

Antony ([00:00:02](#)):

Welcome to the Grow My Salon Business podcast, where we focus on the business side of hairdressing. I'm your host, Antony Whittaker, and I'll be talking to thought leaders in the hairdressing industry discussing insightful, provocative, and inspiring ideas that matter. So get ready to learn, get ready to be challenged, get ready to be inspired, and most importantly, get ready to grow your salon business.

Antony ([00:00:30](#)):

Hey, it's Antony here, and welcome to today's episode of the Grow My Salon Business podcast. And as I often say, whether this is your first time or your returning listener, it's always great to have you here. Recently I did an online presentation where I referenced a quote from a gentleman by the name of W. Edwards Deming who said, Show me the data. A person without data is just another person with an opinion. Now, I referenced it in the context of saying that in some areas of the hair and beauty sector, there is a lot of accurate data, but in other areas there's a lot of opinion and perception. And while I can be as guilty of that as anyone, it's also important to separate fact from fiction. So my guest on today's podcast is Gordon Miller, who is someone who I would consider a good friend, but also someone who always has a good overview of what's happening in the hairdressing industry from a business and a data perspective, as well as as many previous roles in the industry today, Gordon is the Chief Engagement Officer of Hair Brained.

Antony ([00:01:38](#)):

You can check out Hair Brained online at hairbrained.me or search for the Hair Brained Podcast on your favorite podcast app. We have listeners to this podcast in over 70 countries every week, and about 50% of them are American based. However, I wanna say that although our conversation today is based primarily around trends and data from the United States, most of it has a relevance no matter where in the world you are based. So in today's podcast, we're gonna discuss what the data says about the industry in a post covid world, what the trends are in evolving business models, and the changes happening to the professional retail model and lots more. So without further ado, welcome to the show, Gordon

Gordon ([00:02:27](#)):

Antony, one of my favorite podcast hosts, my fellow p my fellow podcast host. It's a pleasure. Always.

Antony ([00:02:35](#)):

Well, it's always a pleasure to talk to you. I referred to you someone recently, I said, well, Gordon is like the sage of the hairdressing industry.

Gordon ([00:02:45](#)):

That makes me sound so old. And I am, you know, but you sounds so freaking old.

Antony ([00:02:54](#)):

Well, it's wisdom that, you know, take it as a compliment. It, it's definitely a wisdom. I will. Now there will be some people, you know, on my podcast that are not American. And so they dunno who Gordon Miller is. So let me, even though this is the third, at least the third time, possibly the fourth time I need to check,

Gordon ([00:03:16](#)):

I think, I think it's the fourth,

Antony ([00:03:17](#)):

Right? Okay. Yes, it is. It's the fourth time that you've been on the podcast. There'll be some people that maybe haven't heard of you before. You know, from our Australian audience, UK audience. So I'm gonna ask you to give us your sort of two minute backstory so they get some idea of where you are positioned in the market and what your, you know, depth of experience and expertise is in the industry, even though you are not actually a hairdresser. So, over to you.

Gordon ([00:03:46](#)):

Yeah. Well, first off, you know being a sage, two minutes, it's not very much time, but I, I will say I'm not a hairdresser, never been a salon owner. The fast version of I came into the industry right outta college. I have a degree in investment finance, and I got a minor in economics. And, and as I always say, the only thing I knew about life was I didn't wanna do either of those things. And fell by mistake much longer story in, into work as a kind of a office grunt. Not knowing even what the company did that I was working for in called Levons Incorporated in Denver, Colorado. They owned a bunch of salons. I'd been in a salon twice in my entire life. We didn't, I didn't come from money.

Gordon ([00:04:29](#)):

And so I, we never went to salons and I didn't even know what a beauty school was. But I was there for five years and they treated me amazingly. And quickly I was like, these are cool people. And so that was the beginning of my career. 10 years later I was hired by Pivot Point International a global company in education in Chicago. I was there for 10 years. And the founder Leo Sage became my mentor in business and life, and pretty much taught me everything I know. And that was the beginning of my career nationally and a little bit of international. Then I went on to be the head of what's called Noi Publishing, the biggest textbook publisher perhaps in the world. I know they even have distribution in the UK for some of their products, but in the US they had a 95% market share in schools.

