WHAT SALON OWNERS WANT; THE BRANDS THEY STOCK

REPORTED BY

INSIDE INDUSTRY

DEC 2024

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MEDIA + CONTENT
PARTNERSHIPS
DATA INSIGHTS
AMBASSADORS
LAUNCH STRATEGY
NEW MARKET ENTRY
BRAND ACCELERATION



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.

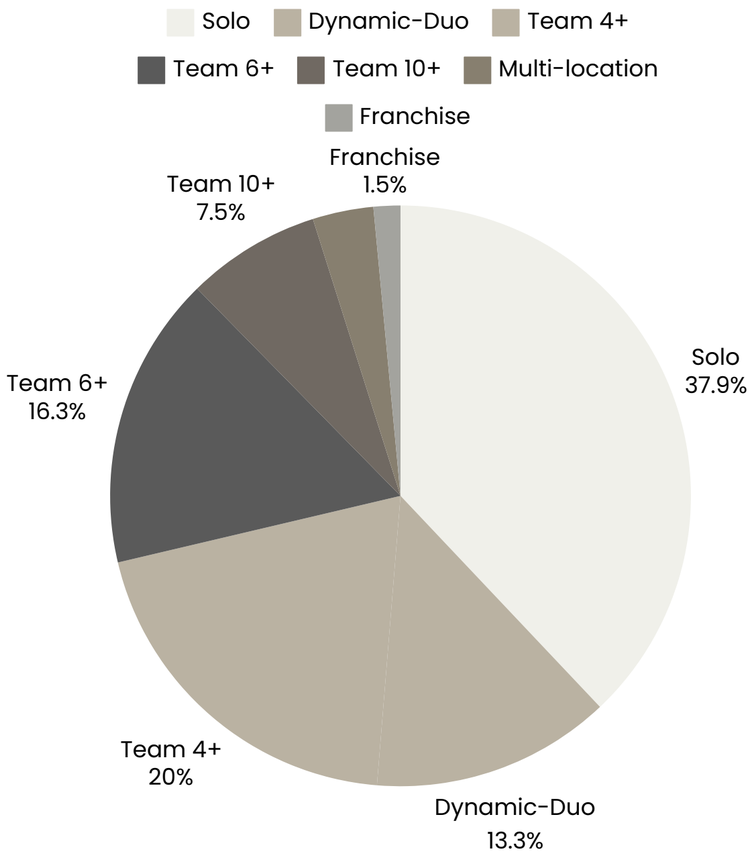
Inside Industry has conducted a nationwide survey across Australia, gathering data and insights from 350 salon, spa, and clinic owners about the brands they stock in their businesses. The survey was open for a three-month period, from September to December 2024, with the aim of collecting responses from 300 participants—representing approximately 1% of the 27,000 businesses in the professional beauty industry. We surpassed that figure with 350+ respondants.

Understanding the needs and preferences of salon owners is crucial for helping B2B brands, both established and new to the Australian market, to effectively brand, market, and operate their businesses for maximum market penetration, reputation, and operational success.

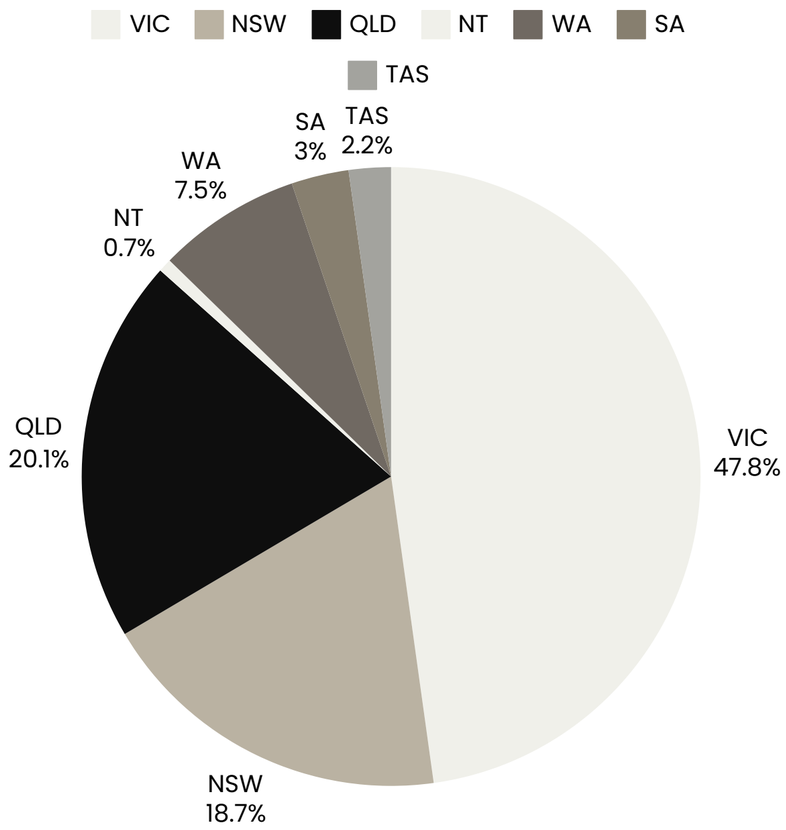
ABOUT THIS REPORT



SALON DEMOGRAPHICS



BUSINESS SIZE



LOCATION BY STATE

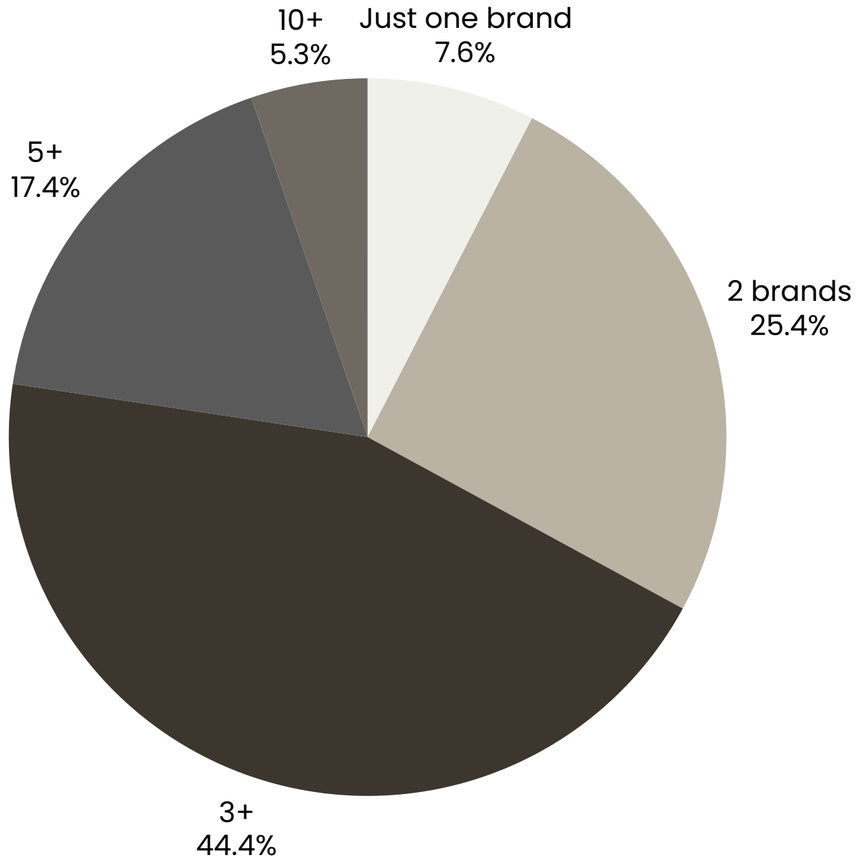
STOCKING PREFERENCES

The report revealed that 44.4% of respondents (the majority) stock three or more brands in their businesses. This was closely followed by 26.1% stocking two or more brands, while 17.2% stock five or more brands, making it the third most common choice.

