

All-Party Parliamentary Group on Beauty, Aesthetics and Wellbeing

Minutes of Meeting

Inquiry session into COVID-19 and the sector's recovery

Inquiry Session 2: Consumer Confidence

Date: Wednesday 30th June 2021

Time: 10:00 – 10:30

Location: Zoom

Chair: Carolyn Harris MP

Minutes taken by: Sarina Kiayani, Interel UK (Secretariat)

Members present

Carolyn Harris MP, APPG Co-Chair

Witnesses

Jack Tang – CEO and Co-Founder, Urban

Victoria Brownlie – Director of Policy and Public Affairs, NHBF

Lesley Blair – Chair of BABTAC and CIBTAC

Millie Kendall MBE – CEO, British Beauty Council

Candice Gardner – Education Manager, Digital and Content at Dermalogica

Sallie Berkerey – Managing Director at CEW UK

Ellie Tidy, National Franchise Manager at Guinot

Will Tricker, Public Affairs Manager at L'Oréal UKI

Audience

Katherine Morgan, APPG Secretariat

Victoria McNish, APPG Secretariat

Sarina Kiayani, APPG Secretariat

Jo Lloyd, Office of Carolyn Harris MP

Minutes of the Meeting

Carolyn Harris MP opened the meeting and welcomed the attendees. She asked **Jack Tang** for his views on the state of consumer confidence in the industry.

Jack Tang confirmed that Urban was still heavily affected by the mass attrition of therapists in the UK, with the number of practitioners remaining 35% lower than pre-COVID. He said that COVID and Brexit worked in tandem in causing this deficit. He added that COVID anxiety is still a big topic amongst those looking to return to the industry, but Urban was actively recruiting and working with the wider industry to ask the Government to support the industry through the National Skills Fund for Level 3 qualifications.

He said that working from home has led to more consumers being reluctant to have treatments, and that more DIY treatments are occurring. He added that isolation and anxiety remain key topics.

Carolyn Harris MP then asked **Victoria Brownlie** for her thoughts.

Victoria Brownlie stated that the NHBF's latest State of the Industry Survey showed that the beauty sector was busy in the initial April reopening, but has taken a hit after this initial period. 60% of the sector now say that they are quieter than pre-pandemic levels. The sector has been significantly impacted by the issue of consumer confidence. Only one in four beauty businesses are making any profit, with over a third completely reliant on Government support to function. The longer social distancing continues, the more pessimistic beauty businesses are about their survival expectations. She called on the Government to be more open about restrictions after 19th July, particularly around issues including mandatory social distancing restrictions. She expressed concerns about further restrictions coming in around the winter months, and that beauty businesses want further insight on what is to come.

Millie Kendall added that this has been impacted with bad weather, the deficit in the hospitality industry and events and uncertainty over unlocking. She added that beauty is not seen as essential as hair, but that there may be an uplift in beauty treatments once the weather improves.

She agreed with **Victoria Brownlie** that the sector faces several challenges, and it is difficult to assess what the sector needs until the restrictions on personal care in future are known, to assess its state in the winter months.

Lesley Blair said that we are continually seeing that the industry is struggling, with a lot of people leaving and coming back. Uncertainty in the industry due to continuing restrictions is also hold back people from wanting to work in salons, leading to issues with staffing. She agreed with **Millie Kendall** that the sector needs to know what is coming forward so it can plan accordingly, and added that people are getting used to “DIY” home treatments. She added that businesses and high streets may decline with continued homeworking, which has reduced demand.

Candice Gardner said that there needs to be a conversation around therapist confidence, particularly in the retail sector, where there has been a 40 – 50% downfall in footfall. She expressed concerns over how we can keep businesses afloat whilst maintaining the security of staff who are serving customers. Dermalogica has seen an uptake in mobile beauty workers, and stockists, account managers and customers have said that there has not been a decline in consumer confidence, but instead a shift in consumer behaviour in how they are accessing services. Becoming a mobile therapist leads to fewer overheads and easier diary management, which has been positive for them. However, these businesses can end up “under the radar”, and regulation gets loosened – so there is a question around how to effectively regulate mobile businesses and make sure that the sector is in a secure place to manage consumer confidence. She also said there has been a huge uptake in advanced services, such as microneedling, so therapists need to access effective skills that match where the industry is going.

