THE VALUE OF BEAUTY 2026

BRITISH BEAUTY COUNCIL

OXFORD ECONOMICS

THE ECONOMIC IMPACT OF THE UK PERSONAL CARE INDUSTRY IN 2025

Report for the British Beauty Council

MAY 2026

BRITISH BEAUTY COUNCIL

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, we have become one of the world's foremost independent global advisory firms, providing reports, forecasts, and analytical tools on more than 200 countries, 100 industries, and 8,000 cities and regions. Our best-in-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social, and business impact.

Headquartered in Oxford, England, with regional centres in New York, London, Frankfurt, and Singapore, Oxford Economics has offices across the globe in Belfast, Boston, Cape Town, Chicago, Dubai, Dublin, Hong Kong, Los Angeles, Mexico City, Milan, Paris, Philadelphia, Stockholm, Sydney, Tokyo, and Toronto. We employ 700 staff, including more than 450 professional economists, industry experts, and business editors – one of the largest teams of macroeconomists and thought leadership specialists. Our global team is highly skilled in a full range of research techniques and thought leadership capabilities from econometric modelling, scenario framing, and economic impact analysis to market surveys, case studies, expert panels, and web analytics.

Oxford Economics is a key adviser to corporate, financial, and government decision-makers and thought leaders. Our worldwide client base now comprises over 2,500 international organisations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

MAY 2026

All data shown in tables and charts are Oxford Economics' own data, except where otherwise stated and cited in footnotes, and are copyright © Oxford Economics Ltd.

This report is confidential to the British Beauty Council and may not be published or distributed without their prior written permission.

The modelling and results presented here are based on information provided by third parties, upon which Oxford Economics has relied in producing its report and forecasts in good faith. Any subsequent revision or update of those data will affect the assessments and projections shown.

To discuss the report further, please contact:
Vasilis Douzenis: vdouzenis@oxfordeconomics.com
Oxford Economics
4 Millbank, London SW1P 3JA
Tel: +44 20 3910 8061

The figures presented in this report are based on the latest available data at the time of publication. These data are subject to revision by the Office for National Statistics as updated information becomes available. As such, subsequent releases may result in changes to the estimates and analysis contained herein. The authors accept no responsibility for any decisions made based on data that are later revised.

ABOUT BRITISH BEAUTY COUNCIL

The British Beauty Council is a not-for-profit organisation that represents all sectors of the UK Beauty Industry and collaborates with government and industry leaders to tackle key challenges and drive meaningful change.

Since its inception in 2018, the British Beauty Council has proven itself as the champion of the beauty industry, providing support to hundreds of thousands of workers and businesses. We work with various global economic, strategy and insight experts, including Oxford Economics, to value and detail the beauty industry-confirming influential statistics including the size of workforce and total contribution to UK GDP.

Understanding the value and contribution of our industry enables us to have a strong voice at the table to champion the issues that matter.

Despite its resilience and consistent growth, the beauty industry like so many industries is facing challenges in these troubling times.

By collaborating with a diverse network of patrons, affiliates and members, the British Beauty Council tackles the most pressing industry issues so that every sector within the industry can thrive.

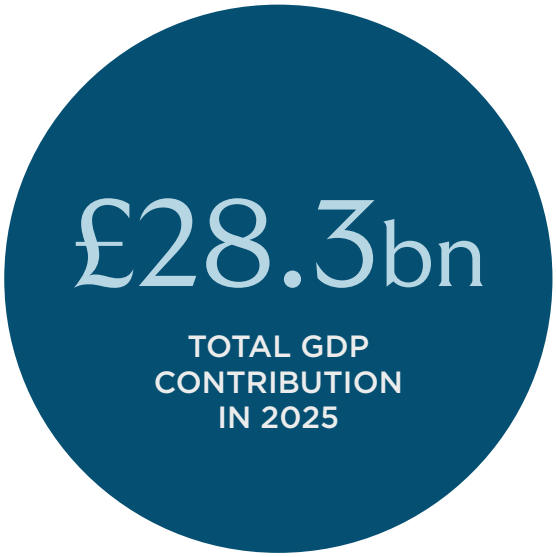
Our work encompassed four main pillars in 2025: Policy & Influence, Talent & Careers, Trade & Export and Investment, Innovation & Technology.

Policy and Influence: The Council aims to shape policy, promote sustainability, and support growth and talent within the beauty industry through advocacy, collaboration, and targeted initiatives.