The era of brand exclusivity appears to be fading, as salon owners increasingly seek to diversify their retail offerings in a bid to compete with major players like Adore Beauty, Mecca, and Sephora.

“I think when taking on a new brand they should be more understanding that you’re taking a chance on them, and the business should get support to prove the brand works.”





“I love when brands are really salon focused in a time where we have Mecca and Sephora to compete with.”



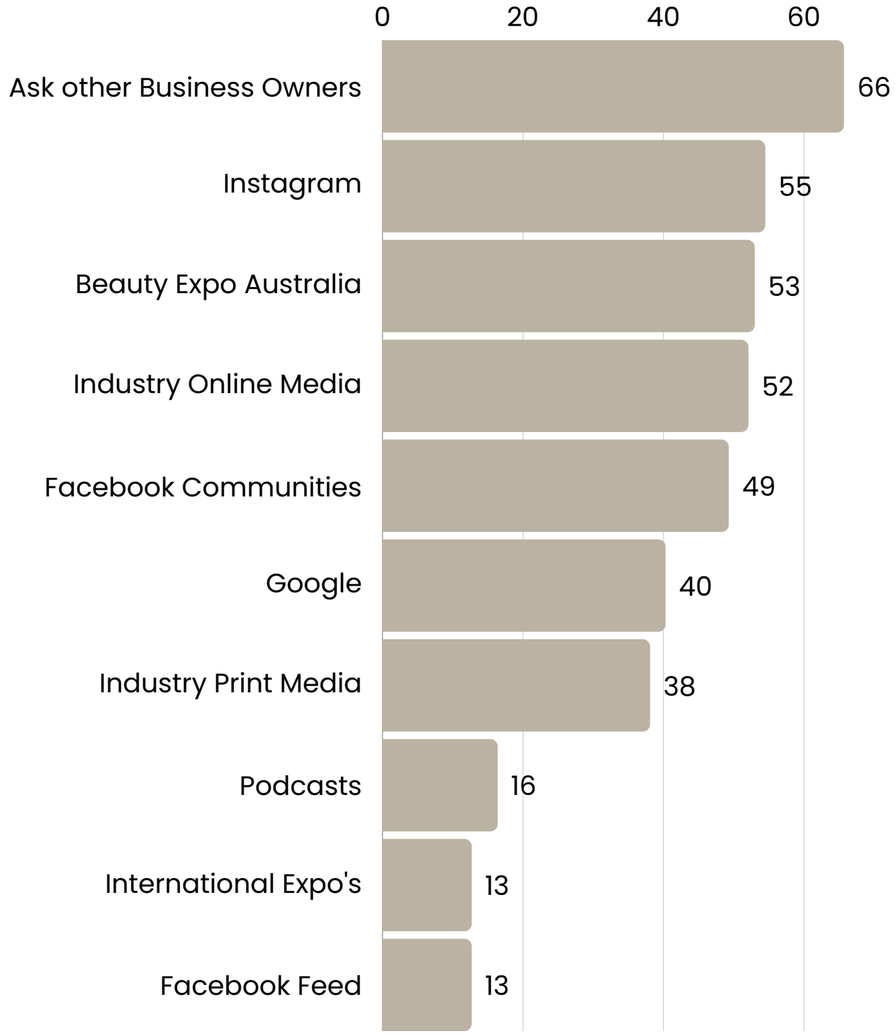
BRAND RESEARCH CHANNELS

The report findings revealed that the majority of business owners (65.7%) turn to fellow business owners who already stock the brand they are researching, seeking insights into product performance, opening orders, marketing, and educational support.

Social media, particularly Instagram (54.5%), emerged as the second most popular research channel, followed closely by Online Industry Media (52.2%) outlets such as Spa + Clinic, Professional Beauty, and Beauty Biz Magazine.

Beauty Expo Australia also remains a relevant destination for business owners during the brand research phase with 53% of audience attention.

Interestingly, industry podcasts did not have as much influence as a research channel, highlighting a notable disparity compared to the effectiveness of podcasts in B2C marketing strategies.



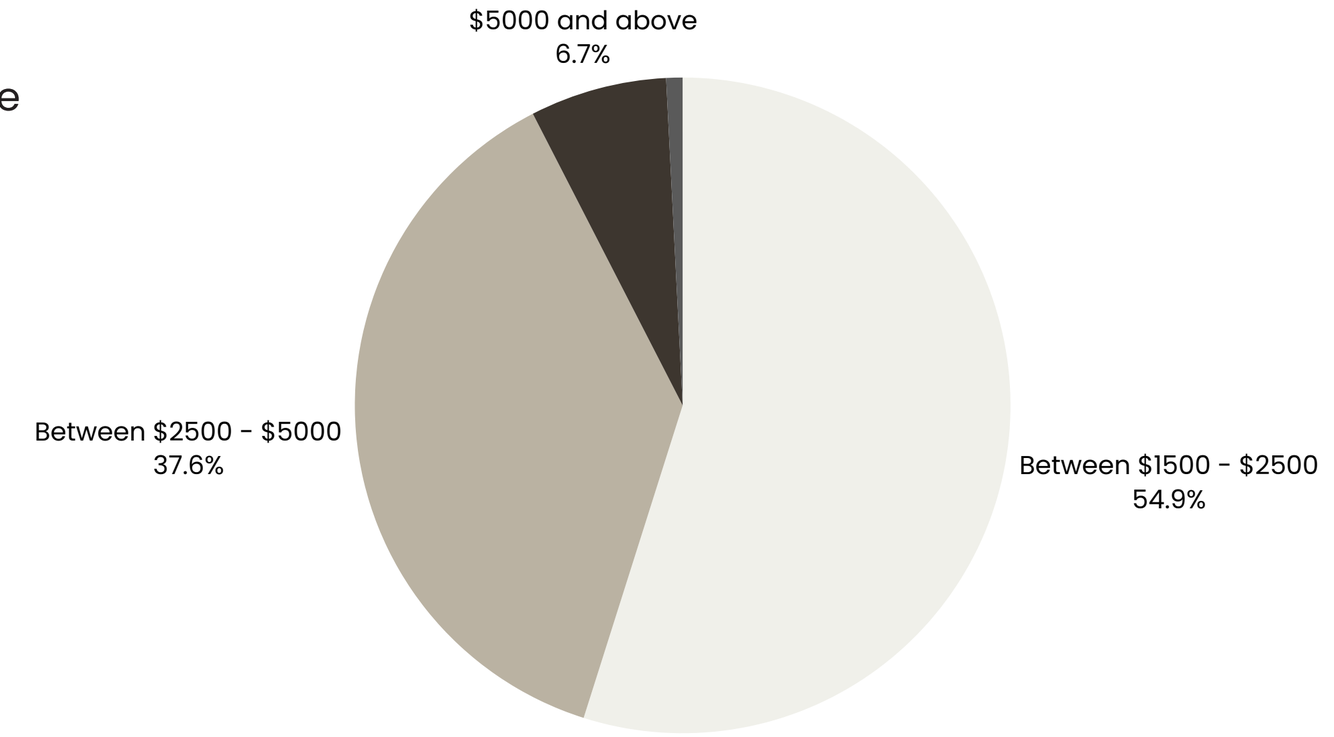
OPENING ORDER PREFERENCES

When it comes to understanding the level of investment business owners are willing to make in an opening order, the data revealed that 54.5% favour a price range between $1,500 and $2,500. Notably, only one respondent (0.8%) indicated a willingness to invest $10,000 or more in an opening order.

