

STATE OF THE AUSTRALIAN PROFESSIONAL BEAUTY INDUSTRY

REPORTED BY INSIDE INDUSTRY
SEPT 2024

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ABOUT INSIDE INDUSTRY

We speak the language of the hair beauty and aesthetic industry, with an intimate understanding of the professional landscape, through unmatched insights and expertise.

Findings in this report have been gathered from the following sources, and collated independently by Inside Industry.

Jobsandskins.gov.au
Roymorgan.com
McKinsey.com
Ibisworld.com
Statista.com



ABOUT THIS REPORT

INDUSTRY LANDSCAPE & MARKET SIZE



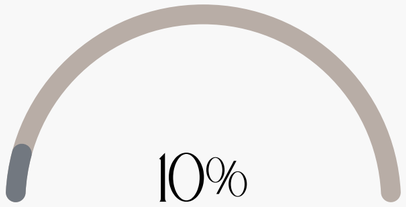
BEAUTY SALON DATA

$7.7bn Revenue

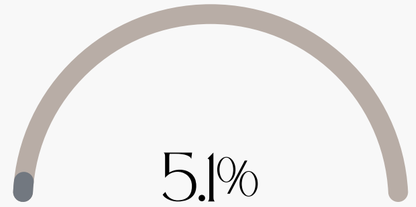
$928.3m Profit

27,311 Businesses

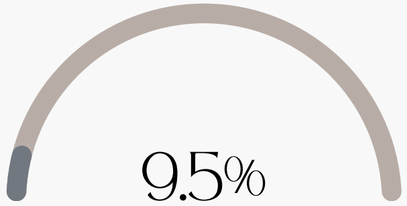
Hair Removal



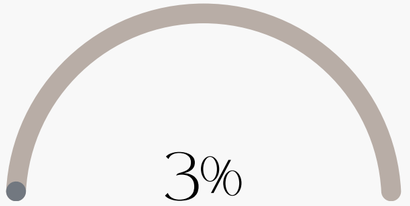
Non-clinical Massage



Nail care services



Skincare



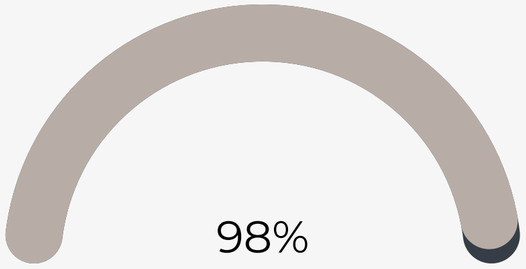
BEAUTY THERAPIST DATA

36,600 Employed

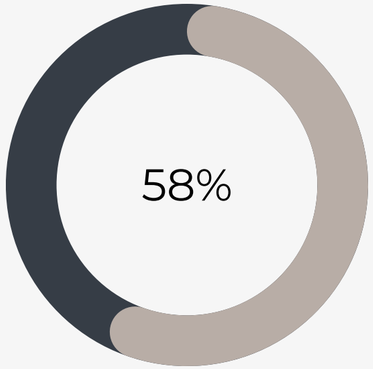
$1,200 Median Weekly Earnings

33 Median Age

FEMALE V MALE DOMINANCE



PART-TIME EMPLOYEES



CURRENT & PROJECTED GROWTH

The Australian beauty and personal care market is valued at approximately AUD 7 billion, with the professional skincare segment making up a significant share.
This market is projected to grow at a CAGR of around 4-5% over the next five years, fueled by increased spending on self-care and wellness.



SKINCARE DOMINANCE

Skincare remains the leading category in the industry, with a focus on brands targeting specific skin concerns like aging, sensitivity, and pigmentation. This segment is particularly propelled by brands who facilitate services that bridge the gap between clinical efficacy and luxury downtime.




60% OF
AUSTRALIAN
CLIENTS PREFER
TO BUY
AUSTRALIAN-
MADE BEAUTY
AND PERSONAL
CARE PRODUCTS



PROFESSIONAL TREATMENTS

Growth is driven by those salons who are providing non-invasive treatments like light based therapy for the treatment skin conditions, hair removal and biohacking experiences. Additionally, the injectable market is ever-expanding, due to the growing acceptance of anti-wrinkle and fillers among various age groups.



