

BRITISH
SUPPORTING A SUCCESSFUL, INNOVATIVE
BEAUTY
AND INCLUSIVE BRITISH BEAUTY INDUSTRY
COUNCIL

BRITISH BEAUTY COUNCIL

ANNUAL
REPORT

DECEMBER 31ST 2020



JANUARY 2020

THE CHALLENGES WE FACED

Since the annual report issued in December 2019, and the worldwide lockdown since March 2020, it's clear that the Covid-19 crisis has created unforeseen challenges that will change the beauty industry, not always positively, possibly forever. This crisis has propelled the British Beauty Council into the national spotlight faster than could have been imagined and during a time that has seen everyone's lives turned upside down.

The result is that the British Beauty Council has worked quickly to earn its status as a body that is heavily relied on by members, the wider industry, other industry bodies and the government. We will continue to advise, represent and campaign on behalf of this previously poorly-represented yet hugely important sector of the British economy.

Where we are
TODAY

OUR RELATIONSHIP WITH GOVERNMENT

This has developed significantly over the last few months, particularly in the areas of lobbying and policy advice to the extent that we are now recognised as a go-to industry body and listed as a trusted source of information on the government's website. This brings us a step closer to our goal of being recognised as a viable and essential industry by all government departments.

While the British Beauty Council has continued its working relationship with the Department for International Trade working on Brexit and free trade agreements, we have also liaised extensively throughout the Covid-19 crisis with government teams including Department for Business, Energy and Industrial Strategy; HM Treasury and the Cabinet Office.

We have been working with the GLA and the London Mayor's office on ways to bring back confidence to the beauty industry and increase revenue in the retail and services sector in London, via initiatives and support. We worked with GLA to open up Pay It Forward to look at local models to drive business back to hair and beauty retail as well as salons. We are also discussing roundtable webinars with the Deputy Mayor for Culture and Creativity and looking at further support from the Mayor's office.

Chop chop: why hairdressers still need a coronavirus cut

The UK's leading salon owners are joining the Telegraph's call for the Government to reduce the pandemic-struck sector's VAT to help it survive. Sonia Haria reports

Forty-one per cent of salons are unsure whether they'll still be here at Christmas

SHRINKING VAT WILL STOP FURTHER REDUNDANCIES AND HELP TO KEEP THE LIGHTS ON

THE 'HAIROSTORY'

Chop the VAT

LUKE HENDERSON, OWNER OF FIVE SALONS IN LONDON, EMPLOYING 100 STAFF

NICOLA CLARKE, RUNS NICOLA CLARKE & JOHN FREEDA, EMPLOYING 60 STAFF AT TWO SALONS

JOHN VIAL, OWNER OF SALON GLOSS IN LONDON, EMPLOYING 12 STAFF

JOHN WOOD, OWNER OF EPONYMOUS SALON IN LONDON, EMPLOYING 75 STAFF

JOHN MILLER, OWNER OF FIVE SALONS IN LONDON, EMPLOYING 100 STAFF

March 24: Hairdressers, along with beauty salons, restaurants and bars, are closed. Besides the initial government grants and furlough for staff, there has been little financial help for the industry. **June 30:** The Telegraph launches the 'Chop the VAT' campaign, to highlight the lack of reopening behind keeping the beauty industry afloat. **July 4:** Hairdressers are allowed to reopen on 'super Saturday', but must operate with reduced appointments, enhanced PPE and significantly reduced equipment. **August 15:** After six weeks of furlough, many people are finally returning to work. **September:** After an initial rush, many hairdressers report a decline in bookings. **October 23:** Britain's leading hairdressers team up to call on the Government to reduce VAT to 5 per cent.

Beauty is Big Business

Hotels and accommodation	16,570
Advertising	15,800
BEAUTY INDUSTRY	14,170
Manufacture of motor vehicles	13,530
Publishing activities	12,970
Sports activities	11,790

£27.2 bn
TOTAL VALUE OF UK CONSUMPTION OF BEAUTY PRODUCTS AND SERVICES IN 2018

Beauty is buoyant

Beauty is Beneficial

Every purchase funds a job

£7bn
IN UK TAX REVENUES, 2018

This is equivalent to the salaries of 250,000 nurses and midwives.

