MARKET RESEARCH

HAIR EXTENSION

divality.com



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Introduction

Hair has been synonymous with beauty both for men and women. Hair is gods priceless gift and is important as the other parts of the body. A person without hair on his head is called bald – headed, this leads to inferiority complex.

Bald –headed person always tries to acquire hair by spending great amounts of money on medicines and doctor's visits.

For women, hair is an extremely important part of their total self-image. Many women today find themselves devoting countless hours trying to hide their hair loss problem, while also attempting to maintain their self-esteem. In this regard the human hair industry is offering solutions through hair extension and wigs.

The global market for hair extensions is expanding at an incredible rate, much like the celebrity hairdos in magazines. Hair has been 'donated' for use by others for centuries, but the increasing customer demand for thicker hair is prompting suppliers to source more human hair than ever before.

As conscious consumers, it's important for us to know the journey our purchases take to reach us, so we can choose only sustainably sourced and ethically manufactured goods. But how mindful are we of the hair we share?

Unsettlingly, there are no standards or monitoring of the procurement of hair around the world. As a result, hair may be taken against people's will or understanding of what will happen to it.

So what do we need to be aware of when it comes to the hair we share? And what can be done to ensure the big business of hair extensions remains honourable as well as profitable?

Global Demand

The global trade in human hair and its products is soaring and becoming a major industry. Celebrities are increasing the popularity of using real hair to supplement their own. The celebrity culture has made hair extensions more popular and everyone wants hair from India. In the international level the top exporters of human hair wigs are China, Indonesia, Hong Kong SAR, U.S.A. and Italy. The total export value is about 1,168,485,962 US dollars. On the other hand the top importers of human hair wigs are U.S.A., Japan, U.K., France and Republic of Korea. The total value of world import is about 985,819,210 US dollars.

As far as the export of human hair, worked; wool / animal hair and other tex.mat, prepared for wigs etc., is concerned the total export quantity in the world during 2011 was 16,194 tonnes which was 12,059 tonnes in 2010 as can be observed from next Table.

Table: Export of Human hair, worked; wool / animal hair and other tex.mat, prepared for wigs etc.

	2010		2011	
Country	In units (tons)	Value in thousand US dollars	In units (tons)	Value in thousand US dollars
China	5,839	59,521	7,020	56,633
U.S.A.	2.493	10,501	3,305	14,721
India	883	199,930	2,082	220,911
Hong Kong China	1,544	17,452	1,847	25,623
Nigeria	0	0	709	1,000
Total (including others)	12,059	405,832	16,194	424,410

Source: ITC calculations based on UNCOMTRADE Statistics.

Source: http://vcputtur.com/wp-content/Downloads/Project-Reports/HUMAN-HAIR-

BUSINESS-INDUSTRY-IN-INDIA.pdf

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 $^{^1\} http://vcputtur.com/wp-content/Downloads/Project-Reports/HUMAN-HAIR-BUSINESS-INDUSTRY-IN-INDIA.pdf$

Newly-released hair extension statistics reveal that almost 90% of women who wear extensions keep them a secret from friends and family.

The research, undertaken by Hairtrade.com discovered that over a third of women (34%) use hair extensions as a regular part of their beauty regime, but 87% of those questioned didn't tell anyone they were wearing them.²

More than three quarters of those polled (76%) said that they wore extensions to add volume, with other reasons for wearing them including a desire to look more glamorous, the ability to change your style quickly and the fact they could be applied at home.

One woman who participated in the survey said: "It's not that I keep my extensions a secret, but they're just so good nowadays that no one can tell it's not my own hair.

"It used to be a beauty product that only celebrities had, but now it is much more accessible to everyday people and there really does seem to be something out there for everyone."

US Market

So goes the global supply chain for human hair, a market that is growing at an astonishing rate of 40 percent annually. Great Lengths Hair Extensions, one of the largest human hair venders in the industry, reports a 70 percent growth over the past five years. According to a report by the Professional Beauty Association, the past two years have seen a 28.5 percent increase in the number of U.S. salons that offer hair extensions.

² http://www.hji.co.uk/hair/hair-extension-statistics-reveal-90-women-keep-secret/

The boom has been fueled by two major influences: celebrity culture and a wave of new technology for applying the extensions.

While American women once hid the fact that they outsourced their fuller hair styles, a new generation of female starlets, including Jessica Simpson, Brittany Spears and Fergie, openly admits to wearing other women's hair. Now the long-held celebrity secret of human hair extensions, in which tresses of imported locks are sewn, beaded or glued onto the follicles of hair beside the scalp, is out in the open.

"People talk about having extensions now," said Genevieve Houle, manager of Barbie's Hair World in Queens, N.Y. "It used to be a personal thing, like asking someone what bra size they wear. Now people say to each other, 'where do you get your hair?' It's not taboo anymore."

The effect of the extensions is to increase fullness and length. Women with short or thin hair can suddenly have hairstyles they never dreamed of. The added hair looks healthy for an average of four months before it dries out from lack of nutrients, which are replenished when hair is growing.

Until recently, real human hair was too expensive for many women who wanted extensions. They had to settle for cheaper synthetic hair. In both cases, the hair was sewn together in tracks and then attached to the client's head. But a new technique called "strand application" has made extensions look better and last longer.

With strand application, small bits of keratin, a protein naturally found in healthy hair, are fused to the client's existing hair, several strands at a time. The extensions look and feel just like natural hair and stay in place for anywhere from four to six months before the hair dries out and has to be discarded.

Upscale salons, which always offered human hair, often processed in Europe, which is pricier, still charge a premium for extensions. Alexander Maud, stylist at Mizu Salon in

Boston, says he charges anywhere from \$2,500 to \$4,000 for a full head of extensions. His clients can spend over \$1,000 on hair alone, he added.³

But now low-end salons are offering human extensions using the old weave technique with packages of human hair sourced from Asia that are much cheaper. Discount beauty supply stores market full heads of "100% Indian Hair" for \$60.4

With the market for human hair growing so quickly, some worry that the boom may have a hidden human toll.

"We don't really know how all this hair is being taken," said Susie Smith, chief executive of Hollywood Hair Extensions, a salon and distribution company. "We have heard small bits and pieces about people being attacked for their hair or selling it to feed their families, but we're not really talking about it."

While there is a huge profit to be made on Indian locks, there is no monetary compensation for the Indian women who donate their hair to temples as an act of faith. Many women have no idea they are part of an expanding industry that crosses several international borders and is nearly impossible to regulate.

According to trade figures released by the United Nations, between 2009 and 2011, China tripled its imports of Indian hair, from 363 kilograms (800 pounds) to 1.1 million kilograms (2.4 million pounds).⁵

In 2013, the U.S. Bureau of Labor Statistics (BLS) reported an annual median wage of \$23,140 for all hairdressers, hairstylists and cosmetologists. Employment opportunities were predicted to grow 13% for this occupation from 2012-2022, according to the BLS.

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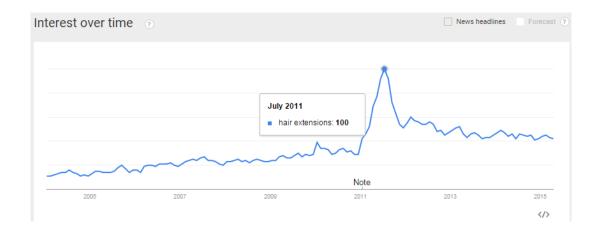
³ http://columbianewsservice.com/2013/02/americas-booming-market-for-human-hair/

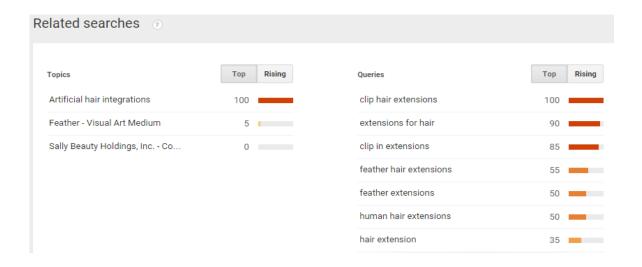
⁴ http://www.dispatch.com/content/stories/life_and_entertainment/2013/02/28/hair-extensions-see-a-growth-spurt.html

⁵ http://columbianewsservice.com/2013/02/americas-booming-market-for-human-hair/

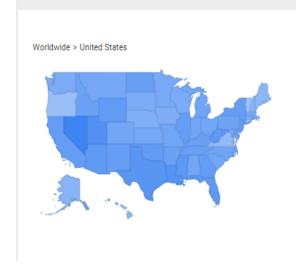
http://study.com/articles/Hair_Extension_Training_Info_for_Hair_Stylists.html

US Online stats – hair extension on search engines



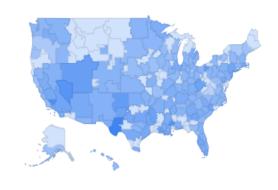


Regional interest ②



	Subregion Metro City
Texas	82
Mississippi	80
West Virginia	79
Florida	79
Arizona	79
Wyoming	76
Oklahoma	76

Worldwide > United States



Odessa-Midland TX	100	
Bakersfield CA	88	
Hattiesburg-Laurel MS	84	
Las Vegas NV	83	
Amarillo TX	74	
Salt Lake City UT	72	
Lafayette LA	71	

Subregion | Metro | City

Worldwide > United States



Subregion Metro City	
100	
85	
82	
82	
81	
80	
78	
	100 85 82 82 81 80

Source: http://www.google.com/trends/explore?hl=en-

US#q=Hair%20extensions&geo=US&cmpt=q&tz=

UK Market

Based upon the growing interest of people (women and men) in hair extensions or wigs, one can see the interest in hair is nearly 3 times higher today than in 2005 while the interest for wigs has slightly decreased. This growth in interest for extensions is one of the positive factors for the business; it is still a growth market. The most important countries where people are interested in Hair Extensions are: the United Kingdom, Australia and The United States, but also in South Africa there is a significant interest.

Where for Hair Extensions the interest increased in the UK this year, in the USA and South Africa the interest declined. With respect to wigs, the absolute no1 country since 2005 are the United States, But South Africa shows an increasing interest for wigs the last three years!

Of course you need to perform a more detailed market research for your own specific situation, but this data shows there are still interesting growth areas. And the interest for products is not the same in all the countries. If you use this knowledge, you can still enter the market and earn a fair share of income.

Your clients are less and less looking for hair extensions in general, the offer of hair extensions is huge and you need to differentiate yourself. Good chance you will not be able to serve all 2.4 billion women, but if you focus on a certain niche, a special place of the market,

you will have a great position. This niche can be in products, for example only clip ins or only genuine Brazilian Human Hair extensions.

But you can also differentiate yourself in the service you offer, like next day delivery or service at home. Perform your research, take note of the offer from your competitors and talk with your clients. Know what they want and what they miss in the product or service offer from your competitors. And focus on this part. You will build up trust and a happy customer base!

This refers directly to the previous item, if you keep on investing in the products and services you offer; you will be able to outperform the competition. Do not follow a copy paste tactic, but be original. Adapt existing concepts in the way your clients are looking for. For example, instead of before and after pictures, make a short movie (60 seconds) and let the client comment on it. Know everything and everybody who is of importance in your niche and make sure they know you also!

