

GLOBAL SALON PANEL (GSP) 2001.

Highlights from GSP 2001

The GSP 2001 provides the latest market intelligence on the salon sector. The GSP 1999 and 2000 series represent more than 120,000 salons in more than 25 countries. The GSP 2001 alone represents more than 1.3 million client visits a week worldwide.

Best performing salons and salon business

In the large and fragmented salon market, the GSP 2001 identifies both the best performing types of salons and salon business. Continuing a trend seen in previous GSPs, multi-service salons once again outperformed the rest of the industry in 2000.

Double-digit growth rates were common in many of the markets studied in these outlets. While the best performing business varies by country and outlet, in general hair colouring, active skin care, therapeutic treatments, and product sales saw the strongest growth.

The every day spa

The GSP multi-service salons are growing business in a globally saturated market because they are rolling out a service package that was previously only available to the small number of consumers - those who could afford both the money and the time for a trip to exclusive day spas. Unlike the day spas, the best performing GSP salons are in easily accessible locations with large catchment populations, such as shopping, commercial and residential areas.

Wide menu

The typical GSP multi-service salon is a hair salon that diversified into non-hair personal care services. Most salons now offer skin and nail services, and some also offer body services (e.g. depilation, massages, tanning, etc.). Hair care, particularly the lucrative colouring services, continues to be their core business accounting for about 70% of business.



New services for new lifestyles

The best performing GSP salons are growing business because they offer a new service package that meets changing lifestyle and beauty needs. Though the package is tailored for the largest consumer segment for professional services – women – it is proving very successful with ever larger numbers of men.

The new diversified service menu is popular with increasingly time-pressed and stressed consumers. It allows them to add value to the precious time spent in a salon. For example, a woman who makes an appointment for hair colouring can get a facial or a pedicure at the same time.

A new trend in the GSP 2001 is the strong growth in use of de-stressing therapies. Globally these therapies were among the best performing services. Salons that introduced them were surprised by the popularity of quick (30 minute or less) massages – generally scalp or neck.

The demand for new non-hair services compensates salons for the continued fall in the frequency of client visits for hair care.

Companies and products

The GSP 1999 and 2001 series identified about 400 companies, and many, many more brands. The companies run the full spectrum from very large global manufacturers of hair and beauty products, such as L'Oreal, to tiny, specialist companies whose sales are local.

Although large companies continue to dominate the global market, small companies are making headway in niches, particularly in the spa type services.

The GSP 2001 identifies continuities and changes in product sales and demands. Retail sales in participating salons can account for as much as 20% of outlet turnover.

Salons increasing retail sales report continued growth in demand for natural products, particularly those used for the at-home spa experience (e.g. bath products and aromatherapy lines).



Description of GSP

Diagonal Reports' **Global Salon Panel (GSP) 2001** is the third annual global survey of the largest professional beauty markets worldwide. GSP 2001 provides the latest market intelligence on the hair care and beauty service market. The research was conducted in Jan-April 2001 and all data refers to the 2000/1999 sales period. The information is based on primary research

The leading hair and beauty care service (basic, chemical & treatments) categories are covered

GSP findings indicate future trends in the larger cosmetics mass-market as the professional beauty channel serves as the antenna of retail market developments.

Countries covered in GSP 2001

The GSP 2001 markets include the USA, Germany, France, Italy, Spain, UK, Japan, Korea, Taiwan, Hong Kong, Singapore, Mexico, Argentina, Brazil, India, China, Malaysia, Indonesia, Philippines, Vietnam, Thailand, Australia, UAE, Egypt, Iran, Saudi Arabia, South Africa, and Turkey.

GSP salon sources

Participants in the GSP 1999 and 2001 series represent the full spectrum of the fragmented salon market. They range from the handful of global salon chains, to affiliates of major product manufacturers, to up-market, single-outlet salons.

Our GSP 2001 is representative of 24,000 experts include stylists, colourists, beauticians, manicurists, pedicurists, masseurs (massagists), counsellors, along with salon directors, managers, franchisees, and owners worldwide and millions of service visits.

Diagonal Reports

Diagonal Reports, a business-to-business market intelligence research company, specializes in the professional beauty market and tracks developments in the hair- and skin-care products and services market worldwide.

Diagonal Reports' Research Director also conducts one-day workshops on the global professional beauty market.

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