



Market Report

A Snapshot of your Market Sector

Nail Technician

This pack has been designed to provide information on setting up a business in the Nail Technician industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in March 2018. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Nail Technician market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Nail-care services account for an estimated **10%** of the overall beauty and hairdressing industry revenue of **£3.7bn**. Nail-care services include manicures, pedicures and nail enhancements and are often offered through specialist nail salons. **Prices range from £10 for basic nail-varnish services to £100 for permanent nail extensions using bio gels.** (IBISWorld, *Hairdressing & Beauty Treatment*, December 2017).
- ◆ A recent Mintel survey found that **13%** of respondents had had nail treatment done in a spa or beauty/grooming salon within the previous 12 months – this is up from 10% of respondents in 2015. (Mintel, *Spa, Salon and In-Store Treatments*, September 2017).
- ◆ Retail sales of nail cosmetics **rose by 4%, to £249m in 2016**. The nail polish sector has seen innovation in breathable nail polish, however there is a lack of halal-certified nail polishes. Despite the use of hijabi vloggers in advertising campaigns, brands have yet to explore the halal market, which presents opportunities for growth. (Mintel, *Colour Cosmetics*, May 2017).
- ◆ Nails Salons are the **7th most popular type of start-up business in the UK**. (National Hairdressers Federation, 2017 Industry Statistics for Hairdressing, Barbering & Beauty, March 2017) (<https://tinyurl.com/ybfncvtvu>).
- ◆ A recent survey found that female respondents in the UK spent on average £112.65 per month on their appearance, including **an average of £9.15 every month on manicures**. (The Independent, “Average British Woman Spends £70,000 on her Appearance in a Lifetime, Research Finds”, 10th March 2017) (<https://tinyurl.com/yczrhah>).
- ◆ The national organisation for this industry is [HABIA](#), the Hair and Beauty Industry Association and [BABTAC](#), the British Association of Beauty Therapy and Cosmetology.

Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel – Colour Cosmetics (May 2017)** A much higher proportion of women have purchased gel/UV nail polish in the year to March 2017 compared with the year to May 2016, with the retail nail polish sector seeing a 4% rise in value in 2016.
- ◆ **IBISWorld – Hairdressing & Beauty Treatment in the UK (December 2017)** The nail-care services segment is highly sensitive to wider economic conditions, as consumers can easily forgo more expensive salon visits and perform their own treatments at home. **Demand for low- cost services such as basic manicures can stay steady during low consumer sentiment, as these services are perceived as an affordable luxury.** Overall, this segment has grown as a share of revenue over the past five years, supported by innovation and new products such as gel nails and shellac polish.

There are also a number of online resources you may find helpful:

- ◆ **HABIA - Code of Practice: Nail Services** (tinyurl.com/ya488o7a) outlining the expectations of a HABIA member in the nail industry, this offers advice and standards for operators of nail salons.
- ◆ **National Careers Service – Nail Technician Job Profile** (<https://tinyurl.com/y8fo877z>) covers skills required, entry requirements, duties, typical working hours, career progression and indicative salary levels.
- ◆ **Nail Tech Network** (tinyurl.com/yalkw82q) online community for professional nail technicians.
- ◆ **Direct Line Small Business Knowledge Centre - Beauty Salon vs Mobile Beautician** (tinyurl.com/yd8b87w8) provides an overview of the pros and cons of each business model for beauticians, nail technicians etc.
- ◆ **Scratch magazine** describes itself as the forum for nail professionals, you can find product reviews and blog posts on current trends. (scratchmagazine.co.uk/)
- ◆ **Nails magazine:** Useful trends for nail professionals (nailsmag.com/)

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as Yell, Thomson Local or Google Maps
- ◆ Trade specialists like EuroPages (European directory), The Wholesaler or Free Index
- ◆ Business to business (B2B) specialists such as Kompass

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the Companies House website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Retaining and Grow Your Customer Base](https://tinyurl.com/c2fw4o4) (tinyurl.com/c2fw4o4) will help you to identify who your customers are, how to use this information to sell more effectively and how to actively compete in your marketplace.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the National Records of Scotland (NRS). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the Census Area Profiles. Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ Understanding Scottish Places has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ Scottish Government Statistics provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ The Scottish Household Survey provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ Office for National Statistics (ONS) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Account](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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Updated by: [Enter name]

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