The growth of the population will not stop, but in some areas the elderly people will outpace the young ones. So check how the evolution of the demographics in your geographical market. Benefit from this knowledge, by or shifting away to a younger market, or adapt yourself and offer solutions for the elderly.

Today, hair is more than just a symbol: it is big business. From India to Peru, the human hair trade has spread across the globe, and it has the UK in its grasp. Last year HM Revenue and Customs recorded more than £38m worth of hair (human, with some mixed human and animal) entering the country, making the UK the third biggest importer of human hair in the world.

Despite the recession the UK extension industry is booming, with hair extension companies claiming it is worth between £45m and £60m (according to London based industry

research firm IBISWorld, revenue from hair and beauty salons will be £3.64bn in 2012-13). Great Lengths Hair Extensions, who supply more than 1,000 salons in the UK, report a staggering 70% growth in the past five years. And according to Dawn Riley from Balmain Hair, which sells extensions to thousands of salons and hundreds of wholesalers, this is only the beginning. "It's still an emerging market. We are now seeing the growth that colour [hair dye] saw 30 years ago."

In the upmarket central London salon Inanch, a full head of Great Lengths extensions costs around £900, and lasts up to six months. And while profits from cuts, colouring and blow drys have remained static, in 2012 the salon's hair extension business has grown 60% year on year. Owner Inanch Emir has well-known clients including Cher Lloyd, Mischa Barton and Saturdays singer Rochelle Wiseman, and when I visit one weekday afternoon her small salon is buzzing. "I do about two or three hair extensions a day," she says. "I used to do that a month."

A stylist is finishing off a head of dramatic, tumbling curls for Bianca Gascoigne, a glamour model and reality TV contestant. With her thick, false lashes emphasising her wide-set eyes, the cascade of hair makes her look like a Disney drawing. Laughing, she agrees she likes to look like "a princess": "Hair extensions make you feel glamorous," she says, explaining she first started wearing clip-in fake hair as a teenager, keen to copy celebrities such as Christina Aguilera. Now, she says, everyone she knows has them.

Not for the chef using it to get the perfect pizza crust, or the fashion designer charging up to £20,000 for clothes created using human hair. Certainly not for the hairdresser charging up to £2,500 for extensions.

 $^{^6\} http://www.theguardian.com/life and style/2012/oct/28/hair-extension-global-trade-secrets$

Last year alone nearly £15m worth of treated human hair - it has been washed and sometimes dyed - was imported into the UK, according to Customs and Excise. It comes mainly from India, China and Europe. On top of that almost £10m worth of wigs, false beards, eyebrows and eyelashes made from the stuff were also imported. Those in the trade estimate the hair extension industry alone is worth £60m in this country, although there are no official figures.

When it comes to our tresses, the rarest and most expensive is natural blonde hair, says

Des Tobin, a professor of cell biology at Bradford University, who has studied hair and the

trade.

"About 90% of the world's population has dark brown hair," he says. "It's actually really hard to get natural, adult hair that is blonde. The rarity of hair colour will dictate the price. Blonde hair can cost up to three times as much as dark hair."

European hair, which tends to be finer and so easier to work with, is more sought after in the UK. The price for 100g of blonde, European hair is about £1,000.

From The Only Way is Essex to newly-vampiric Bella in Twilight, the bouffs on our screens are growing before our eyes. And like any fashionable trend, we can't get enough of the Cheryl Cole voluminous hairstyle, so it's no surprise that hair extensions are here to stay.

The UK is now the third largest importer of human hair in the world, with £38 million worth entering the country in 2011 and 70% market growth in the last 5 years. As we

⁷ http://news.bbc.co.uk/2/hi/uk_news/magazine/8753698.stm

enter the Christmas party season, salons all over the UK are heaving with women seeking full, luscious locks with the help of extensions.

In 2011, it the Tirumla Temple in India reportedly made 2000m Rupees (more than £22m) from auctioning the hair of women and children that had been given in prayer and sacrifice.⁸

This is where the decision becomes less black and white – when hair is given willingly, to all intents and purposes, but for different or unfortunate reasons. Ron King, L'Oreal Professional Stylist and spokesman says: "Hair that is taken from people...without knowing the reason behind it, I consider to be unethical."

We're reminded of poor Fantine in the musical and upcoming film, Les Misérables, who shaves her head and sells the hair to pay for her daughter's care in poverty-stricken times. Hair historian Caroline Cox says: "Working-class women's hair [has been] used to bedeck the heads of those who are more privileged...for hundreds of years."

Medieval and distasteful it may seem to some, but it does pose a moral dilemma for the consumer. That is, of course, if they have access to the truth about how their extensions were procured in the first place. Aside from a few hair-raising stories in the media, it's doubtful that salons or their customers – perhaps even the wholesalers – are aware of how freely the extensions they buy are given. The sourcing end of the supply chain can be convoluted and shrouded, making it hard for those seeking answers to find them.

The market remains highly unregulated, and although today's buyers are asking to know when and how goods are sourced – particularly their food and clothing – there just isn't the transparency yet to educate consumers about all products in this way.

⁸ http://source.ethicalfashionforum.com/digital/all-that-glitters-behind-the-supply-chain-of-hair-extensions

Searches for human hair extensions in Britain jumped 160 percent in the 12 months to the end of June, with salons noting an increase in women seeking to emulate the hair of stars such as former "X Factor" judge Cheryl Cole and Pussycat Dolls singer Nicole Scherzinger.

"There's been a huge upswing in hair. The celebrity culture has made hair extensions more popular, and everyone wants hair from India," said Linda Kozlowski, Head of International Business Development and Marketing, at Alibaba.com⁹

"With an estimated 65 million pounds (\$105.9 million) being spent on various types of hair extensions each year, it's no surprise that UK SMEs (small and medium enterprises) in the beauty sector are looking to capitalize on this growing market," she said.

Over half of the searches were for Brazilian hair, and 29 percent for Indian hair, which has been used for decades in the production of wigs, according to one Indian human hair export website.

"It's really driven by things like Facebook and Twitter, tabloids and magazines. Women are wanting to be more and more glamorous, as a result of this big celebrity culture," said Lucinda Ellery, who has provided hair extensions to a host of celebrities for the past 25 years.

The recession dented some demand, she noted, but this has been offset by a rise in older women seeking more youthful looking hair through the use of hair extensions, she added.

Hair --or the lack of hair -- is also a big issue for male celebrities. England and Manchester United soccer player Wayne Rooney recently posted a photo of himself for followers on social networking site Twitter after undergoing a hair transplant operation.

⁹ http://www.reuters.com/article/2011/08/03/us-human-hair-trade-idUSTRE7723U520110803

The trend of ethically sourced beauty products is also on the rise, said Alibaba.com, which has nearly a million users in Britain, and has noted a massive demand globally for ecopackaging, said Kozlowski.

"We've worked very hard to source ethically harvested real hair. There is a big religious reason in India for people to get rid of their hair, they (have it cut off) and give it to the monks and now it's been given off as an economic resource for the country," added Ellery.

A spokeswomen at Reading-based Bonita Hair, which offers training courses in hair extensions and sells human hair wholesale via its website, said they had noticed an uptick in people attending their courses since the end of last year.

"This year has got a lot busier... we're training a lot of girls because a lot of them have their own salons and they have so many people who ask for extensions and they're sick of saying no," she said.

The rise in popularity of extensions is also pushing up the wholesale price of human hair. "In the last 10 years, it's tripled, doubled and tripled again," said Ellery, with human hair replacing synthetic hair in terms of popularity, as women seek more natural looking hair.

So natural, that most celebrities are now reluctant to admit their hair enhancements. "Celebrities are becoming increasingly shy about what they do to keep themselves glamorous," said Ellery. "They're going more quiet about their additives," she added. 10

Louise Bailey, an expert and innovator in applying human hair extensions, she is at the forefront of a fuller follicles industry helping boost revenues in high street salons across the UK. Unofficially the extensions sector is estimated to be worth £65 million with 30 per cent annual growth.

¹⁰ http://www.reuters.com/article/2011/08/03/us-human-hair-trade-idUSTRE7723U520110803

Celebrity endorsement, the luxuriant locks of Cheryl Cole, the quick change styles sported by Victoria Beckham and reality TV stars initially drove popular demand. But now clients are solidly mainstream too, women whose hair is fine, or has thinned because of age, hormone changes, ill health and medicinal side-effects.

Bailey, 35, working at the high profile end of the business, saw both good and bad side of extensions - the positive consumer demand and the shortcomings in existing applications resulting in knots and bald spots - which moved her to develop her own new brand, Extension Professional.

Launched earlier this year the company runs training programmes for hairdressers, using the new application processes Bailey has created "that are kind to hair, quick to apply and use ethically sourced products," she explains.

The explosive increase in demand got Bailey thinking in 2011 of ways to maximise her talents and address the problems that were starting to surface.

"There was a lack of quality and consistency in the work, regulation had not caught up what was happening on the high street. But that gave me an opportunity to advance techniques and improve training, so customers are properly treated throughout the chain, from correct application and keeping extensions in the best possible condition to their removal," she says.

Extension Professional's system is based on Bailey's cutting and application methods. She explains: "We have cold fusion patented application and a flat bond technology so the extensions do not harm the hair when they are applied, and lie flush against the head. They are virtually undetectable and a client can sleep comfortably with them in. Extensions have to be removed every three months, but our keratin wrap comes off easily, so again not damaging the hair."

¹¹ http://www.express.co.uk/finance/personalfinance/432006/Growing-with-style-Innovative-hair-extensions-are-at-the-cutting-edge

Application takes just 75 minutes, a third of the normal time. Bailey sources the human hair from a processor in Italy, who buys from Hindu temples in India, where pilgrims shave off their hair in devotional ceremonies.

She cuts her extensions herself she says because "it's not just about the length and the humongous WAG look, the shape, body and texture of hair are critical too. The extensions should be not too thick or long. We offer a connecting layer system for those with thinning hair and another for transforming colour without using chemical processes."

Bailey, a seasoned stylist, with a celebrity client list that includes singer Ellie Goulding and X Factor star Stacey Solomon, has also run a successful drinks firm. The nuts and bolts of small firm management she learned then was put to full use when planning the launch of EP.

The training is backed by Habia, the hair industry's standards body and cost effective partnerships with other like-minded entrepreneurs, sufficient funding, and a multi-channel marketing plan were all carefully plotted in advance.

"I've stayed with slow and steady roll out strategy," says Bailey. "I work from the FOUR hair salon in central London. It is run by four women entrepreneurs, we share skills, services and common approach to enterprise."

RBS's branch in Romford, Essex, Bailey's home town, added a £15,000 loan and overdraft facility to the £50,000 of private funding Bailey has invested. The bank's portion is for trading finance, the most-sought after credit among small firms and the hardest to secure.

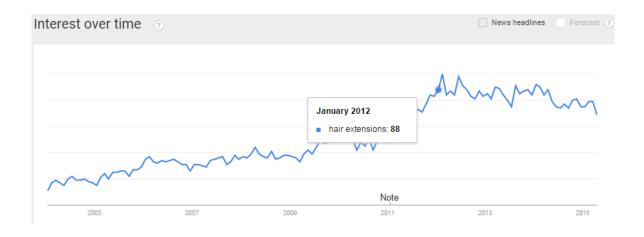
"I have a very good relationship with my bank. The money is essential to buy stock so I was pleased when I put forward the plan, the woman manager backed me immediately, it makes such a difference to get that kind of support," says Bailey.

