtaid.org	289
Illinois	394	http://www.amta-il.org	3,509
Indiana	243	http://www.amtaindiana.org	890
Iowa	112	http://www.amtaiowa.org	687
Kansas	99	http://www.amta-ks.org	241
Kentucky	115	http://www.amtakentucky.org	701
Louisiana	133	http://www.amtala.org	620
Maine	63	http://www.amta-me.org	621
Maryland	139	http://www.amtamd.org	1,288
Massachusetts	257	http://www.massamta.org	3,110
Michigan	419	http://www.amtamichigan.org	1,362
Minnesota	247	http://www.amtamn.org	905
Mississippi	60	http://www.amtamississippi.org	200
Missouri	215	http://www.amtamo.org	1,263
Montana	34	http://www.amtamt.org	403
Nebraska	66	http://www.amtane.org	308
Nevada	144	http://www.amta-nv.org	539
New Hampshire	61	http://www.amta-nh.org	605



Exhibit 1: State Information (cont.)

State	Salon Count	AMTA	
		Chapter Web Site	Chapter Membership
New Jersey	297	http://www.amtanj.org	1,558
New Mexico	50	http://www.amta-nm.org	396
New York	466	http://www.amtany.org	3,448
North Carolina	264	http://www.amtanc.org	1,630
North Dakota	36	http://www.ndamta.org	237
Ohio	407	http://www.amtaohio.org	2,120
Oklahoma	112	http://www.amtaok.org	192
Oregon	198	http://www.amta-or.org	1,149
Pennsylvania	347	http://www.amtapa.org	1,763
Rhode Island	44	http://www.riamta.org	446
South Carolina	127	http://www.amta-sc.org	674
South Dakota	35	http://www.orgsites.com/sd/amta.org	173
Tennessee	163	http://www.amtatn.org	776
Texas	710	http://www.amtatexaschapter.org	862
Utah	136	http://www.amtautah.org	735
Vermont	25	http://www.amta-vermont.org	189
Virginia	211	http://www.amtava.org	1,444
Washington	438	http://www.amta-wa.org	4,643
West Virginia	33		213
Wisconsin	223	http://www.amtawi.org	1,671
Wyoming	21		159
Total	10,484		56,311

