



Indian Salon Hair & Skin Products Industry Report

2015 | 134 Pages

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Detailed profiles of the following companies.

1. L'Oréal
2. Richfeel
3. Schwarzkopf
4. StreaX
5. Wella
6. Astaberry
7. Blossom Kochhar Aroma Magic
8. Biotique
9. Cheryl's
10. Christine Valmy
11. Dermalogica
12. Ekta Cosmetics Limited
13. Ess Kay Beauty Resources
14. Forest Essentials
15. Headstart International
16. JCKRC
17. Jovees
18. Lotus Herbals
19. O3+
20. Shahnaz Husain
21. VLCC

Executive Summary

The growth of salon products industry is a direct fall out of the surge witnessed in demand for salon industry in India. The salon products industry has seen a similar trend as observed in the salon industry due to the direct correlation of the services offered by salons and the products which form the part of these services. The industry has seen a sea change from limited product offerings to a wider product portfolio especially targeted towards professional salon segment.

Hair care and skin care are the main constituents of this industry. The two categories show a distinct trend with hair care being dominated by a few international brands like L'Oreal, whereas the skin care category is highly fragmented with multiple options of domestic and international brands.

The size of the salon products (hair and skin) market in India was Rs. 46.9 billion in 2012, of which hair constituted 60% i.e. Rs. 28.1 billion and skin constituted Rs. 18.8 billion. The share of the urban market was around 46% i.e. Rs. 21.7 billion.

The key success factors of this industry are

- Quality of product and product portfolio
- Market reach through distributors
- Pricing
- Product support
- Market education

As per our estimates, the urban salon products market will more than double and reach Rs. 51.0 billion i.e. a CAGR of 11% (2015-2020E). The total salon hair products market in India is expected to reach Rs. 57.9 billion and salon skin products is expected to reach Rs. 38.6 billion growing at a CAGR of 10% (2015-2020E). However the industry has to overcome challenges like fake products and substitutes, retail availability, pricing etc. which are acting as an impediment to growth.

Key Questions answered in the report

1. How big is the overall salon products market in India and future growth rate?
2. What are the critical success factors in the salon products industry?
3. What is the city-wise salon products market in India?
4. What are the buying criteria of salons?
5. What is the brand penetration across regions in professional hair and skin segments?
6. Which are key players in the market and what has been their growth in their revenues?
7. What are the transaction multiples of private equity and M&A transactions in the salon products in India?

And many more..

Research Methodology

The report is based on information from both primary and secondary sources. We have conducted 300+ salon surveys and consumer surveys across India to get an understanding about consumers buying behaviour. Primary research also includes interviews of stakeholders of industry – promoters, vendors, salon technicians etc. Secondary research includes desktop research, relevant publications like company annual reports etc.

Sample profile

Overview

Company Name	
Company Profile	
Promoters Name	
Brands	
Year of Inception	
Product Segments	
Men's Range	
Key Product Attributes	
Production Facilities	
Training	
Distribution / Geography	
Key Clientele	
Future Plans	

Source – Company Website and Reevolv Research

Product Segments

Hair Product Categories (Brand: Streak at Salon)	Product Categories (Brand: Florozone)

Source – Company Website and Reevolv Research

Financials

Profit & Loss Account for the year ended 31st March (Rs. Mn)				
	FY2012	FY2013	FY2014	FY2015
Revenues from Operation	-	-	-	-
Other Income	-	-	-	-
Total Revenues	-	-	-	-
Cost of Materials Consumed	-	-	-	-
Rent, Rates and Taxes	-	-	-	-
Administrative and General Expenses (including Bank Charges)	-	-	-	-
Employee Expenses	-	-	-	-
Selling and Distribution Expenses	-	-	-	-
Advertisement & Business Promotion Expenses	-	-	-	-
Other Expenses	-	-	-	-
Total Expenditure	-	-	-	-
EBITDA	-	-	-	-
Depreciation	-	-	-	-
EBIT	-	-	-	-
Interest	-	-	-	-
Profit before Prior Period Items and Tax	-	-	-	-
PBT	-	-	-	-
PAT	-	-	-	-
PAT after minority Interest	-	-	-	-

Balance Sheet as at 31st March (Rs. Mn)				
	FY2012	FY2013	FY2014	FY2015
Share Capital	-	-	-	-
Share Application Money	-	-	-	-
Reserves & Surplus	-	-	-	-
Shareholders' Funds	-	-	-	-
Secured Loan	-	-	-	-
Unsecured Loan	-	-	-	-
Loan Funds	-	-	-	-
Deferred Tax Liability	-	-	-	-
Total Liabilities	-	-	-	-
Gross Block	-	-	-	-
Net Block	-	-	-	-
Capital work in progress	-	-	-	-
Investments	-	-	-	-
Inventories	-	-	-	-
Sundry Debtors	-	-	-	-
Other Current Assets	-	-	-	-
Total Current Assets & Advances excl. Cash & Bank	-	-	-	-
Current Liabilities	-	-	-	-
Provisions	-	-	-	-
Total Current Liabilities & Provisions	-	-	-	-
Net Working Capital excl. Cash & Bank	-	-	-	-
Cash & Bank	-	-	-	-
Net Working Capital incl. Cash & Bank	-	-	-	-
Total Assets	-	-	-	-

Key Ratios	FY2005	FY2006	FY2007	FY2008
Expenditure Ratios				
Cost of material consumed as a % of Total Revenues				
Rent, Rates and Taxes as a % of Total Revenues				
Administrative & Other Expenses as a % of Total Revenues				
Employee Expenses as a % of Total Revenues				
Selling and Distribution Expenses as a % of Total Revenues				
Profitability Ratios				
EBITDA %				
EBIT%				
PBT %				
PAT %				
Return Ratios				
ROCE %				
ROE %				
Financial Ratios				
Total Debt / Net Worth				
Secured Debt / Net Worth				
Total Debt / EBITDA				
Turnover Ratios				
Working Capital Turnover Ratio				
Net Fixed Assets Turnover Ratio				
Inventory Days				
Debtors Days				