"My manager understood my goal is to create a franchise operation, repeat business is fundamental part of extensions. Now I'm developing new products for hairdressers on our programme to use."

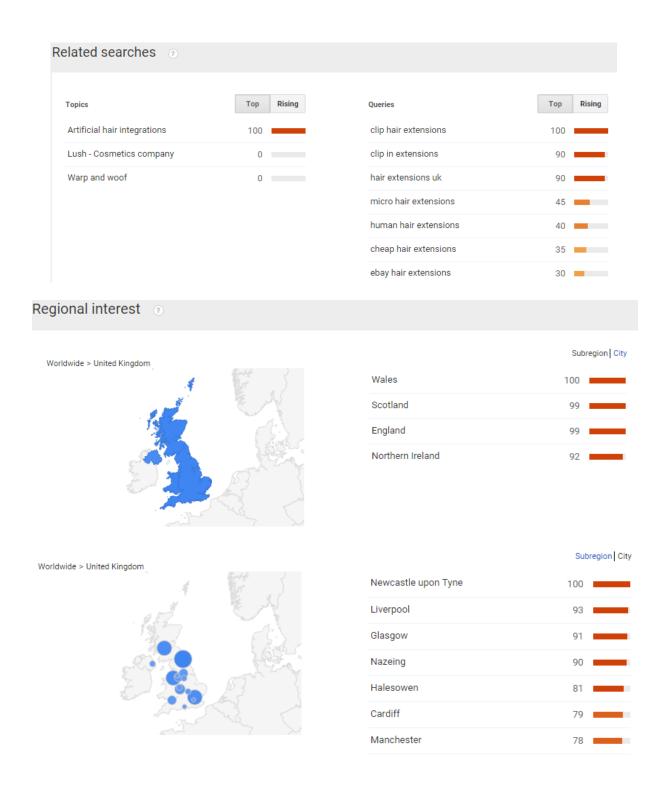
Turnover is on course for £200,000 in the first year, with 40 salons so far now part of the Extension Professional fold. Prices start at £350.

Mark Coray, president of leading trade body the National Hairdressers' Federation who owns top salon Coray and Co in Cardiff, applauds Bailey's initiative. "Hair extensions are not a flash in the pan, anything that is safe for clients, ethically sourced and brings trade to salons is to be welcomed," he says. 12

UK Online stats – hair extension on search engines



 $^{^{12}\,}http://www.express.co.uk/finance/personal finance/432006/Growing-with-style-Innovative-hair-extensions-are-at-the-cutting-edge$



Source: http://www.google.com/trends/explore?hl=en-

US#q=Hair%20extensions&geo=GB&cmpt=q&tz=

South Africa Market

Main developments: 13

- The domestic demand for hair extensions has shown a double digit growth the last years
- Increased interest for hair extensions and wigs foreseen (mainly Eastern Cape and Gauteng)
- Brazilian hair hot in Gauteng and western cape and Indian in Kwazulu Natal

In a continent of dramatically contrasting poverty and wealth, hair is a rare common denominator that cuts across class and culture groups in Africa. The black hair business is worth billions worldwide, and the Africa market is slowly picking up as consumers look for the best products.

Good Hair, the 2009 documentary by comedian Chris Rock, spotlighted the business of black hair, particularly the use of relaxers, weaves and hair extensions. Elements of his documentary ring true in South Africa, the dominant market on the continent for hair care products. According to researchers, black women are willing to spend at least double the amount on hair and beauty products that white women do.

According to estimates from Euromonitor International, the Middle East and Africa hair care market alone was valued at \$4.2 billion in 2013. 14

Zeenat Ebrahim, a senior analyst at Euromonitor, sees huge potential for the hair care market in Africa.

"Multi-national players, for example, in various locations in Africa are increasing their marketing in advertising budgets," Ebrahim explained, "this is really influencing consumer

¹³ http://www.howtosellhairextensions.com/hair-extensions-outlook-south-africa

¹⁴ http://www.voanews.com/content/s-africas-black-hair-businesses-are-thriving/1915963.html

choice... the likes of hair conditioning products, these products are once again, increasingly appealing, especially because new product development with extra value is allowing consumers to have affordable and salon-like treatment at home."

Ebrahim said South Africa has the most established and developed market for these premium hair care products, which she says are gaining increased interest from consumers.

For many, hair is one of the defining characteristics that African women use to transform their appearance. In Rita Dantaa's hair salon in downtown Johannesburg, rows of wigs and hair extensions mask the walls. Shelves under the mirrors are filled with gels, creams, mousses and hairspray. Her customers are not wealthy but they are still prepared to pay a few dollars for the salon experience to get their hair done. Dipping her hand into a large white tub, Dantaa then smothers potent relaxer onto her customer's hair.

"So after relaxing the hair, one week time or two weeks time, she need to come and do treatment to protect the hair from breaking, and then when she finish, she can decide to put a weave or braid or leave her hair like this - it's up to her," Dantaa explained.

Sodium hydroxide is the key ingredient used in relaxers, and can smooth out even the toughest afro curls. But it burns the scalp if left on too long. Dantaa quickly moves to rinse the white cream off her customer's hair after she complains that her head is burning.

"It's a bit hot, let's say....like when you put a weave, once you are scratching, you are bringing sores on your scalp, so if you scratch too much and you relax you get burnt. It's not bad, it grows the hair and it makes the hair look nice," she said.

Another popular practice is the application of hair extensions or weaves in which strands of hair are woven in. At Rita's salon, synthetic hair extensions cost \$10. In Johannesburg's upmarket business district, prices range up to \$800 for hair extensions.

Donald Zaburoni has been a hair stylist for nearly 10 years. He said the improving quality of human hair extensions has driven demand, although for some women, the time and the potential pain is not worth it.

"You have people in SA that prefer to be all African natural, they don't go for weaves, they don't go any other thing" he explained. " Most of my clients used to have weaves, used to relax their hair - then they realized that this is not for me...So with your natural hair you do your corn rows, you do anything with it, you want to rock up in your afro - you rock up in your afro."

In Africa the need for effective human hair extension, braid and dreadlock removal has grown enormously because nearly one out of every three Afrian women worldwide suffers from some sort of hair loss, as well as the emotional distress that it causes. Tangled Hair Techs provide specialty extension removal services for:¹⁵

- anyone who cannot grow their hair for any reason;
- people with thin and fine hair;
- bad haircut or destruction during color processes and/or highlights;
- people with mild alopecia; and
- cancer survivors growing out their hair.

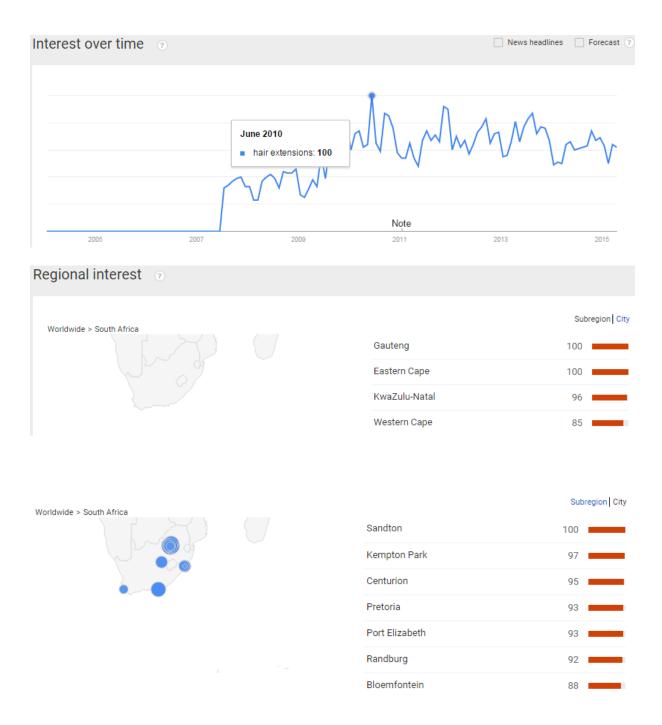
Tangled Hair Techs and Leading Wome of Africa are working together to train hairdressers and women in the technique of Take Down Removal System of de-tangling severely matted hair, dreadlocks, tangled hair clumps, and "Birds Nests" Syndrome. Their mission is to save hair and preserve your God given beauty. In addition, Take Down Africa

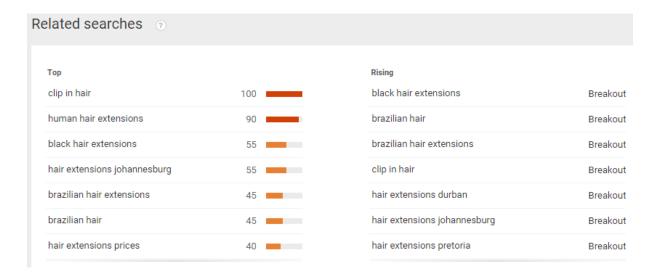
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¹⁵ http://pressportal.co.za/fashion-and-lifestyle/story/2921/consumer-demand-for-hair-extensions-braids-dreadlocks-increase-hair-loss-in-african-women.html

Ltd.,is the first company to offer hair extension, braid, dreadlock and matted or tangled hair removal training classes worldwide. They are pioneers in the development of tangled hair removal services and training. They are the only company that has revolutionized the industry by mastering more than 20 different braid, hair extension and dreadlock removal techniques.

South Africa Online stats – hair extension on search engines





Source: http://www.google.com/trends/explore?hl=en-

US#q=Hair%20extensions&geo=GB&cmpt=q&tz=

Hair Extensions prices – Company: Cabana Salon

Enhance or Embellish your look with one of our **Cabana Hair Extension** options. Extensions will not remove or break your hair if mended & removed properly. It is Important to find a trained extension specialist to care for your extensions and your hair following extensions.



Source: http://www.visitcabana.com/hair-extentions.html

Cabana Salon specializes in 100% Human Hair Extensions thus using state of the art industry methods that are comfortable, healthy and long lasting. With High quality Human Hair Extensions, you can achieve length, fullness or add color to your hair without the use of chemicals. Our unique healthy hair application method cause zero damage to your hair. The texture, color and style of your Hair Extensions are customized to ensure the most natural look as possible. We offer Clips In Hair extensions for a temporary solution, as well as semi

permanent solutions such as Fusion Hair Extensions, Tape In Hair extensions and Micro Links Hair Extensions. We only use top quality Remy Human Hair Extensions that will last and can be shampooed, colored and maintained just as your natural hair.

Which Methods are Available?

- Keratin Fusion (Hot Fusion) Hair Extensions: Individual keratin-tipped strands are fused to your natural hair using heat.
- Micro Link (Cold Fusion) Hair Extensions: Individual keratin-tipped strands
- Tape-in Hair Extensions: Wefts of hair are attached to small sections of your natural hair using double-sided tape.
- Weave Method (Sew-in) Extensions: Your natural hair is braided in rows, wefts of hair are woven (with thread) onto the braids.
- Bonded Method (Glued) Extensions: Wefts are applied using a latex hair glue to the root of the hair from ear to ear.

What Are The Best Hair Extensions?

