

THE SALON MARKET IN JAPAN 2004

SAMPLE PAGES

SECTION 1 EXECUTIVE SUMMARY

Table 1 The salon market in Japan at a glance

Salons	
Turnover (value)	Yen xxxxx billion
- % variation on previous year	X%
Salon products market	Yen xxx billion
- % variation	x%
Companies	
Number of salons	> xxxxxx
Number of manufacturers	> xx
Number of distributors	Xxxx
Population	Xxxxxx

All data 2002 unless stated otherwise.

(Source: DR GSP 2004)

Market size and trends

Turnover in hair salons and in beauty salons that offer hair services is estimated at yen xxxx billion, and the salon products market at almost yen xxx billion. The sector has been sample or sample since the mid-1990s.

Number of leading manufacturers and distributors

There are at least xxx manufacturers and xxxx distributors active in Japan. Only a handful of manufacturers have significant sales in the professional hair care market. They include sample, sample, and sample.

Number of salons and best performers

Of the over xxxxxx salons in Japan, under xx% are sample or sample salons. In this fragmented salon sector, the x largest national chains represent just over x% of turnover in the barbershop and hair salon market. The best performing salons will be multiple-outlet salons with both sample and sample shops.

Currency

The currency used throughout this report is the yen. The rate of exchange is US \$1 : Yen 120.

Date of publication

GSP Japan 2004 (January) included only sections 1-6. GSP (Japan) 2004 (October) also includes sections 7-8.

SECTION 4 THE SALON SECTOR

Table 7 The salon sector in Japan

Salon sector	Numbers
Salons	Sample
Employees	Sample
Turnover	Sample

(Source: DR GSP 2004)

Estimates of the number of salons in Japan vary according to they type of outlets included. An estimate of just under xxxxx outlets counts only barbers shops, while that of xxxxx counts hair salons, beauty salons, and nail bars. The most reliable estimate puts the number hair salons at approximately xxxxxxxx outlets, with some xxxxx employees and a turnover of yen xxxx billion.

Hair salons are mainly located in the biggest cities. The capital, Tokyo, could have xx,xxx hair salons. Nationally there are xxxxx new openings per year, mostly of very sample salons.

Regulations

Salons must comply with hygiene standards, implemented by Prefecture Health Offices, and employ licensed staff. That is, they hire hairdressers and beauticians licensed under the Beauty Therapist Law after they complete a three-year training programme in hair treatments (e.g., haircuts, perms, and colouring) and product retail. The number of licensed hair stylists has been stable at xxxx since 1999.

Table 8 Sample salons – size per outlet, chairs and clients

Salon	Chairs	Clients/week
Sample	Xx	xx
Sample	Xx	xx
Sample	Xx	xx
Sample	Xx	xx
Sample	Xx	xx
Sample	Xx	xx
Sample	Xx	xx

(Source: DR GSP 2004)

The salon market in Japan is similar to the market in the rest of world. Most hair salons are very small. A typical salon is xx square metres, with xxx chairs (stations), and is staffed by an owner-manager, who provides hair services, and assistants, who shampoo hair and operate the cash register. Larger operations can have xx staff (less than xx% are hair stylists), and an area of xxx square metres. “Day spa” salons, those offering hair, beauty, and body treatments, can be xxx m², and employ xxx stylists who see xxxx clients a month.

Table 9 Salon market segments

(As % of total salons)

Segment	%
Top-end	Xx
Mid-market	Xx
Low-market	Xx
Total	Xxx

(Source: DR GSP 2004)

At least xx% of hair salons are low-market operations, and xx% to xx% are upmarket or large salons, according to a Tokyo salon association. Less than x% of salons are prestige or celebrity salons. The latter are mainly located in Tokyo, particularly in the Aoyama Daikanyama, Harajuku, and Jiyugaoka neighbourhoods.

In this fragmented sector, the sample largest national chains represent just over x% of total turnover in the barbershop and hair salon market, with combined revenues of yen xxx billion. The largest chain, the xx-strong sample, had a turnover of yen xxxxx billion in 2002. This compares with the xxxxx-strong salon sector in Tokyo, where only xxxx salons have a turnover of yen xx million each a year, according to the Ministry of Health, Labour, and Welfare.

Table 10 The top hair salons in Japan

Rank	Name
1	Sample
2	Sample
3	Sample
4	Sample
5	Sample
6	Sample
7	Sample

*See Section 5 for profile of salon.

(Source: DR GSP 2004)

Chains and foreign salon companies

The largest salon operators, in terms of sales and numbers of outlets, are domestic chains. The biggest chain is the sample, with xx salons. The different salon concepts operated include sample Salon and sample Salon, and the salons it operates in Japan for foreign chains. The

SECTION 7 IN-SALON BUSINESS

In-salon business and the salon sample

This section of the report is based on sample salons, which mainly represent upmarket outlets. The sample salons are listed in the same order in the tables throughout the report. For more details on the sample salons, see Section 8.

Table 13 Salon consumers – ranked by gender

(As % of total clients)

Sample	Women	Men
1	sample	sample
2	sample	sample
3	sample	sample
4	sample	sample
Average	sample	sample

(Source: DR GSP 2004)

Table 14 Salon consumer segments – ranked by age

(As % of total clients)

Sample	16-19	20-29*	30-39	Over 40
1	sample	sample	sample	sample
2	sample	sample	sample	sample
3	sample	sample	sample	sample
4	sample	sample	sample	sample
Average	sample	sample	sample	sample

*Of the clients 20-29, some xx% are xx-xx.

(Source: DR GSP 2004)

Trends

The top consumer segment is sample, aged between xx and xx years. The high percentage of young clients is because they are the target consumer segment for fashion-forward salons, which the sample represents.

Salon spending by all consumer segments continues to be driven by appearance-consciousness. Stylists suggest that it would be difficult to exaggerate the extent to which people in Japan — both male and female — are appearance-conscious. While younger people regard the image they project as a form of self-expression, older people spend on their appearance for work reasons. The salon chain with the highest percentage of clients over xx years notes that many are businessmen who visit to ensure that they look “professional” (tidy and neat). Salon locations in busy commercial