This aligns closely with the trend of businesses stocking multiple brands, highlighting the shift away from single brand exclusivity and the demand for accessible opening order pricing.

Salons are keen to diversify their offerings, and affordability in opening orders is crucial to enabling them to stock a variety of brands.

“Opening orders - why do they have to be so large? Smaller businesses can't always take that gamble!”





“I have just started my own business and I choose XXXX band because they jumped over hoops and was a great support in picking a brand. Now, I am 4 months in and have not heard boo from them. I have reached out for a training day and still haven’t heard back. I heard (on the grapevine) the BDM isn’t there anymore. So mostly, they promise what they are incapable of delivering! It already feels like a lonely world starting out on my own, and maybe my decision would have been different had I known. I did love everyone’s little personal snippets and business tips when I was reaching out (about) brands - I definitely learn a lot during that time.”



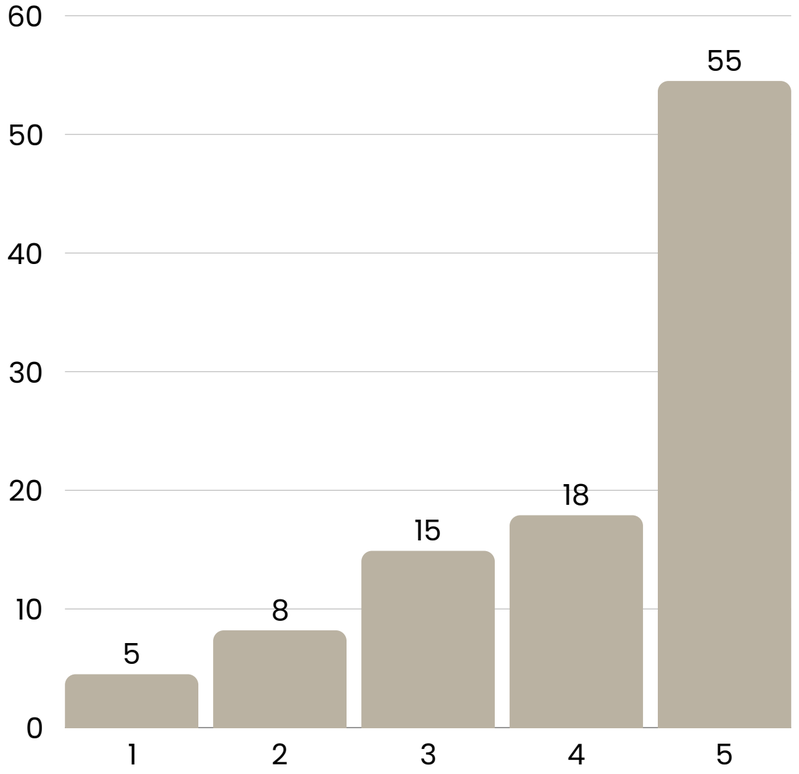
“We have a product range that have recently introduced an unrealistic minimum quantity order, both in stock volume & dollar value. This has made it very difficult to continue to support the full range. When we run out of this range, unfortunately we will no longer be stocking it.”

LOYALTY & INCENTIVES

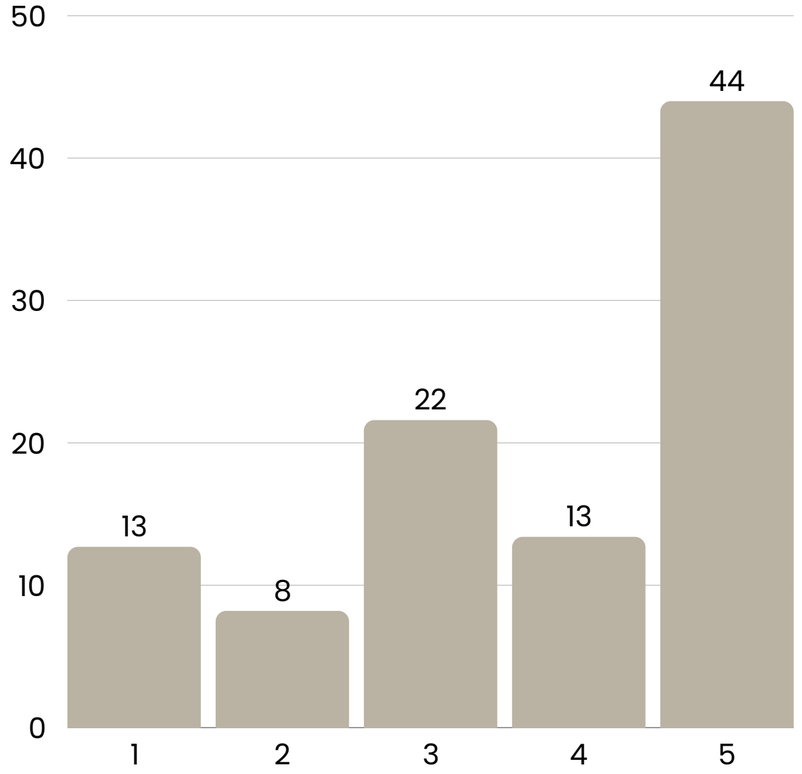
Loyalty programs and Therapist Incentives emerged as critical factors for the majority of respondents when considering which brands to stock. An overwhelming 54.5% rated the importance of loyalty and volume discounts (such as product rebates) as 5/5 on the scale of importance, making it a clear priority.

Therapist incentives, while still important, showed slightly more variation in responses. Here, 44% rated them as 5/5 in importance, with 21.6% choosing 3/5 as the next most popular rating. These findings highlight that while loyalty discounts take precedence, therapist incentives remain a key consideration for many business owners.





HOW IMPORTANT LOYALTY AND VOLUME DISCOUNTS ARE



HOW IMPORTANT THERAPIST INCENTIVE PROGRAMS ARE


“The skincare range we stock now are one of the best I have ever dealt with by encouraging staff to try new products (and boost retail sales) with free incentive products!”

