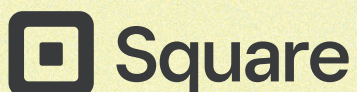


Client Loyalty in the

BEAUTY INDUSTRY



Built for Beauty

TRUST. COMMUNICATION. LOYALTY.

These are all critical elements of a successful romantic relationship. But they are also crucial to another type of relationship: That between a professional stylist and their client.

Like a marriage or friendship, the connection between stylist and client can turn into a meaningful, long-lasting commitment. And as with all relationships, they have their ups and downs.

To better understand the ties that bind clients and their stylists, Square took a closer look at the feelings, desires, and concerns of consumers when it comes to their stylists. Why do some stay while others stray?

Square partnered with Morning Consult to survey consumers in North America and found that, like any relationship, the client and stylist dynamic encompasses a number of factors.

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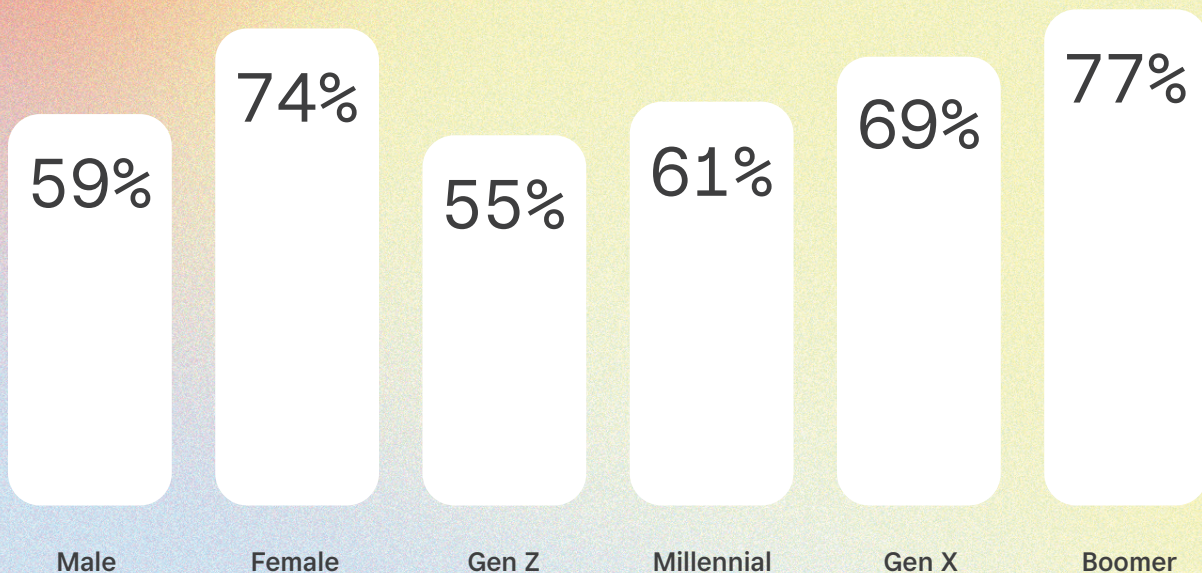
CLIENTS DON'T FEAR COMMITMENT

When it comes to commitment, consumers aren't afraid to make it exclusive, at least when it comes to their hair stylist or barber.

In its latest report, Square found that 67% of respondents are in a committed relationship with their hair care provider, with Baby Boomers, Gen X, and women tending to be most loyal to their stylists.

For those consumers who have a regular stylist or barber, they've historically had a longer relationship with them, with more than two-thirds (68%) having gone to their stylist for three years or more. This indicates that it pays to invest in the client-stylist relationship.

Client loyalty varies across demographics



There are many different reasons for the success of these long-term relationships. Consumers' top-ranked motivators for staying with their providers are:

94%

Love the way their stylists cut and/or color their hair

87%

Look forward to catching up with their stylist

86%

Good price

85%

Easy booking

75%

Better communications between appointments

59%

Stylist recommends products and/or other services for specific needs

"We are so grateful for our many loyal, long-term customers. A lot of them essentially become our family. We see them on a regular basis, and they end up opening up to us. And Square has definitely helped us to nurture that fidelity and loyalty with our customers – it helps us keep in regular contact so that even when they're not in the shop, they know we're thinking about them."

DAVE LECHASSEUR

OWNER OF [SAVVY SALON DE BARBIER](#), MONTREAL, QC

KEEPING THEIR OPTIONS OPEN

Even the best relationships have their ups and downs, leading some clients to prefer playing the field rather than settle down with the same stylist.

Of the respondents who have a regular provider, one in three say that they are in an open relationship with them. This sentiment is most common with millennial and Gen Z consumers, as well as men.

