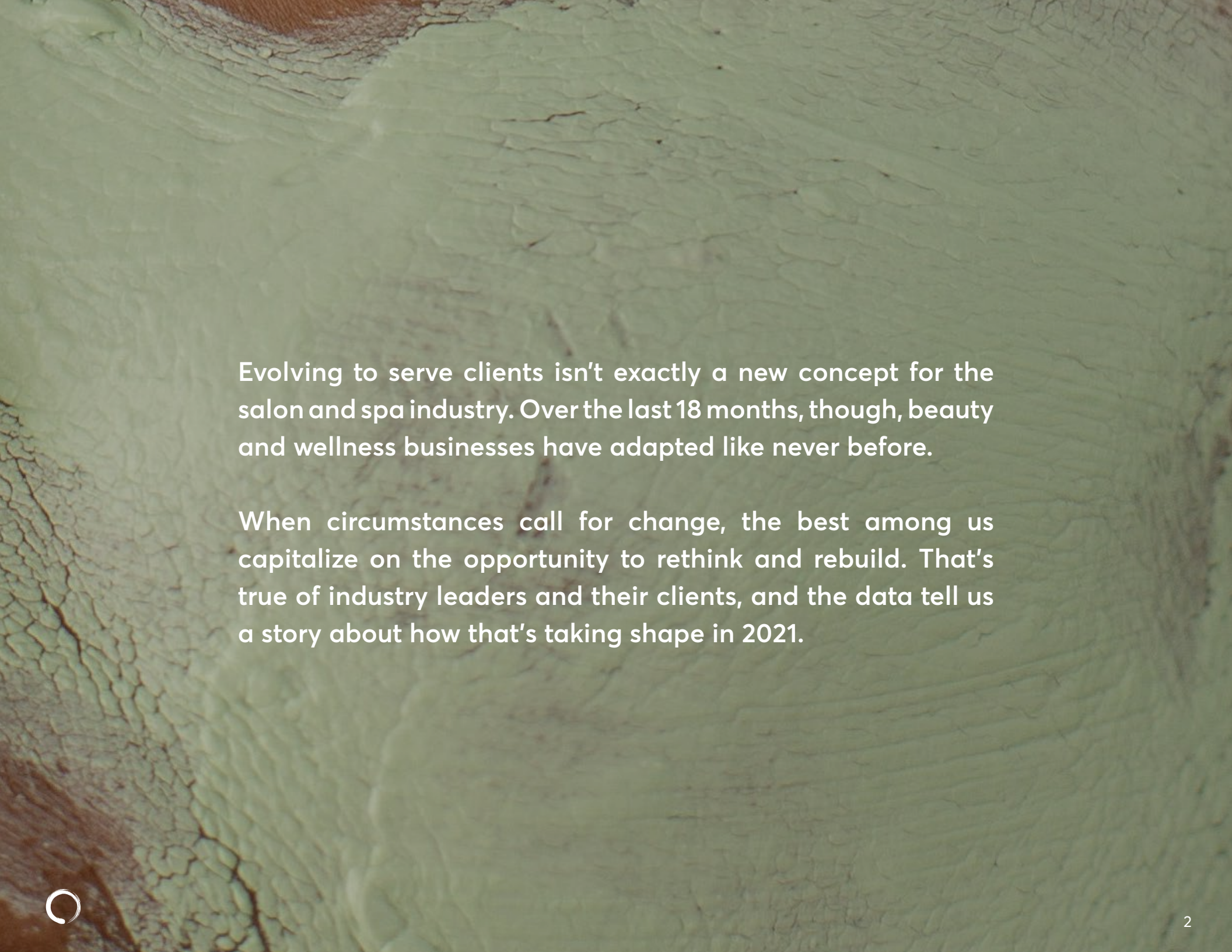




State of the Salon and Spa Industry Report 2021

How the beauty industry has evolved—the latest data for enterprise brands and the clients they serve.





Evolving to serve clients isn't exactly a new concept for the salon and spa industry. Over the last 18 months, though, beauty and wellness businesses have adapted like never before.

When circumstances call for change, the best among us capitalize on the opportunity to rethink and rebuild. That's true of industry leaders and their clients, and the data tell us a story about how that's taking shape in 2021.



