

Beauty Salon and Spa Industry in India: Trends & Opportunities[2012-17]



Executive Summary

The beauty services consumption in India has been increasing exponentially since last couple of years. Consumers are becoming more aspiration driven which has led to evolution of concept of grooming and beauty for both male and female segment in order to enhance their appearances. The spa segment which is a new entrant has well integrated itself with beauty and wellness industry. Consumers are ready to pay a premium to pamper themselves with these services.

Rising affluence of middleclass segment has upgraded their consumption lifestyle and increased their willingness to buy beauty products and services. Beauty and spa service providers have started expanding to Tier II and Tier III cities as these markets provides similar potential as their metro counterparts. Operational costs for service providers are also lower in these comparatively smaller towns. Service providers have also started exploring new venues for rejuvenation like airports and hotels. These spas offer 15 or 30-minute dry foot massage, shoulder and back massage, etc. Burgeoning wellness tourism which is supported by Ministry of Tourism has also boosted the industry.

The beauty services and spa industry has been witnessing increased number of international players in the market. The market which was earlier women centric has started concentrating on male grooming and is coming up with large numbers of unisex salons. Existing players in the market are adopting franchisee route for expansion. The growth showcased by the industry has also caught the interest of private-equity and venture-capital investors who are funding expansion plans of businesses in the segment.

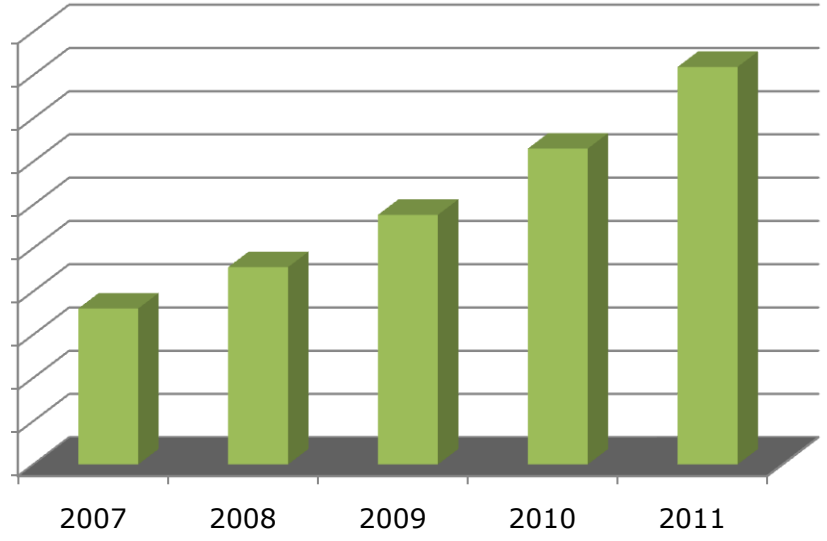
The beauty salon and spa industry like any other industry faces certain challenges. Some of these challenges that are plaguing growth potential are lack of skilled manpower, organized training institutes, increased operational costs, etc. These challenges have been discussed in detail in the report and analyst recommendations have also been included.

The report gives an in-depth analysis of the Indian beauty salon and spa industry. It also assesses the key opportunities in the industry and analyzes the external macroeconomic condition for effective working of business by using PEST analysis. It discusses current and expected growth drivers for the industry in the forecasted period (2012-17). Further, key players of the industry have been profiled and growth of the industry has been predicted taking into consideration the previous growth patterns, the growth drivers and the current and future trends.

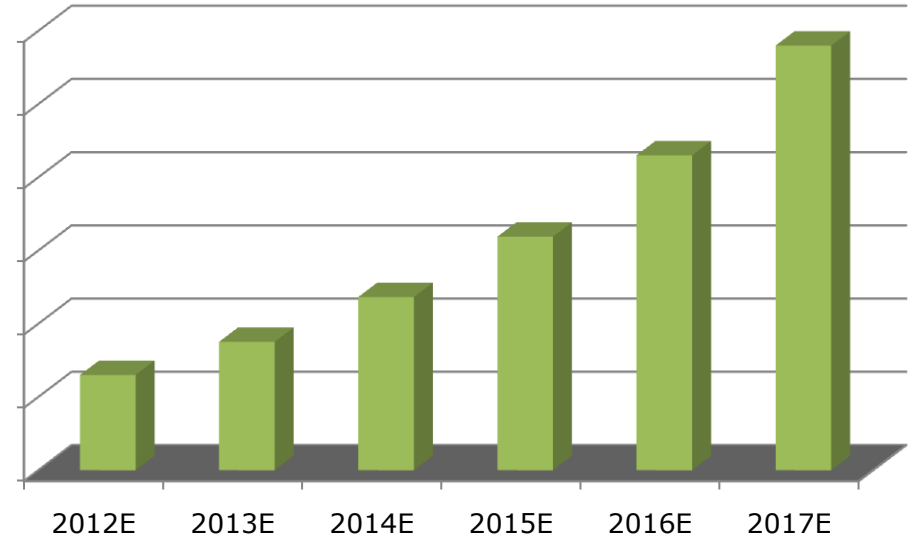
Hair and Beauty Salon Industry: Overview

The Hair and Beauty Salon (H&BS) industry is a part of beauty care market and constitutes about 35% of its share in the year 2011. The industry is characterized by a substantial number of small and medium-sized owner-operated businesses.