590,500
JOBS SUPPORTED BY THE BEAUTY INDUSTRY IN 2018

This equates to one in every 60 jobs in the UK economy



THE
VALUE
OF
BEAUTY

BRITISH
SUPPORTING A SUCCESSFUL, INCLUSIVE AND
SUSTAINABLE BEAUTY INDUSTRY
BEAUTY
AND ENHANCING THE BEAUTY INDUSTRY
COUNCIL

VALUE OF BEAUTY REPORT

We knew in 2018 that valuing the industry as soon as we launched would be hugely important and that we had to do this robustly to ensure credibility. It was an expensive project but one we believed would do much to drive our reputation forward. Accordingly a considerable chunk of our Founding Patrons' fee was used to pay for this Report from Oxford Economics.

Whilst we were convinced of its importance we did not know just how crucial a role it would play in the Covid pandemic nor that it would be such a vital tool in focusing public and government attention on our industry today.

The valuation report was produced to demonstrate the economic value of the beauty industry and the sheer number of people employed under its umbrella. In recent months, these statistics and learnings have proved invaluable and have been harnessed to influence policy makers: our figures have been quoted in parliament, in government reports, by national TV news channels, in the national and local press, and across social media.

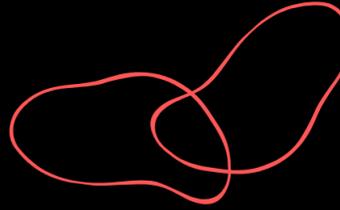
We also saw the impact this report had on our workforce giving them the confidence to campaign for the reopening of their businesses in a Covid secure manner.

THE COURAGE TO CHANGE

After an intense few months of fundraising supported by several of our patrons, we were able to secure funds for a landmark Sustainability Report, to research the effects of the beauty industry on climate change. The research was conducted by Junxion and will feature information from the sustainable change-making charity, Hubbub. Patrons, Partner Members and Guests from within and outside of the Industry had the opportunity to engage with this project through a think tank, hosted by Junxion, in August.

The report was launched at the end of October with a panel talk of industry experts and has become the go-to report for the hair and beauty industry. The report revealed a significant need for a Sustainable Beauty Coalition, and has led to a working relationship with the Department for Business, Energy and Industrial Strategy in the lead up to COP 26 in 2021.





PUBLIC SURVEY

THE BEAUTY INDUSTRY: LESSONS TO TAKE FROM COVID 19

WHAT WE OFFER PARTNER MEMBERS

We created a new paid-for membership scheme, offering a range of services including events, tutorials, a forum and access to all our research and reports, at a cost of £45 per year.

Membership is accessible via a new 'Members Zone' portal on our website. Equally new to the website is a forum with a "jobs" section which we will develop into an space for the promotion of beauty industry jobs and careers to counter the many redundancies we are now facing.

Partner members are invited to think tanks, exclusive webinars and town hall meetings to ensure we are truly listening to a wide range of voices and preparing our road map in their vision.

Surveys have been conducted throughout the year and have lead to essential data that we now share directly with the Government.

We have also partnered with Patrons to provide essential equipment and knowledge, most notably UK made PPE at preferential prices.



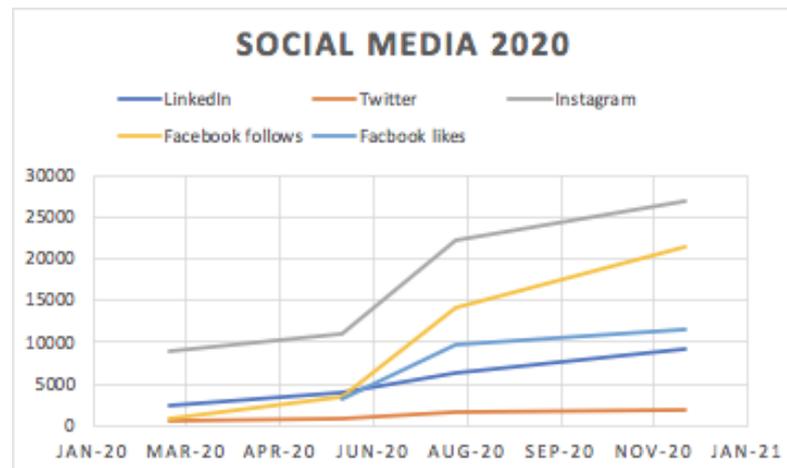
MEDIA AND ADVERTISING

We created an advertising campaign with M&C Saatchi, the global & creative strategic communications agency to launch in the Spring of 2021 across print, digital and social media channels as well as for businesses to promote to their customers the benefits of the services and products we have gone without over the past year. This campaign will focus on 'reviving beauty' by showcasing the breadth and personality of the industry, to government and the public.