Here's to moving forward

Today, people everywhere are more interested than ever in prioritizing beauty and wellness. They're returning to their routines—if not adding more services and treatments to them—and rewarding brands that provide exceptional (and safe) experiences with their loyalty.

Recently, Mindbody surveyed both consumers and wellness brands to understand how the industry's shifted over the past year and a half and more importantly, where it's headed in the months ahead.

For salon and spa business owners, knowledge is innovation waiting to happen. We hope these data points help inform your business strategy, at a time that calls for you to adapt more rapidly than ever.

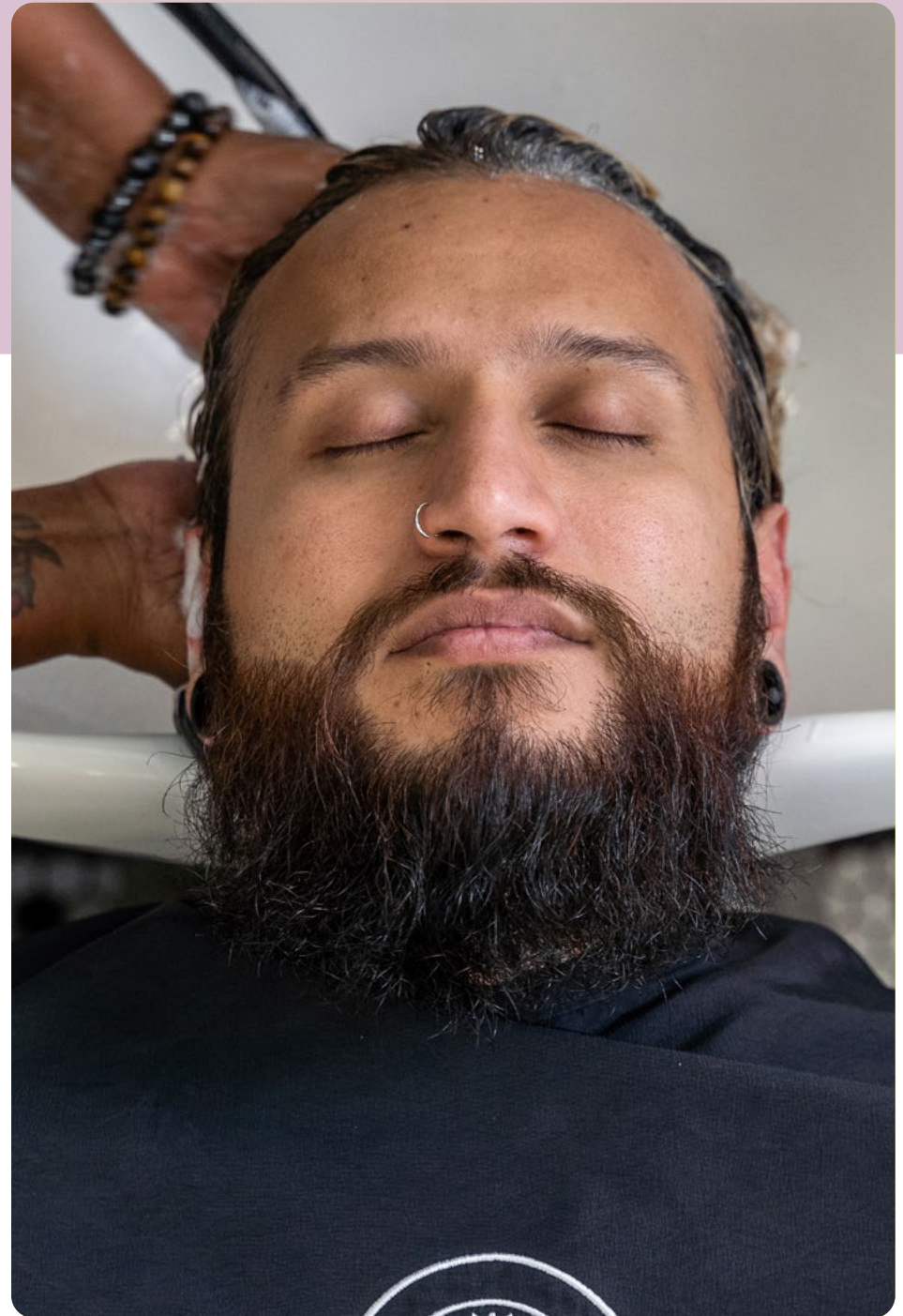


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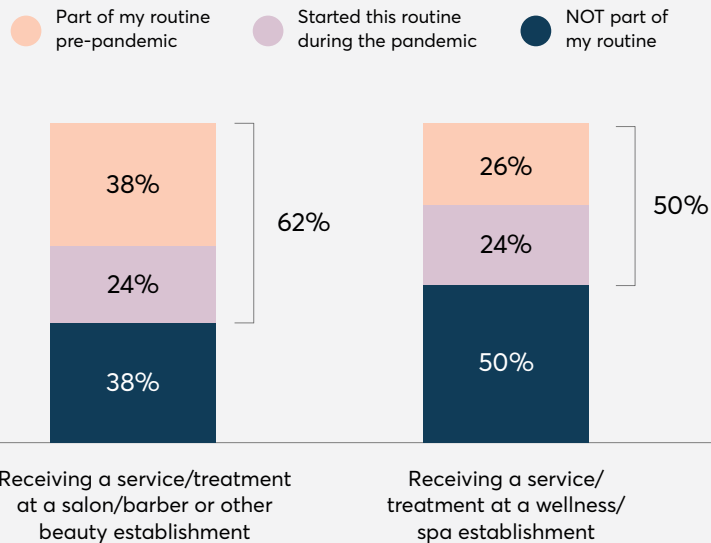
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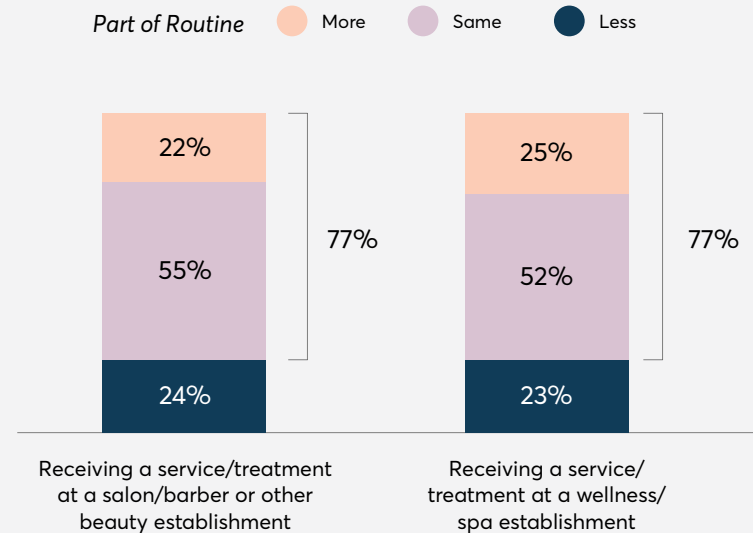


Getting back to beauty

When beauty and wellness routine started



Beauty and wellness routine post reopening



What's encouraging about these results is that they indicate consumers never saw beauty and wellness as expendable things—rather, they saw them as things that were required to be put on hold or adapted to the situation.

24% of consumers have added wellness services or treatments at salons and spas since the pandemic started

22% of those who consider beauty part of their routine are getting more services or treatments now that the economy has reopened

Cost matters, but it's not everything

When it comes to choosing a salon or spa, consumers do still cite pricing as their top concern—and when motivating people to return, lower costs are still the winning strategy.

Unsurprisingly, cleanliness also emerged as a key factor. It's likely that this jibes with health concerns, which are here to stay: A majority of customers (53%) say they feel more comfortable going to a salon or spa that serves one customer at a time.

Having top talent at your brand remains key. Coming in third, at 29%: having a skilled service provider. Peace of mind is everything when it comes to booking services, and there's comfort (and loyalty) in knowing that a service provider does excellent, safe work.



