

**The NACCAS 2007 Job Demand Survey was conducted by JBL Associates in 2007, and describes the state of the job market in cosmetology and related disciplines as of the date the Survey was conducted. This Survey may not accurately reflect the current state of the job market (either nationally or in any specific State or jurisdiction), and should not be relied upon for that purpose. The Survey is made available to the public solely as a historical record of the state of the job market in 2007.**

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**Job Demand in the  
Cosmetology Industry, 2007**

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**A National Survey Conducted for:**

**The National Accrediting Commission  
Of Cosmetology Arts and Sciences  
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## **Job Demand in the Cosmetology Industry, 2007**

### **Major Findings**

This national survey of the cosmetology industry found that 53 percent of salon owners had job openings. Salons filled nearly 485,000 open positions in 2006. Experienced salon professionals who changed positions accounted for 62 percent of the new hires; inexperienced professionals with less than one year's experience accounted for the other 38 percent. That translates to 182,331 newly trained professionals entering the field during 2006. Even with significant levels of hiring, nearly three-quarters of the salons that tried to fill positions were not able to find qualified applicants.

The supply of skilled professionals in the industry continues to fall short of the demand. This is a chronic shortage that has been reported in earlier surveys of the cosmetology industry. One step that could ease the shortage would be to expand reciprocal licensing among the states. A 2006 NACCAS study of state licensure exams found that reciprocity agreements are not available in every state, but recommended that this policy be in place to make movement easier among Cosmetologists seeking employment in states with shortages.

In January 2007, 1,682,641 professionals were employed in the nation's 370,215 beauty salons, barber shops, skin care salons, and nail salons. The typical salon is a small full service salon with 5.1 stations, three full-time professionals and two part-time professionals. Salon owners report an average of 127 clients per week.

Since 2003, the number of salons has increased, but the average number of people they employ has declined. The other notable change since 2003 is the decline in job swirling. Fewer employees left their jobs, and the number of hires has also declined. Specifically:

- the total number of salons is up 18 percent,
- the number of chairs or workstations is unchanged,
- the number of employees leaving their positions is down 13 percent, and
- the number of new hires is down 15 percent.

This survey is important because of the chronic underestimation by the Bureau of Labor Statistics (BLS) of employment in the cosmetology industry. The BLS survey of establishments excludes proprietors, the unincorporated, and self-employed workers, which may account for the discrepancies between our survey and the BLS data.

#### Other key findings

- 58 percent of salon owners classified their salon as a full-service salon, 17 percent as a haircutting salon, 4 percent as a nail salon and 7 percent as a barber shop. The other types of specialty salons account for 12 percent of the total.
- 56 percent of salon employees work full-time, 31 percent are part-time (20-35 hours), and 13 percent are low-time (less than 20 hours).

## **Chapter 1**

### **Introduction**

This cosmetology industry job demand study was commissioned by the National Accrediting Commission of Cosmetology Arts and Sciences (NACCAS). It is the fifth version of a study that was first done in 1991, and then updated and revised in 1996, 1999 and 2003. The primary purpose of this 2007 study is to document the need for qualified cosmetology professionals in the United States.

#### **Overview**

The salon industry is constantly changing, with increases in the overall number of salons and a growing number of specialized salons. The most recent survey suggests that the average size of salons is declining. In the midst of this change, one finding remains constant: the demand for well-trained professionals in the field outstrips the supply. Future hiring plans are robust and the industry is projected to continue growing.

It is important to remember that the results presented in this report are based on a sample and that the reported values are estimates. With our sample of 6,203 salons, the 95 percent confidence interval for the reported proportions of salons is  $\pm 0.013$  or less. That is, if we were to repeat the study, we would expect slightly different numbers each time due to sampling. We would expect the values to fall within 1.3 percent of the numbers presented in this report in 95 out of 100 times.

## Chapter 2

### The Salon Industry in 2006

#### National data

The cosmetology industry employs individuals in every town and city in the country. No community exists without barbershops and hair salons. They range from single chair operations to large salons with dozens of workstations. Based on Yellow Pages entries as supplied by InfoUSA, 370,215 nail salons, barber shops, beauty salons, and unisex salons were in operation in the United States as of January 2007. Table 2.1 shows the distribution of salons by state.

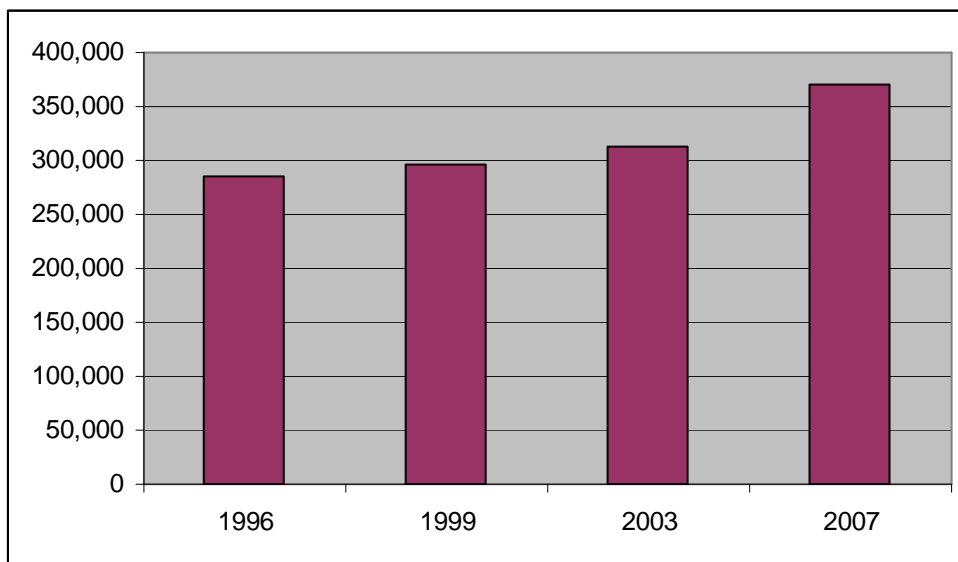
**Table 2.1: Number of Salons by State**

STATE		STATE	
ALABAMA	5,926	MONTANA	1,384
ALASKA	810	NEBRASKA	2,353
ARIZONA	5,397	NEVADA	2,584
ARKANSAS	3,883	NEW HAMPSHIRE	1,814
CALIFORNIA	48,132	NEW JERSEY	10,524
COLORADO	5,617	NEW MEXICO	2,187
CONNECTICUT	4,910	NEW YORK	23,741
DELAWARE	914	NORTH CAROLINA	12,990
DISTRICT OF COLUMBIA	808	NORTH DAKOTA	1,028
FLORIDA	22,833	OHIO	11,975
GEORGIA	12,344	OKLAHOMA	4,647
HAWAII	1,738	OREGON	4,474
IDAHO	1,631	PENNSYLVANIA	16,364
ILLINOIS	15,240	RHODE ISLAND	1,468
INDIANA	6,878	SOUTH CAROLINA	6,249
IOWA	4,491	SOUTH DAKOTA	910
KANSAS	3,693	TENNESSEE	7,405
KENTUCKY	4,728	TEXAS	28,551
LOUISIANA	5,734	UTAH	2,006
MAINE	1,855	VERMONT	805
MARYLAND	6,069	VIRGINIA	8,476
MASSACHUSETTS	9,100	WASHINGTON	8,038
MICHIGAN	11,516	WEST VIRGINIA	1,860
MINNESOTA	5,454	WISCONSIN	7,236
MISSISSIPPI	3,547	WYOMING	677
MISSOURI	7,221	<b>NATIONAL TOTAL</b>	<b>370,215</b>

The universe probably underestimates employment in the industry. Unincorporated individuals who may work out of their home are not included, nor are organizations that might provide personal care services, but are in a business that is unrelated to the personal care industry. Examples include department stores, cruise ships or resorts, and retirement communities.

Chart 2.2 shows the number of establishments identified in the NACCAS surveys in 1996, 1999 and 2003. The number of salons has increased by 57,256, or 18.3 percent, during the past three years. This is a greater increase than was shown in the previous periods. This could be due to improvements in the ability to identify the establishments, or to a real increase in the size of the industry.

