

**THE SALON MARKET IN
EGYPT© 2005
(EGYPT HAIR AND BEAUTY)**

SAMPLE

PAGES

SECTION 1 EXECUTIVE SUMMARY – EGYPT

Table 1 The salon market in Egypt at a glance

Salon market	
Turnover	x
Variation 2004/03	x
Variation 2006/05	x
Number of salons	x
% “grey market	x
Salon employees	x
Number of manufacturers/ distributors	x
Leading manufacturers	x
Population*	x

*US Bureau of the Census - October 2002
(Source: DR Global Salon Panel (GSP) 2005)

Lack of data

There is no accurate data on the professional hair and beauty services (salon) market in Egypt in terms of the numbers of salons, salon employees, and of market turnover.

Market authorities

The data in the table above is based on estimates provided by market authorities, including associations representing salons in Egypt, and salons, including those which act as local agents for leading product manufacturers with sales in the salon channel.

Market structure/trends

Market authorities note that the rapidly developing salon industry is very positive. Growth drivers include the large percentage of young people in the population, greater affluence, and concern with personal appearance. The market is very fragmented, and largely unregulated. The “grey market” could account for x% of business.

Manufacturers

Many “x” of product manufacturers have sales in the salon channel. Sources identified more than x by name. They are a mixed bag of international “big brands” and small brands, both foreign and domestic.

Currency

The currency used throughout this report is the Egyptian pound (EGP).
The rate of exchange is US \$1 : 5.80132 EGP (March 2005).

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SECTION 2 MANUFACTURERS, BRANDS

Table 2 Companies with salon sales, foreign and domestic

Company (foreign)
X
X
X
X
X
X
X
X

(Source: DR Global Salon Panel (GSP) 2005)

Numbers/types of brands

The market is fragmented in terms of brand share. Very many, possibly “x,” of brands are sold into salons in Egypt. Authorities are reluctant to estimate shares in this fragmented market, where the brands handled varies widely by salon segment.

Experts identified some x companies by name as having sales in the mid- and upmarket salon segments. They are a mixed bag of international “big brands,” (e.g., x and x), and many “small brands,” both foreign and Egyptian.

Only the upper end of the salon market handles professional-only brands, that is products which are exclusive to salons. Professional only lines have the highest share in the hair colourant category. In 2005, as in previous years, salons in Egypt complained about diversion, that is the distribution of professional brands into the retail channel. Other complaints are about late deliveries.

The rest of the salon market, that is mid- and low-market salons, handles:

- x .XXXXXXXXXXXXXXXXXXXXXXXXXXXX
- “x .XXXXXXXXXXXXXXXXXXXX
- “Local” brands, - for example, XXXXXXXXXXXXXXXXXXXX
- Retail (consumer) brands - for example, XXXXXXXXXXXXX.

(For a list of all companies/brands identified in Egypt, see Table 5 in company profiles. Note: one problem in identifying companies is the common use of many variant spellings.)

SECTION 7 IN-SALON BUSINESS – CONSUMER PROFILES AND SPENDING

In-salon business and the salon sample

This section of the report is based on interviews with a sample representing almost 20 salons, and other contributors who include some of the leading figures in the national association of salons, and participants/winners of national events.

The sample represents the up- and the mid-market salon segments. The salons are listed in the same order throughout the report. For more details on the sample salons, see Section 8.

Table 7 Salon consumers (age)

(Ages of the largest client segment in sample.)

Sample	Ages
S1	X
S2	X
S3	X
S4	X
S5	X
S6	X
S7	X
Average	X

(Source: DR Global Salon Panel (GSP) 2005)

Table 8 Salon consumers (gender)

Sample	Female	Men
S1	x%	x%
S2	x%	x%
S3	x%	x%
S4	x%	x%
S5	x%	x%
S6	x%	x%
S7	x%	x%
Average	x%	x%

(Source: DR Global Salon Panel (GSP) 2005)

Young people, that is, those under x years old, are the single most important client segment for salons in Egypt. The national salon union estimates that young people account for about x% of salon clients. This reflects the high percentage of young people in the population in Egypt, and their increasing appearance-consciousness.

Salons are gender segregated. That is, they cater to men or to women, although some cater to both by operating separate sections.

IN- SALON BUSINESS – VARIATIONS

Table 9 Variations in salon business

(As % variations on previous year.)

Sample	2004	2005
S1	x%	x%
S2	x%	x%
S3	x%	x%
S4	x%	x%
S5	x%	x%
S6	x%	x%
S7	x%	x%
Average	x%	x%

(Source: DR Global Salon Panel (GSP) 2005)

Business variations in the sample were broadly in line with the positive trends in the salon market in Egypt in 2004/05. The average growth rate in the sample in 2004 was x%, and this rose to over x% in some salons. Indeed, so positive is the market that some salons described a growth rate of x% as “slow to moderate.” The salons in which business decreased in 2004 were mid-market, men-only salons.

Growth drivers in salons

- XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

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Symbols used in tables

N/A. Not available.

Neg. Negligible.

e.g. for example.

Negative growth. e.g. minus 10% represented in tables as -(10)%.

OTC : Over the Counter, sales of retail products.