Top 3 most important factors when visiting a salon or spa:

49% say price

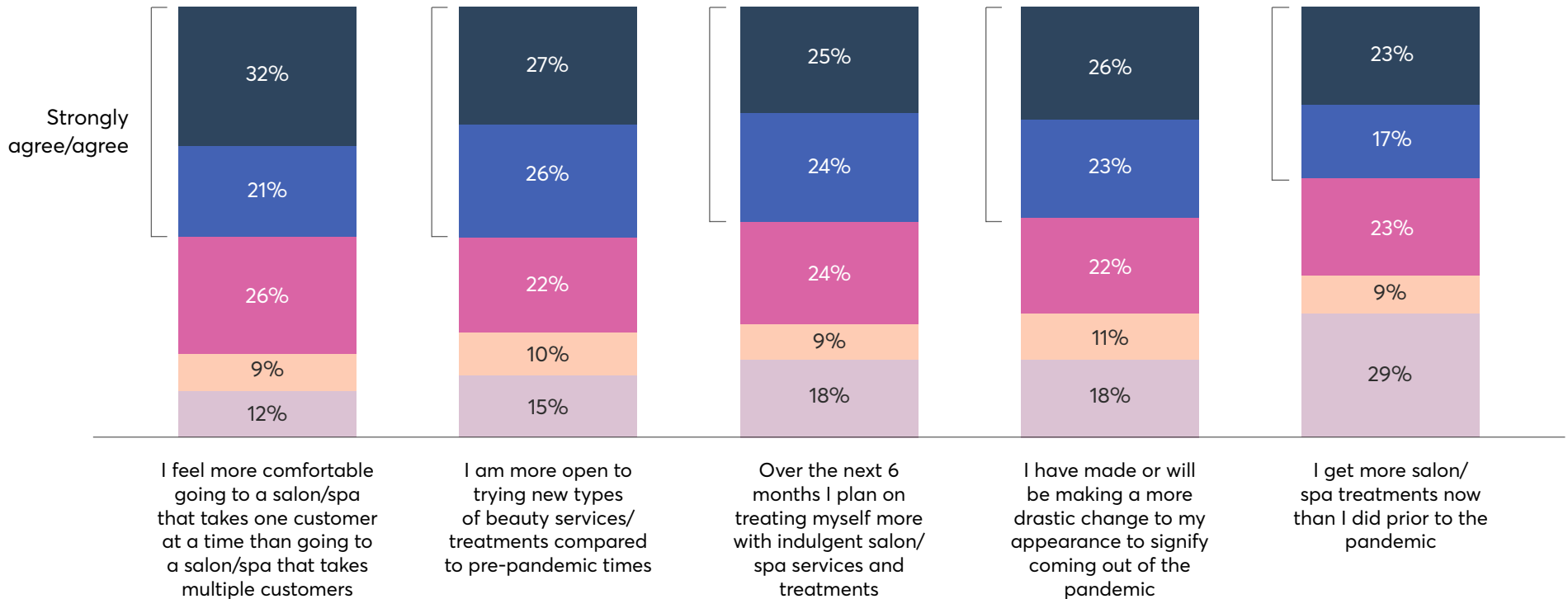
36% say cleanliness

29% say skilled service provider



Consumers are branching out post pandemic

5 - Strongly agree 4 3 2 1 - Strongly disagree



Over half (**53%**) of consumers say they're more open to trying new beauty services or treatments than they were before the pandemic began, and **49%** say they've made or will make a drastic change as a way to mark coming out of the pandemic. Of the latter, that's most commonly taking the form of body hair removal, hair color/haircuts, or advanced skin care services.

Many consumers plan drastic changes to their appearance

32%

with body hair removal
(waxing, laser hair removal, sugaring etc.)