Finding the right extension method will depend on budget, preference, and hair type. While fusion, link and tape-in extensions can be used on just about any hair texture weaving extensions are best for coarser textured hair, which has enough strength and texture to hold the cornrow braid.

Remy Hair Extensions are by far The Best Human Hair Extensions on the market for because it achieves the most natural look. In non Remy Hair Extensions, the cuticles are stripped which affects the quality of the hair. In Human Remy Hair Extensions, the cuticles are left intact creating hair with a soft, shiny, silky smooth texture with a breath taking appearance with absolutely no tangles making this the highest grade Hair Replacement

system.

How long do Hair Extensions take?

Application time varies depending on the method of application, Methods are as follows: 16

• Tape In & Bonded Hair Extensions: 45 mins-2 hours

• Micro- link and Keratin Fusion Hair Extensions: 2 to 3 hours

• Sew-In Extensions: 1.5-2.5 hours

Clip In Extensions are the quickest, the service is limited to a simple consultation to make

sure your color is matched and a brief demo to show you how to place your new Clip On

Hair Extensions.

How long do Hair Extensions last?

Keratin Fusions last the longest: **3-4 months** (Fusion extensions, once removed, you

can't use them again.)

Tape in requires more frequent maintenance (every six to eight weeks), they last 1-3

months. Tape-in extensions can be removed and reapplied, you don't have to purchase

new hair each time.

Weave-in extensions: **2-3 months**

All type of Human Hair Extensions require some maintenance. Included with each

Cabana Hair extension service is a Professional extension safe moisturizing shampoo and

conditioner free of sulfate and paraben and a specialty hair extension brush. This will be all

you need for home care and the products will last for at least a year. For Tape In Hair

¹⁶ http://www.visitcabana.com/hair-extentions.html

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Extensions, Micro links Hair Extensions and Weave In Hair Extensions, the hair can last longer but a visit every 4 to 8 weeks for upkeep is recommended to ensure proper care and longevity of your extensions.

Human Versus Synthetic Hair?

When it comes to purchasing hair, you get what you pay for. Price will vary greatly based on quality of the hair, as well as the desired quantity (for thickness) and length. Virgin (never-before-processed) Remy human hair is the highest quality and runs upwards of several hundred dollars per bunch (and some heads may require more than one). The hair cuticle is preserved, instead of stripped, and all the hairs run in the same direction, maintaining that natural soft, silky texture. Synthetic hair is much cheaper (\$50 to \$100) but won't blend or style the way human hair does. Synthetic hair won't always withstand heat styling and tangles easily. Be careful when purchasing hair from unknown vendors, in some cases extension hair is blended with human and synthetic. This is why we only use the best quality Virgin and Remy Human Hair.

Minnesota Market Review – Company: Extensions Plus¹⁷

It's a Saturday morning at Extensions Plus in Minneapolis. Owner Lillian Anderson ties tight braids into a customer's scalp. Another walks in asking for a place to rest her wig. She's performing as Etta James at a concert that evening and needs to spruce up her hairdo. Anderson goes back to braiding and then takes a needle and thread to the first customer's hair

¹⁷ http://tcbmag.com/Industries/Retail-and-Hospitality/Inside-The-Twin-Cities-Fast-Changing-Market-For-Hu

to sew in a weave. The customer has been battling thinning hair and explains to Anderson that extensions have made her hair healthier.

Anderson takes a scissors to the weave, blending it with the woman's natural hair, and finishes by curling everything, in what she calls "Hollywood-glam" style. The weaves and extensions women wear have become commonplace, but the journey they take from producer to consumer is anything but.

From the moment a lock is lopped off a woman's hair at a temple in India to the point it finds its way to a buyer's head, the human hair extension industry crosses states, ethnicities and socio-economic groups. The Twin Cities market has expanded exponentially since the first retailer opened its doors over 30 years ago. What was once a niche business has gone mainstream. Yet it remains the only trade where humans grow something on their body to enhance another's. And whether you're talking old-school weaves or modern extensions, it still all begins on someone's head.

Local Market

The human hair business is a rather hidden trade—unless you're looking for it, you're not going to find it. Minnesota's hair extension sales industry started out in beauty supply stores such as Ed Perlman's Minneapolis-based Variety Beauty Supply about 35 years ago. His was one of three stores selling hair—along with conditioner, shampoo, hair clips and other accessories.

In the beginning, the hair extension business typically targeted women with short, kinky, curly hair who wanted long, straight locks; it wasn't until the late '90s that the market diversified and white women became part of the clientele. Celebrity marketing, such as Jessica Simpson's hair extension line that debuted in 2006, helped spur the human hair

business into the \$1 billion industry it is today, according to statistics from the Professional Beauty Association.

In 1992, Sunny Memberr and his wife, Lisa, started South Minneapolis-based Sunny's Hair, Minneapolis's first hair boutique, says partner Dafina Smith, selling solely extensions and wigs. In the last two decades, the retail hair business in the Twin Cities has taken off in the last decade, from three extension retailers to more than 30. Weaves and wigs are the province of these specialty vendors, but simple hair extensions are now the stock in trade of most salons.

The expanding market has fed competition. The biggest players are stores that have a direct relationship with vendors, says Perlman. Suppliers like Minneapolis's 7 Mile Fashion have an advantage because they buy directly from Asian vendors that harvest hair and the factories that buy hair. They cut out the middleman and sell for less, Perlman notes.

That's something that relative newcomer Lillian Anderson, owner of Extensions Plus in Minneapolis, knows too well.

Anderson is a long-tenured practitioner and one of the few hair extension retailers who also does the weaves for clients who purchase the extensions. Her clientele has shifted upmarket and diversified over the years. She's keenly aware of the changing dynamics of the hair business. "[Asian-owned stores] have completely taken over the market," Anderson says, putting traditional retailers like her at a disadvantage due to the inability to buy direct.

She opened her first store in 1998 in a 400-square-foot space on Bloomington Avenue with a \$20,000 investment. She was profitable after the first year and saw 50 percent growth in the next. From there, she moved three times before settling down at an 800-square-foot location at 1023 Washington Ave. S. in 2010. Since the move, she's seen 1 to 2 percent annual growth, but competition is keen. It's particularly difficult, she says, to get name recognition with market leaders like Sunny's in the game.

Anderson has reacted by specializing in custom weaves and offering hair application and styling. Anderson purchases ponytails of hair from Russia, India, China, Malaysia or Brazil and personally weaves them in for customers. By offering both retail and hair installation, she hopes to create a unique value equation.

The Customer

Hair By the Numbers

Typical markup at retail: 40-50%

National sales dollar volume: \$1 billion

Annual sales growth: 1-2% (Extensions Plus)

Number of metro area hair retailers: 32 (estimate)

Licensed salons in metro area: 3,035

The domestic demand for hair extensions is largely driven by celebrity trends, which means the market is heaviest on the trend-focused urban areas on the East and West coasts. Sunny's—which has expanded to Atlanta and Phoenix since its inception in Minneapolis—has a large client base in the entertainment industry. Smith says the Twin Cities market has seen a shift since celebrity trends boosted the popularity of extensions. On one hand, the market has broadened—socioeconomically and racially. On the other, says Perlman, long-standing customers are buying less frequently in the inner city.

An average customer of Anderson's will spend about \$150 on hair and \$150 each time they want to get it tightened—about twice a month. That's about \$3,750 a year, and the

customer will have to buy new hair every two to four years, even if it's the best quality. This is still relatively inexpensive compared to high-end salons that offer extensions.

For example, Rocco Altobelli in Roseville charges about \$1,200 per session for wax bonding extensions, which last about two months. Clip-in extensions cost \$700 to \$800 for a 16-inch set, which includes cut and color. These need to be replaced every six months. (Prices can vary according to a customer's needs, the salon notes.)

Perlman, who sells to mostly inner-city customers, judges the state of the hair economy by the use of credit cards. When he first started, 10 to 15 percent of purchases were on credit. Now, it's 40 to 50 percent. He believes that's a major indicator of the worsening urban economy.

"It's a complex business," Perlman says. Inner-city customers are buying less and they're buying cheaper products, he says. The demand is still there, but it's a matter of affordability.

The Twin Cities market is racially and economically diverse, compared with other markets where Smith does business. About 30 percent of Sunny's clients are black—African-American, Somali or other African immigrants, or biracial. About 30 percent are white, 30 percent are Asian or other ethnicities, and about 10 percent are from the transgender or cross-dressing population.

Manufacturers have diversified their offerings exponentially. There were two types of hair when Perlman entered the business, he explains. Sunny's alone buys from up to 35 different vendors, each selling its own variation on human hair. Perlman now has 1,000 SKUs; they all come from a factory, but not the kind you would imagine.

The Source

China and India supply most of the hair to Sunny's, says Smith. The nations are the two major exporters of human hair, and most of it comes off the heads of people in lower-income brackets.

China is the No. 1 exporter of human hair, followed by India. That's mostly due to population, availability and cultural traditions. In India, women grow their hair by the ponytail and donate it to a temple as part of Hindu religious practice. The temple then sets up a hair auction, says Smith. Factories bid on the hair, and the temple reaps 100 percent profit to put back into service, upkeep and community outreach.

"The donors are aware that people buy their hair," Smith explains. "It's lucrative for the temples because they're getting it for free. Whether or not we buy it, it exists because people are growing it for religious purposes."

The Seller

The hair then goes to processing facilities, which sort the ponytails by length. They can either put it into something called a weft—basically a flexible framework for the hair that keeps it in place. Wefts are sewn into extensions called "weaves"—where a person sews the extension into his or her hair. Alternately, the ponytail can be "pre-tipped" with keratin for "strand-by-strand" extensions. Pre-tipped extensions use a wax method of application.

Next, the hair can be processed for textures and colors. The most desirable hair is called raw hair, also known as "virgin" or "remy." It's the most natural, and has undergone the least processing. Factories can then sell directly to the retailer or to a middleman.

Hair is sold in bulk or by the strand. A retailer such as Sunny's can buy bags of hair in bulk or individual ponytails.

After this long journey, retailers sell hair to customers who take it to their stylist to get it customized, cut and fitted, for prices that can run into the thousands. Others can buy hair extensions from their salon to save time and hassle, but many choose to buy hair from retailers instead of the salon, because it's usually cheaper. Retailers typically also have a broader selection than stylists do, explains Smith.

The Cost of Beauty

Celebrities are willing to pay upward of five figures when they buy hair, which translates to higher prices for the everyday consumer. "People are definitely spending more," Smith says. "The more open celebrities have been to extensions, the more the average woman has been open to them. You get celebrity-quality extensions available to people now, and they pay celebrity-quality prices."

An average full 16-inch weave—a type of extension that is sewn into a tight braid of existing hair, and which has been popular among black clientele—can cost anywhere from \$50 to \$4,000, depending on the type of hair, length and quality. They differ from other extensions because they are sewn in, rather than utilizing a heat and wax application system or employing temporary extensions called clip-ins.

Typically, well-made extensions are sold by the ponytail, meaning that it comes from one person's head. The more hair needed, the more ponytails sold. However, cheaper extensions and weaves can come from several people. Customers pay for how long the hair lasts and the quality of processing. Cheaper hair tends to shed and fall apart.