EXPECTATIONS FOR TRAINING & SUPPORT

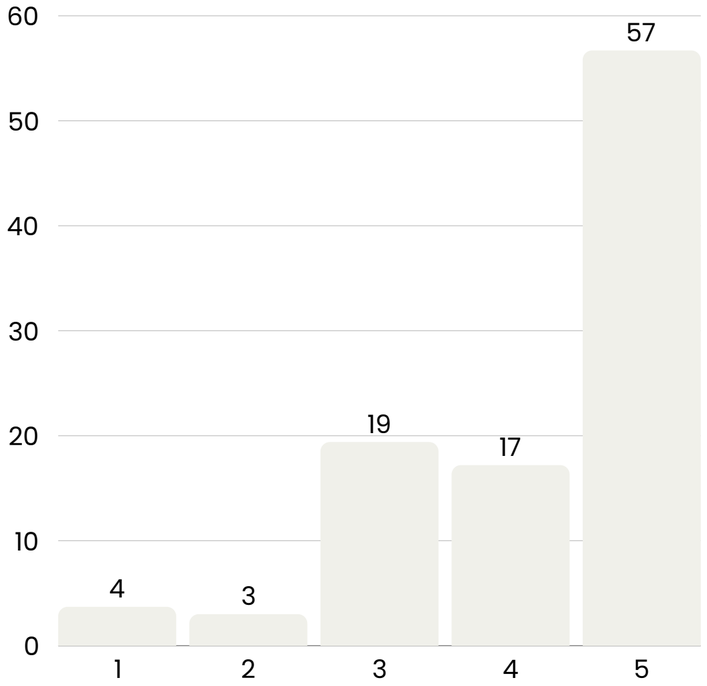
The training and business development support section of the survey revealed particularly valuable insights.
A significant 56.7% of respondents rated online ordering capabilities as 5/5 in importance, while an even higher 70.9% rated online training and education the same.

One of the most intriguing findings was the clear distinction between the preferred cadence and duration of visits from Business Development Managers (BDMs) and Educators. Business owners expressed a desire to see their Educators more frequently than their BDMs, and they were also more willing to spend longer periods with them—14.2% of respondents suggested they would dedicate up to three hours in a single session with an Educator.

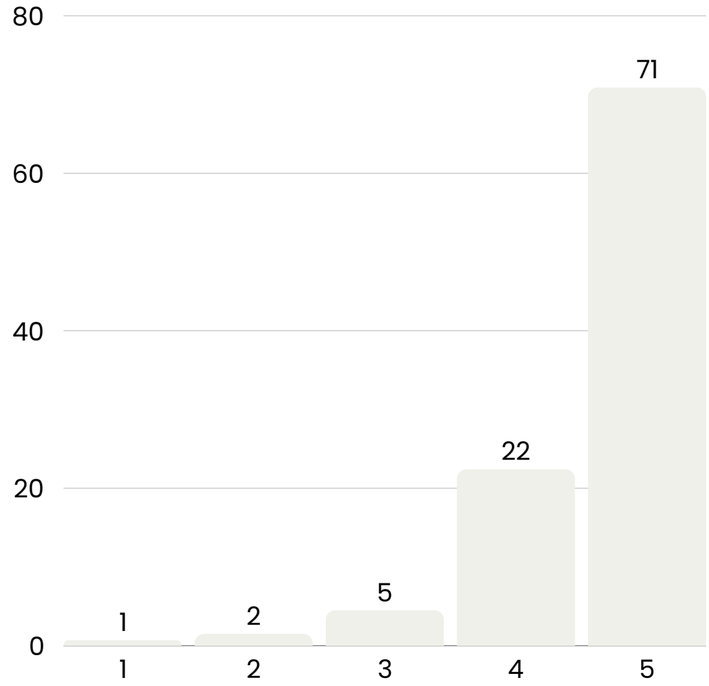
This highlights the increasing value placed on education and skill-building over traditional sales-driven interactions.