Investment, Innovation, and Technology: By fostering investment, promoting innovation, and supporting technology adoption, the Council seeks to enhance competitiveness and sustainability in the beauty sector, driving growth and economic resilience.

Talent and Careers: Through education, inclusivity, and industry collaboration, the Council endeavours to promote diverse career pathways, professional development, and accessibility in the beauty industry, ensuring a skilled and empowered workforce.

Trade and Export: With a focus on market access, export readiness, and industry advocacy, the Council aims to facilitate international trade opportunities and promote British beauty brands on the global stage, driving economic expansion and market diversification.





EXECUTIVE SUMMARY

INTRODUCTION

In 2019, the British Beauty Council and Oxford Economics launched the first comprehensive study of the economic footprint of the personal care industry on the UK economy. In 2023, Oxford Economics and the British Beauty Council updated this research, quantifying how the industry's economic impact evolved from 2018 to 2022.

This report is the third annual update since the 2023 study and provides economic impact estimates for 2025 and a forecast for 2026. It also updates trade estimates for the UK personal care industry.

HEADLINE FINDINGS

- Following a period during which the industry had rebounded strongly after the pandemic, 2025 proved to be a more challenging year for the beauty and personal care sector. In the face of still elevated cost-of-living challenges, spending on beauty and personal care broadly flatlined compared to 2024.
- **Despite this more challenging consumer environment, the industry remained a major player for the UK economy.**

  In 2025, the beauty and personal care industry made a direct contribution to UK GDP of £14.4 billion, which represented a marginal (0.2%) cash-terms decrease on 2024. To put this in context, the contribution was larger than that of the creative, arts and entertainment activities sector. The industry supported a further £13.9 billion of UK GDP through its supply chain and employee spending, implying a total contribution of £28.3 billion.

  The industry remained a major source of demand within the UK labour market contributed 422,000 direct jobs in 2025, a 2.1% decrease on 2024. The sector directly employed more workers than the publishing and broadcasting sector.

  Beauty and personal care directly contributed £4.6 billion to UK tax revenues, providing a vital support for the Exchequer in fiscally constrained times. This is equivalent to the salary of 110,000 nurse practitioners and nearly as large as the additional funding of £5 billion provided for defence in 2025–2026.

- **We expect growth to pick up in 2026 although risks have been heightened by recent events.**

  In 2026, we expect consumer spending on beauty products and services to increase by 3.9% year-on-year in cash terms. This baseline view, however, is subject to some significant downside risks due to current pressures in global energy markets which have the potential to fuel a renewed bout of inflation. In any event, we expect the industry to remain a mainstay of the UK economy.

- **Exports also demonstrated resilience in a challenging global trading environment, with the EU27 remaining a key trading partner.**

  Over the course of 2025, the UK exported £4.2 billion of beauty and personal care products, representing 1.25% of total goods exports.

  Exports of personal care products grew by 0.3% in cash terms. Adjusted for inflation, this equates to real terms growth of -1.2%, mirroring wider poor performance in export growth in other sectors of the economy.

  Post-Brexit, most the industry's top export partners remain European, with 10 countries within the EU27 comprising the industry's top 15 export destinations and 70% of total exports destined for the Single Market. In 2025, the industry's primary export partner was Ireland (£652 million), followed by Belgium (£448 million), and the USA (£368 million).

ANNUAL UPDATE

THE GDP CONTRIBUTION OF THE PERSONAL CARE INDUSTRY

In 2025, the personal care industry supported a total contribution to UK GDP of £28.3 billion – a 0.4% decrease with respect to 2024.[1] This contraction was driven by a 0.7% decrease in spending on personal care products and services by UK households and weak demand for UK personal care products abroad as exports fell in real terms. Factors driving the performance of UK exports of personal care products are discussed in a later section of this report.