"If you get hair that's \$10.99, a lot of that hair is from the brush," Smith says. "They put it in a bag, they take it down to a factory, they have no idea what the person has done with

their hair and they coat it with a lot of chemicals, like conditioning agents. You're basically using that hair until those conditioning agents wash off. So it's the longevity that you're paying for."

Retail cost for a full head of 18-inch extensions can cost anywhere from \$150 to \$1,000. That higher-priced extension wholesales for \$370 a kilo (a kilo produces five to 10 extensions) according to A. Kishore Kumar of the Human Hair Supermarket in Chennai, India.

Declining supply is becoming a factor. Fewer women are growing hair to sell to the masses, Perlman says, which he attributes to a rapidly industrializing China, with other sources of income now available. Hair donors can also sell hair in cities, where they pay more, which also drives up prices, he says. "The supply, right now, is not meeting the demand."

As the market adapts to fill the need, human hair extensions are fast becoming as common as lipstick in the beauty world. But they remain the only beauty product growing off the productive capacity of someone else's head.

Extending sales – more companies

Elite Extensions, a retailer based in Rancho Cucamonga, CA, sells a wide range of hair extensions on 20 to 25 carts in Las Vegas and California. "We carry more than 60 different colors and extension lengths," says co-owner Madaar Osman. "They range from half-synthetic/half-human [hair] to 100 percent human hair," depending on what the customer wants. "We also have a new exclusive line, Remy, that features the finest hair that's available

in the industry." Extensions run from \$175 to \$750, with human-hair extensions pricier than their synthetic counterparts.

"The human hair is by far the most popular, even though the price is higher," Osman says. "When the ladies try it on and feel how natural the hair feels, they usually buy the product."

Corioliss also offers a line of extensions with \$250 to \$300 price points that clip on and can be matched to virtually any hair color. Today's woman demands flexibility, so "extensions come in 20 to 22 inches . . . and can be attached at the root line or cut-depending on the wearer's preference," Schueppl says.

Uniquely colored or dyed extensions have also hit the market recently. Funny Extensions, made by Silly Stuff, headquartered in Monument Beach, MA, wholesales a range of hair accessories, including two-toned, re-useable extensions that appeal to a variety of age demographics and can be sold year-round. The company has a start-up package that "instantly turns a kiosk or counter into a salon," and includes DVD demonstration-video displays.

In Orlando, FL, wholesaler Hot Lockz has easy-to-apply dyed extensions in 20 vibrant colors and three distinct styles-straight, curly and braided. Using a clamp process that requires just a few minutes of training for salespeople to learn and doesn't involve glue or weaving, Hot Lockz can be applied easily and quickly by salespeople without prior hairstyling experience.¹⁸

Many retailers offer "traditional" hair care products such as shampoos, serums and sprays designed to be used in conjunction with the styling tools they sell. This not only allows retailers to boost add-on sales, but to draw customers back to the cart when the consumable

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 $^{^{18}}$ http://specialtyretail.com/issue/2008/08/retail-products/retail-product-features/good_hair_days_product_feature/

products run low. Now more than ever retailers are stocking products that are eco-friendly, organic or all natural.

Amika's hair care line features organic olive oil and Moroccan argan oil, which repair hair damaged by blow drying, explosure in the sun and other hair stressors, rebuilding hair cells and promoting shininess.

"Deep conditioning at a salon costs anywhere from \$80 to \$150 for one time," Kadosh says. Amika's deep conditioner provides four or five treatments, at a suggested retail of \$120. Amika also has a styling spray, hair cream, shampoo, conditioner and hair serum, plus a deep-conditioning hair mask, which Brosh reports is a big seller at Growing Rich carts.

Brosh's customers who purchase a hair-styling tool receive a VIP card that allows them to return to the cart to have their hair styled for free. "We have two employees at the cart at all times, so one can work on a customer's hair," says Brosh, who notes that the free-styling promotion serves two purposes. The strategy brings the customer back to the cart to purchase additional products, and allows cart personnel to demonstrate how well the products work. Some of Amika's cart retailers take appointments to do customers' hair (after they buy a straightener or other tool). "This eliminates the need for hawking people," Kadosh says, adding that customers can return to have their hair styled an unlimited amount of times within a year of purchase. Each time the customer comes back for styling, "You have someone coming in who says, 'Oh yeah, I bought that [straightener or curler], and it works great,' which sells more products for you."

Osman says Elite Extensions treats each of its carts as if it were a salon. "We hire hair stylists that are very experienced and licensed, and who work well with our clients," to develop personal relationships just like millions of women have with their salon stylists,

Osman says. "People feel more comfortable buying extensions from a stylist rather than a regular sales associate." ¹⁹

Many retailers round out their product selections by offering a range of unique and attractive decorative hair accessories that make traditional barrettes look so yesterday.

Pomchies, located in Phoenix, NV, wholesales washable, multicolored hair-ties that resemble cheerleading pompoms. Made from swimsuit material and available in 400 colors (with no minimum order), Pomchies have already caught on with the tween set. Best-selling colors include In the Pink, Party Girl, Fiesta Light, and color combos that match school or sports team colors. Bright colors are always a hit with the younger girls, says Pomchies' owner Heather Logan.

Scottsdale, AZ-based Hair Diamond specializes in hair extensions and its namesake product, Hair Diamonds, includes accents that feature Swarovski crystals, faux gems and mock marble. The product can be sold individually or in sets ranging from 12 to 50 pieces. Silly Stuff's line is called Blinx-Bling and also contains Swarovski crystals. Products in the line include crystal wire extensions, crystal hairbengles (jewelry that dangles from the hair) and Beady Shifters hair beads.

Luminence sells crystal tresses, strands of Swarovski crystals and individual crystals that can be applied anywhere, but it's the company's Glowby that's getting a lot of attention these days. A fiberoptic hair extension of sorts that glows; the tween set especially wears them to parties, proms and events-or just to look cool every day.

A new entry to the market this year is High Country's Zhoe Accessories line, which includes unique double combs, quattros (they're a headband, ponytailer, bracelet or necklace), TwistAbouts hair ties, and a variety of clips, barrettes, etc. Based in Rock Springs, WY, the

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 $^{^{19}}$ http://specialtyretail.com/issue/2008/08/retail-products/retail-product-features/good_hair_days_product_feature/

company's founder, Bridget Frame, created the new line, available in several collections: the Desert Collection, Coffee Bean Collection, Island Getaway Collection and the Tuxedo Collection for an upscale look.

As the economy tries to find its footing, it's no wonder that women are turning to specialty retailers for unique products that give them the salon-styled look without the salon-styled price tag. Plus, with many carts and kiosks offering extensive hair services-even free styling on a repeat basis-shoppers have a reason to come back again and again. Thanks in large part to the availability of so many new hair products and accessories, the market for specialty retail hair concepts is likely to grow significantly in the months and years ahead.

Kellie Smith worked in full-service salons for 16 years and always found the process of fitting customers with hair extensions quite tedious. It wasn't an ideal situation. "Hair extensions are not cheap, and we had to charge customers 50 percent up-front to order the product and to ensure they would keep their appointment," she says. "It put everyone involved in an uncomfortable position."

It bothered Smith enough to pose this question to her husband, "Why can't there be a hair store, where people can walk in, pick out their hair [extensions] and swipe their credit card to buy it like they would a pair of jeans?" she asked. Smith continued to think about this. Then when shopping at a mall, Smith spotted a kiosk in the common area and had an inspiration. "I realized a kiosk would be great for a 'hair store.' People could just walk right up to it, and there wouldn't be the overhead of a salon," Smith says.²⁰

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²⁰ http://specialtyretail.com/issue/2008/08/retail-products/retail-product-features/good_hair_days_product_feature/

The result is the Tangles Hair Extensions kiosk, which opened in September at the Apache Mall in Rochester, MN. It offers hair extensions, made of 100 percent Remy human hair, a high grade of hair used in hair extensions.

The extensions are priced at \$450 and up. Hair extensions take about three hours to apply and generally last four to six months. After that time, hair extensions need to be refitted, since new hair growth affects fit and they tend to get tangled easily.

The kiosk also offers many lower-priced, faster-moving items, including clip-on extensions, updos, feathers and crystals, and various hair accessories. The feathers, which Smith says are a hot item right now, start at \$6—or \$4 for a synthetic version. Updos, made with fake hair, run \$15 apiece; typically, two pieces will be combined to create a fuller style.

When Smith and her daughter, Robin Wittlief, started the business, they envisioned a target market of women ages 16 to 45. But the age range is much wider than they anticipated. "With the feather extensions for little girls, and the updos—which appeal to the prom girls up to older ladies—the age range is more like 4 to 85," Smith says.

Tangles has averaged one high-end hair extension per week, which Smith considers an excellent start. "In the salons, we only did about two per year," she says. Her current goal is two to three high-end extensions per week. Even though the extensions are expensive, Smith says there are a lot more customers willing to do it here in the mall than in the salon. She estimates that about 1 in 10 people who have inquired about the high-end hair extensions have made an appointment.

At first, Tangles kept the high-end hair extensions at the kiosk, but quickly moved them to a warehouse to make room for faster-moving items. Walk-in customers that request one typically will have to come back in an hour, so that the item can be retrieved. Most customers make appointments, which suits the partners better, since they can then take turns manning the kiosk.

The hair extensions are attached using a technique known as microbinding, which does not require a license. Conversely, glue binding would require a license, since it involves the use of chemicals, Smith says. Smith uses crimping beads, which are attached to the hair with a pair of pliers. The beads are the same color as the customer's hair and blend in.

Tangles is also using the kiosk to promote a side business. "We have a 'Glam Squad'—a select group of professional hair stylists, makeup artists and nail techs—that we send to bridal, bachelorette, sweet 16 and mommy-and-me birthday parties," Smith says. This service is promoted with signage at the cart.

So far Smith has relied exclusively on word-of-mouth advertising. While some items such as feathers are trendy right now, Smith expects that hair accessories will always be in style.²¹

How to boost your hair extensions business image²²

The hair extension market is estimated to be worth over 10 Billion per annum. This of course won't matter to you because from a local prospective your main focus will be on getting clients, gaining a good reputation and getting paid for the professional service you provide. Here are just a few tips on how you can improve your image, get more referrals and streamline your income.

There are over 36 different hair extension techniques in the market place. If you really want to plan to be a success in this market, then you have to choose to become totally proficient in several techniques. Visit www.needamakeover.co.uk for more information on all

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²¹ http://specialtyretail.com/issue/2012/01/retail-products/new-notables/letting_their_hair_down/

 $^{^{22}}$ Article by Diane Shawe M.Ed extracted from "Getting started in the hair extension business" Author Diane Shawe

the various hair extension training courses. There are many types of clients out there with varying hair problems, plan to be of service to them. Restricting yourself is restricting your potential income.

People like busy hairdressers, just as they like busy restaurants. They think that they must be good if they're busy. When the hair extension studio is quiet use the time for styling the staffs' hair. Get busy with staff training, or ask the staff to clean the hair extension studio. It's also a good idea to advertise for models on certain days. Keep things moving in your hair extension studio, never let it look like a ghost town, it will scare the clients away.