EMERGING TRENDS

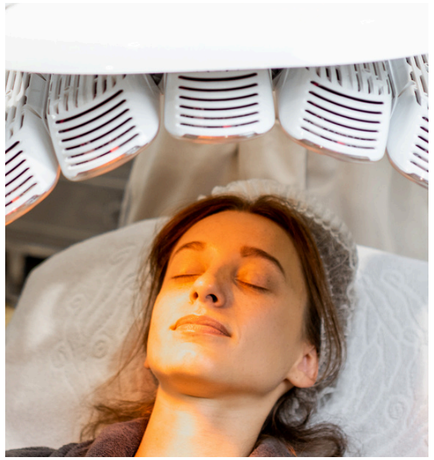
What’s hot, what’s not, (and more surprisingly) what can we get away with - at least from the client demand anyway.



HOLISTIC WELLNESS INTEGRATION

There is a rising client demand for treatments that combine results with holistic wellness.

Treatments like lymphatic drainage, sculpting, custom cleansing sequences and facial massage, contribute to an exceptional client experience, and are becoming increasingly requested educational tools for therapists.



ADVANCED AESTHETIC DEVICES

The adoption of at-home and in-clinic devices, such as LED therapy, radiofrequency, and microcurrent devices, is on the rise.

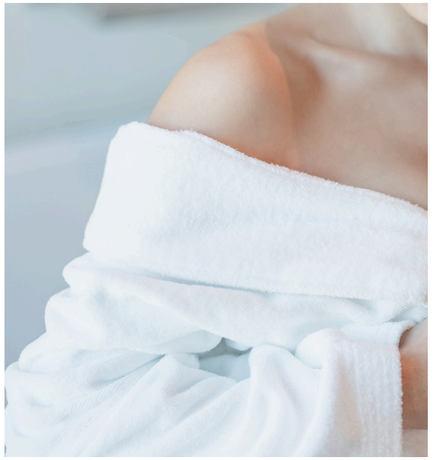
Brands that provide multi-functional devices are set for success, as they're attracting both professionals and clients through an increased retail offering and brand awareness.



CLEAN AND SUSTAINABLE BEAUTY

There is a significant shift toward clean, natural, and sustainable beauty.

Brands who focus on eco-friendly packaging, cruelty-free formulas, and the use of organic ingredients, are appealing particularly to the millennial and Gen Z demographic (not to be discounted as frivolous) as they're the next wave of salon owners.



SEXUAL WELLNESS AND NICHE SEGMENTS

Products and treatments related to sexual wellness and tween skincare have gained traction, thanks to mainstream department stores and the like.

This expands the market at present to allow for new avenues for legacy brands to explore, or offers opportunities for new brands to enter and dominate.



MARKET OPPORTUNITIES



CUSTOMISATION & PERSONALISATION

Clients are seeking personalised skincare routines and treatments.

Brands that leverage skin analysis technology, offering clients deep insight and tailored solutions, are well-positioned to capture market share.

EDUCATIONAL CONTENT

With an increase in client awareness about skincare ingredients and treatments, there is a greater demand for educational content from salons to ensure their expertise.

Brands that provide professional training, webinars, or masterclasses can establish themselves as thought leaders and foster brand loyalty.

RETAIL COMMERCE INFLUENCE

The convergence of professional services and retail commerce is shaping client choices. In-salon and clinic retailing enhances client trust and provides a seamless, end-to-end skincare experience.

Brands with an omnichannel approach—offering both in-clinic and accessible via online purchasing are more likely to thrive.

REGIONAL PREFERENCES

Metropolitan areas like Sydney, Melbourne, and Brisbane show a higher affinity for professional skincare treatments and devices.

There is also an increasing trend of adopting these treatments in regional markets, suggesting untapped potential for brand expansion. If your brand isn't stocked regionally, this is your sign.

DEMOGRAPHIC PREFERENCES



MILLENNIALS & GEN Z

prioritise ingredient transparency, ethical sourcing, and environmentally friendly brands.
They are also more willing to experiment with unusual treatments and at-home devices.