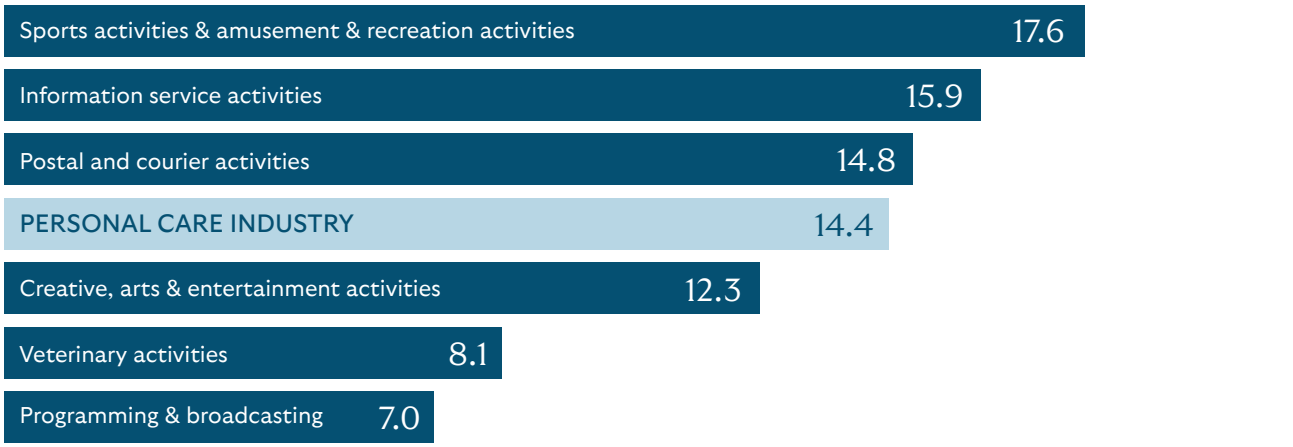
Despite this, the sector remained a major player for the overall UK economy. Over half (51%) of the personal care industry's total GDP contribution in 2025 was generated by the industry itself (£14.4 billion), representing 0.5% of UK economy.[2] Beauty services such as hairdressing supported the highest share of the sector's direct GDP contribution among beauty sub-sectors (£5.7 billion). The industry's domestic supply chain purchases indirectly supported a further £6.1 billion contribution to UK GDP. Finally, the industry's workers and the workers employed by the industry's supply chain supported a further £7.8 billion contribution to UK GDP through wage spending.

We expect that in 2026 the personal care industry will see a moderate increase, supporting a total GDP contribution of £29.4 billion, up 3.9% on 2025. For 2026, we forecast that the industry's direct contribution to UK GDP will increase to £15 billion, while supply chain and wage spending impacts will contribute a further £6.3 billion and £8.1 billion respectively.

The higher year-on-year growth forecast for 2026 compared to 2025 is driven by an expected increase in growth of household spending on personal care products and services. However, this outlook remains uncertain and subject to significant downside risks given ongoing economic and geopolitical headwinds.

FIG. 1 DIRECT CONTRIBUTIONS TO GDP OF THE PERSONAL CARE INDUSTRY AND BENCHMARK SECTORS IN 2025
£ BILLIONS

Source: ONS, Oxford Economics



1 Incorporating the latest ONS data, we estimate that the beauty and personal care industry directly contributed £14.4 billion to UK GDP in 2024, supported 431,200 jobs, and generated £4.1 billion in tax revenues. These figures reflect updates to official household spending data and our standard methodology.
2 This calculation uses the ONS' Gross Value Added estimate for the UK as a whole for 2025.

ANNUAL UPDATE

UK EMPLOYMENT SUPPORTED BY THE PERSONAL CARE INDUSTRY

We estimate that in 2025 the personal care industry supported a total of 595,000 jobs across all impact channels – a 2.8% decrease on 2024. Of this total, the industry itself directly employed 422,000 workers, while within this the beauty services sub-sector employed 243,000 workers.

For 2026, we forecast that the personal care industry will support a total of 609,000 jobs. This represents a 2.4% increase compared on 2025.

TAX CONTRIBUTIONS SUPPORTED BY THE PERSONAL CARE INDUSTRY

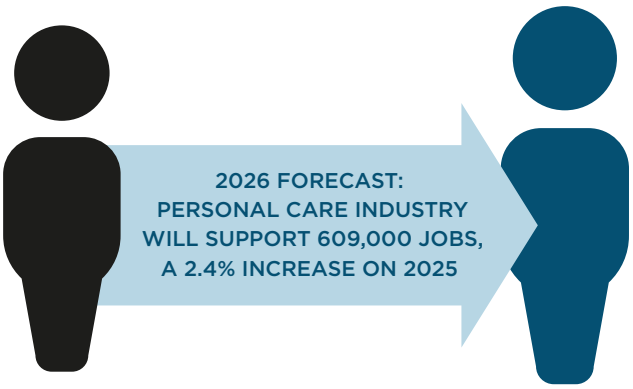
We estimate that in 2025 the personal care industry supported a total of £8.8 billion in tax revenue to the UK Treasury. Of this total, the industry itself directly supported £4.6 billion in tax receipts. This is equivalent to the salary of 110,000 nurse practitioners and nearly as large as the additional funding of £5 billion provided for defence in 2025–2026[3,4]. The industry's supply chain and wage payments supported further contributions of £1.6 billion and £2.7 billion respectively.