Sallie Berkerey said that businesses are struggling due to the lower recruitment of apprentices (skills shortages), and expressed concerns over mobile businesses operating “under the radar” (safety).

Will Tricker said that L’Oréal was hearing similar things to the above, and that productivity was a struggle for businesses in their recovery. City centres are a particular issue, and we should work with local councillors and mayors to ensure that the issue of footfall does not fall under the radar. Politicians should also be aware of the impact of the sector on high streets and city centres – L’Oréal has been taking MPs on salon visits across the country, to hear from salon owners across the country about the state of businesses. One salon owner in Tamworth asked an MP what he will do to support her, as she is struggling to take on new staff. The long-term careers and aspirations in the sector need to be accounted for going forward, with a longer-term Government plan to attract people into the sector to retain talent to “Build Back Better”.

Carolyn Harris MP picked up on **Victoria Brownlie’s** point of consumers being concerned that their beauty experiences are “not the same” with restrictions, adding that she is so keen to have her treatments that PPE requirements do not make a difference to her. She said that we should get the message across that PPE should not make a difference to consumers’ desire to have treatments.

She added that new Health Secretary **Sajid Javid** is keen to reopen as soon as possible, so we should expect the 19th July unlocking to go ahead. She said that she will also encourage unlocking in Wales, and expressed concerns over the lack of social distancing amongst football fans being overlooked, whereas female-led industries such as the beauty industry are subject to rigorous restrictions. She said that those in the beauty sector are “easy victims” – it is COVID-friendly but being punished with harsh restrictions.

She understood the issues around mobile beauty workers, and expressed concerns around effective skills and training for this, and also the deficit of shop fronts containing branded products in salons. She also mentioned the closure of Debenhams and its impact on franchise beauty businesses. She said that Debenhams is more associated with beauty products than Boots, which also contains franchises, which is an issue. She expressed concerns over consumers turning to the Internet as pharmacies will only stock cheaper brands, and will be vulnerable to buying copies of more expensive brands – leading to issues around intellectual property.

Carolyn Harris MP and **Will Tricker** agreed that Small Business Minister **Paul Scully** should visit a salon to be shown the state of the industry and the impact of Government restrictions.

Millie Kendall said that she thinks **Paul Scully's** mother is a hairdresser and **Ellie Tidy** said that one of her businesses will welcome him. **Will Tricker** said that L'Oréal previously invited him to visit one of their partner salons, with Scully himself disagreeing with his Private Secretary, who encouraged him to attend.

Carolyn Harris MP said that we should build on the interest around the APPG's latest report on non-surgical cosmetic fillers to encourage consumer confidence in the industry.

Millie Kendall said that Marie Claire and Simon Emmett have created videos in salons for the Hello Beauty Campaign which will go live next week. These videos detail the experience of salon owners – she said that she would share these with the group.

Carolyn Harris MP expressed interest in facilitating face-to-face meetings with industry members on the future of the industry. She said that she will pose a Business Question to **Jacob Rees-Mogg MP** and will invite him to a beauty business in his constituency, covered by a local press release. She said that this will demonstrate more confidence in the industry. **Will Tricker** and **Ellie Tidy** both offered to find a business for him to visit.

She then asked attendees if they had any further questions.

Will Tricker said that local mayors are also key to instilling consumer confidence into city centres.

Carolyn Harris MP said that metro mayors have key value, and that her and **Judith Cummins MP** will formally write to Labour's Metro Mayors. She said that Council Leaders have more power in areas with ceremonial mayors.

Katherine Morgan suggested that **Carolyn Harris MP** and **Judith Cummins MP** write to all MPs to ask them to visit a specific salon in their constituency.

Carolyn Harris MP suggested a summer campaign of "getting out for beauty", reaching a range of politicians. This would emphasise the value of salons to high streets. She said that Sir Keir Starmer can become involved by visiting a salon in his constituency.

The Group agreed that the Secretariat will co-ordinate a mail out to all MPs and regional Mayors, to invite them on behalf of the APPG to visit a specified local salon, with names to be supplied by industry representatives on the call.