GEN X & BABY BOOMERS

seek anti-aging and skin-tightening solutions, displaying a preference for professional-grade treatments, including injectables, laser therapies, and medical-grade skincare.



KEY INDUSTRY PLAYERS



PROFESSIONAL SKINCARE BRANDS

Dermalogica, O Cosmedics (distributed by INSKIN Cosmedics), and Ultraceuticals are prominent players, known for their education, marketing collateral and support channels.

AESTHETIC DEVICE MANUFACTURERS

Companies like Cynosure, Cutera, and Candela are leading in supplying in-clinic devices and associated education for laser and light-based treatments.

COSMETIC INJECTABLE PROVIDERS

Allergan Aesthetics and Galderma dominate the market for injectable products, while Fresh Clinics dominate the training and education space for injectors.



MARKET GAPS



LYMPHATIC CARE & MASSAGE

With the growing focus on holistic treatments, brands specialising in lymphatic drainage techniques and products could fill a niche in the market.

INCLUSIVE BEAUTY

There is a gap in products and treatments catering to diverse skin tones and types. Brands that develop inclusive solutions tailored to various ethnicities can capture a broader audience.

AT-HOME PROFESSIONAL TREATMENTS

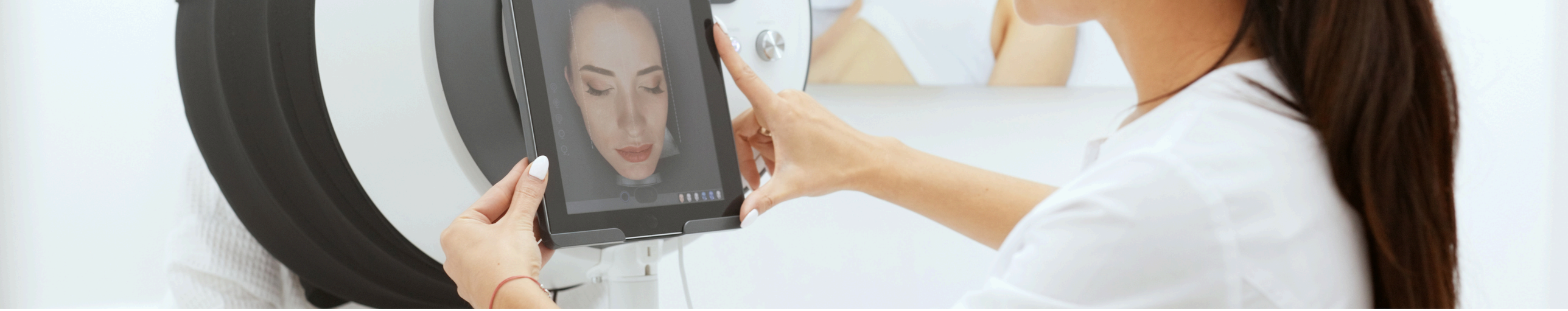
With increasing client demand for at-home skincare, there is potential for brands to innovate professional-grade, user-friendly devices and products for the home market.

ECO-FRIENDLY CLINIC PRACTICES

A shift toward sustainable practices in professional settings, such as eco-friendly disposable materials and low-energy consuming devices, could attract environmentally conscious salon owners.



RECOMMENDATIONS



INVEST IN EDUCATION

It’s not enough to own a brand in 2024 without coupling it with education. Industry is craving knowledge, drawn from client savviness. Ensure education is accessible, adaptable and consistently available for your stockists.

OMNICHANNEL PRESENCE

Touch points with your stockists across online, digital and social channels are key. Over communicate and use multiple methods of delivery with an aim to reach your stockists where they’re spending the most time.

LEVERAGE TECHNOLOGY

Embrace virtuality to increase your stockists contact hours and presence, without decreasing your bottom line. Put manual ordering and admin aside and increase automation.

TAP INTO NICHE SEGMENTS

Find your spot and stay there. Clients are searching for specifics when it comes to their brands. Don’t over cater to a demanding stockist for the sake of it, niche down further and become the expert in your space.



“The brands that stand out are the ones that are true to themselves, unique in their vision, and consistent in their message." – Seth Godin



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WEBSITE
www.insideindustry.co

EMAIL
tamara@insideindustry.co

ADDRESS
PO Box 4026
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