In 2026, we forecast that the industry's total tax contribution will increase to £9.4 billion, of which £5 billion will be supported directly.

FIG. 2 EMPLOYMENT IN THE PERSONAL CARE INDUSTRY IN 2024 AND IN BENCHMARK SECTORS (HEADCOUNT '000s)

Source: Oxford Economics, BRES





3 Calculated using gross average annual pay for all nurse practitioners in the UK in 2025. Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14 – Office for National Statistics

4 It is also equivalent to 4% of the departmental budget for the Department for Education, and to 15% of the departmental budget for the Department for Transport (see source in footnote above).

ANNUAL UPDATE

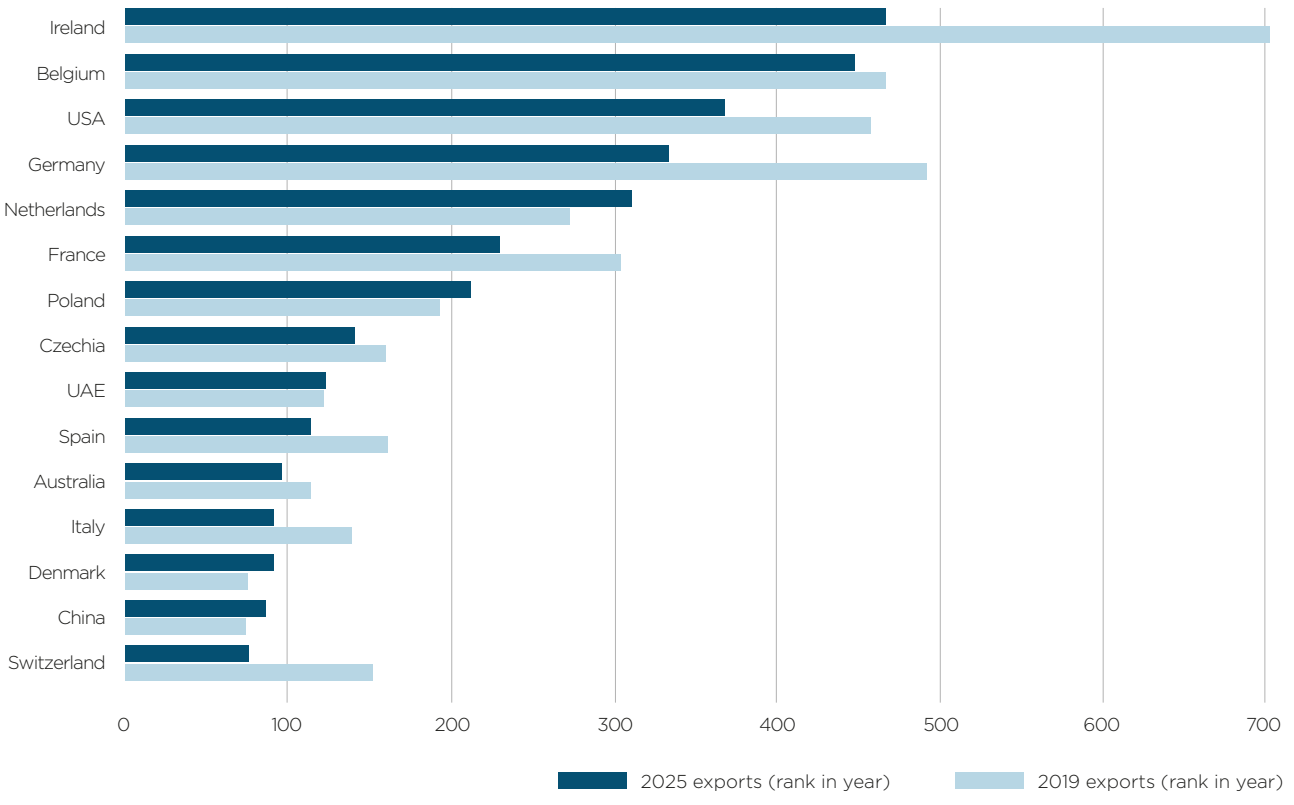
UK EXPORTS OF BEAUTY AND PERSONAL CARE PRODUCTS

In 2025, the UK exported £4.2 billion of beauty and personal care products, representing 1.25% of the UK's total goods exports.[5]