Get quality training

We previously mentioned the importance of getting quality training. Why don't you visit www.expressstrainingcourses.com for more information on all the different training techniques?²³

Be classy (even if you're working from home)

It's best to set your hair extension studio up so that the right impact is made right from the moment the clients make an entrance. Remember that the more professional the hair extension studio looks, the more you will be able to charge, as you will attract a more up market clientele. I always advise that the overall look must not outweigh the warmth and welcome of the studio. Clients like to feel relaxed with the staff and environment, not as if they are on show.

Flowers in the reception always add a touch of class. So does a smiling face, which helps to make each client's visit a welcoming one right from the start. You can make the waiting area more impressive by including a great retail area, some hair extension brochures,

 $^{^{23}\} https://www.sunzu.com/articles/how-to-boost-your-hair-extensions-business-image/$

and a book containing before and after photos. Provide some new, interesting magazines and hair books. Toss out the old or torn ones.

There should be a cupboard or rack for coats, or like some hairdressers have, a small dressing room for clients, who are given a gown to wear. This is a great idea as it removes the problem of high collars being in the way and clothes being ruined.

Make sure there is a place for everything and enough storage space, so that the hair extension studio can be kept tidy. Get rid of the old wraps, used or shabby towels and worn brushes. Never have dirty combs or tongs lying around. All of these things make a bad impression on clients.

Don't be afraid to change with the times. If your hair extension studio starts to look outdated give it a facelift. Invest in the latest equipment. Make sure that the chairs not only look good, but also feel comfortable.

Do everything you can to make the clients feel that they are getting the best of everything. The more your hair extension studio oozes class, the more the clients will love it. They won't mind paying for it either.

Create a private space for clients with special needs

It is worth noting that not all clients want to be on public display. They might have a lot of hair loss which is embarrassing enough and want discretion. Some clients might visit your studio with a wig on and would not relish taking it off in front of everyone in order for you to conduct a consultation. So it is worth having a private area where you can discuss their needs in private.

Create an effective retail area

Make sure your clients can get close enough to the retail area to stand and peruse the products. Don't put products on shelves behind the counter. It's best to make everything accessible. Keep your hair extension retail area professional. Stock quality products that will ensure they can instantly look after their lovely new hair.

Make sure every item has a small price sticker. Make up some value packs for each range of products. The pack should be priced reasonably lower than the items would cost when bought separately.

Make sure to show the total value, the pack price and the saving. Design the value packs so that they may be given as gifts.

Even though the separate products may be expensive, people will buy the packs if they see that they are getting extra value by buying more items. The profit margin will be less on each product, but you will most likely be selling more items than the clients would normally buy at once. This will give you a bigger overall profit than you would make otherwise. Display an impressive looking gift voucher along with its special envelope.²⁴

Use and sell quality products

Boost your hair extension studio's image by promoting the fact that you use the best products. For instance you only supply quality professional hair used by professionals only. You are far better to use quality products and charge adequately for them, than to use cheap brands and have clients complaining of matting hair and other problems.

Let the quality image flow through from the products you use, to the retail products that you sell. Make sure that the retail area is displayed stylishly and keep plenty of stock so that you don't run out.

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²⁴ https://www.sunzu.com/articles/how-to-boost-your-hair-extensions-business-image/

Computers are the way to go

I am not recommending that you go out and spend hundreds of pounds on a system just to impress the client. But some of these new tills can be quite impressive and attached to a computer system with Hairdressing software can include an appointment book, stock control and ordering system, bar coding, individual and total sales, wages, client records, marketing aids and more. With some software you can a enter client's photo to get an idea of what particular styles will look like on that client.

Some hairdressers still like to make appointments in a book, but use a computer for everything else. I have to say that books are a good backup just in case your computer should crash. You've been warned.

Display some photos

Start taking photos of impressive styles created in the hair extension studio. Make up a special book for them and keep it in the reception area for the clients to look at while waiting. Remember to keep exchanging the photos for newer ones as the styles become out-dated. It is a good idea to take before and after shots as new clients like to get an overall picture of the final outcome.

Try not to take flat unimaginative shots of clients you have worked with, be creative. With digital cameras, you can experiment with different shots and then select the most professional one that looks classy. Holiday snap type photos will not do.

You could even invest in some good quality photo print paper and print some for picture frames in your salon. Clients won't mind you taking photos of their hair. They'll think their hairstyle must be pretty special if you want a photo of it.

Be personalable - Play messages to on-hold clients

Clients don't like being put on hold, but when it's unavoidable you could make the most of the time that they are waiting. While you have each client's full attention, play on hold messages to them. You can usually arrange some of these digital services via your telephone providers.

You could have the messages made professionally or make them yourself. This is a good strategy to implant different ideas into clients' minds.

Messages could contain news of any new products or services available, new employees, gift vouchers available, times that the hair extension studio is open, or even the need for training models.

Refreshments

It is good manners to offer clients refreshments. It's very bad manners to ask them to pay for it. It's a bit of a rude shock to a client, to be in an expensive, so called up market hair extension studio, to have refreshments added to the bill.

It's not the money that is the problem. Clients can be offended at the rudeness and meanness. It's important to give added value, little extras. If clients aren't even worth offering refreshments to, then it's a bad sign.

Be aware of the new trend towards healthier products such as fruit teas, juices and water. Clients now like a choice. It's trendy, up market and very now. Keep some nice glasses and cups available.

There is also nothing worse than the inside of a cup being stained from previous use and then served to a client. If a client is spending several hundred pounds then make sure the items you use are professional, clean and smacks of hygiene.²⁵

 $^{^{25}\} https://www.sunzu.com/articles/how-to-boost-your-hair-extensions-business-image/$

Extend Your Potential With Specialty Service Advantages!

Many women wear hair extensions. In 2014 I don't think I have one friend that doesn't wear hair extensions. Hair extensions are now worn as an accessory; women are no longer ashamed or embarrassed to say they're wearing hair extensions. Hair extensions are part of a woman personality or more like another form of an artistic express of themselves. If you sell hair then you probably already know, Women wear what they can afford, some women wear virgin and remy hair and some women wear synthetic hair extensions. Whichever textures and colors you carry; you should be marketing and advertising your brand all the time. That includes how you appear in public as well. You also need to keep up with the trends within your market; you need to know your strengths, your weaknesses, new opportunities and threats, which includes competitors and changes to the industry. Knowing this information will give you a true picture of how your hair extension business could or should be running. It will help you analyze your business set up and it will also help you to market and advertise your business correctly so you don't waist a ton of money unnecessarily.

Marketing targeted to the consumers you want as customers:²⁶ Who do you want to buy your hair extensions brand? Do you want a particular type of woman or will do you want to cater to everyone. Catering to everyone also means all ethnic groups. You can break your market up into sections, this will make it easier for you to target. Make a list of places you feel your hair extensions will add value. You can target bridal shops, team up with salons that you can partner with and offer a bridal package. What about teenagers? There are so many events that take place within high school, like homecoming, Prom and various other

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²⁶ https://howtosellremyandvirginhair.wordpress.com/2014/01/08/marketing-strategies-for-your-hair-extensions-brand/

activities. Get the schools permission and pass out fliers to the teenagers when school ends for the day. Form partnerships with everything related to fashion and beauty or that cater to the same type of customers that you want to purchase your hair extensions. You can also target boutiques, since hair extensions are now an accessory, boutiques are willing to carry your brand. You could also have a fashion event with the boutique have models wearing your hair extensions brand while wearing clothes from the boutique and invite the local community to the event. Team up with nail shops, offer a free manicure with the purchase of two bundles, of course the cost of the manicure should be added into the retail price but nail shops will be happy to partner with you and ask them to give a 10.00 off flier to every customer. Find out if a local company wants to advertise with you so it's cheaper.

Professional salon hair replacement, wig and extension services are now rapidly growing more than ever in new popularity. There are more hair extension, wig and laser hair restoration service companies exhibiting at the professional beauty trade shows across the globe. Hair restoration, wig and extension services are now much more main stream popular with everyone from women, men and teens to the Hollywood celebrities. Hair restoration certainly has its own special audience with those suffering from thin and thinning hair, alopecia and cancer treatments. Now is the time to position your salon as the best experts in town on these special services.

There are great salons on virtually every street corner, in every shopping center and mall across the globe. Everyone may be good at haircuts and haircolor, yet now is the time to take advantage of creating a special niche for yourself and your salon with professional salon hair restoration, replacement, wig and extension services.

There are many competitive advantages. The good news is that more people are now aware of the benefits of professional salon hair restoration services, wigs and extensions.

However, you really must stand out by marketing yourself as a hair restoration expert. It's time to not only get yourself and your entire team certified on the latest laser treatments and hair extension artistry, you must really learn how to create a terrific marketing, advertising, promotional and PR campaign for these highly profitable and specialty salon services.

Hollywood celebrities, musicians and high profile women are definitely helping to make hair restoration, wigs and extensions the best and hottest new hair fashion trend again this year. Just watch the Red Carpet. Stars seem to magically go from smooth and sleek looks to long voluminous looks overnight – while wonderfully taking advantage of today's newest salon service options. You should not be surprised to know that many of the male actors and musicians also now progressively take advantage of hair replacement services and wigs or wear hair extensions.

Define Your Unique Position With Professional Wigs & Extensions: Even if you don't offer laser hair restoration therapies, do you have a salon service that you truly specialize in? Does your salon have and promote a specialty to set you apart from the competition? Do you know what your Unique Service Advantages are? Today, professional hair extension services are being promoted for much more than length. You can help your female and male clients with new volume, texture, highlights, lowlights, multi-dimensional haircolor and even fantasy hair fashion artistry. Wigs can be used for style, fashion, glamour and fun.

The Advantages Of So Many New Choices: Most salon clients do not really know to ask for a specific namebrand wig or hair extensions company. They just need to know that they will need your specialty services and products. Analyze the unique benefits of each wig and hair extensions' brand, before you will be able to effectively market your specialty services. They really are not all the same! If you do not currently offer wigs or hair extensions

in your salon, take the time to investigate these companies, while researching what comprehensive marketing, advertising and PR support they may be able to share with you. If you already do have wig and hair extension services in your salon, make sure that your manufacturer are supporting you with localized education and marketing programs.

Hair Extension & Wig Options: You must be up-to-date on all of the best wig as well as clip-in, tape-on, bonded or glue-in hair extension variables available, so that you may properly educate each of your clients on the special options and benefits. With all of the recent national media attention, most every woman understands wigs, clip on hair pieces and hair extensions today. They are easy solutions.

Hair Restoration, Extensions & Wig Consultations: Get ready to Ask, Analyze & Answer your client's needs with options, benefits and solutions. Ask questions about their needs and desires. Take extra time to carefully analyze their needs and desires by probing with more questions. Once you have them clearly define their needs, desires, likes and dislikes, you merely need to educate your clients on the options available to them. There will be no need for any hard sell approach.

Your hair extension consultations should begin with an explanation of the differences between clip-on, , taped, bonded and glued techniques as well as the various Hot, Warm and Cold Fusion Hair Extension Techniques. There are certainly plenty of options with synthetic versus human hair qualities as well as with a variety of hair extension equipment and bonding techniques.