26%

with hair color

24%

with haircuts

21%

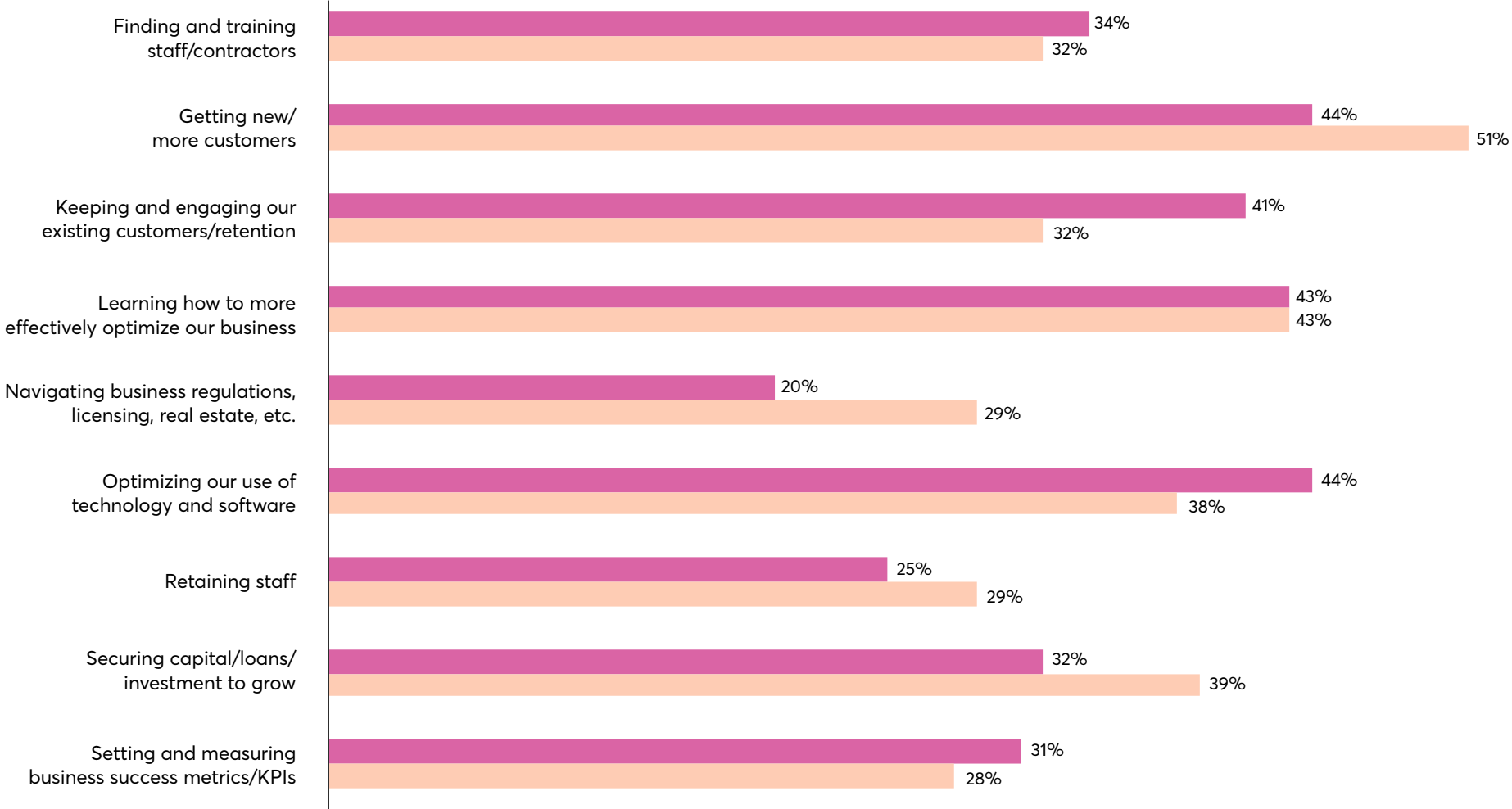
with advanced skin care
(Laser treatments, microneedling services)





**What the industry
is overcoming**

Challenges facing salons and spas



**Once-in-a-century
disaster notwithstanding,
salon and spa leaders
are still reporting the
same challenges
they've always faced.**

At the top of the list? Bringing in new customers. Beyond that, nearly half of salons and spas (43% for both franchise and non-franchise organizations) also reported a need for learning how to more effectively optimize the business.

COVID forced us all apart, which has put a bigger spotlight on the power of software for business operations. The ability to collaborate and conduct business online isn't just a matter of efficiency and convenience anymore—after 2020, it's essential to survival and growth.

