

How the Salon Industry is Responding to the Recession

PBA Reports on Changing Consumer Trends and How Salons Remain as Vital Job & Revenue Sources for Communities Nationwide

Phoenix, AZ (March 09, 2009) – As a part of most cities in America, hair salons play an integral role of the economic fabric of our nation. Salons provide both employment and tax revenues and contribute substantially to the economic vitality and social well-being of a community. As the recession continues to cut deeper into everyday necessities, the salon industry, while often resilient in times of economic uncertainty, is now feeling the downward pressures of changes in the economy. “Member salons are reporting various trends developing as their clients make changes in their spending habits, however many consumers continue to view their professional hairstylist and the services they provide as a necessity that they do not want to forgo,” said Marissa Porcaro, marketing and communications manager for the Professional Beauty Association. Emerging trends salons are reporting include:

- Longer periods between hair cuts and coloring appointments.
- Non-core luxuries like facials and massages are seeing the greatest drop in demand.
- Consumers are more open to trying a beauty school to have their hair cut. (While beauty schools are an option, a professional stylist with training, education, and multiple years of hands-on experience is something that must be considered.)
- Consumers coloring their own hair, but returning to their regular professional stylist for hair cuts.
- More consumers opting to do their own nails or alternating at-home and professional manicures/pedicures.
- With the trust and loyalty factor, stylists with a strong client base are fortunately NOT losing their clients in large part to discount chains.

To adapt to consumers’ changing spending habits, salons are adjusting to meet the needs of their clients. “PBA is seeing a greater demand for the services we offer our salon members on everything from business management and marketing assistance to mentor programs and a multitude of educational classes. These classes are designed to help salons get through this period and ideally emerge stronger in the future,” Porcaro said. Trends salons are implementing to combat the recession include:

- Providing classes which teach women how to blow dry and style their own hair for special events.
- Greater price promotions on products and a renewed interest in managing the salon’s retail offerings.
- Working with product manufacturers and distributors to create new incentives on products.
- Remaining supportive and non-judgmental if clients have tried another stylist or are visiting less frequently.
- Providing directly or seeking out additional training and education so salons and their stylists remain on the forefront of trends and styles.
- Re-examining marketing programs and incentives offered to clients.

Businesses such as the local restaurant, market or salon that provide products and services are essential to the day-to-day lives of Americans. At approximately \$56 billion in sales for 2008, the overall beauty industry in North America is a significant part of our economy. As the economy continues to waver, it is the education, training, and personal relationships of professional stylists that help ensure clients continue to return time and time again.

For more consumer trends and how the salon industry and the Professional Beauty Association are responding, please visit probeauty.org.



The Professional Beauty Association is made up of salons and spas, distributors and manufacturers dedicated to improving their individual businesses and the industry as a whole. Led by industry volunteers, the association offers: business tools • education • government advocacy • networking • and more. Visit probeauty.org or call 800.468.2274 to learn more.