The majority of the industry's top export partners are European, with 10 of the industry's top 15 export partners located within the EU27. In 2025, the industry's largest export market was Ireland (£652 million), followed by Belgium (£448 million), and the USA (£368 million). Indeed, in contrast to the wider economy, the sector's reliance on Europe as a source of external demand has risen since Brexit. In 2025, the Single Market accounted for 70% of the UK's beauty product exports, four percentage points higher than in 2019. This compares with a nine-percentage-point fall in the share of UK goods exports going to the Single Market over the same period.[6,7]

FIG. 3 UK EXPORTS OF PERSONAL CARE AND BEAUTY PRODUCTS, BY DESTINATION MARKET
£, MILLIONS, CONSTANT 2025 PRICES

Notes/source: Oxford Economics analysis of COMTRADE data



5 Here and throughout, all trade figures in this chapter refer to data extracted from UN's COMTRADE database for Oxford Economics analysis. Data was collected by extracting detailed, product-level (HS6 codes) data on monthly UK imports and exports of beauty and personal care-related products to all countries in the world.
6 Oxford Economics analysis of COMTRADE.
7 Dominic Webb and Matthew Ward, House of Commons Library, "Statistics on UK trade with the EU", 2025, accessed April 2026.

ANNUAL UPDATE

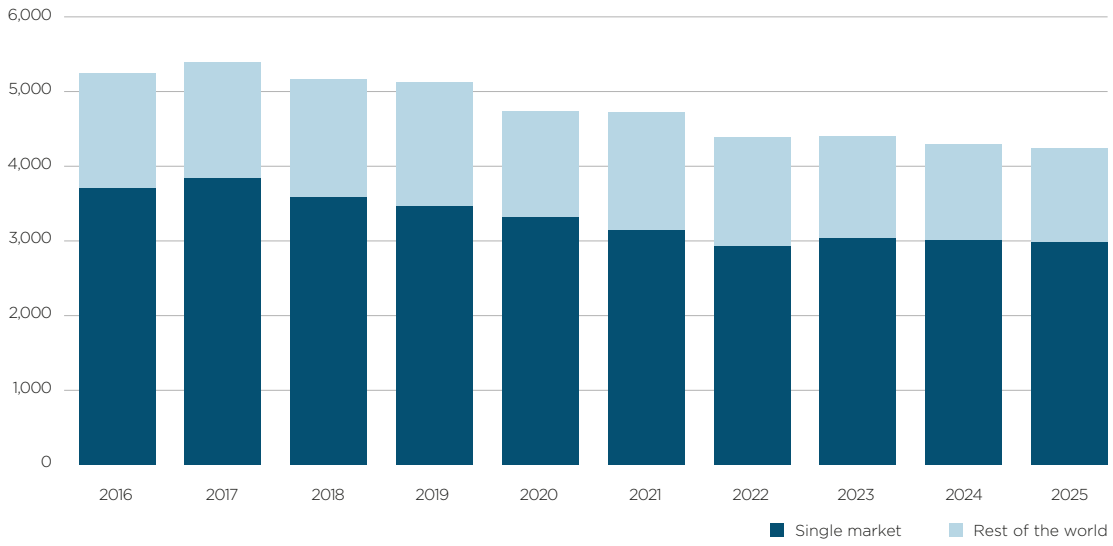
Exports of personal care products grew 0.3% from 2024 to 2025. Adjusted for inflation, this equates to real terms growth of -1.2%.[8] Falling year-on-year export volumes add to longer term trends: annual export volumes of personal care products (expressed in real terms) have not returned to their pre-Covid and pre-Brexit peak in 2019. This phenomenon is not unique to the personal care sector, growth in UK exports of all commodities has been negative since an initial post-Covid rebound in 2021 and 2022.[9] Over the course of 2025, total goods export volumes contracted 0.5% on 2024 volumes in real terms and total goods exports also have not recovered to their 2019 peak, indicating weak growth in demand for manufactured products amongst the UK's export partners.[10]

Plenty of factors could contribute to falling export volumes of personal care products:

- Whilst the UK's Trade and Cooperation Agreement (TCA) offers tariff-free trade between the UK and the EU post-Brexit, additional compliance costs and paperwork has made it more costly to trade with the EU. Research has suggested that smaller firms are more affected by these increased non-tariff barriers and the implementation of the TCA in 2021 has had a greater negative impact on export volumes on smaller firms, whilst for the largest firms, impacts were insignificant.[11]

FIG. 4 UK EXPORTS VOLUMES OF PERSONAL CARE PRODUCTS, 2016–2025
£, MILLIONS, CONSTANT 2025 PRICES

Notes/source: Oxford Economics analysis of COMTRADE data



8 Conversion from nominal prices to real prices is carried out using the UK's export deflator.
9 ONS, "Trade in Goods less precious metals (inc. non-monetary gold): WW: Exports: BOP: CVM: SA", 2026, accessed April 2026.
10 ONS, "Trade in Goods less precious metals (inc. non-monetary gold): WW: Exports: BOP: CVM: SA", 2026, accessed April 2026.
11 CEPR, "Deep integration and trade: UK firms in the wake of Brexit", 2025, accessed April 2026.