Gordon ([00:05:11](#)):

So it was a big publishing company that was a brilliant opportunity. Went on to run the National Hairdressers Association in America. Did that for 10 years. And that could put me in the weeds with salons for the first time. Cause I was more on the education side. So I really got fascinated. Having grown up, if you will, with education in schools and, and also, you know, beyond schools for both those companies, being in the weeds of, and, representing salons in the industry gave me a whole different perspective. And I loved every bit of it because my job was to represent salons to the government, to schools, to the larger industry, and did that for 10 years. Then social media happened and I was taken by it quite early. In fact, a lot of brands that I was close to said you're crazy that whatever this thing is not going anywhere. And thankfully some of those same people go contact me regularly now and say by the way, you were right. And so I really jumped into that social media space. Started a little company called Passion Squared with Nina Covner, who I know has been a guest on the podcast. And or is a coming guest, I can't remember which.

Antony ([00:06:18](#)):

She's a coming guest. Yeah, I think she'll be after you. She should be one episode after you.

Gordon ([00:06:22](#)):

Well, everybody listened to Nina Covner. She's one of the smartest people I know. She's a brilliant marketer. And, and then from there went into publishing, I was the publisher of American Salon Magazine, which is one of the biggest trade magazines in America. And and then joined Hair Brained. Cause I wanted to get into a more progressive media environment and really, you know, kind of take my career back to where I was thinking it was gonna go before I went to American Salon, was digital all the way, social media all the way. And I've done that now for five years. And so yeah, that's the probably more than two minutes story.

Antony ([00:06:55](#)):

No, you couldn't sandwich that in any tighter. And it's fantastic because it gives people an understanding of the amount of experience you had in the industry across so many different aspects of the industry. And, you know, over that amount of time, you know, 40 odd years, you build up a lot of relationships. You build up a lot of trust with people. And, so that's why I call you the sage. Interestingly, the reason I did that is I heard someone refer to Warren Buffet, who's, you know, arguably the world's richest man, depends on what week you look at the numbers. And they referred to him as the Sage of Omaha. So, and he's older than you, Gordon. He's older than Gordon.

Gordon ([00:07:42](#)):

He is. Reading my mind, I wanted to make that point as well. And, you know, I think the most interesting thing for myself about my career, you know, having been so long and very much being always, I think a different version of, of down in the weeds with folks, which gives you such a clear understanding. I've never worked for a brand and never working for a brand has put me in a really unique position as to how others, especially brands, look at me. And in a good way. Because I, I think I try to present myself as Switzerland. I try to my present myself as a person who after all these years, care so much about the people in the industry that I do my best to always speak what I really, truly believe. This is the truth, even if get, if it gets me in trouble,

Antony ([00:08:21](#)):

Yeah. No, that's good. That's good. And the other thing that we both have in common is that we have the honor of being able to do what we're doing right now, which is Yes, your, with your podcast and my podcast, I get to, and you get to ask people probing, insightful questions and to really make them think. And and that's an incredibly great space to be in for both of us.

Gordon ([00:08:46](#)):

Yes.

Antony ([00:08:46](#)):

As a resource to give you an understanding of you know what's going on in the industry. So that's why you're here and that's why you know, our listeners will love listening to you. So we, I can't remember the date we last spoke. It was probably in the middle of Covid at some point, or depending on what you determined was the middle, beginning, or end of Covid

Antony ([00:09:10](#)):

But let's say that now we're, you know, fingers crossed, sort of well and truly, you know, coming out the other end of it or out the other end of it, depending where you are. And so I wanna start off with that. I don't wanna talk about Covid all the time, but I just wanna ask you, as an industry, where are we now? And specifically, what does the data say about where we are? Because one of the things I love and hate about the industry is there's a lot of drama, there's a lot of hysteria. There's a lot of, there's a lot of misinformation. But as you alluded to right at the beginning, you started off as an economist and you're a numbers guy and you love data. So what does the data say, where are we as an industry in the US? Obviously it's gonna be more US centric, but as I was saying before we started recording, a lot of the stuff that happens in the US has an influence on the rest of the world. And if it doesn't have an influence, at least it's interesting in for them to sort of see, okay, so that's what's happening over there, over there and that this is what's driving it. So over to you, the floors yours.

