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Value of Beauty 2026: UK Beauty Industry Loses Jobs Amid Economic Pressures Despite Contributing £28.3 Billion to the Economy

The British Beauty Council publishes the **Value of Beauty 2026**, an annual report compiled by Oxford Economics and commissioned by the British Beauty Council that shows the economic impact of the personal care industry for the previous year. It reveals that employment across the UK beauty industry fell by 2.8% in 2025, as businesses faced rising wage costs, National Insurance contributions, business rates and utility bills.

The number of people employed directly within the industry fell by 2.1%, whilst total employment including across the wider supply chain declined by 2.8%. This follows the predictions in the Value of Beauty 2025 of a 2% reduction and 14,000 job losses. Despite this, the industry continued to support more than 595,000 jobs in 2025, with employment levels remaining close to those of the construction sector.

The report also highlights the sector's continued economic importance and resilience in the face of significant headwinds. In 2025, the UK's beauty industry – encompassing hairdressing, wellness, aesthetics, consumer goods, manufacturing and marketing – contributed £28.3 billion to the UK economy. This represents a marginal 0.2% cash-terms decrease on revised YOY figures.

However, the industry's contribution remained larger than that of the creative, arts and entertainment activities sector and figures show its continued significant contribution not only to the UK's economy, but our high streets, exports and cultural influence.

Key Report Findings*

- £28.3 billion contribution to UK GDP in 2025.
- More than 51% of total GDP contribution was generated directly by the industry.
- Beauty services, including hairdressing and beauty therapies, generated the largest share of direct GDP contribution at £5.7 billion.
- Supported more than 595,000 jobs across the UK.
- Employment declined by 2.8% overall and 2.1% in direct employment compared with 2024.
- Directly contributed £4.6 billion in tax revenues and supported £8.8 billion in total tax revenue for the UK Treasury.

- Exported £4.2 billion of beauty and personal care products, representing 1.25% of total UK goods exports.
- 70% of exports were destined for the EU Single Market, up four percentage points since 2019.
- Exports to the United States were 19% lower in Q4 2025 than Q1 2025, following the introduction of tariffs and the suspension of the "de minimis" threshold on commercial shipments.

Millie Kendall OBE, CEO of the British Beauty Council says, ‘Successive budgets have made it increasingly difficult for beauty businesses to create and sustain jobs. Ours is a labour-intensive sector that plays a vital role in driving social mobility and providing employment opportunities for young people. Despite these headwinds, the good news is the industry's economic contribution remains strong, demonstrating the resilience of consumer demand and the important role our sector continues to play in supporting Britain's high streets and wider economy.’

The 2026 Outlook

The report also points to positive signs for the year ahead. Consumer spending on beauty products and services is forecast to increase by 3.9% in 2026, while total industry-supported employment is expected to rise to 609,000 jobs, a 2.4% increase on 2025. The industry's total tax contribution is forecast to reach £9.4 billion in 2026.

Download the full report here.

Notes to Editors:

The personal care industry is made up of retailers, professional services, brands, manufacturers, advertising and media. We categorise three areas of business - professional services, personal care and hygiene and personal enhancement (which includes beauty products, and fragrance.)
*All data cited is sourced from Value of Beauty 2026, commissioned and paid for by the patrons of the British Beauty Council and compiled by Oxford Economics.

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About British Beauty Council: The British Beauty Council unites the beauty industry to drive growth by influencing policy, raising standards and creating access and opportunity, for a sustainable, equitable future. It is a not-for-profit organisation that represents all sectors of the UK Beauty Industry, with a network of patrons and stakeholders who support the Council's mission and work, to tackle key challenges and drive meaningful change. The Council also works with leading global economic, strategy and insight experts, including Oxford Economics, to value and detail the beauty industry.

About Oxford Economics: Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, they have become one of the world's foremost independent global advisory firms, providing reports, forecasts, and analytical tools on more than 200 countries and 100 industries. Their best-in-class global economic and industry models and analytical tools offer the unparalleled ability to forecast external market trends and assess the economic, social, and business impact.