Hair and Beauty Salon Industry, Market Size, 2007-2011 (US\$ Billion)



Hair and Beauty Salon Industry, Market Size Forecast, 2012E-2017E (US\$ Billion)

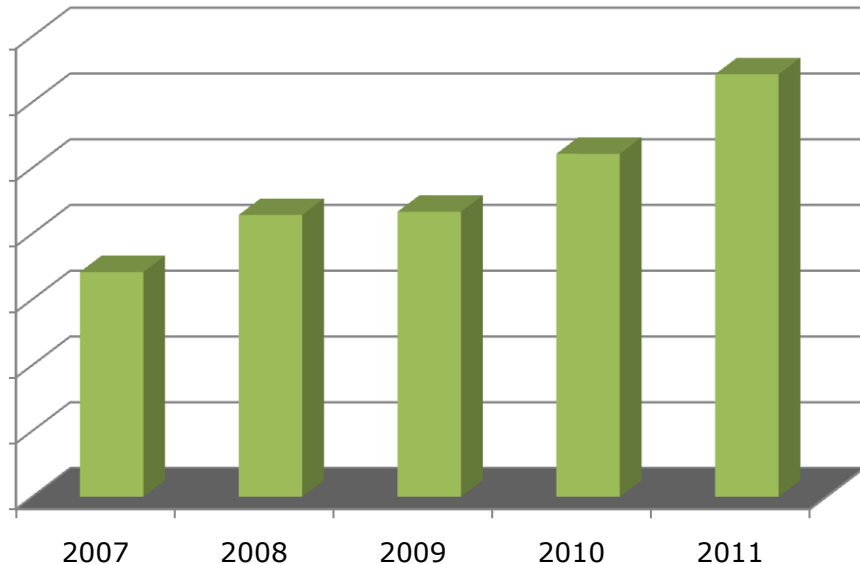


- The industry grew at a CAGR of% during the period 2007-2011.
- Market size of Hair and Beauty Salon industry in 2017 is expected to reach to US\$billion from US\$ billion in 2012 by growing at a CAGR of.....%.
- Growth in the industry is due to increasing affluence.....

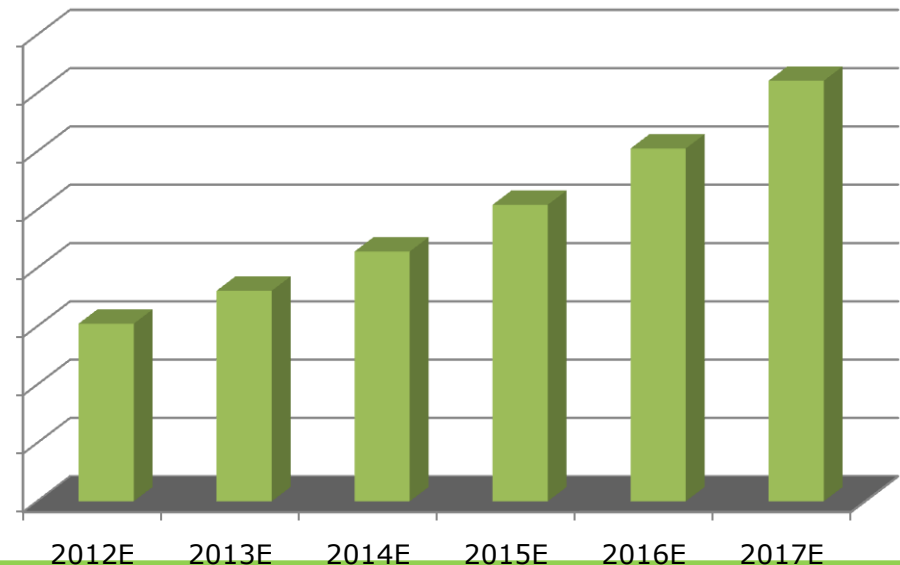
Spa Industry: Overview

A spa is a place that offers therapies for relaxation, general well being and beauty. Spas which are usually unisex include massages, body polishes, body wraps and facials. Spas can be divided into four categories: Day Spas, Destination Spas, Medi Spas and Hotel Spas.

Spa Industry in India, Market Size, 2007-2011 (US\$ Million)



Spa Industry in India, Market Size Forecast, 2012E-2017E (US\$ Million)



- The industry grew at a CAGR of% during the period 2007-2011.
- Market size of Spa industry in 2017 is expected to reach to US\$ from US\$ million in 2012 by growing at a CAGR of.....%.
- Growth in the industry is due to increasing affluence.....

Market Trends

Raising Private Equity Funds for Expansion

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Entry of International Players

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Growth in Unisex Salons

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Burgeoning Wellness Tourism

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