**Chart 2.2: Number of Salons, 1996-2007**



### **Type of Salon**

We provided respondents with a list of seven options, and asked them to select which one best described their establishment. As shown in Chart 2.3, the largest share of salons (58 percent) were identified as full service salons. The next highest share was haircutting salons, which represent 17 percent of the total. The national total included 221,713 full-service salons and 148,502 specialized salons. Other salon types that were not listed separately include tanning salons, body waxing and electrolysis establishments, and massage therapy salons.

**Chart 2.3: Percentage of Salons by Type**

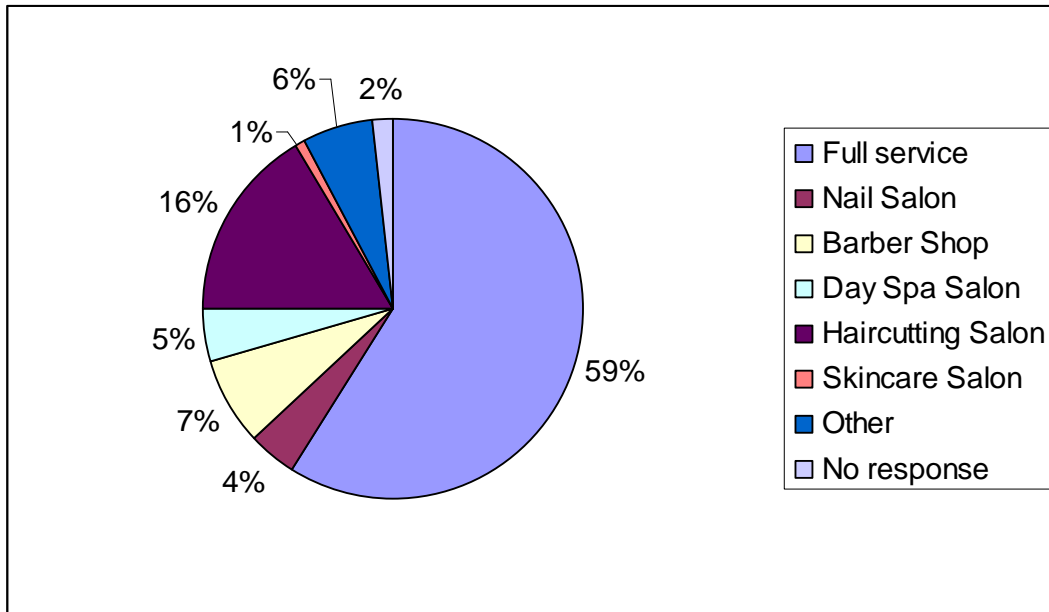
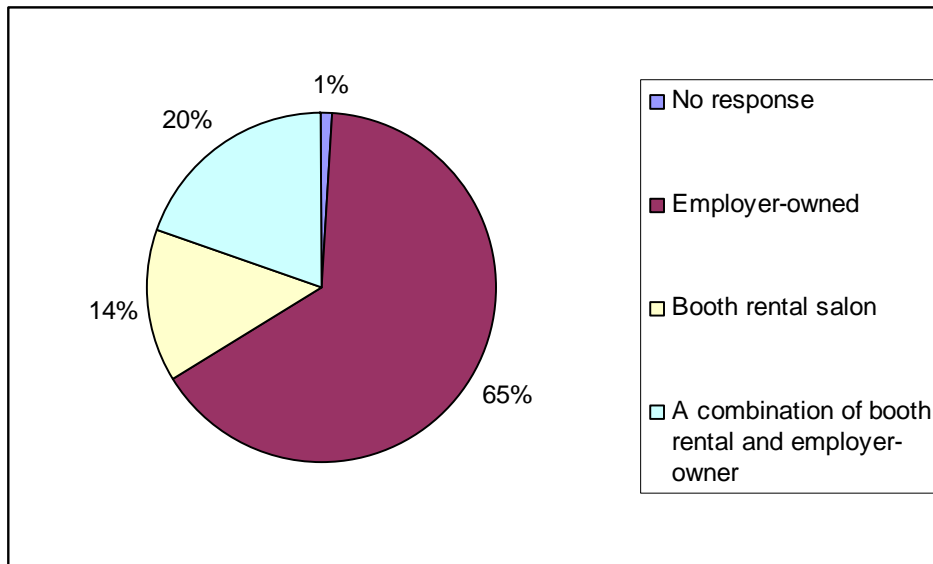


Chart 2.4 shows that employer-owned salons account for 65 percent of the total, up from 60 percent in 2003. The number of booth rental salons, including booth rental-only and salons that are a combination of employer-owned and booth rental, fell from 40 to 34 percent. One percent of respondents did not indicate the type of salon in which they were employed.

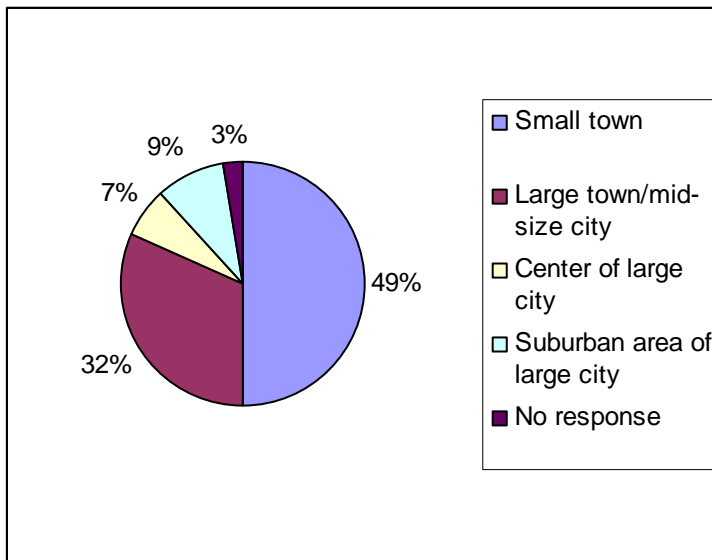
**Chart 2.4: Percent of Salons by Type of Operation**





Salon owners described the location of their establishment, from a list of four options. Just under 50 percent indicated that their salon was in a small town or rural area, an increase from the 42 percent reported in 2003. The number of owners listing their location as the center of a large city fell from 12 percent in 2003 to 7 percent (see Chart 2.5). It may be possible that this reflects a response bias, where larger entities located in urban areas are less likely to report than are those from smaller communities.

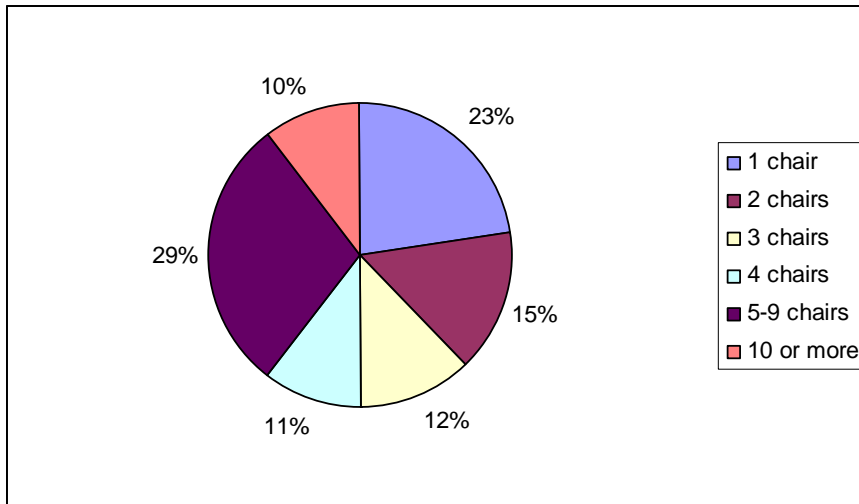
**Chart 2.5: Percent of Salons by Location**



### Salon Size

Chart 2.6 shows the percentage of salons by number of workstations per salon. Sixty percent of the salons have four or fewer stations, but the most frequent size is salons with five to nine chairs. The national average is 5.1 stations in 2007 – an extremely slight decrease from the average of 5.2 stations per salon in 2003. Again, this may reflect response bias, with smaller salons being more likely to report than larger ones.