For those in an open relationship, the reasons they visited a new provider were primarily operational and logistical, with some citing personal reasons.

57%

Difficulty in scheduling/
booking their appointment

53%

Services becoming too expensive

50%

Either party moving

41%

Stylist didn't listen to
what they asked

34%

Personalities don't mesh

“Clients are incredibly busy, and for businesses that don’t use seamless booking software, they’re missing out on an entire pool of clients. Businesses need to make the booking process as easy as possible, all the way from making the first appointment to receiving automated reminders. All of this enables beauty sellers to look and feel professional, which helps uplevel their business with existing and prospective clients.”

ASHLEY HEYWOOD

HEALTH & BEAUTY PRODUCT MARKETING LEAD AT SQUARE

“We’ve found that clients stay with beauty professionals who listen and understand them. Clients are more apt to keep coming back to a beauty professional when they feel heard, appreciated, and accepted. It is when one of these three are missing that clients will begin to look elsewhere. It’s essential to put the client’s needs first so you can provide top-of-the-line service, all while being professional, respectful, and kind.”

KELLY WESTBROOK

VICE PRESIDENT OF MEMBER DEVELOPMENT [MY SALON SUITE](#)

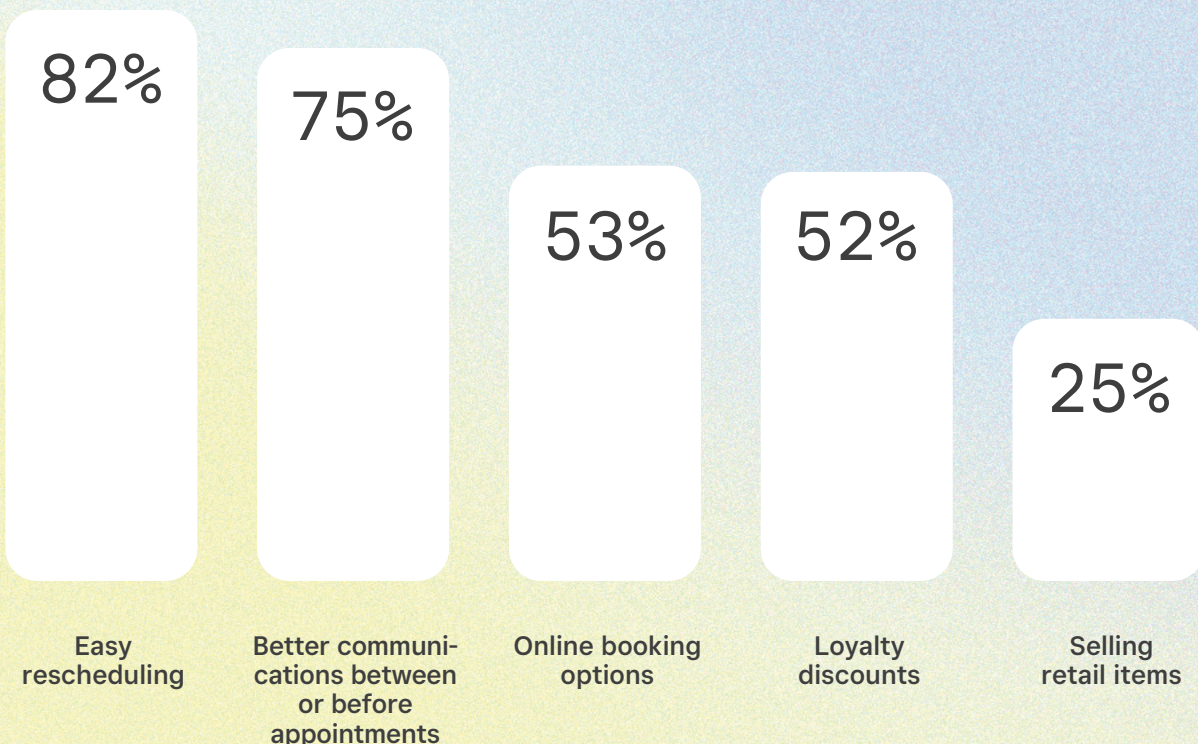
GETTING BACK TOGETHER

Many consumers have come to learn that the grass is not always greener on the other side.

Among clients who explored other relationships beyond their primary stylists, 61% regretted going to another provider to some extent.

More than half of such consumers (57%) went back to their regular stylists, while 30% opted to stay with their new providers. Another 13% remain committed to playing the field, with plans to keep seeing new stylists until they find the one.