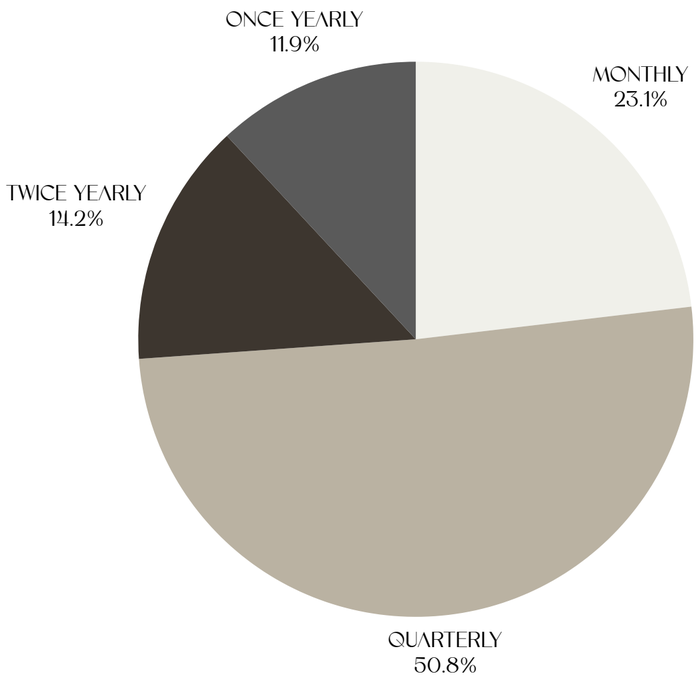
ONLINE ACCESSIBILITY



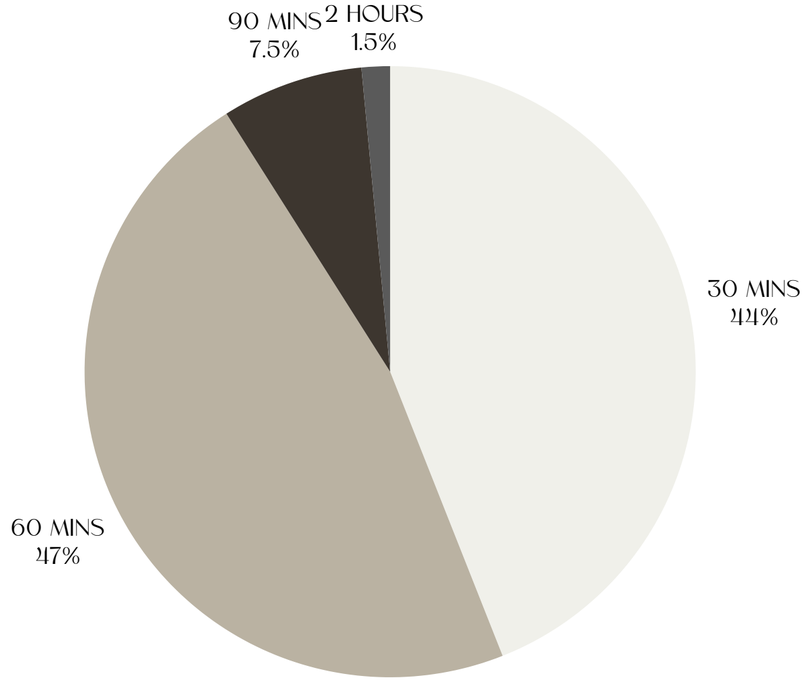
HOW IMPORTANT ONLINE ORDERING CAPABILITIES ARE



HOW IMPORTANT ONLINE TRAINING AND EDUCATION IS

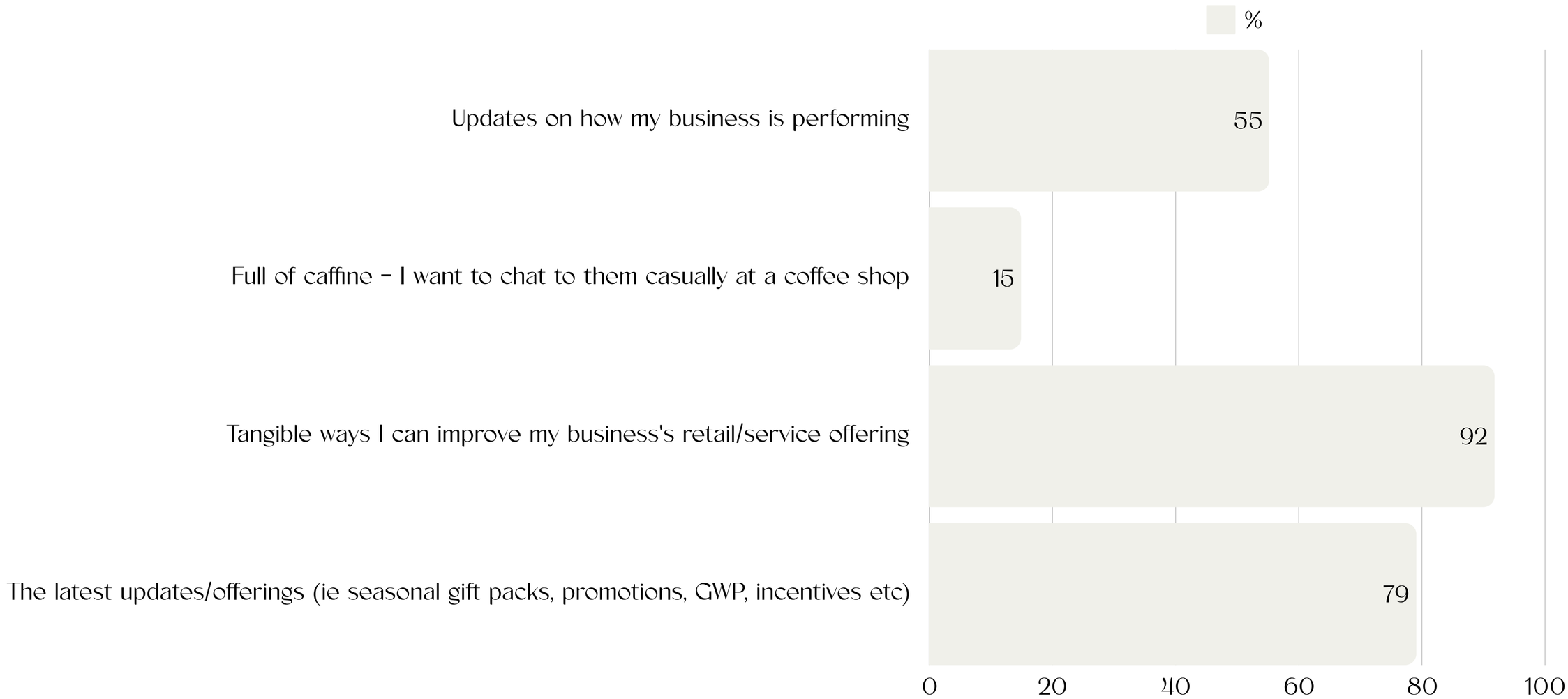


CADANCE OFR BDM VISITS



TIME DURATION FOR BDM VISITS

EXPECTATIONS FOR BDM VISITS



Respondants could tick as many boxes as they felt approproate*



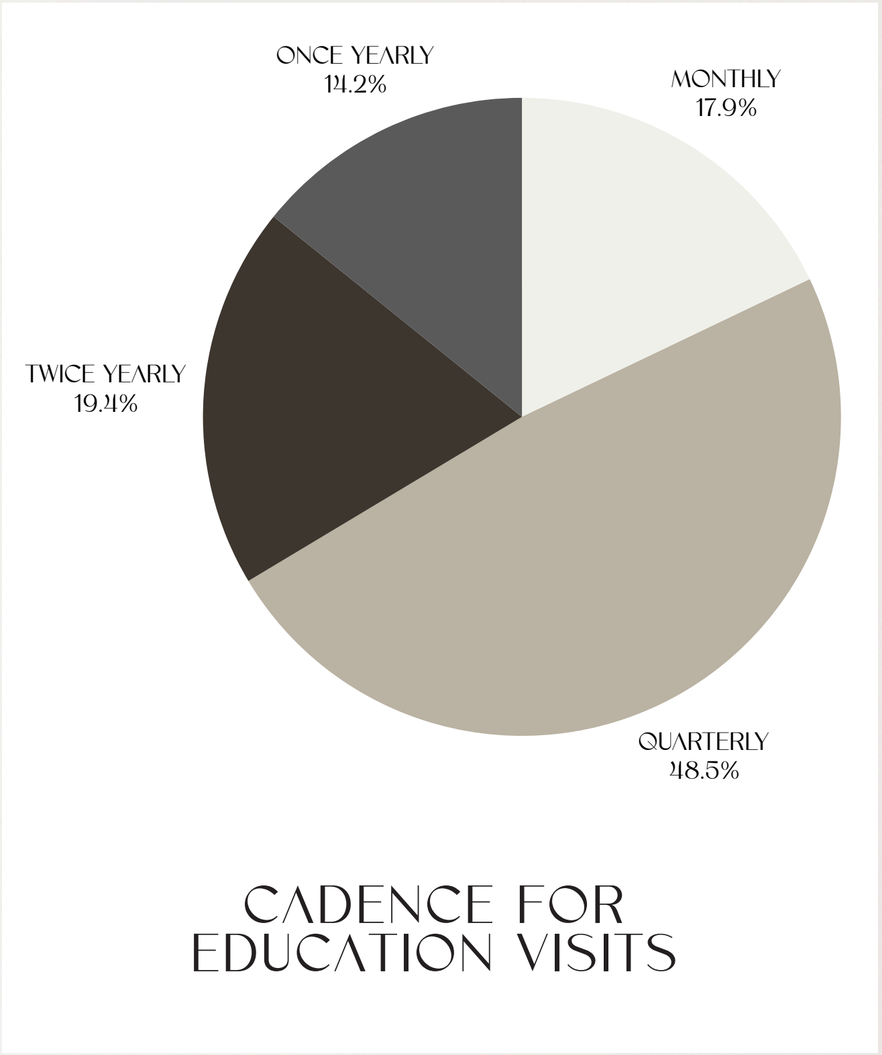
“I wish brands would understand that an email would be much more convenient for communication than playing phone tag. Especially when you are just going to repeat the same information I have already read in another email or the brands FB group.”

“I don’t like it when brands seem too big that they don’t acknowledge your existence. BDM’s are hard to get in contact with and questions are hard to get answered.