Hair Restoration, Wig & Extension Marketing Basics: It's time to become respected as one of `THE top hair restorationists, wig specialists, extensionists and hair replacement experts' in your town, through a well supported marketing, advertising and PR campaign. If you already offer these professional salon services and products, you now need to ensure that your local community knows this. Properly marketed, hair replacement, wig

and extension artistry will definitely make you and your salon highly respected. It will enhance staff and client recruitment. It will also make you much more profitable. You will need to create an annual hair extension marketing plan that is complete with advertising, promotions, printed merchandising materials, special events and media relations.

Marketing With Service Menus: Hopefully you already have a traditional salon service menu. If you do, make sure you add one full section or page on each of your professional wig, hair replacement, restoration and hair extension services. Like specialty haircolor services, you may even want to consider creating a separate menu dedicated to these special professional hair services while sharing your expertise. This service menu should explain the many benefits, options and variables. It should explain what to ask for, what to expect and how your client's should take care of their new hair, wigs and hair extensions at home between salon visits. We suggest that you show off some of your best before and after hair extension makeover photographs.

Service & Pricing Strategies: You need to carefully analyze your own marketplace, before you begin to successfully promote hair restoration, wigs, replacement and extensions. You really do not need to worry too much about anyone else's service prices, especially if you are the only one offering these services. Sell on quality, not on price! Start at the top with high prices that will command a special level of respect for your quality of hair, wigs and extensions as well as your level of expertise. You can certainly price your specialty services in competitive manner like you do for your haircuts and haircolor. You really do not need to offer low prices or discounts. Don't try to undercut anyone else. Put a value on your time and talent, which will command respect.

Marketing & Advertising Strategies! If you really want to become respected as the best team of hair restoration, replacement, wig and extension specialists in your area, you will need to create a complete annual marketing, advertising and PR strategy, while balancing it

with. If no other local salon has created a position for themselves as the leaders in one or all of these categories, then you will need to create a marketing plan that will earn this title for you. Even if others do offer hair extensions locally, there's no reason you cannot become respected as the top hair extensionist. There are many options and promotional strategies that you may consider.

- Print Advertising: Consider advertising your hair replacement, restoration and extension makeover artistry in some of the best local city and regional magazines. Even if you only acquire ¼, 1/3 or ½ page full color advertisements two to three times per year, this will help to position you as one of the top specialists in town. We do not recommend newspaper advertising unless they are offering a special salon, haircare, hair extensions or 'Best Of' section.
- <u>Direct Mail Marketing</u>: Direct mail should become an essential part of your annual marketing strategy! Create colorful postcards with beautiful makeover photographs and your logo on the front with a personalized message about complimentary consultations on the backside. Collect the names, addresses, telephone numbers and email addresses from your clients. Create a computerized direct mail database of your clients, so you will be able to mail them special hair extension postcards, newsletters, fliers and brochures. Explore upscale direct mail magazines, like Clipper Magazine, Savvy Shopper and Mint where you can affordably promote your services for about 3 to 4 cents per home, while reaching as many as 50,000 homes surrounding your salon.
- <u>Email Marketing</u>: This strategy should also now become another essential part of your annual marketing strategy! Create colorful email blasts with some of your most amazing makeovers. Create a special computerized email database of your clients, so

you or your webmaster will be able to email them news, promotions and makeover ideas on your specialty salon services.

- <u>Internet & Website Marketing</u>: Make sure your website promotes your specialty hair restoration, wig and extension services while sharing a complete gallery of your makeover photographs. Tell about all of your various services, products and extras.
- Radio & TV Broadcast Advertising Options: We recommend consideration of cable TV and radio advertising in small city markets or if you have multiple locations in a large metropolitan city. Radio and TV are quite expensive, if you buy preferred drive time spots. It is not worth buying any 'Run Of Schedule' with odd hours in the middle of the night. Radio and TV will usually target a much larger area than you need, while most salon clients still will only drive 3 to 5 miles for their services. If you can afford it and you can put together an ongoing campaign, then do it. Your radio and TV stations will help you create the commercials, so negotiate for these as part of your annual advertising agreement package.

You Must Wear Them To Sell Them! This is true. You have heard this before for creative haircolor and highlight artistry. This is even more true for professional salon wigs and hair extensions. Make sure everyone on your staff wears them, especially your receptionists. You cannot effectively sell wigs or hair extensions if you don't wear them.

• Pretty For Prom & Fun Bridal Party Promotions: We have had fun promoting a few fantasy color hair extension pieces to match the prom dresses, bridesmaid's gowns or party dresses for only \$10 per piece or \$25 for three hair strands / pieces. You can run advertisements in the high school and college newspapers as well as to run full color advertisements in your regional bridal magazines. You can offer 3 FREE Hair Extension strands / pieces to match any prom, homecoming or bridal party dress, with

- complete 'Pretty For Prom' or 'Bridal Party' Packages each with a new haircut, haircolor or highlight, upstyle, eyebrow arch, manicure and pedicure.
- <u>Seasonal Extension Promotions</u>: You can also seasonally promote temporary hair extensions with fantasy haircolor artistry for holidays with green for St. Patrick's Day, red or pink for Valentine's Day, orange and black for Halloween. You can promote hair extensions with team colors for the big local and national football games.
- Hair Restoration, Extension, Wig & Makeover Consultation Books: These are very important to have available in your salon and for promotions. Share as many of your own makeover photographs as you can in your advertising, posters and point-of-purchase materials. Create your own 'Makeover Consultation Stylebooks'. Include feature articles about hair extensions, wigs and hair replacement services from local and national magazines.
- Reception Area Stylebooks: Passion International Stylebooks just published their first two Passion Hair Extension & Salon+ Stylebooks this past year with makeovers and versatile hair designs from top salons across the USA. Many salons and manufacturers are represented. Whether you make your own or purchase a stylebook, these are great visual merchandising tools to share with your clients during consultations. We suggest that you take professional photographs of your makeovers to send out to the many national consumer hair magazines and stylebooks.
- Teens: Teen girls love hair extensions, hair pieces and wigs for instant makeovers with added texture, length, fantasy haircolor, highlights and style. They love everything fun, flirty and fashionable. With teens, you can promote temporary clip-ons, hair pieces and permanent hair extensions. Create special Teen Nights with lecture demonstrations and educational events in your salon and at the local high schools. Hand out special Salon V.I.P. Cards and Gift Certificates to everyone in attendance.

- Men: Men have hair challenges too! With aging baby boomers, alopecia, thinning hair challenges and hair loss, they will always make a wonderful target market for your services. Create and market a special program just for men with thin and thinning hair. Once you have a few men start to wear your wigs as well as your hair extensions for volume, body, length, texture and highlights, you will be surprised at how many more men you will start to handle. Today, they are very interested in hair restoration and replacement services.
- <u>Cross Marketing:</u> Visit with local dermatologists and medical clinics that help teens
 and women with alopecia or those that are recovering from chemotherapy treatments.
 Drop off your cards and brochures, while offering free private and confidential
 consultations.
- Point-Of-Purchase Merchandising: Create colorful tent cards, mirror cards, counter cards, self talkers, posters, window banners and outdoor signage that will seasonally promote all of you creative hair replacement, wig and extension services both in and outside of your salon. Be sure to share big photographs of your best makeovers on women, men and teens.

Full Price Or Promotional Discounts? We strongly suggest that you promote your specialty services at full price. If desired, you may want to offer a \$100 or \$200 gift certificate discount towards any new first-time full head of hair extensions. You certainly can offer a gift with purchase by offering a large gift of professional home haircare products, tools and special hairbrushes with any first-time hair replacement or extension service.

Boilerplate Marketing Programs: Some of the professional companies like SO.CAP.

USA Hair Extensions offer you pre-designed brochures, posters, postcards, newspaper and magazine advertisements where you can easily add your own salon logo, address, telephone

number and website information. They may offer this artwork on their websites or on CD's. If they offer PR Reprints from nationally published feature articles, ask how you can get copies of these to use in your salon and to frame for your 'Wall Of Fame'.

Promote Your Expertise & Certifications: Your salon 'Wall Of Fame' should boast framed copies of your Certification Award certificates. Clients are always very impressed by well educated hair designers and hair replacement experts.

PR & Media Relations Strategies: Remember that local and national PR exposure must be pursued by you to promote your hair replacement, wig and extension specialties, while educating the public on these unique services. You cannot over commercialize or 'sell' anything through PR via press releases and feature stories. Plan a makeover photography session, so you can share your best work with the local newspapers as well as the national consumer hair magazines. Once published, take this new found fame to the bank with posters and advertisements that scream "ABC Salon Makes National & International Headlines!" These special makeover photographs should also be used in your newspaper advertisements, postcards, newsletters and on your website.

Specialty Take-Home Professional Retail Products: It is important that you are ready to promote how your clients should take care of professional hair replacement and extensions at home between salon visits. We suggest that you include a \$50 to \$75 value package of Specialty Shampoos, Conditioners, Styling Aids and a Hairbrush with each new First-Time Specialty Service. When clients are willing to spend \$1500 to \$3500 or more on your services, you cannot be afraid to sell a \$50 to \$100 home haircare regimen.

Create New Marketing Solutions: There definitely is a market today for professional wigs, hair restoration, replacement and hair extensions. Most salons have not taken advantage of these opportunities, so if you offer any of these services – get ready to market more aggressively. Take advantage of this open marketplace by creating a complete marketing,

advertising and PR program for your salon. Those salons that say, "Not here!" just aren't paying attention to the latest fashion news. It's time to make your salon known as one of the top fashion forward specialty salons in your community!

Pros vs Cons

LIST OF PROS OF HAIR EXTENSIONS

1. Instant Style

One of the biggest pros of hair extensions is that they instantly give you that dream hairstyle you've always wanted. You won't have to wait for 6-12 months to achieve that hair that will reach your shoulders.

2. Flexibility

Hair extensions allow for flexibility to try out different hairstyles without getting confined to a single style. If you get bored with your hair extensions, you can easily remove them and get a different look.

3. Try Different Colors

With hair extensions you can also try different color combinations, without worrying about damaging your natural hair. You can also add some beads and create your own unique style.

4. Easy to Maintain

Hair extensions are easy to maintain and care for. They can be treated and washed just the same way as natural hair.

LIST OF CONS OF HAIR EXTENSIONS

1. May be Painful

There's no doubt that you'll feel a certain amount of pain when you cut or trim that hair you've spent so much time growing and caring for. With hair extensions you never have to face the scissors, and therefore no regrets as you can try any styles you want.

2. Don't Increase Hair Length

Hair extensions don't just increase your hair length, but they also provide additional volume

and thickness. They are an excellent choice for thinning, limp or fine hair.

3. Costly

One of the major setbacks of having hair extensions is the price. If you require the most

natural looking hair extensions, you'll need to pay dearly. The cost will largely depend on the

volume and length of the hair as well as the stylist who will fix them.

4. May Cause Hair Damage

Hair extensions have the potential to cause some considerable damage to your natural hair.

Since they are attached to your natural hair using knotting, thermal heat, glue or braiding, the

can hamper hair roots or strands. Glue, heat and other chemicals can burn, split or break hair

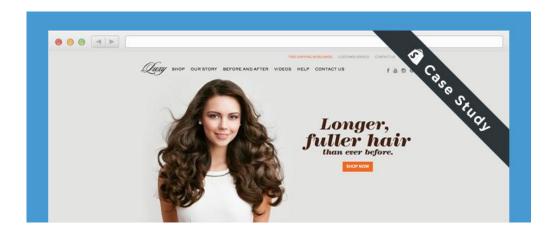
strands, while tight braids or tight knots have the potential to pull off your hair from its roots.