Gordon ([00:10:22](#)):

Well, you know, data is complicated. And I think, you know, one of my favorite things to say these days, cause I think it's never been a more complicated world, never been a more confusing world. And, you know in the States at least, we talk a lot about the term fake news which came out of politics. And it's, it's been around for quite a while. And I tell, you know, folks, no matter what side of politics you are on in America, you have a sense that there's this thing called fake news. And I've kind of started to talk about what I refer to as fake beauty news. It's just a different version of the same thing because in the, in the era of social media, there's a lot of folks who realize that you can say pretty much anything you wanna say.

Gordon ([00:11:00](#)):

And if you say it with authority, people believe you. And if you're in the business of attracting attention, that sometimes insenses people to say things that aren't quite right that benefit them from a business perspective, but don't benefit the audience. And the audience can then be very confused about reality. So I think we're in the midst of this, and I've seen so many things talked about that just don't make any sense to me. You know, in our industry take the retail off your shelves is an extreme example, but it's being talked about a lot because it's, the brands are bullying you. And the long list of stuff that I'm like, wait, wait, wait folks this is just marketing. This is just buzz. Let's, let's dig into to data and see the truth about it. Big picture. We don't have great data, never have to some of your point.

Gordon ([00:11:45](#)):

But the one place we can always look is to the brands. Especially those that are publicly held because they put out their information. And I've been watching stock reports and publicly presented versions of the economics of beauty for decades now, and coming outta Covid, it was very clear to me that, and then following up with brands to confirm some of this, brands have never done better. It's amazing the, the spike in revenues that we've seen the last 24 months that you can connect the dots back to the industry. And for me, connecting the dots is very often when there is no data is having conversations as you do every day. You know, and I just came back from a Midwestern regional event and had, you know, a day and a half to basically chat to people in the hallways about how you doing, how you doing?

Gordon ([00:12:31](#)):

And the consensus was 80 plus percent, I would say is my gut, you know, that 80-20 thing, best years ever, really doing great, you know, exploding. And then I dig in with what about the challenges? What about your competition? You know, lots of closings, not lots of closings. So net net, after talking for a

couple years about how things are going and with salons, with hairdressers, and then watching what brands and distributors are doing, I think we're in the best place we've ever been to get there. You know, it's kind of like as human beings, you know, you live a long life and you don't do everything perfect and, but you want to get to be better. Well, you gotta do a little bit more work and you gotta let go of some bad habits and, you know, shift things around a bit.

Gordon ([00:13:12](#)):

And it feels like that's what's happening in the industry, that a lot of the dead wood has kind of fallen away. Meaning some closures, some people leaving the industry different conversation. But I've long argued we've had too many salons and too many hairdressers in America, and we have too much of anything, prices that are suppressed, you know, and people have too many options. And so, you know, it's easy to move from salon A to salon B for, for whatever the reason might be. And when there's too much of anything, price sensitivity, you know, is, becomes a real thing, you know, because it's like, well, wait, I can, I, why am why are they increasing my price there? Nobody else is blah, blah, blah. And, you know, on that point, back to data, we've never seen price increases in the US like we've seen in this last 12 months you know.