**Chart 2.6: Percent of Salons by Number of Chairs or Workstations**



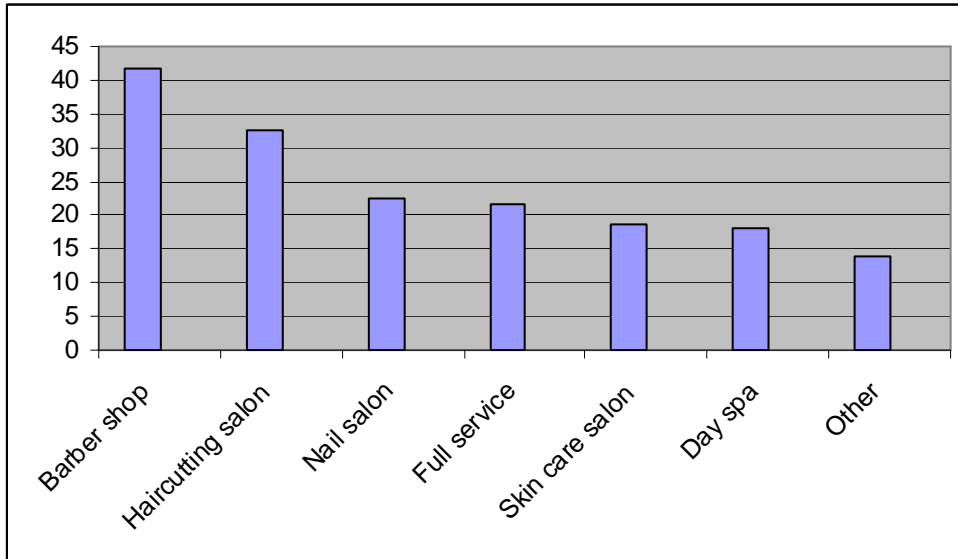
We also asked salon owners how many clients they served in a typical week. The industry average for 2006 is 127 clients per week. This is a decrease from the average of 155 weekly clients that was reported in 2003. Day spas reported the highest average number of workstations, with eight, and also served the most clients each week, with 148. Skin care salons and barber shops tend to be the smallest in terms of chairs. Nail care and skin care salons have the lowest average number of clients per week (88 and 45, respectively). Both show a slight decrease in the number of clients, but their position as the two types of salons with the lowest number of clients is unchanged from the 2003 survey. The number of clients served in a week varies a great deal around the mean.

**Table 2.7: Workstations and Clients per week by salon type**

	Work Stations	Weekly Clients
<b>Full service</b>	5.1	115.0
<b>Barber shop</b>	2.9	116.6
<b>Haircutting salon</b>	4.3	137.2
<b>Day spa</b>	8.7	147.9
<b>Nail salon</b>	4.0	88.3
<b>Skin care salon</b>	2.4	44.8
<b>Other</b>	3.2	67.5
<b>Nation</b>	<b>5.1</b>	<b>127.3</b>

As would be expected, the average number of clients per workstation varies by type of establishment, as shown in Chart 2.8. The following chart shows the average number of weekly clients for each workstation. Volume is highest at barbershops and lowest at skin care salons and day spas.

**Chart 2.8: Average number of weekly customers per workstation.**



### Summary

The salon industry showed solid growth over the last three years: there were 370,215 establishments in 2006, serving an average of 127 clients each week. The typical salon was a full-service salon located in a small town or rural area, with four or fewer workstations.

### Chapter 3

## Salon Employment in 2006

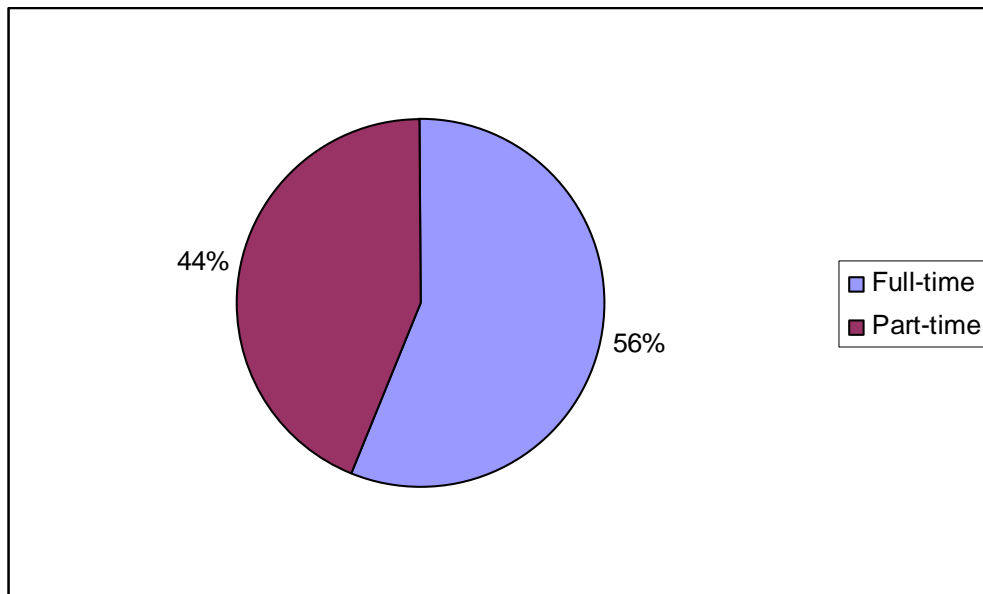
### Number of Employees

Cosmetology is a sizeable profession, with the total number of professional salon employees totaling 1,682,641—outnumbering the 1 million lawyers in the nation. This represents a 5 percent increase (78,139 positions) in the last three years, which reflects the 18 percent growth in the number of salons and also the slight decline in the average business size.

We asked salon owners to classify employees into one of two groups -- full-time (35 or more hours per week), part-time (20-34 hours per week). Salon owners were asked to further categorize their employees as either experienced employees with at least 18 months of job experience, or entry-level employees with less than 18 months of experience.

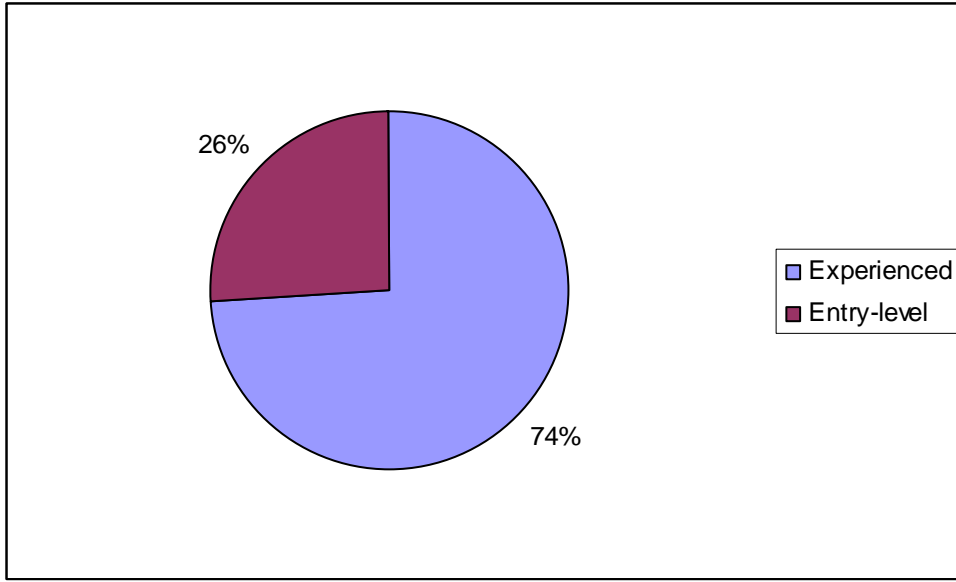
The cosmetology industry provides a flexible work schedule. Even though the majority of employees work at least 35 hours a week, the opportunity exists for part-time employment for those with family or school responsibilities. Chart 3.1 shows that 56 percent of employees work full time. The other 44 percent work less than full time.