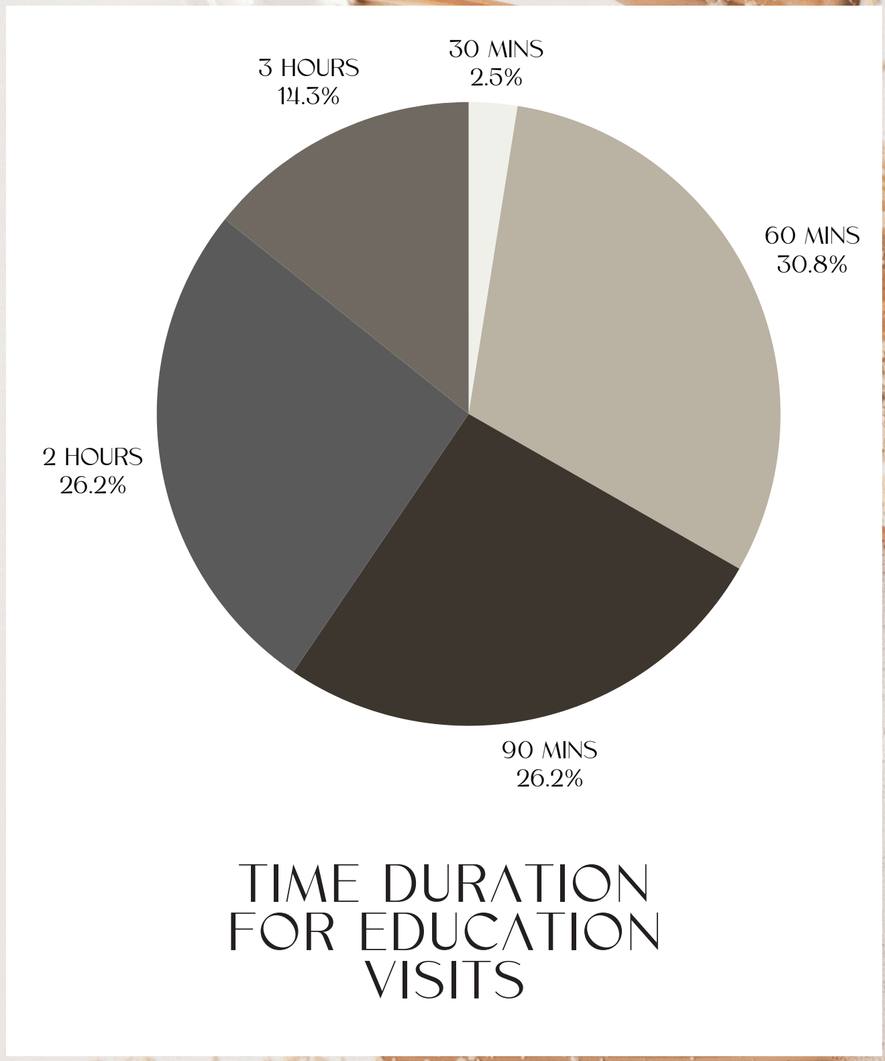
I had a great BDM once and we easily emailed and texted back and forth and my staff got incentives for attending training. Zoom is fine but it’s nice to see them face to face for training also.

It’s incredibly helpful when your have a supportive BDM that helps with the launch of your brand in salon and in salon events for that brand - helping out with samples for goodie bags etc.”



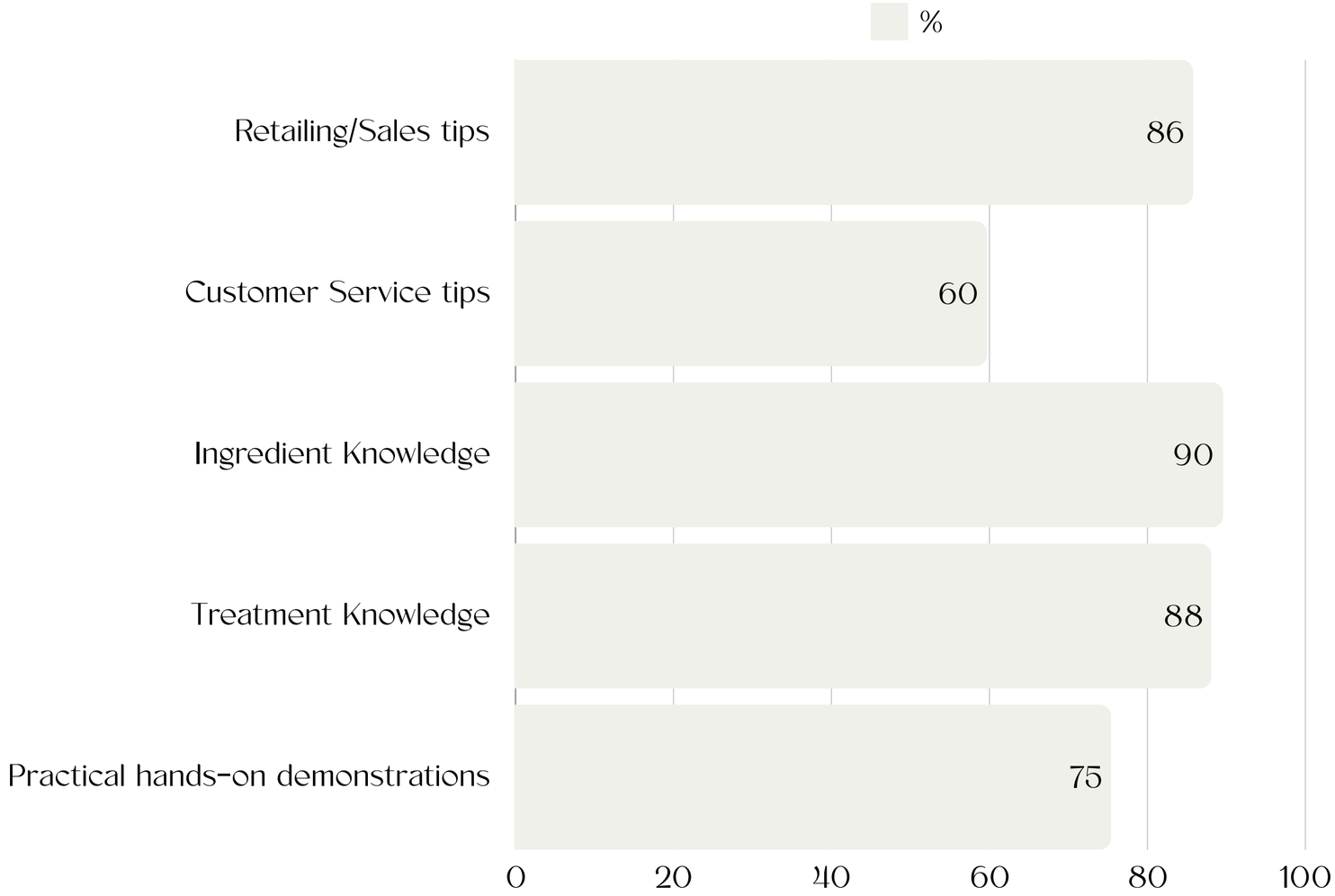


CADENCE FOR EDUCATION VISITS



TIME DURATION FOR EDUCATION VISITS

EXPECTATIONS FOR EDUCATION VISITS



Respondants could tick as many boxes as they felt approproate*


“We appreciate passionate educators that don’t just read from the manual - so we can walk away feeling confident in the product.”