So far the response from newspapers and magazines has been extremely positive and we look forward to the roll out of the campaign in the coming months.

We have also developed a relationship with Facebook Inc and will be developing exclusive content with them over the next 12 months.

We have seen a dramatic increase in social media following. Across all channels we have gained new followers and we have had well over a half of a million unique views on our Beauty Bytes posts. This sharp increase demonstrates how many people have come to rely on the British Beauty Council for accurate advice and support during the Covid-19 crisis.



2020 Event Summary

From the start of 2020, our CEO has been closely working with the Department of International Trade and has attended trade missions in London, Prague and New York. In February, we hosted a 'WGSN Beauty Insights' breakfast exclusively for our patrons, with 60 attendees. As we went into lockdown we adapted our events calendar to be as widely accessible as possible. Since March 2020 we have hosted the following virtual events: Instagram Lives with our Advisory Board, Patrons, Affiliates & Committee members; think tanks; Advisory Board meetings and multiple webinars with audiences in the thousands.

In May 2020 we created and hosted the Big Beauty Quiz, in collaboration with Glamour. This was a fun-filled, beauty-themed virtual event, with some of the most recognisable beauty faces competing against each other. Hundreds of people bought tickets and tuned in, with all proceeds going to NHS charities and supporting our front line workers.

British Beauty Weekend was a 3-day event held at the end of October, which included a range of free panel talks and webinars to celebrate British Beauty and to openly discuss the impact of Covid-19 on our sector.

**BRITISH
BEAUTY
WEEKEND**

29-31 OCTOBER

SHARMADEAN REID MBE

**BOOK NOW TO
COME SEE ME AT**

**THE
BIG
BEAUTY
QUIZ**

**THURSDAY
7 MAY AT 7PM**

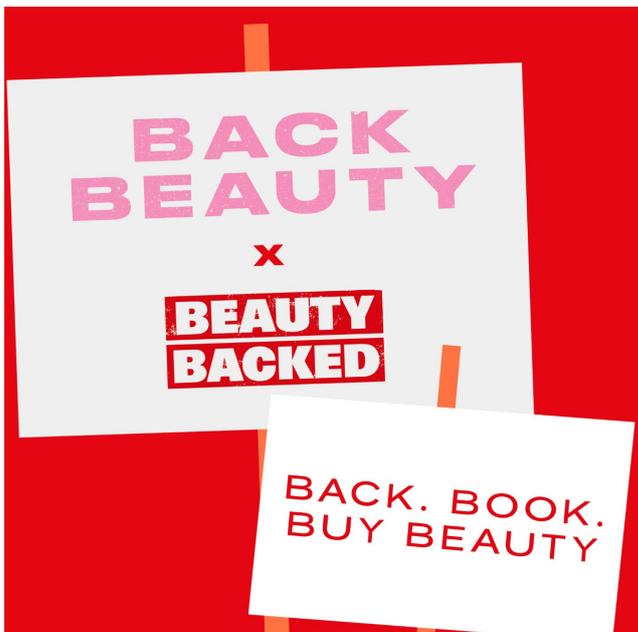
A collaboration with

GLAMOUR **BRITISH
BEAUTY
COUNCIL**
SUPPORTING A SUCCESSFUL, INNOVATIVE
AND INCLUSIVE BRITISH BEAUTY INDUSTRY

Money raised will be donated to charity

BEAUTY BACKED

We worked alongside Advisory Board member, Caroline Hirons, the Hair & Beauty Charity and Lesley Blair, Chair of BABTAC & CIBTAC on the 'Beauty Backed' campaign, to raise awareness and financial support for clinics, aestheticians, therapists and makeup artists who had been unable to work for months. This project raised over half a million GBPs for those in our industry most impacted by the pandemic



To:
Rt Hon Boris Johnson MP
Rishi Sunak MP
Alok Sharma MP
Prof Chris Whitty

Dear Prime Minister, Chancellor, Secretary of State for BEIS and Professor Whitty,

We, the undersigned, support our colleagues in the British Beauty Industry and the Beauty Backed campaign.