Gordon ([00:13:55](#)):

And those are good things because people like you, people like myself, our mutual friend Michael Cole, have been saying for a very long time, raise your prices every year. It's it's what businesses do, you know, around the world especially businesses that wanna stay in business, because inflation is always with us. It's not, you know, people are very aware today of inflation, inflation's always with us. So the cost of money goes up about 3% on average every single year. If you don't raise your prices for two years, you've just lost six percentage points in the value of your money. So, you know, again, big, big picture I'm just hearing so much good from those who are in it, you know doing it every day. And I think it's always important to understand. And I think it's more clear than ever that the world is a whole lot of niches of business that need to be considered in different ways.

Gordon ([00:14:48](#)):

And our industry is a bunch of niches, you know. And when we think about salons, we have this really bad habit of talking about salons, like our one group of things are all the same. And when I look at the US, you know, we have the value salons, you know, and they're typically chains, so they're a very different business model. An example of that is, I would always argue they live off what is called churn of people. Meaning they like a fast food place. They know their people aren't gonna stay for a long time. It's their business model. They succeed in part because they don't have to pay a lot, because that's the nature of their business. And people who don't get paid a lot is they grow as human beings wanna go do something else. So in the US McDonald's, they don't want someone making french fries there for two years.

Gordon ([00:15:30](#)):

They will become an unhappy human being and cause trouble in the business. It will make other people unhappy. So you hire young kids who get some benefits, who get some value as to how to be a good employee perhaps, and move on to something else in their life, you hope they grow. And so those salons, they don't mind losing people. In fact, they benefit. And so what they do is spend a lot of time in beauty schools getting people. At the other end of the market, the best salons in America, the multi gazillion dollar salons with huge staff and a lot of sophistication. They live at the luxury level. And then

there's four or five other niches in between. And I think today, more than ever, we have to talk about each of those niches in a different way because they've all been impacted differently. Those who are moving to suites as an example, they come from more of one niche than another. So niches matter. And I think, again, big picture, we're doing great, but the niches that's where things get a little more interesting, I think.

Antony ([00:16:27](#)):

Yeah. The only thing they've got in common is that they all do hair. And yet we're trying to compare a salon suite or a booth renter to a high end luxury salon as if they're the same business. They're very, very different businesses. There was something.....

Gordon ([00:16:45](#)):

And their problems are different. And the solutions are different to their problems. I mean, I think that's, that's the, the real point here is whatever challenges they have and whatever those solutions are, they're not the same by category.

Antony ([00:16:56](#)):

Yes, exactly. And that's why it's so hard to, as you just said, to, to make these generalizations. You, you said something that straightaway made me think of something I just heard the other week. Apparently there was a report that was released not officially that Amazon executives had had been working on. And essentially this report, the conclusion of it was that by 2025, they would've exhausted their demographic for the type of people that they want to work in their warehouses. And it was really interesting. It's talking about exactly what you just said, the churn element that they know people are not gonna work there forever because it's such a tough place to work. And they're you know, they're driven hard. And so it, it's really interesting that at least they are aware of that, that even the company as big as that has to go, well, hang on, we are gonna run out of our most valuable resource here if we don't start to change the way we treat people.

Antony ([00:18:03](#)):

So, I mean, that's an extreme example. And it's probably, if anyone's interested in finding out more about that, I'm sure if you Googled it, you'd find something on it. If I can remember where I heard it, I'll put a link into the show notes because it had very interesting implications for any demographic that we're talking about in terms of what people are prepared to you know, to put up with and how people will work. That you have to look after people ultimately. And especially these days with, with Gen Z, it's like, hang on, I don't do that stuff anymore. My you know, my boomer mom and dad might have put up with it, but I'm not gonna put up with it. So anyway, moving right on then. So well...

Gordon ([00:18:46](#)):

Before we do, cause I think, you know, this is like such a big deal and we hear all the Gen Z stuff, and I love what you just shared with Amazon, because it reinforces to me that a conversation I've been having for years pre Covid, which is because in the US at least the big kind of political conversation within the industry has been the number one problem of the industry is labor, getting new labor, we have a massive labor shortage, was always the story. I don't agree with that. I never have. Cause I think if you look mathematically, and it connects to what you're saying, one of our problems in the US is when you do the economic math, we have too many salons and too many hairdressers. It's just easy to prove on a napkin that all by itself will actually make staff retention worse.