**Chart 3.1: Percent of full-time and part-time employees**



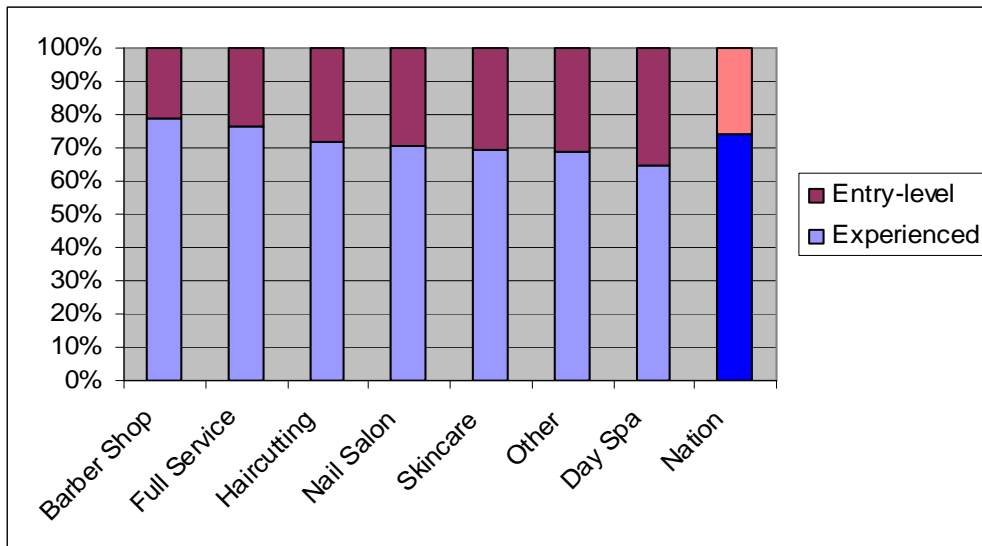
As shown in Chart 3.2, a notable portion of the workforce (25 percent, or 421,846 people) is comprised of workers with less than 18 months of relevant experience (entry-level workers). Of this group, 170,314 have six months of experience or less with their current employer. This result confirms the high rate of job mobility within the industry.

**Chart 3.2: Percent of experienced and entry-level employees**



Differences exist in the relative number of experienced and entry-level employees within each salon type (Chart 3.3). Barbershops and full service salons have the highest percentage of experienced employees.

**Chart 3.3: Percent of experienced and entry-level employees by salon type**



As shown in Table 3.4, the average salon has 4.4 professionals. The typical salon has two full-time employees and two part-time employees. The majority of employees are experienced, full-time professionals.

**Table 3.4: Average Number of Professional Employees per Salon by Time and Experience**

	Full Service	Specialized	No Data	Nation
Full-time	2.6	2.3	1.2	<b>2.5</b>
Part-time	1.3	1.0	0.4	<b>1.2</b>
Low-time	0.6	0.7	0.3	<b>0.6</b>
Experienced	1.3	1.4	1.1	<b>1.3</b>
Entry-level	1.2	1.2	1.1	<b>1.2</b>
<b>Nation</b>				<b>4.4</b>

### Job Classifications

We asked salon owners to indicate how many individuals they employed in 2006 in each of the major professional job classifications: cosmetologists, barbers/stylists, braiders, electrologists, hair colorists, massage therapists, nail technicians/artists, skin care specialists/estheticians, and all other categories. We limited our request to these job titles in order to get information relevant to the demand for trained professionals, as opposed to some of the lower-skilled jobs in the industry.

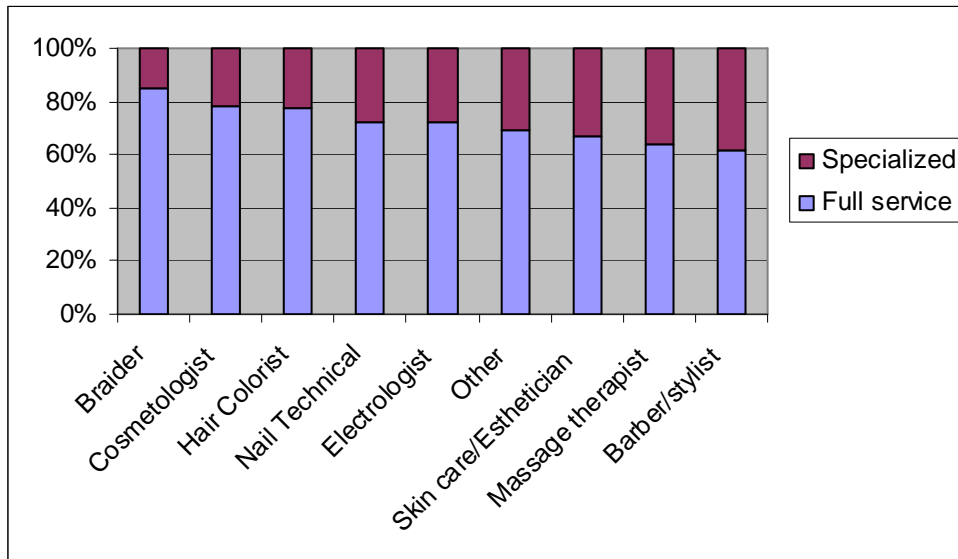
Not surprisingly, the vast majority of professional employees were cosmetologists, including colorists, stylists, cutters and perm specialists. About 62 percent of industry professional employment and 66 percent of the full service salon employees were in this category (Table 3.5). This finding is unchanged from 2003. These values were consistent across each of the regions. Since 2003, the number of barbers has decreased from 9.8 to 8.1 percent of the total, while the percent of skin care specialists and massage therapists has increased.

**Table 3.5: Percent of employees in different job categories by salon type**

	Full service	Specialized	Nation
<b>Cosmetologist</b>	65.7%	52.9%	62.4%
<b>Barber/stylist</b>	6.7%	12.0%	8.1%
<b>Braider</b>	0.6%	0.3%	0.5%
<b>Electrologist</b>	0.3%	0.3%	0.3%
<b>Hair Colorist</b>	2.5%	2.2%	2.4%
<b>Massage therapist</b>	7.5%	12.1%	8.7%
<b>Nail Technician</b>	9.5%	10.3%	9.7%
<b>Skin care/Esthetician</b>	3.6%	5.2%	4.0%
<b>Other</b>	3.7%	4.7%	3.9%

As pointed out earlier, employment is concentrated in full-service salons; 61 percent of all salons fall into this category. Full service salons also tend to be larger than others. As a consequence, as shown in Chart 3.6, full service salons employ more professionals with specialized skills (skin care, nail technicians) than do specialized salons that are dedicated to that single service.

**Chart 3.6: Percent of employees in full service and specialized salons by job category.**



## Job Tenure

We asked salon owners how long their current professional staff had been with them. Nationally, 29 percent of employees had been employed in the same salon for three to 10 years. Adding those who had been "on board" for more than 10 years raised the proportion to 60 percent (see Table 3.7).