The beauty industry contributes £28 billion annually to the UK economy alone and 1 in every 60 jobs is in beauty.

Beauty clinics, freelance therapists and makeup artists are expecting and planning to reopen on Saturday 15th August. They need to start contributing to the UK economy once more and where applicable, take their staff off furlough.

We are extremely concerned that there has been no confirmation from the government about reopening this Saturday and therefore implore you not to backtrack on your announced opening date.

Clinical aestheticians, beauty therapists and makeup artists, all of whom are qualified and insured, have not been able to earn an income for more than five months.

If restrictions continue, you will further impact those who safely carry out treatments and will demonstrate that the Government does not comprehend or appreciate the value of the beauty industry.

Outside of medical environments, the beauty industry, more than any other, maintains the level of standards required for safety during the Covid-19 crisis, with the majority of treatments already taking place with PPE in place during 'normal' times. The health and safety of clients has always been taken extremely seriously.

With this in mind, it is well overdue that the beauty industry should be allowed to return to work in full.

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AN INDUSTRY OF BELONGING

Our initial Diversity and Inclusion (D&I) panel talk and think tank in November 2019 resulted in an educational white paper, which set out our early findings and collated the thoughts of the attendees. This paper provided a starting point and gave us direction for which areas we should focus on moving forward. Since then, we have launched a number of think tanks, working sessions, webinars and a public survey, to collect thoughts and data on D&I from across the industry.

Our work in this area has received a very high level of engagement, our events have been oversubscribed and we have received a great deal of feedback. We will continue to move forward and engage with the industry to drive positive change for the beauty community in regular Town Hall sessions open to Partner and Associate Members as well as the diverse and often marginalised community outside of our reach.

Our Education Pillar has spearheaded a taskforce to work directly with standard-setting body Habia, (Hair and Beauty Industry Authority) to ensure that diverse and inclusive hair and beauty training is and will continue to be provided in the UK.

As part of our Diversity and Inclusivity research we recognised the importance of supporting this well respected industry body in building out the National Occupational Standards for our sector, enticing recruitment into the industry.



SUMMARY

This year has been a challenge for our industry, but we have seen it come together like never before. Our Advisory Board has supported our members and the industry at large, they have stepped up and taken to media to become public representatives, campaigning for fair treatment and equality in the face of adversity, our Affiliate Board has grown and is an established format for industry collaboration. Our newly formed Hairdressing Sub-Committee continues to campaign for a much needed VAT reduction for Hair & Beauty salons. We have seen retailers transform their businesses due to the Covid-19 pandemic and Brexit, alongside a record number of launches of new independent beauty brands (many with sustainable credentials).

The aim of the valuation of the industry was to ensure that the people working in it, along with Government officials and business leaders, would recognise a viable and buoyant business sector that has given the power to the people. In raising the confidence and respect from within, we saw our industry come together to campaign and elevate. It was our vision in 2018 to see a united front and this has most definitely materialised in 2020. Out of adversity has come a renewed spirit:- pride in our valuation and our contribution to the economy & to wellbeing; a determined and resilient workforce; a collaborative and cohesive industry; and a vision for the future that will see beauty once again flourishing in the high streets of the United Kingdom.

Thank you all for your support and tenacity during this strange and challenging year that was 2020, we look forward to many more partnerships and to transparent and engaging communications in 2021.

Millie Kendall MBE
CEO British Beauty Council

“There’s this really false idea that if you care about makeup or if your interests are in beauty and fashion, that that’s somehow frivolous. But I actually think these are some of the most substantive decisions that we make – and we make them every morning.”
 - Alexandria Ocasio-Cortez



Credit: WGSN

Transparency will be non-negotiable

Consumers will demand *evidence* of your claims

Third-party supply-chain mapping will give *end-to-end visibility*

Brand spokespeople will pivot to *science experts* and away from celebrities and influencers