Reasons why clients would return to a provider



Square Appointments data shows that 64% of bookings last year were scheduled outside of the typical 9-to-5 business hours, showcasing the power of beauty software to fuel bookings even when businesses are closed. Square data also shows that convenience gets people through the door, with 75% of clients booking their appointments through online booking sites.

TIP

Use all-in-one point-of-sale software like [Square Appointments](#) so clients can book 24/7 no matter the time or place, whether it's through a convenient online booking site or app. Clients can also receive automated, AI-enabled appointment reminders for seamless communication about their bookings.

“We put a lot of work into building a strong web presence in the Louisville area, and the whole experience is centered around online booking. We have a lot of hospitals in the area with staff that work all hours, and we get online bookings at all times — day and night.”

SEAN STAFFORD

CEO AND CO-FOUNDER [TRIM NULU](#), LOUISVILLE, KY

THE CHANGING BEAUTY INDUSTRY

The beauty industry has evolved dramatically over the years, and sellers have had to adapt while finding new ways to operate and grow their business.

Remote and hybrid work have altered consumer behavior, and the beauty industry has felt the impacts. With the ability to work from anywhere, Square data found that Tuesday appointments are now more popular than Saturdays, while Mondays have also become more popular.

TIP

Analyze data to understand which days generate the most and least revenue. You can then create a business plan to maximize bookings and profit for slower days while being able to staff your salon properly for the busiest days of the week.



BUSINESSES DIVERSIFY REVENUE STREAMS

Beauty businesses have built out new areas of their operations to maximize profit.

On top of services, salons and barbershops have leaned into selling retail items both online and in-person for increased revenue. Square found that businesses who sold both services and products, rather than just services, saw 57% more in annual sales. That's because clients typically add two retail items when checking out, regardless of whether a client is leaving an appointment or purchasing online.

Beauty sellers are leaning into subscriptions to create recurring revenue and engage clients more regularly. A beauty salon might offer a monthly subscription for a set number of services. Square found that more than 62% of subscriptions remain active after six months. This signals a strong appetite for these types of offerings as consumers continue to prioritize their well-being.

Buyer subscriptions power recurring revenue for beauty businesses

Share of subscriptions that
were still active after...

73%

3 months

62%

6 months

50%

12 months

“Salons [that] understand the importance of getting the proper products into the hands of their clients are likely to increase client lifetime value by three times, which is the best way to improve loyalty and profitability. It’s so important to send your clients home with the proper home care, recommended by you, their personal beauty influencer. Salons also need to think about retail differently than before, serving their clients where they’re increasingly shopping — online.”

RANDY COTTON

PRESIDENT AND GENERAL MANAGER [SALON INTERACTIVE](#)

THE BOTTOM LINE STAYS TOP OF MIND

Time is money for beauty sellers, who need to maximize revenue every time a salon chair or treatment table is booked.

In order to prevent loss of income, more beauty sellers are leaning on no-show protection, such as cancellation fees, deposits, and prepayments.

In 2021 nearly 5% of beauty and personal care sellers using Square Appointments had cancellation fees activated, and in 2023 that number nearly tripled. Beauty sellers with cancellation fees enabled saw a 21% decrease in cancellation and no-shows, compared to sellers who didn't enable this protection.

“Square allows us to secure every booking with a credit card and charge a fee for no-shows. Prior to implementing this policy, our no-show rate was at 20%, and now it's nearly zero.”

SEAN STAFFORD

CEO AND CO-FOUNDER [TRIM NULU](#), LOUISVILLE, KY

RISING CONSUMER BEAUTY TRENDS

Consumer appetite for beauty and wellness trends are always shifting.

Salons continually offer new treatments and services to stay on-trend while building stronger relationships with customers. When analyzing data from hundreds of thousands of beauty and personal care sellers, Square found that demand for a number of services has soared.

Comparing 2021 vs 2023

+313% **+100%** **+76%**

Russian manicure

Scalp treatment

LED/red light therapy

+64% **+48%**

Laser skin treatment

Brightening facial

TIP

Ensure your business is staying on top of the latest trends so you can keep your client relationships exciting and attract new customers. Request client feedback to understand which types of services they'd like to see added, and then determine what is feasible based on current and future resources.

Methodology

This survey was conducted online from May 2 to May 8, 2024, among 2,009 adults in the U.S. and 1,002 adults in Canada. The data were weighted to reflect the demographic makeup of the general population in the U.S. and Canada. Results from the full survey have a margin of error of $\pm 2\%$, and the margin of error among subgroups is greater. All subgroups highlighted in reporting have a base N size of 100 or more unless otherwise stated.

Square analysis is from transaction data from hundreds of thousands of beauty and personal care sellers in the U.S. and Canada between January 2021 and May 2024.