**Table 3.7: Percent of employees in different tenure categories by salon type.**

	<b>Full service</b>	<b>Specialized</b>	<b>No data</b>	<b>Nation</b>
<b>Less than 6 months</b>	9.8%	11.7%	4.7%	8.7%
<b>6 to 18 months</b>	13.9%	18.4%	7.8%	13.4%
<b>18 months to 3 years</b>	18.6%	20.8%	13.3%	17.6%
<b>3 to 10 years</b>	29.6%	28.4%	28.9%	29.0%
<b>More than 10 years</b>	28.1%	20.7%	45.3%	31.4%

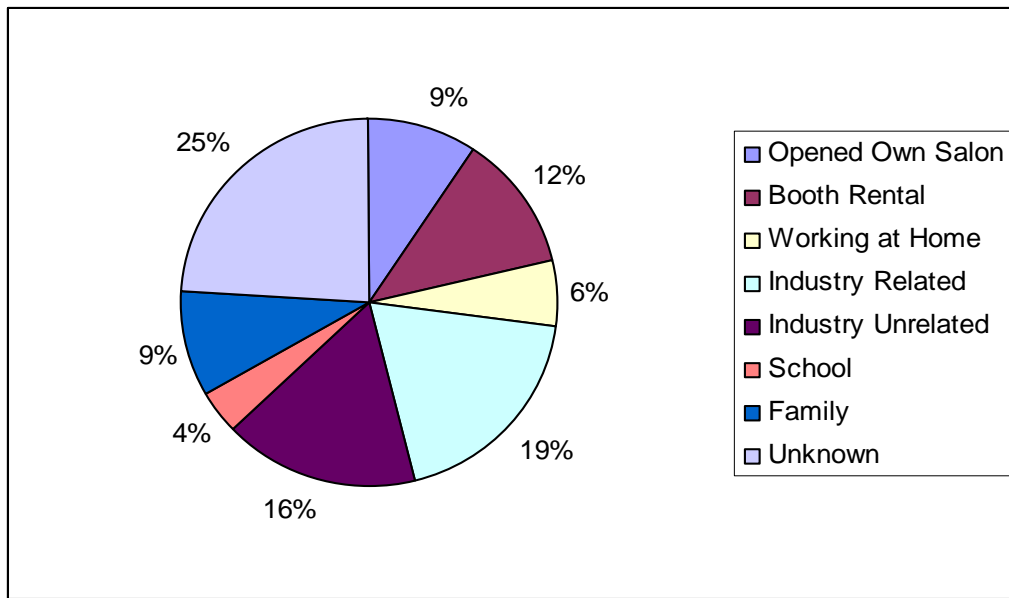
## Job Leavers

Salon owners were asked how many professionals stopped working in their salon between January 1, 2006 and December 31, 2006. The average, 0.87 professional employees per salon, was relatively low. Throughout the entire industry, 321,750 professionals left their then-current positions. This is a sizeable decrease from 2003, when 370,048 professionals left their current positions.

Chart 3.8 shows what the leavers said they were going to do after leaving their current employer. It may be that plans changed after employees left their current job. Large percentages planned to stay in the industry or a related industry. An impressive 27 percent left to open their own salon, or to work from their home or as an independent booth renter.



**Chart 3.8: Number of professionals in various post-employment activities**



**Summary**

The salon industry employs nearly 1.7 million professionals, over half of whom are full-time experienced employees who work as cosmetologists. While these professionals tend to move around within the industry, there were more vacated positions in 2006 than well-prepared entrants to fill the positions. A sizeable number of employees (27 percent) leave each year with plans to open their own salon, work from their home, or rent a booth and become independent contractors. This suggests that the industry provides the option to start one’s own business.

## Chapter 4

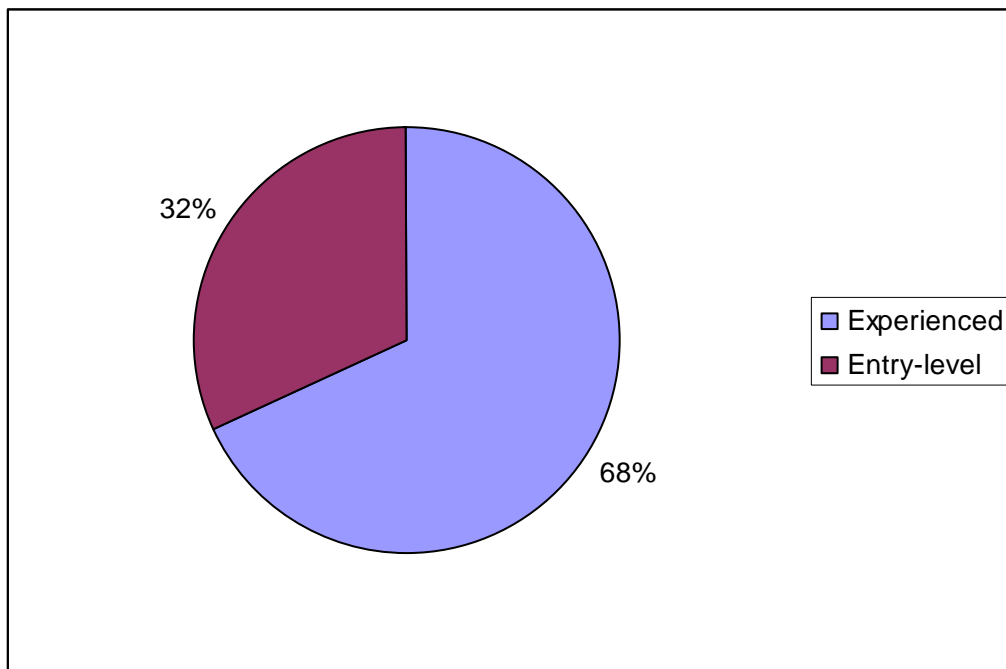
### Employment Outlook

#### Openings

In order to estimate the demand for new professionals in the industry, we asked salon owners how many professionals joined their staffs in 2006, including those who left and were rehired during the period. The results are shown in Chart 4.1.

Salon owners reported 484,660 job openings were filled during 2006. This represents an average of 1.3 openings per salon. Nearly 40 percent of all new positions were filled by inexperienced workers.

**Chart 4.1: Number of new hires by experience.**



The data indicate that over 182,000 inexperienced new hires entered the industry in the past year. NACCAS schools graduated 57,616 students who took and passed their state exam in 2006. According to these estimates, NACCAS schools account nearly one-third of newly-trained entrants to the field. Community colleges, high schools, adult education programs and unaccredited programs account for the rest. While the majority of institutions offering

Cosmetology programs are private, for-profit, nearly 400 – or 28% of postsecondary institutions offering Cosmetology – are public. While for-profit postsecondary institutions represent the majority of Cosmetology program completions, public institutions accounted for 15% of completions in 2005 (the number of Cosmetology completions and institutions offering Cosmetology programs by sector can be seen in Table 4.1). We do not have any consistent estimates of how many graduates in the field come from other types of schools.

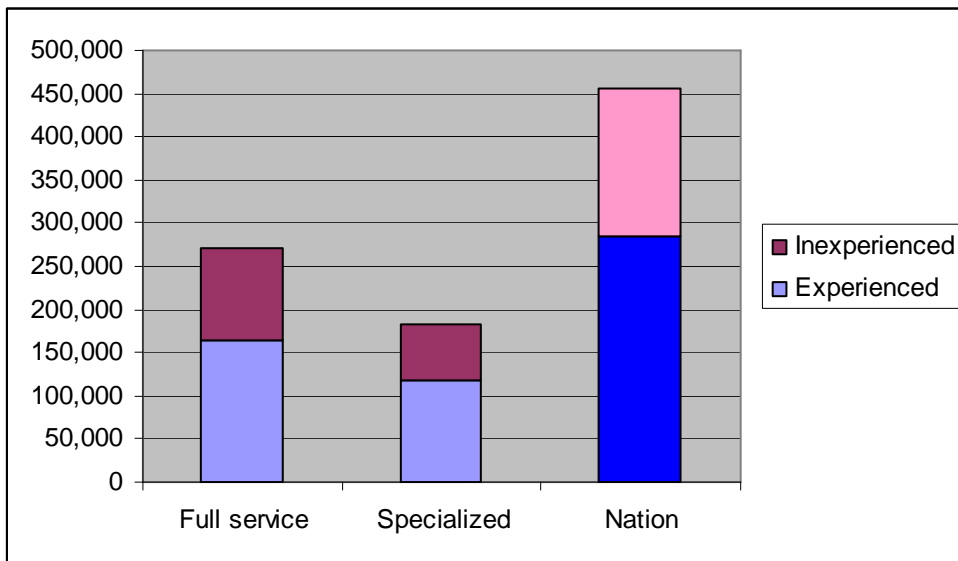
**Table 4.1: Number of institutions offering Cosmetology programs and number of completions, by sector**

	Number of Institutions	Number of Completions
Private, for-profit	958	69,212
Public	379	11,817
Private, non-profit	10	496

Source: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), 2005

Hiring of experienced versus inexperienced salon professionals does not appear to be related to salon type. Inexperienced workers accounted for 39 and 35 percent, respectively, of new employees at full service and specialized salons (from Chart 4.2).