ANNUAL UPDATE

These non-tariff barriers are particularly important for the personal care sector because:

- As mentioned, the beauty sector was relatively more reliant on the EU27 as an export market.
- It is an industry that is composed of a high proportion of small and medium sized businesses and so evidence suggests that the impacts on exports could be larger than the average industry.[12]

  Since the introduction of the UK's TCA in 2021, exports of the personal care industry to the European Single Market have contracted, growing at an annual compound growth rate of -4.2%. This drop has not been offset by positive growth in exports to other markets. UK personal care exports to non-single market countries have fallen at an annual rate of 3.2% over the same period.

- Exports to the United States in 2025 have been affected by the introduction of tariffs, with an additional 10% tariff applied to all goods and services imported into the US from April 2025.[13] These tariffs were in place for the remainder of 2025 before they were deemed illegal by the US Supreme Court in February 2026.[14] Immediately after this ruling the tariff was replaced with another temporary 10% tariff, which is due until July 2026. It therefore remains uncertain what tariffs barriers UK exporters will face over the course of 2026.

  UK personal care exports to the US would also have been impacted by the suspension of the "de minimis" threshold on commercial shipments, introduced in August 2025.[15] Under the "de minimis" threshold, exporters of low-value items (shipments below $800) would face lower customs requirements and would not have tariffs and duties charged on them. Removing this threshold would have a significant impact on small exporters who would see increased compliance costs when exporting to the US and tariffs applied to goods.

These increased barriers to trade and increased uncertainty over the nature of future trading relationships, dampened the growth of UK exports of beauty products to the US. Given the importance of the US as an export partner (3rd greatest export partner in 2025), this uncertainty has had an impact on the overall growth in exports by the UK personal care sector. The introduction of these tariffs and further regulation changes made it more costly for smaller exporters to export to the US.[16]

The data suggest that these trade barriers could have negatively impacted growth in exports to the US. Despite positive growth over the course of Q1 (before any UK tariffs had been announced), exports to the US were £21 million lower in 2025 (£368 million) than they were in 2024 (£389 million), a decrease of 5.4%.[17]

Over the course of Q2, after tariffs were introduced, we see export volumes to the US fall from volumes in March 2025, with further decreases in Q3 into Q4 following the suspension of de minimis exemption. Export volumes to the US in Q4 of 2025 were 19% lower than volumes in Q1 of 2025, supporting the view that these policy decisions have dampened export flows to the US.

EXPORTS TO THE UNITED STATES IN 2025 HAVE BEEN NEGATIVELY AFFECTED BY THE INTRODUCTION OF TARIFFS

12 Oxford Economics and British Beauty Council, "The Value of Beauty", 2023, accessed April 2026.
13 Business.gov.uk, "UK-US economic deal", 2025, accessed April 2026.
14 White & Case, "United States terminates IEEPA-based tariffs following supreme court decision", 2026, accessed April 2026.
15 Business.gov.uk, "Changes to US import rules for low-value shipments from the UK", 2025, accessed April 2026.
16 Business.gov.uk, "Changes to US import rules for low-value shipments from the UK", 2025, accessed April 2026.
17 Exports expressed in real (inflation-adjusted) terms and are seasonally adjusted.

