



*Diagonal Reports*

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

SAMPLE

PAGES

## **STRUCTURE OF THE REPORT**

### **SECTION 1 EXECUTIVE SUMMARY**

Summarizes the main data.

### **SECTION 2 MANUFACTURERS, BRANDS, AND DISTRIBUTORS**

Estimates the number of suppliers (manufacturers, distributors) to salons. Identifies and ranks the top manufacturers and brands, and reports on expected changes.

Describes the distribution structure of products to salons. Identifies and ranks the top distributors. (The top suppliers identified are profiled in SECTION 5).

### **SECTION 3 MARKET OVERVIEW (SIZE(S))**

Estimates the size of the salon market (that is, turnover from the sale of services and product retail to salon clients) and the value of the salon products market (that is, the sale of products for use in the basin (ITB) and for retail to salon clients over the counter (OTC)). Reviews expected variations in the salon industry. Ranks the different service and product categories.

### **SECTION 4 THE SALON SECTOR**

Estimates the numbers of salons, salon employees, and expected variations. Estimates the size of the different market segments. Identifies the top salons, that is, the largest in terms of the numbers of salons operated, along with those which have a reputation for being fashion-forward outlets. (The top salons are profiled in SECTION 5).

### **SECTION 5 COMPANY ADDRESSES/PROFILES**

Summary profiles (names and addresses and/or www) of the top companies (manufacturers, distributors, and salons) identified, listed in alphabetical order.

### **SECTION 6 LIST OF AUTHORITIES**

Identifies and profiles the most important organizations which represent companies in the salon market, along with the leading events (such as competitions and awards) and publications.

### **SECTION 7 IN-SALON BUSINESS and SECTION 8 SAMPLE PROFILES**

Section 7 deals with business in salons. It profiles salon consumers, and reviews current and expected business variations, the breakout of salon business by service category (hair, beauty, spa), and product retail. This data

is based on interviews with sample salons in the country, which are profiled in SECTION 8.

## **SECTION 1 EXECUTIVE SUMMARY**

**Table 1 The salon market in Spain at a glance**

<b>Salons</b>	
Number of salons (e.)	> x
Number of salon employees (estimates)	X
Salon turnover (e.)	€x million
% variation (2004/03)	+ x%
<b>Salon products market</b>	
Value	€x million
% variation (2004/2003)	> x%
Number of product suppliers	X
Of which leading suppliers	X
<b>Population</b>	X million

All data refers to 2004 unless otherwise noted.

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

### **Salon market size and trends**

There are estimated to be at least x hair and beauty salons in Spain, and some sources suggest over x. Whatever the number of salons most are small-sized, with an average of x employees per outlet. Salon turnover is almost €x million in 2004. The market is positive up x% on 2003.

### **Leading manufacturers and distributors**

The salon products market is relatively consolidated. Although over x companies supply salons with professional-only products, fewer than x have “significant” sales. The two leaders are xl and x. Professional products are not available in the retail channel.

### **Players and best performers in salon channel**

In the positive Spanish market, franchise-operated salons are the best performers. They offer consumers wider services menus than do the many small, traditional salons, and younger consumers like their fashion-aware image.

### **Currency**

The currency used throughout this report is the Euro. The rate of exchange is US \$1 : €0.86 (June 2005)

### **Date**

GSP Spain 2005 (June)

## SECTION 2 MANUFACTURERS, BRANDS, AND DISTRIBUTORS

**Table 2 Numbers of suppliers (2004)**

Category	
Manufacturers	>x
Distributors (only)	X

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

Some x companies were identified by name as product suppliers to hair and beauty salons. They all supply professional-only lines, that is, products which are not (or are not meant to be) available outside of salons. Salons in Spain, like their counterparts in other markets in Europe, prefer professional-only products and brands, both for in-salon use and for retail to clients. The x companies named include international “big brands,” and many small-sized companies, both foreign and domestic. Some manufacture “own labels” under contract for distributors and salon chains. For a list of all companies identified see Section 5, “Table 13 Manufacturers with salon sales (50 names, unranked)”

### **Representative organizations**

Salon suppliers (both manufacturers and distributors) are represented by various organizations, the largest of these include:

- x
- x

**Table 3 Manufacturers in salons, ranked (“The top 7”)**

Rank	Manufacturer
1	X
2	x
3	X
4=	X
4=	X
4=	X
4=	X

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

Of the more than x companies identified as supplying salons with professional-only products, some x were named as “important.” However, sources could only rank the “top x” big brands: x (whose sales include x), xa (whose sales include x), and x (owned by x). Among the companies competing for fourth place is x (a x company). x is the largest x company.

## **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 240 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.

## **CONSUMER PROFILES**

### **Table 18 Salon consumer segments, ranked**

(As % of clients on average in sample.)

<b>Gender</b>	<b>%</b>	<b>Average age</b>
Women	x%	X years
Men	X%	x years

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

### **Women and men**

Women continue to be the most important client segment in the upmarket salon sample, accounting for an average of x% of clients. Men are increasingly important consumers in this segment, accounting for an average of x% of clients.

### **Men clients**

Male clients are somewhat younger than female clients. This reflects the switch of younger men, those aged between xx and x, away from the traditional barbershops to “unisex” salons, which offer them a wider range of hair services. In Spain, as in other countries such as Italy and Germany, salons which traditionally catered only to women can increase business from men when they open a separate men-only section. This overcomes the reluctance of many men to be seen in what they regard as an overtly “feminine” salon.

**Table 24 In-salon business by category (2006)**

(As % of total salon business.)

<b>Sample</b>	<b>Hair</b>	<b>Non-Hair</b>	<b>Retail</b>
1*	No.x	No.x	No.x
2	x%	x%	x%
3	x%	x%	x%
4	x%	x%	x%
5	x%	x%	x%
Average	x%	x%	x%

\*Salons ranked income sources when they were unable to estimate the percentage of income generated.

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

### **Trends in business breakouts**

In 2004, hair services accounted for x% of salon income on average in the sample, non-hair services for x%, and over-the-counter (OTC) product retail for x%. Salons expect “no significant changes” in the breakout of their income in 2006, however non-hair business will be more important, rising from x% to x%.

## **IN-SALON BUSINESS - HAIR SERVICES**

**Table 25 In-salon business, hair services, ranked**

(As % of total salon business.)

<b>Sample</b>	<b>Cut/Style</b>	<b>Technical</b>
1*	x%	x%
2*	x%	x%
3	x%	x%
4	x%	x%
5	x%	x%
Average	x%	x%

Sample source: see Section 8, GSP Sample for more details.

\*Salons caution that accurately estimating the income from services is difficult, because most clients combine the different services, for example, they get their hair both cut and coloured.

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

Technical services - colouring and perming - on average account for x% of salon income in the sample. Most of this business is colouring. Colouring accounts for a higher percentage of business in upmarket salons than in the salon industry in general. This is because those salons offer specialist and high-quality colour services, which command premium prices. However, haircuts and styling will continue to be the “bread and butter” business in all salons.