**Chart 4.2: Number of experienced and inexperienced professionals joining the staff, by salon type**

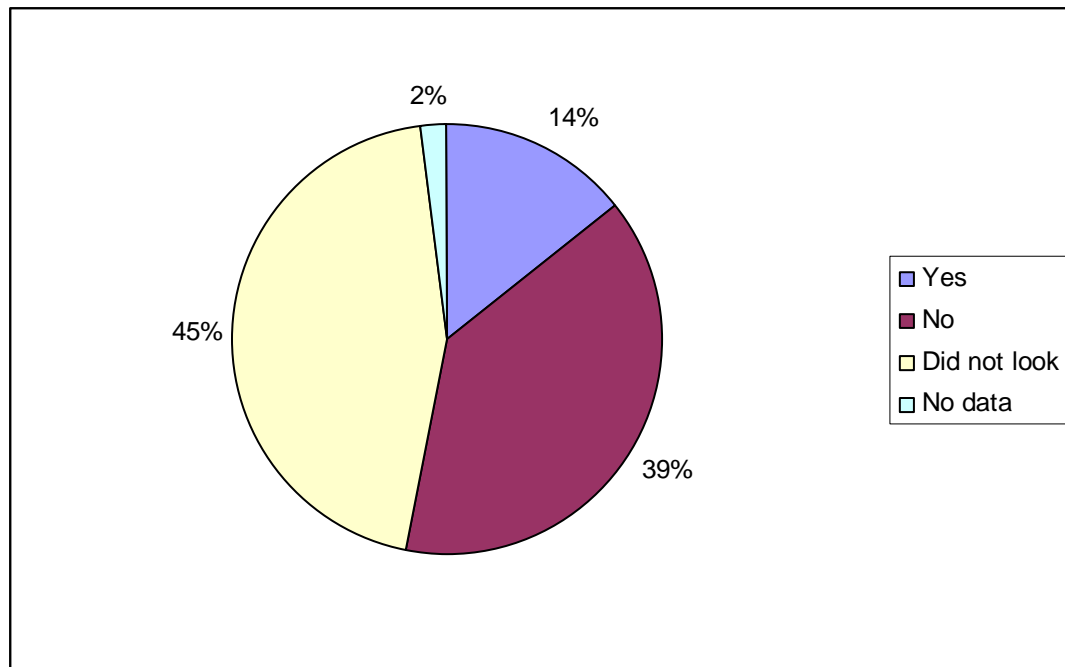


### Shortages in Labor Force Supply

Salon owners were not always able to find the applicants they needed to fill vacancies. We asked whether they were always able to find trained professionals in 2006, and whether or not they would have hired more professionals than they did.

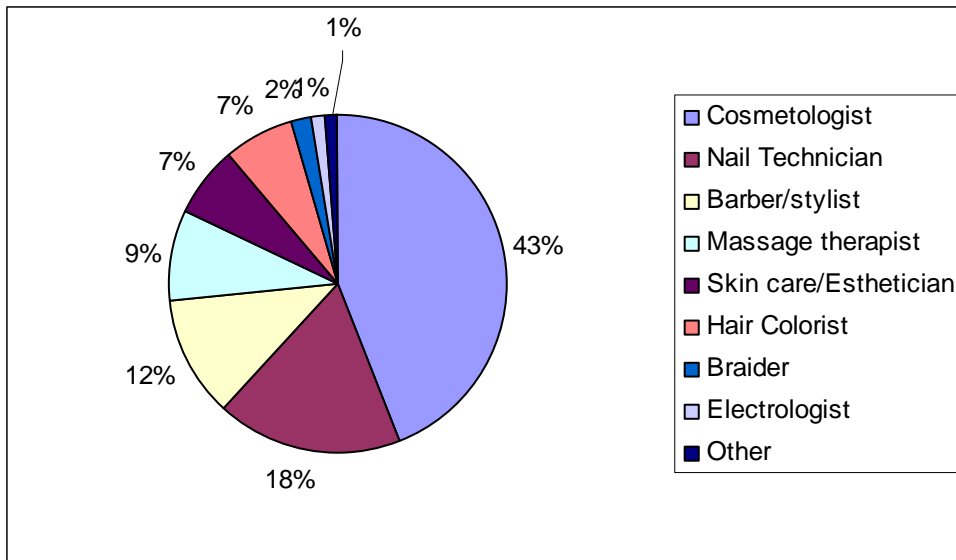
During 2006, 54 percent of the salon owners answering the question reported they had job openings (Chart 4.3). And just as in 2003, nearly three-quarters (39 percent of the 54 percent) of those who tried to fill those positions said they were not always able to find qualified applicants. Salon owners have jobs waiting, but are not able to find properly trained employees.

**Chart 4.3: Were you always able to find qualified professional employees?**



Further, as shown in Chart 4.4, the 55 percent of salon owners who report that they planned on increasing their professional staff during the first 6 months of 2007 will be hiring an additional 492,416 professional employees -- 1.3 jobs per salon.

**Chart 4.4: Total anticipated new hires by job category**



Of the various specialties, the increasing demand for nail technicians appears to be most substantial. While nail technicians currently make up only 9.7 percent of the current industry employees, nearly 18 percent of the job openings are in that area.

### **Summary**

The salon industry continues to offer opportunities to qualified job seekers, both experienced and entry-level. In 2006, the turnover rate for the salon industry, the number of openings divided by the number of employees, was about 36 percent. The typical salon replaced more than one of every three employees during the year. This translated to numerous job opportunities for qualified job seekers. More than one quarter of the 182,331 open positions were filled with inexperienced workers. The data lead us to believe that growth in the industry is constrained by too few new entrants to the profession. Demand for cosmetology services is estimated to expand at least at the same rate as the growth of the population. The increasing number of small, new businesses in the field suggests that there are very real opportunities available for individuals who want to start their own business.

## Chapter 5

### Salary data

Survey respondents were asked to provide the number of employees by job category and salary range. In order to determine an average salary, both nationally and by state, the number of employees in each category was multiplied by the midpoint of the listed salary range. Because the survey did not specifically request salaries only for full-time employees, all data for the salary category \$20,000 or less per year was removed from the calculation. For those listed at \$70,000 or more per year, \$75,000 was used. Please refer to Appendix B to see the 2007 Job Demand Survey. The question referred to here is Question 14.

Table 5.1 shows the national average salary for each job category listed on the survey. The category of “other” has the lowest salary at \$24,825, while hair colorists have the highest salary. It is possible that this number is somewhat inflated due to the small number of respondents with this classification.

**Table 5.1 Average salary by job category (exclusive of tips)**

	<b>Full service</b>	<b>Specialized</b>
<b>Cosmetologist</b>	35,966	38,843
<b>Barber/stylist</b>	39,669	42,842
<b>Braider</b>	31,020	33,502
<b>Electrologist</b>	37,522	40,524
<b>Hair Colorist</b>	42,965	46,402
<b>Massage therapist</b>	31,239	33,738
<b>Nail Technician</b>	30,693	33,148
<b>Skin care/Esthetician</b>	37,154	40,126
<b>Other</b>	29,791	32,174

Examining salaries by region indicates that the average salary range in the United States is between \$30,000 and \$48,000. The highest salaries are earned by salon professionals in the North East region, while the North Central region shows the lowest salaries. (Table 5.2).

**Table 5.2: Average salary by region**

<b>Region</b>	<b>Salary</b>
North East	<i>48,348</i>
South	<i>37,908</i>
North Central	<i>30,603</i>
West	<i>34,988</i>

### **Summary**

It is not possible to report separately on full-time salaries due to the way in which the data were collected. Even with the part-time and low-time employees included, the salaries are competitive. In addition, the industry provides the opportunity to be one's own boss, with strong earning potential.

### **Conclusions**

This survey of employers in the cosmetology field supports the findings from earlier surveys that official federal reports on employment consistently underestimate the demand in the market. The industry provides competitive income potential and offers the opportunity to start one's own business, as well as flexible working hours that allow employees to integrate their work with other family responsibilities. The evidence suggests that opportunities in the sector will continue to grow. One step that could ease the ongoing shortage of salon professionals would be to expand reciprocal licensing among the states. A qualified, licensed cosmetologist or barber in one state may not be able to work in another state without expensive and time-consuming efforts to become licensed. This one simple policy change could increase the number of available cosmetologists in the nation.