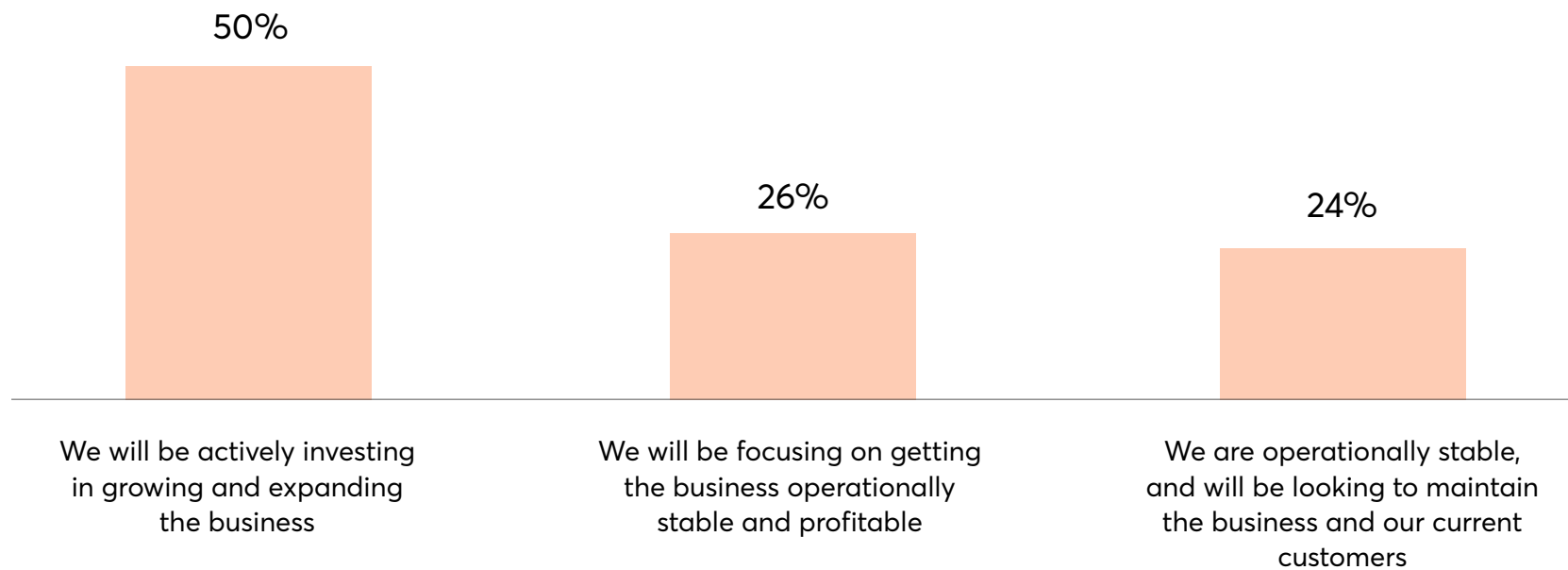
A woman with shoulder-length grey hair is seated at a dark wooden desk, looking at a computer monitor. She is wearing a dark, long-sleeved top. The desk has a keyboard, a closed laptop, and a small nameplate. In the background, there is a large, lush green living wall with various plants. A window is visible on the left side of the frame, showing a building outside. The text "What's next?" is overlaid in the center of the image.

What's next?