Source: http://occupytheory.org/hair-extensions-pros-and-cons-list/

How Luxyhair.com Built a Seven-Figure Ecommerce Business With YouTube

Marketing

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When Alex Ikonn and his wife Mimi realized how hard it was to find good hair extensions, they knew they had stumbled on a business opportunity.

They took their problem and solved it by creating Luxy Hair - an extremely successful online store selling hair extensions for women.

And the coolest part? Their business is powered almost exclusively by tutorial-style YouTube videos.

Their YouTube channel was created in 2010 and since then has amassed 1,474,246 subscribers and 173,657,125 total video views.

In other words, Luxy Hair is the perfect example of an audience enabled business that relies on a loyal community of fans instead of other channels like SEO and paid advertising.

I caught up with Alex to find out how they took their site from idea to million dollar business.

Before & After

You won't believe your eyes, when you put in Luxy Clip-in Hair Extensions. They will instantly transform your natural hair into mermaid-like, long, gorgeous locks!



SEE MORE BEFORE & AFTER PHOTOS >

Source: http://www.shopify.com/blog/10908445-how-luxyhair-com-built-a-seven-figure-ecommerce-business-with-youtube-marketing

Describe your business and product(s) in 1-3 sentences.

Luxy Hair is a customer-centric hair extensions ecommerce retailer.

How much revenue are you currently generating per month?

I believe a more important measure for businesses is profitability and I can confidently say we are profitable in the seven-figures (annually).

How did you come up with the idea for your business/product(s)? What kind of market research did you undertake?

My wife Mimi and I were getting married and she was looking for hair extensions for the wedding. She wasn't able to find what she was looking for and I was lucky enough to be in the room when she was talking to her sister Leyla about her predicament. At the time, I didn't even know what hair extensions were.

And this was all of the market research we needed, as I knew if she wasn't able to find a solution for her dilemma, we were going to try to solve it!

How did you create, manufacture or source your product? What were some key lessons you learned during this process?

I started sourcing the same night. I went on <u>Alibaba</u> and probably contacted every hair extension supplier that was there and just started asking questions about how to make it happen. I asked many stupid questions, however, that made me learn more about the product and how to actually make the idea a reality.

In choosing our supplier, ultimately it came down to the quality of product. From my initial list, I narrowed down to about 10 that I had pretty good communication with and then started ordering samples. The supplier with the best quality product and communication won our business.

To our surprise, there was no minimum order with our supplier, however, we still had to place a pretty big order as the product itself is very expensive. Our initial order was \$20,000.

A key lesson I've learned is the communication you have with your supplier is really important. As weird as it sounds, you have to feel a connection and trust your intuition. It's fluffy but it worked for us and we still work with the same supplier.

How did you promote your business initially and where did your first sales come from? Any major media mentions or PR wins since then?

Our business was entirely grown through our YouTube channel, the YouTube community and word-of-mouth. We only recently started experimenting with paid marketing - up until then it was all organic.

And our initial biggest win was a YouTuber with about 15,000 subscribers reviewing our product. This did way more for us than any magazines mention can do as we've been featured and it's nothing compared real people on YouTube.

Your YouTube channel has over 173M views. Why is video working so well for you and what advice do you have for other businesses looking to leverage it?

YouTube works well for us because of the way we approach the YouTube community. Our approach is to try our best to give people value and a personal connection when we create our videos. We honestly don't focus on selling and instead focus on these two factors. The sales and word-of-mouth come as people can feel we genuinely want to help people. We don't even use our product in most of our videos.

I can also tell you that YouTube is not for every business. It works so well for us as you can see how the product looks and how it can transform your hair to help you create different hairstyles and look great! It's a visual product.

How do you handle shipping and fulfilment and organize the back-end of your business? Key lessons/tips for doing this successfully?

The most important thing I would recommend to anyone is to work with a third-party fulfillment warehouse from day one. It will save you a lot of headache. We used Shipwire when we had a crazy idea and no sales to growing to be one of their biggest customers.

The key lesson is shipping takes a lot of time and you want to use a service that will enable you to scale quickly and not interrupt your growth.

What software, tools and resources are crucial to your business?

Definitely, Shopify and Shipwire! These are my secret weapons and they integrate so seamlessly together.

The Shopify blog is my go to ecommerce learning resource. Sometimes, too much content that I can't even absorb it all.

Sounds like a pitch for Shopify but I honestly love the service.

What were your biggest mistakes or wastes of time and money (if any)?

Our biggest mistake was not giving into crazy customers and my lesson was that it's better to lose a little money than to be right.

For example, we've had instances when the customer didn't follow a certain refund policy and still wanted a refund. Sometimes it's better to play nice and not follow your refund policy as angry crazy customers can make you lose a lot more money. With social media at everyone's disposal you have to be very careful.

What other key advice can you offer to entrepreneurs looking to start a successful ecommerce businesses?

Stop thinking about yourself and your success. No one cares.

Start thinking about others and how you can bring value into their lives and help them solve their problems.

Key Takeaways:

When looking for product ideas, examine your own everyday life and look for pain points that you can solve. Chances are, if it's a product or service that you need, others will need it as well.

Don't be afraid to learn from suppliers and ask lots of questions - even if you know nothing about a product or industry.

When it comes to video and content marketing, focus on creating content that has independent value and lacks a direct sales pitch. This will help you build an audience, position you as an authority and ultimately sell your products in an under-the-radar way.

Keeping customers happy is important and sometimes making small customers service concessions can save you time and money down the road.

Provide as much value as possible through your content, products and services and you'll be much more likely to find success.

Google AdWords campaign – for Hair Extension Business



Good Hair Days

Florida Hair Extensions used Google AdWords to grow its business by 425% year-on-year.

Who they are

- Florida Hair Extensions
- fioridabalredensions.com
- Hollywood, Florida
- 28 employees Salon specializing in hair extensions

What they needed

- To grow their business
- To establish a customer base
- To measure the return on their advertising investment
- To adapt their advertising to seasonal trends

What they did

- Began with Google AdWorks in 2005
- Targeted their ads to show within a specific geographic radius
- Used phone numbers and coupons to track client sources
- Moved most of their advertising budget online

What they accomplished

- Rapid growth: Graw their business by 425% In one year
- Cost control: Reduced their customer acquisition cost
- New business: Now welcome 55 new clients per month
- Expansion: Opened up 2 new locations In Houston and Las Vegas

Any fashion maven will tell you that long hair is like a little black dress: it never goes out of style. Natalie Brady knows this better than most.

"I used to specialize in cuts," Natalie explains, "but then in 2004 I found out I had a real knack for doing hair extensions and changed gears entirely. Since there's a huge demand for high-quality extensions, I saw an opportunity to start my own business."

"And I saw dollar signs," adds Franky, Natalie's husband. "The demographics in our part of Florida were very supportive of a hair extension salon. With Natalie's incredible talent and my moral support, there was nothing to stop us."

The couple rented a 12x12 room in the back of another salon and set a goal of getting one new client per week. "Franky was my assistant," Natalie recalls. "It would be an understatement to say we started small and built Florida Hair Extensions from the ground up. But we knew the interest was there - we just needed a way to capture it."

Letting their hair down

"Franky was great at handing me hairpins and sweeping up hair, but I felt his talents could be put to better use," Natalie continues. "So I hired another stylist and had Franky work on our website. Then I told him to explore online advertising."

"I don't mean to split hairs," Franky says, drawing quotation marks in the air, "but I believe that was my idea. After I built the site, I moved some of our advertising budget to Google AdWords" as an experiment. I had a hunch people in the area were searching online for hair extensions. I was right. As soon as we turned on our ads, four clients a month became twelve a month."

Encouraged by the results, Franky moved the salon's entire advertising budget online and increased his AdWords spend from \$30 to \$150 a day. *I got more out of my AdWords campaign than from all the money I was spending on other forms of advertising. We got so much business that we had to move into a 1,600-square foot space."

Numbers game

Before Google AdWords, Natalie and Franky had no way to measure the effectiveness of their advertising efforts. "Natalie's not just a great stylist – she's a natural-born businesswoman," Franky enthuses. "When we did print advertising, she'd ask me how much business it was driving. In other words, she wanted me to track the return we were getting from our advertising campaigns."

"I'd demand numbers, and he would just shrug," Natalie confirms. "It wasn't quite grounds for a divorce, but it was enough to make me start going gray. Since we began with AdWords, that's all changed. For instance, I know that AdWords accounts for 55 percent of our website traffic and for 30 of our 55 new clients each month. I even know we have a cost per new customer of \$83. I won't mention how much hair extensions cost, but let's just say that's an encouraging statistic."

These days, Franky uses a number of strategies to determine how clients are finding and learning about Florida Hair Extensions. "I have several versions of the website with different phone numbers," he explains, "so people who click on our AdWords ads are taken to a landing page with a specific number. I also mention a

About Google AdWords

Google AdWords** is a performancebased advertising program that enables businesses large and small to advertise on Google and its network of partner web sites. Hundreds of thousands of businesses worldwide use AdWords for text, image, and video ads priced on a cost-per-click (CPC) and cost-perimpression (CPM) basis. Built on an auction-based system, AdWords is a highly quantifiable and cost-effective way to reach potential customers.

For more information, visit https//www.google.com/adwords

20 percent discount in the ads. If someone calls and claims the discount, I know they're coming from AdWords. It's easy to monitor the effectiveness of my AdWords campaigns – and that helps keep my marriage together."

Hair today, gone tomorrow

The state of Florida is synonymous with seasonal migration. As temperatures drop throughout the Northeast, flocks of snowbirds make their way down the coast to soak up the sun – and to lengthen their locks. "With AdWords, we can modify our advertising campaign to reflect seasonal business trends," Franky points out. "During our slower months, we show our ads within a 50-mile radius to reach more people. When business picks up in the winter, we only show our ads within a 20-mile radius. The more precisely we target, the more our clickthrough rate increases."

"And best of all, we don't end up spending any more than usual," Natalie adds.
"We can set our own budget and change it whenever we want. That type of control

"During our slower months, we show our ads within a 50-mile radius to reach more people. When business picks up in the winter, we only show our ads within a 20-mile radius. The more precisely we target, the more our clickthrough rate increases."

Franky Brady, owner, Florida Hair Extensions

makes me very happy with both AdWords and Franky."

Good condition

With every new extension, the Bradys' salon empire is growing. They now employ 26 stylists and recently began using AdWords to promote new locations in Houston and Las Vegas. "Our business grew 425 percent from 2005 to 2006," Franky reports. "I would attribute about 75 percent of that growth to AdWords. As you can guess, it's earned me a lot of points with my dear wife."

"Well, he did try one other advertising method that worked just as well," Natalie clarifies. "He got a guy on stilts wearing a huge '80s-style wig to stand outside our door. That got us lots of attention – but it's not the kind of thing you do every day. I told him to stick with AdWords."

Source: http://www.expressmarketingsolutions.com/google-

adwords/pdfs/Adwords_Success_Florida%20Hair%20Extensions.pdf

Competitors

See Attached Excel file

Sources:

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