MARKETING & PROMOTIONAL NEEDS



COMMUNICATION CHANNELS

EMAIL BLASTS

When it comes to communication preferences with their stocked brands, 76.9% of respondents indicated email as their preferred method.

As email serves as a clear and reliable point of contact, it is likely the most effective way to reach key decision-makers. Growing and nurturing your CRM should be top priority for brands for this reason alone.

DEDICATED STOCKIST FB COMMUNITY

The second most popular preference, cited by 59 of respondents, was a dedicated stockist community hosted on Facebook.

With Facebook's widespread use and habitual engagement, this represents a low-barrier, effortless communication channel for brands to adopt.

PHONE & SOCIAL

Traditional phone calls ranked third, with 23.9% of respondents still favouring direct verbal communication. Other social media channels, such as WhatsApp (17.9%), Instagram 'Close Friends' (15.7%), and broadcast channels (13.4%), also emerged as viable, though less popular, methods of communication. These insights highlight the importance of offering a mix of communication channels to cater to varied preferences.

“We really need better communication. Don’t patronise and talk down to salon owners. Especially solo operators - we do know what we’re doing even though our business is small!”





30.6%
OF RESPONDANTS

said on a scale of 1 to 5, they rated 3 as the majority, when it comes to importance of brands running extra-curricular activities such as award evenings, retreats or other stockist events.

ASSETS AND COLLATERAL

When reflecting on the types of support materials and marketing collateral salon owners want from their brands, clear preferences emerged for both tangible (hard) and digital (soft) assets.

For hard assets, the top requests were promotional bags, product brochures, and retail shelf talkers, indicating a strong focus on practical, client-facing materials. In contrast, magazines and books were the least favoured hard assets.

In the realm of soft assets, salon owners prioritised product images for online use, social media tiles, and before-and-after images, highlighting the importance of digital tools that drive engagement and sales. Memes, inspirational quotes, and GIFs ranked as the least desirable, reflecting a preference for professional and results-oriented content.




“One of the main ranges I stock do not provide any samples/testers etc, no matter how big the order. The do not offer any additional marketing complimentary, unless you are hitting huge targets, this does bother me. I think it’s important to provide clinics with complimentary promotional material if they spend a certain amount on their orders.”



RETAIL ADOPTION

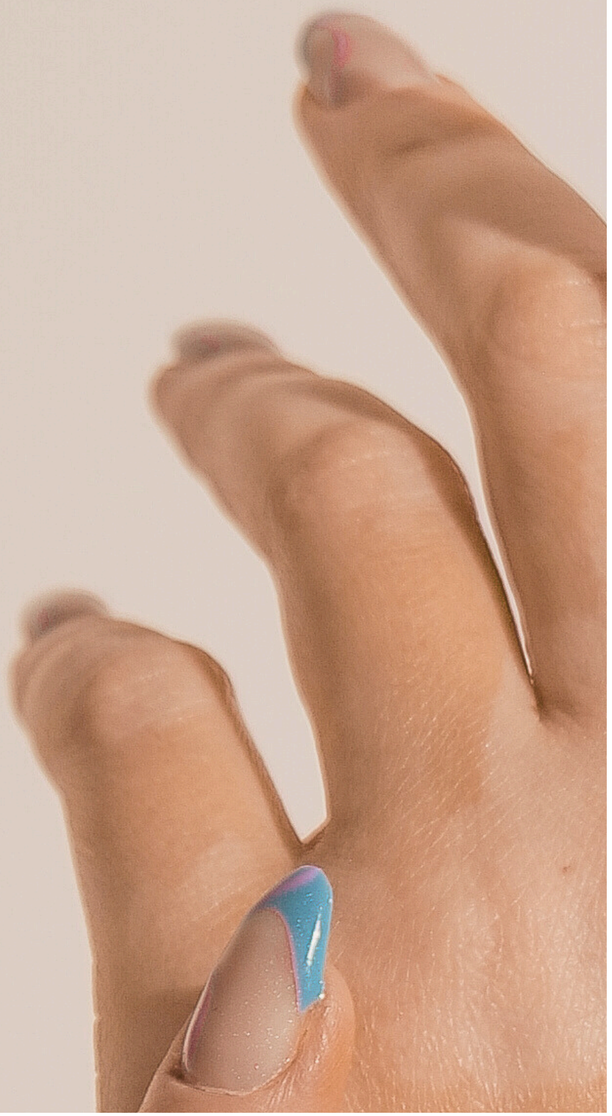


The data revealed that **65.7% of respondents have an online store** where they sell retail products. However, in contrast, 79.1% stated that it is 5/5 in importance that the brands they stock **are not sold in retail spaces** such as Adore Beauty, Mecca, Sephora, or Priceline.

This indicates that while most business owners are open to diversifying their income streams through e-commerce, they are unwilling to compromise on the exclusivity of professional-only brands.

Maintaining a distinction from off-the-shelf, non-prescriptive retail stores remains a priority for preserving the professional integrity and unique value of their offerings.

“Definitely loath the brands I stock being stocked on Adore beauty. It takes away the specialist and expertise of the brand when these retailers stock them. It also directly affects our sales.”



“Love XXXX because they tick all the boxes. Even though they’re in (department store) they don’t compete or take away from clinics. In fact, I get customers because they’ve seen it in (department store).
I love that they’re Australian made and owned, and deliver amazing results and meet every skin concern. They would present or produce an option a client would need. The complete brand!”





PAIN POINTS





COMMUNICATION AND SUPPORT

- Salon owners frequently highlighted issues with inconsistent communication, or total lack of presence (particularly in WA) from Business Development Managers.

- Preference for transparent updates about product changes, formula adjustments, and training opportunities was a recurring theme.

- Multiple requests featured for better response times and regular, meaningful interactions with brand representatives.

"I stock a brand that's terrible with communicating, and I am going to not stock them because of it!"

BRAND LOYALTY AND EXCLUSIVITY

- Concerns about brands stocking their products in large retail chains (e.g., Mecca, Sephora) or discount outlets (e.g., Adore Beauty), which diminishes perceived value and loyalty.

- There is an emphasis on the importance of professional and distance exclusivity to protect salon owners' investments in the brands they stock.

- Frustration when brands sell directly to consumers after salons have invested in marketing and education.





EDUCATION AND TRAINING

- High value placed on face-to-face training and well-structured online educational resources.
- Demand for accessible training for regional and smaller salons.
- Desire for training that goes beyond sales pitches to provide actionable insights and skill-building.

"Regional communities miss out on lots of training and development opportunities. Brand events and industry events need to think of our region when asking us to travel to their events in the bigger cities."

INCENTIVES AND BUSINESS SUPPORT

- Recurrent requests for better incentives, such as free samples, promotional materials, or loyalty rewards.
- Criticism of unrealistic minimum spend requirements and lack of flexibility in opening orders.
- Suggestions for recognising salon contributions through collaborative marketing, seasonal specials, and stockist promotions.