ANNUAL UPDATE

FIG. 5 EXPORTS OF PERSONAL CARE PRODUCTS TO THE UNITED STATES
CONSTANT 2025 PRICES, SEASONALLY ADJUSTED, £ MILLIONS

Notes/source: Oxford Economics analysis of COMTRADE data

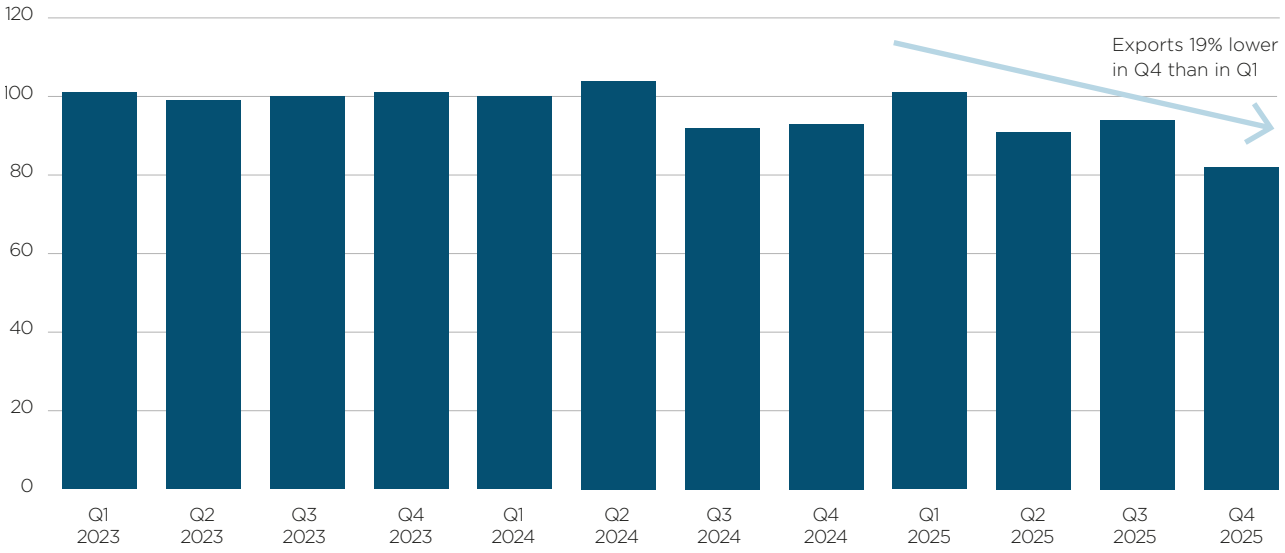


FIG. 6 EXPORTS OF PERSONAL CARE PRODUCTS TO THE UNITED STATES

Notes/source: Oxford Economics analysis of COMTRADE data, exports expressed in real (inflation adjusted) terms and are seasonally adjusted

QUARTER	USA QUARTERLY EXPORT VOLUMES (£ MILLIONS)	USA QUARTER-ON-QUARTER GROWTH	WORLD (ex USA) QUARTERLY EXPORT VOLUMES (£ MILLIONS)	WORLD (ex USA) QUARTER-ON-QUARTER GROWTH
2025 Q1	101	9%	974	2%
2025 Q2	91	-10%	970	0%
2025 Q3	94	3%	979	1%
2025 Q4	82	-13%	958	-2%

The growth path of personal care exports to the US over the course of 2025 is reflected in other commodity groups, with UK total goods exports to the US growing strongly in Q1 (possibly as UK exporters bring forward trade in anticipation of the introduction of tariffs), before goods exports fall significantly following the imposition of tariffs and also do not recover of the rest of the year.[18]

18 Office for National Statistics, "UK trade with the United States: exports and imports of goods following the introduction of US tariffs, April 2025 to February 2026", 2026, accessed May 2026.

PATRONS

39BC
Aircards
AlixPartners
Amika
Azio Beauty
Bags of Ethics
Beauty Matter Media Inc
Beauty Pie
Beauty Shelf
Benefit Cosmetics
Bespoke Banter
Blink Brow Bar
Boomd
Boots
Brandstand Communications
Business of Fashion
Circana
Clara Group
ClearPay
CMS
Cosmetics Business
Cult Beauty
Current Body (BeautyTechGroup)
Debenhams
DECIEM
Dermalux
Dr Organic Limited
Dr Sam's
Easyfairs
ELEMIS
Estee Lauder Inc.
FloStream
GCRS
George Northwood
Grown Alchemist
Hair by Sam McKnight
Hello Sunday SPF
Henkel Ltd.
HONA
IIAA
IL Brand Consultancy
Indu
Invinci Agency
JCDecaux
Jo Loves
Jo Malone
John Lewis
Joonbyrd
Josh Wood Colour
KMI Brands
L'OCCITANE
L'Oréal
Latest in Beauty
Lelive
LOOKFANTASTIC
Lucky Seven Marketing
Marie Reynolds
Matrix
Medik8
Hada Labo Tokyo
Meta
MetaMinds
Miamo
MUA
MYGroup
MZ Skin
No7 Beauty Company
Noli
Omorovicza
Pall Mall Barbers
Pattern
PDC Brands
Philip Kingsley
PZ Cussons
Remi Cachet
Revieve
Ruka Hair
Ruuby
Sainsbury's
Sarah Chapman
Schwarzkopf
Scrummi
Seen
SEPHORA UK
Shakeup Cosmetics
Shark Beauty
Shavata Singh Brows and Lashes
Shellworks
Skin Cycles
Skin Rocks
SLG Brands
Space NK
Stylus
Teresa Tarmey
Tesco
The Body Shop
The Decree
The Gel Bottle Inc
The Pack Lion
The Perfumers Story By Azzi
The Red Tree
The UNSEEN
TikTok Shop
Toly
Trinny London
True Search
UNiDAYS
Unsociable
Untapped Innovation
Vieve
Water Junkie
Weleda
WGSN
Wildsmith Skin
YASO