## **Chapter 6**

### **Methodology**

In preparing this report, we relied on two data sources: 1) a database of all 370,215 beauty salons, barber shops, nail care establishments listed in United States Yellow Pages as compiled by InfoUSA, 2) responses to a national job opportunity survey of beauty salons, barber shops, skin care salons and nail care establishments.

We took a stratified sample by state from the universe of beauty establishments. While the complete list included 370,215 salons, the sample was selected from 291,217 records considered to be most suitable for mailing. Eleven states and the District of Columbia have fewer than 1,500 establishments, so every establishment received the survey. In the four states with more than 15,000 establishments, a random sample of 10 percent received the mailing. Finally, random samples of 1,500 establishments were surveyed in the other 35 states. Pre-notification post-cards were sent in January 2007, and sponsorship by NACCAS was clearly indicated.

The surveys were mailed in February 2007. Respondents were asked to send back the completed surveys by March 1, 2007. The cover letter included a link to an online version of the survey, available through the NACCAS website. Almost 3 percent of respondents completed the survey online, up from 1 percent for the 2003 survey. All other respondents mailed the survey to NACCAS using the provided self addressed stamped envelope. A total of 1,775 items from the original mailing were returned as undeliverable, and we assume that the Yellow Pages are not completely up-to-date. In addition to having mail returned; this may also have excluded newly-opened salons. A second mailing of approximately 15,000 surveys was sent in April 2007. Recipients were advised via e-mail to fill out the survey.

The survey asked for information about the previous 12 months, and also whether the establishment had plans to hire new staff in the upcoming six months. Useable surveys were received from 6,203 respondents. Sampling weights were computed to reflect the number of establishments within each state. Table 6.1 shows the number of surveys sent to each state, the number of useable respondents and the response rate by state.



The response rate varied from a low of 3.0 percent (Washington, DC) to a high of 14.8 percent (South Dakota). Mean response rate was 8.7 percent - a rate comparable to past job demand surveys of the cosmetology industry. The typical response rate for direct mail surveys is 3 percent; 10 percent is considered excellent (Kisch and Wood, 2001). The correspondence of the current survey results with previous cosmetology job demand surveys and US Department of Labor statistics suggests that the samples are consistent with previous NACCAS surveys.

Response bias is a possibility because large states had a lower response rate than smaller states. Our correction for this is to weight the responses for each state and add them instead of taking the average of the total, which is what has been done in the past. It may also be the case that smaller businesses were more likely to return the survey than larger ones. We have no way to correct for this possibility.

Considering the possible bias and the fact that some employers in the industry are not included in the sample, the results probably underestimate employment in the cosmetology industry. For example, employers whose main business is something other than cosmetology may hire trained professionals such as vendors of cosmetology and make-up products.

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## Appendix A Regional Tables

For purposes of further analysis, the nation was divided into four regions: the Northeast, including 10 states from Maine to Pennsylvania; the South, with 16 states from Maryland to Texas, and the District of Columbia; the North Central, including 12 states from Ohio to Kansas; and the West, with 13 states from Washington to New Mexico. The South is the largest region with 108,366 salons and the North East as the smallest with 57,405 salons. This regional division is consistent with past reports. The margins of error for the regions are larger than found in the national estimates due to the smaller regional sample sizes.

**Table A-1: Number of salons by region, and percent change, 1996-2007**

	1996	2000	2003	2007
<b>North East</b>	54,184	57,405	60,543	71,495
CT, DE, ME, MA, NH, NJ, NY, PA, RI, VT		5.9%	5.5%	15.3%
<b>South</b>	104,090	108,366	116,663	136,050
AL, AR, DC, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV		4.1%	7.6%	16.6%
<b>North Central</b>	66,732	65,573	66,732	79,626
IL, IN, ID, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI		-1.7%	1.8%	19.3%
<b>West</b>	60,173	65,219	69,021	83,044
AK, AR, CA, CO, HI, MT, NV, NM, OR, UT, WA, WY		8.4%	5.8%	20.3%
<b>Nation</b>	<b>285,179</b>	<b>296,563</b>	<b>312,959</b>	<b>370,215</b>
		<b>4.0%</b>	<b>5.5%</b>	<b>18.3%</b>

The largest growth since 1996 has been in the West (27.5 percent) and the smallest growth has been in North Central region (16.2 percent).

As was the case in the 2003 report, the North Central region has the highest percentage of full service salons. Specialized salons, such as day spas and skin care salons, continue to be popular in the West, although the North East region now has the highest percentage of day spas, more than doubling its total from 2003 (2.8 to 5.9 percent). The West region saw a drop from 6.3 to 5.0 percent in this category. The latter change is within error range and may not be statistically significant.

**Table A-2: Salon type by region**

	<b>Region</b>				<b>Nation</b>
	North East	South	North Central	West	
<b>Full service</b>	57.8	57.7	63.4	56.3	<b>58.4</b>
<b>Nail salon</b>	4.1	4.8	3.3	5.1	<b>4.3</b>
<b>Barber shop</b>	5.9	8.2	6.7	8.0	<b>7.3</b>
<b>Day spa salon</b>	5.9	4.2	4.1	5.0	<b>4.6</b>
<b>Haircutting salon</b>	19.6	17.1	14.7	16.8	<b>16.9</b>
<b>Skin care salon</b>	1.2	0.8	0.3	1.7	<b>0.8</b>
<b>Other</b>	5.2	6.6	6.1	6.2	<b>6.6</b>
<b>No response</b>	0.5	1.2	1.5	0.9	<b>1.1</b>
<b>TOTAL</b>	100	100	100	100	<b>100</b>

The North East region had the highest number of employer-owned establishments at 76 percent. The West region had the highest number of booth-rental salons, while the combination of the two types was most frequently seen in the South.

**Table A-3: Salon operation by region**

	<b>North East</b>	<b>South</b>	<b>North Central</b>	<b>West</b>	<b>Nation</b>
Employer-owned	76.2	59.3	70.4	52.1	<b>64.6</b>
Booth rental salon	6.1	15.2	12.0	22.8	<b>14.2</b>
Combination	16.8	24.4	16.4	23.9	<b>20.1</b>
No response	0.9	1.1	1.2	1.3	<b>1.2</b>
<b>TOTAL</b>	100	100	100	100	100

The West region had the highest percentage of salons located in both the suburbs and the center of a large city. Salons located in a small town were most frequently in the North Central region, while the North East showed the greatest number of salons in large towns or small cities.

**Table A-4: Salon location by region**

	North East	South	North Central	West	Nation
Small town	52.9	50.9	59.5	35.9	<b>50.4</b>
Large town/mid-size city	35.3	30.9	28.0	34.7	<b>31.6</b>
Center of large city	3.0	7.3	4.6	12.0	<b>6.8</b>
Suburban area of large city	6.5	8.9	6.3	15.2	<b>9.2</b>
No response	2.3	2.1	1.6	2.3	<b>2.0</b>
<b>TOTAL</b>	100	100	100	100	<b>100</b>

In terms of number of chairs, the largest salons were located in the West. This region had the largest percentage of salons with 5 to 9 chairs and 10 chairs or more. The North Central region had the largest number of salons with 4 chairs or fewer; 65 percent of salons in the region fit that description.

**Table A-5: Percent of salons by number of chairs or work stations, by region**

	Region				Nation
	North East	South	North Central	West	
<b>1 chair</b>	21.1	19.9	26.8	19.7	<b>22.3</b>
<b>2 chairs</b>	14.5	15.1	17.6	12.1	<b>15.1</b>
<b>3 chairs</b>	13.3	11.8	12.3	11.2	<b>12.1</b>
<b>4 chairs</b>	12.7	12.1	8.7	9.6	<b>10.5</b>
<b>5-9 chairs</b>	28.8	31.0	25.5	34.1	<b>29.6</b>
<b>10 or more</b>	9.5	10.2	9.1	13.4	<b>10.5</b>
<b>TOTAL</b>	100	100	100	100	<b>100</b>

The North East region has the highest number of both workstations and clients per week, as shown in Table A-6. The West is the lowest in both categories, but also has the second-highest number of salons. Day spa salons have the highest number of workstations and of clients per week, although these salons represent only 5 percent of the total number of salons nationwide.