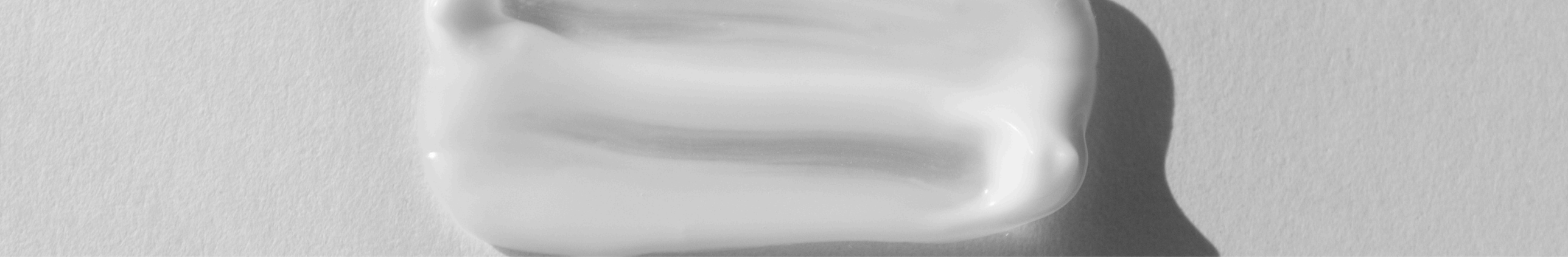
"I think no matter how much you spend, we should receive free samples and marketing materials because, after all, we are promoting the brand!"

“Definitely loath the brands I stock being stocked on Adore beauty. It takes away the specialist and expertise of the brand when these retailers stock them. It also directly affects our sales.”





RECOMMENDATIONS



IMPROVE COMMUNICATION AND RELATIONSHIP BUILDING

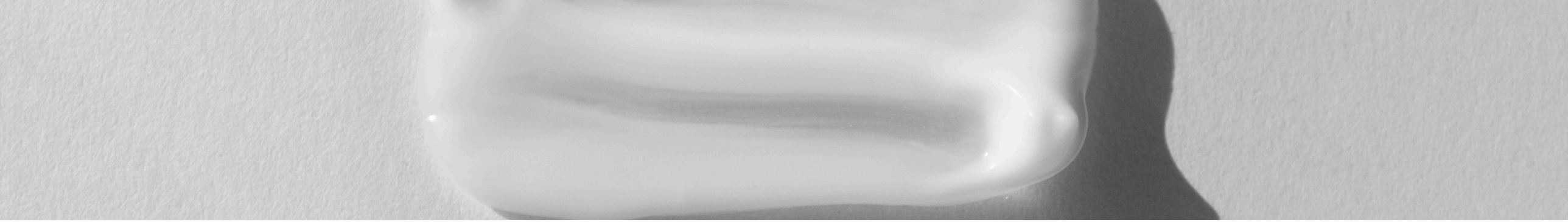
Suggestion: Establish a structured communication strategy with stockists, including:

- Regular updates on product changes, promotions, and brand developments via email or personalized touchpoints.
- Quarterly check-ins to gather feedback and offer tailored solutions.
- Empower brand representatives (BDMs) to deliver value-driven, informative growth sessions rather than just sales pitches or catch ups.

PRIORITISE KM EXCLUSIVITY AND FAIR COMPETITION

Suggestion: Develop policies to protect salon distancing exclusivity and reduce direct competition with large retailers:

- Limit distribution of complete product ranges to major online and retail chains where possible
- Introduce exclusive products, SKU’s, or promotions available only through professional stockists.
- Create geographic exclusivity agreements to prevent oversaturation of the market.



ENHANCE EDUCATION AND TRAINING OPPORTUNITIES

Suggestion: Invest in accessible and diverse training programs:

- Provide hybrid training models with both in-person and online options, including live demonstrations and recorded resources.
- Offer region-specific support, ensuring rural and regional stockists receive the similar opportunities as metropolitan salons.
- Tailor training to focus on actionable insights, advanced education, and empowering therapists to become experts.

OFFER MEANINGFUL INCENTIVES AND BUSINESS SUPPORT

Suggestion: Develop a robust support and rewards framework for stockists:

- Provide free samples, testers, and promotional materials as part of regular orders or milestone rewards.
- Introduce tiered loyalty programs based on stockist performance, offering benefits such as marketing support, promotional assets, or exclusive product previews.
- Eliminate rigid minimum order requirements and offer flexible opening orders for small or new businesses.



"Be stubborn about your goals and flexible about your methods."
— Unknown

MAKING THE MOST FROM DATA INSIGHTS

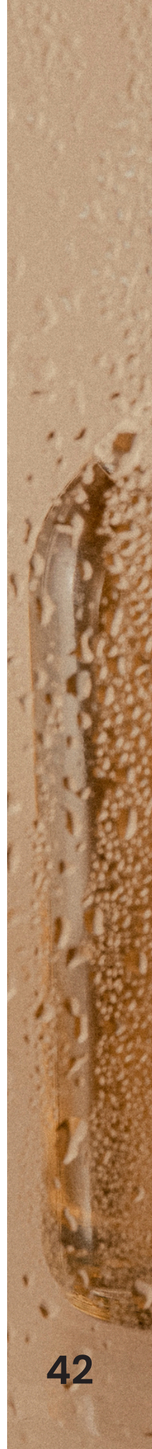
This report can be a useful resource in a variety of business situations. Your brand might like to utilise this report in the below scenarios where leveraging its insights can drive impactful decisions and strategies:

Strategic Planning Sessions
Use the report to inform your brand strategy by aligning your offerings with the needs and preferences of salon owners.

Board Meetings
Present the report to stakeholders or executives to provide a clear understanding of market trends and stockist needs.

Leadership Team Training
Equip your team with insights on what salon owners value most to refine their pitches and improve stockist acquisition.

Marketing Campaign Development
Inform the creation of targeted marketing strategies that resonate with salon owners.



MAKING THE MOST FROM DATA INSIGHTS

Product Development and Launches
Ensure that new products and services align with salon owners' expectations and operational needs.

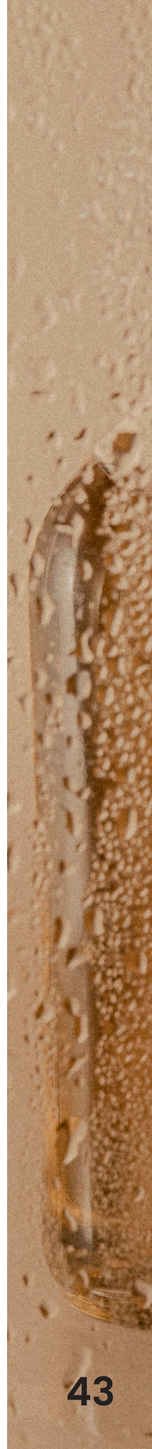
Industry Events and Networking
Strengthen your position at trade shows, expos, and networking events by showcasing how your brand meets the priorities revealed in the report.

Partnership and Collaboration Opportunities
Identify potential partnerships or alignments with other brands or organisations.

Continuous Improvement Reviews
Assess your current operations and identify gaps where you can improve alignment with stockist preferences.

Investor or Stakeholder Presentations
Demonstrate your brand's alignment with industry needs to secure investment or stakeholder buy-in.

By using this report in these scenarios, you can ensure that your strategies are data-driven, relevant, and poised to meet the expectations of the professional beauty market.





STOP GUESSING FROM THE OUTSIDE

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