FOUNDING PATRONS

Avon
Johnson & Johnson
Babyliss Pro
Boots
Shaftesbury Capital
Coty
L'Oréal Professional
PZ Cussons Beauty
TIGI
Treatwell

BOARD OF DIRECTORS

Meribeth Parker
Josh Wood
Gemma Bellman
Nnenna Onuba
Mireille Dagger
Diana Verde Nieto
Ryan Woor
Sarah Boyd
Sue Fox

LEADERSHIP TEAM

Millie Kendall OBE
Victoria Brownlie MBE
Jacqui Burchell
Camilla Kay
Mansha Anand

AMBASSADORS

Bobbi Brown
Caroline Hirons
David MacDonald
David Walker-Smith
Dr Ateh Jewel
Georgia May Jagger
Jerry Hall
Jessica Diner
Kathy Phillips
Marcia Kilgore
Mary Greenwell
Ruby Hammer MBE
Sam McKnight MBE
Tatyana Heard
Trinny Woodall
Kate Moss
Rita Ora

ADVISORY BOARD

Aarti Pal
Alessandra Steinherr
Alexia Inge
Amir Afshar
Awie Newell
Azzi Glasser
Barbara Daly
Ben Grace
Camilla Craven
Caroline Rush
Charlotte Mensah
Claire Aggarwal
Daniela Rinaldi
Debbie Thomas
Diana Kennedy
Dija Ayodele
Dominic Skinner
Dr Alex Box
Dr Alexis Granite
Dr Ifeoma Ejikeme
Dr Maryam Zamani
Dr Sharon Wong
Gabriela Da Costa
Gary Thompson
George Northwood
Harriet Westmoreland
Harry Zalk
Insiya Jafferjee
Isamaya Ffrench
Jake Xu
James Brown
James Welsh
Jamie Genevieve
Jayn Sterland
Jessica Hewitt
John Vial
Kamanza Amihyia
Kate Shapland
Kay Montano
Krishna Montgomery
Lan Nguyen-Grealis
Lauren Bowker
Laurence Newman
Lisa Eldridge
Liz Collins
Lizzie Yianni-Georgiou
Loretta De Feo
Lucie Seffens
Lucy Bridge
Margaret Dabbs
Margaret de Heinrich
Maria Hatzistefanis
Marian Newman
Michael Douglas
Neil Moodie
Nicola Kilner
Nicola Moulton
Paul Kingsley
Pavan Ahluwalia-Dhanjal
Renee Parker
Rhea Cartwright
Richard Marshall
Robert Welsh
Ross Barr
Sam Chapman
Sandeep Ranote
Sarah Chapman
Scott Wimsett
Shane Carnell-Xu
Sharmadean Reid MBE
Shavata Singh
Sienna Piccioni
Sophie Carbonari
Sylvie Macmillan
Tendai Moyo
Teresa Tarmey
Tom Chapman
Val Garland
Vanita Parti
Wendy Rowe

The figures presented in this report are based on the latest available data at the time of publication. These data are subject to revision by the Office for National Statistics as updated information becomes available. As such, subsequent releases may result in changes to the estimates and analysis contained herein. The authors accept no responsibility for any decisions made based on data that are later revised.

Value of Beauty™ is a registered trademark of the British Beauty Council.

To become a Patron or Member, email:
membership@britishbeautycouncil.com

Press enquiries:
press@britishbeautycouncil.com

British Beauty Council
27 Rathbone Street, London W1T 1NH

britishbeautycouncil.com

Follow us on:
Instagram: @britishbeautycouncil
Threads: @britishbeautycouncil
Linkedin: British Beauty Council
Facebook: British Beauty Council
TikTok: british beauty council
Snapchat: @britishbeautycl

BB
Co