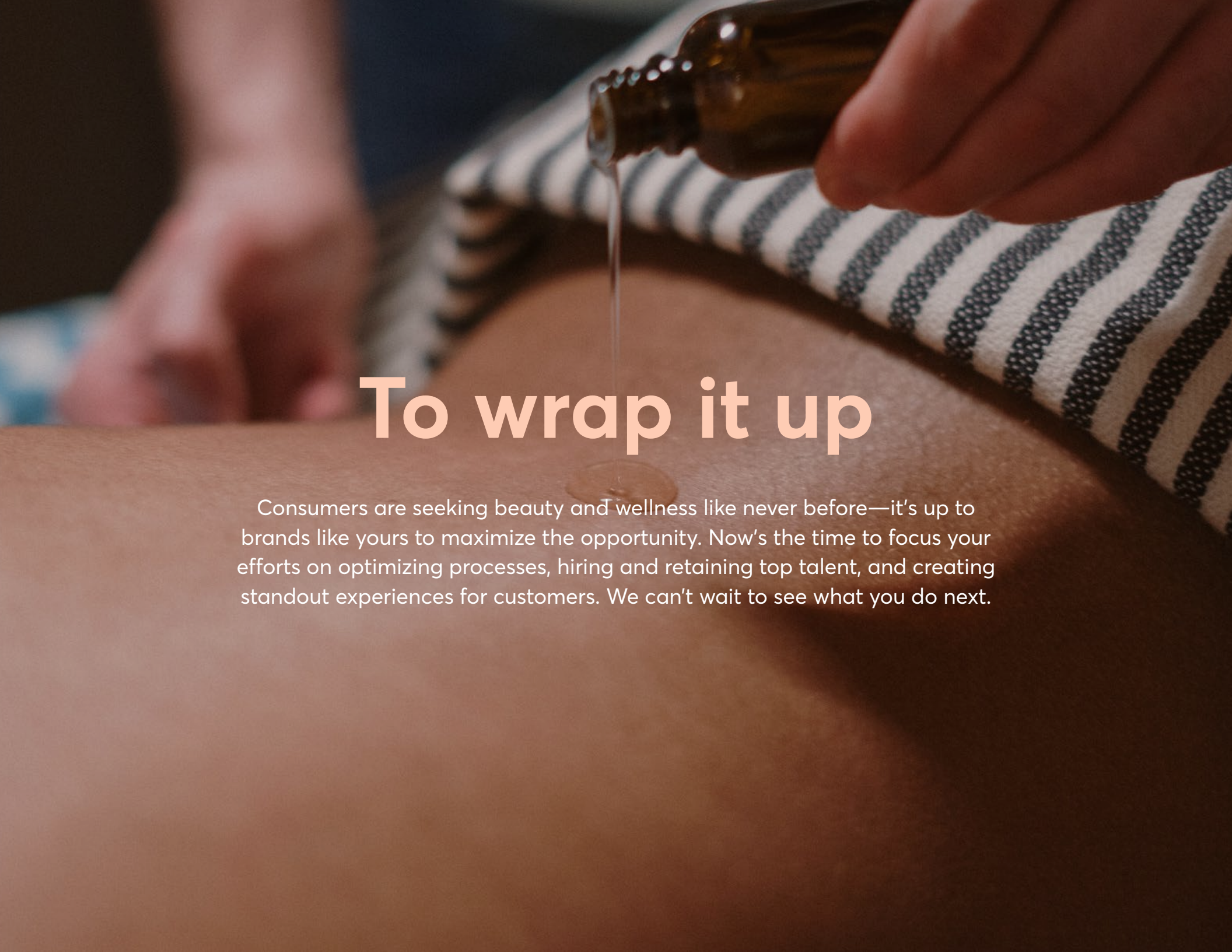
GROWTH ON THE HORIZON

1-3 year business goals



The long pause in services has given way to a new paradigm: It's time to grow. Across both franchise and non-franchise organizations, half of salon and spa owners (**50%**) say they're planning to actively invest in growing and expanding in the next three years, which is encouraging news for the industry as a whole. The remaining respondents are split between saying they'll maintain their current level of business (**24%**) or focus on getting back to profitability first (**26%**).





To wrap it up

Consumers are seeking beauty and wellness like never before—it's up to brands like yours to maximize the opportunity. Now's the time to focus your efforts on optimizing processes, hiring and retaining top talent, and creating standout experiences for customers. We can't wait to see what you do next.

Trusted by the biggest brands

Leading wellness business enterprises in over 150 countries count on Mindbody to help them manage and expand their operations.



About Mindbody

Mindbody is the leading wellness experience software platform for the fitness, wellness, and beauty industries. Tens of thousands of fitness studios, salons, spas, and integrated health centers worldwide—from the newest entrepreneurs to the largest franchises—use Mindbody’s integrated software and payments platform to run, market, and grow their businesses. Consumers use Mindbody to more easily find, engage, and transact with wellness providers in their local communities and around the world.

About the Mindbody research team

Mindbody Research & Insights is a diverse and experienced team of market and user researchers, with deep expertise in advanced quantitative methods, qualitative, and mixed research methodologies. The team brings together MBAs, economists, behavioral and social scientists, and international specialists. With broad skills in both consumer and business research and decades of collective industry experience, the team delivers high-impact research in both domestic and international markets to help position Mindbody as an industry leader.





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