**Table A-6: Number of workstations and clients per week by region and salon type**

	<b>Workstations</b>	<b>Clients</b>
<b>North East</b>	6.1	133.7
<b>South</b>	4.6	114.3
<b>North Central</b>	4.8	123.1
<b>West</b>	4.3	109.2
<b>Full service</b>		
	5.4	115.0
<b>Barber shop</b>		
	2.9	116.6
<b>Haircutting salon</b>		
	4.2	137.2
<b>Day spa</b>		
	8.2	147.9
<b>Nail salon</b>		
	4.0	88.3
<b>Skin care salon</b>		
	2.4	44.8
<b>Other</b>		
	3.1	67.5
<b>Nation</b>		
	<b>4.9</b>	<b>127.3</b>

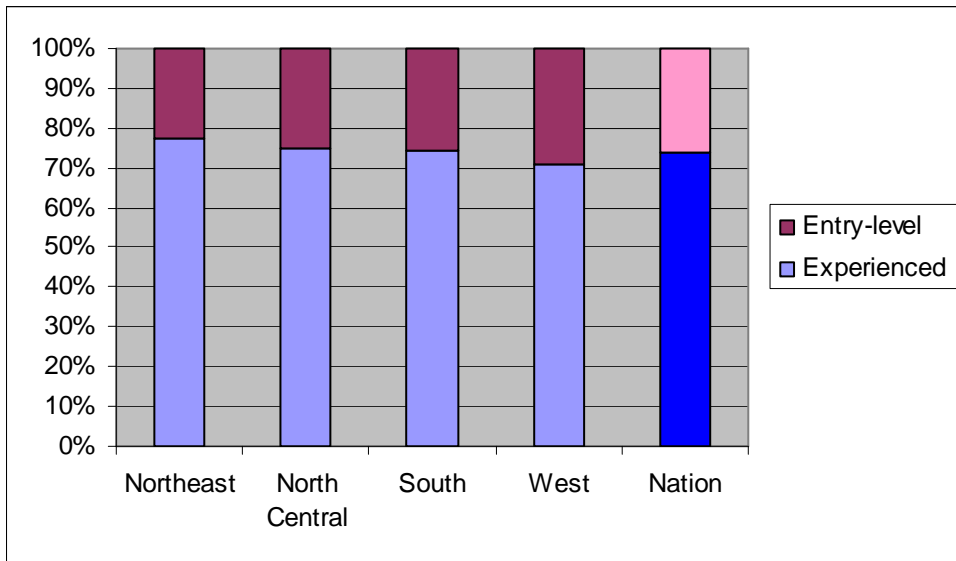
The highest percentage of full-time employees works in salons in the West Region. Part-time employees are most frequently reported in the North East, while the North Central region has the largest percentage of low-time employees (Table A-8).

**Table A-7: Percent of full-time, part-time and low-time employees by region**

	<b>Full-time</b> (35 or more hours per week)	<b>Part-time</b> (20-34 hours per week)	<b>Low-time</b> (Less than 20 hours per week)
<b>North East</b>	51.3	33.1	15.6
<b>South</b>	61.4	26.3	12.3
<b>North Central</b>	49.1	31.4	19.5
<b>West</b>	55.7	30.6	13.7
<b>Nation</b>	<b>55.7</b>	<b>29.8</b>	<b>14.5</b>

As shown in Table A-8, the national average for entry-level employees is 26 percent. By region, that percentage remains approximately the same. The West region, at 29 percent, has the most entry-level workers.

**Table A-8: Percent of experienced and entry-level employees by region**



## Appendix B

### 2007 Job Demand Survey

Please enter the zip code in which your salon is located: \_\_\_\_\_

1. Which best describes your establishment? (check one)
  - a.  Full service
  - b.  Nail salon
  - c.  Barber shop
  - d.  Day spa salon
  - e.  Haircutting salon
  - f.  Skincare salon
  - g.  Other
2. Is this establishment part of a chain of salons or service facilities?
  - a.  Yes
  - b.  No
3. How do you define the type of salon you own? (check one)
  - a.  Employer-owned
  - b.  Booth rental salon
  - c.  A combination of booth rental and employer-owned
4. Check the category that best describes the location of your establishment
  - Small town or rural area (*population less than 25,000*)
  - Large town/Mid-size city (*population between 25,000 and 250,000*)
  - Center of a large city (*population greater than 250,000*)
  - Suburban area of a large city (*population greater than 250,000*)
5. How many clients does your salon serve in a typical week? \_\_\_\_\_
6. How many workstations or service areas did you have in January 2007? \_\_\_\_\_
7. How many professionals, including yourself, worked in the salon in January 2007 for the following lengths of time?
  - a. 35 hours or more \_\_\_\_\_
  - b. 20-34 hours \_\_\_\_\_
  - c. Less than 20 hours \_\_\_\_\_
8. How many professionals joined your salon between January 1 and December 31, 2006?
  - a. Experienced, more than one year \_\_\_\_\_
  - b. Entry level, less than one year \_\_\_\_\_
9. Were you always able to find qualified professionals to employ during 2006? (check one)
  - a.  Yes
  - b.  No
  - c.  Did not look
10. How many professionals, including yourself, working today in your salon, have been with you for each of the following time periods?
  - a. Less than 6 months \_\_\_\_\_
  - b. 6 to 18 months \_\_\_\_\_
  - c. 18 months to 3 years \_\_\_\_\_
  - d. Over 3 but less than 10 years \_\_\_\_\_
  - e. Over 10 years \_\_\_\_\_
11. How many professionals left your salon, for any reason, between January 1 and December 31, 2006? \_\_\_\_\_
12. Please indicate the reason you think they left (count each person once)
  - a. Opened their own salon \_\_\_\_\_
  - b. Went to a booth rental salon \_\_\_\_\_
  - c. Working at home \_\_\_\_\_
  - d. Employment in a related industry \_\_\_\_\_
  - e. Employment in unrelated industry \_\_\_\_\_
  - f. Return to school \_\_\_\_\_
  - g. Raise a family \_\_\_\_\_
  - h. Reason unknown \_\_\_\_\_



13. Does your establishment currently have enough business to justify hiring more professional staff? If so, how many more staff? Please identify the number by profession.
- a. Cosmetologist \_\_\_\_\_
  - b. Barber/Stylist \_\_\_\_\_
  - c. Braider \_\_\_\_\_
  - d. Electrologist \_\_\_\_\_
  - e. Hair Colorist \_\_\_\_\_
  - f. Massage Therapist \_\_\_\_\_
  - g. Nail Technician/Artist \_\_\_\_\_
  - h. Skin Care/Esthetician \_\_\_\_\_
  - i. Other \_\_\_\_\_

14. How many of each type of professional worked in your salon in January 2007? Indicate the average salary (without tips) for each category. (Count cutters and perm specialists under cosmetologist).

Number of employees by average salary	a. Cosmetologist	b. Barber/Stylist	c. Braider	d. Electrologist	e. Hair Colorist	f. Massage Therapist	g. Nail Technician/Artist	h. Skin Care/Esthetician	i. Other
Less than \$20,000									
\$20,000-\$29,999									
\$30,000-\$39,999									
\$40,000-\$49,999									
\$50,000-\$59,999									
\$60,000-\$69,999									
\$70,000 and over									
TOTAL									

15. Do you plan to hire in these categories in the next six months? What is the anticipated starting salary for new hires in these categories?

	a. Cosmetologist	b. Barber/Stylist	c. Braider	d. Electrologist	e. Hair Colorist	f. Massage Therapist	g. Nail Technician/Artist	h. Skin Care/Esthetician	i. Other
Number of new employees									
Anticipated starting salary									

16. Rate your clientele on how well they tip. (check one)
- a.  Very well
  - b.  Better than average
  - c.  Average
  - d.  Below average
  - e.  Very poor