Gordon ([00:19:30](#)):

You know, because people don't make the living they thought they were gonna make, They can't raise up so we have, we have more churn. We've always had a churn problem. My conversations with salons of every kind have been that I have through my career, been employed by companies that are larger and bigger parts of the industry, and sometimes have other things going on in their business models. They, you know, maybe are part of a conglomerate. As an example, every place I've ever worked knows that they have churn and has a business plan to deal with churn. They have an HR department, they know over time they lose so many people a year. In America, the average person stays on a job for five years. The beauty industry has this strange idea that we're supposed to stay on our job forever, that we're never supposed to leave.

Gordon ([00:20:16](#)):

Whenever we leave is we're a bad person. We could be our 20 years, we could reach our two years. And the problem is related not to my business. And a solution is not about me figuring out what to do. It's a bigger societal, cultural issues that I'm dealing with that seems unsolvable. And that's just so wrong because every salon needs to be thinking like Amazon is thinking, you know, which is, let's get ahead of this. Let's understand that our turnover. And I don't, I can't wait to read that report because I would believe that the reason they're having this is because during the pandemic, they attracted a type of labor that was unlike any type of labor they ever attracted. Office workers became delivery people, they looked at the economic opportunity and perhaps didn't realize they weren't cut out to be a delivery guy. And they did it for two years, and then they left. You know? And so their workforce shifted. The way people think about their lives in that workforce shifted, and now they've got a higher turnover problem. It makes a lot of sense. And, but yet we as an industry never talk about this problem, or rarely talk about this problem in this way.

Antony ([00:21:23](#)):

Yeah. And, and I completely agree with you about the problem is that there are too many salons and competing for a limited pool of staff. And it's this self-perpetuating problem anyway, which we won't solve on this podcast. But you know, it that I think a lot of people would've been surprised to hear you say, we're in a good place. The industry is in a good place. And that where you base that from is that the manufacturers by and large have had a great couple of years. Now, I'm sure there's gonna be outliers that didn't have a great couple of years, but by and large, the manufacturers did, did really well. They had a great couple of years. So why is that relevant to salons? Because the manufacturers, for them to be doing well, they have to be selling product. So who they're selling it to, they're selling it to hairdressers, obviously, specifically color. So....

Gordon ([00:22:17](#)):

And especially when you tie it in, especially when you tie it to distribution. So that's like, that's like my way of confirming, because some people listening might say, well, but they're selling to other people too. But distribution in the US products flow from the brand to the distributor to the salon. So if distributors are doing well, that means that the channel of salons is benefiting both the distributor and the manufacturer. And you can connect the dots directly.

Antony ([00:22:41](#)):

Exactly. So that's the data in terms of the industry overview manufacturers. And you can't argue against that data. That's share prices and share prices are cold, hard data facts. When we start talking about

salons, I know it is hard to get as much data and to get as much clarity around the data. In fact, it's down there impossible but, and you sort of alluded to this, but you didn't mention the number at the beginning of Covid. It was like covid happened and the next week people were saying 30% of salons are closed. Yeah. If it's a reopen, it's like, well, hang on where, where did the 30% come from? Right. What does the data say now, now that we're coming towards the end of 2022, what does the data say about what percentage of salons reopened after covid after some period of lockdown?

Gordon ([00:23:38](#)):

The majority I'm thinking back, you know, the best study I saw was by the Professional Beauty Association. And it was done in the fall of 2021. So, you know, coming out of covid, you know. So I'm sure they're gonna update the data this year. They typically do that in the fall, so they're probably working on it now. You know, at, at the point that they presented that data it was majority by far had reopened. I don't, I honestly don't remember the number, but, net net, you know, in terms of where we landed, it was a very similar number. It was off maybe just a few percentage points. Now, what was most interesting about that number is that, and this, this again, comes from kind of speaking to people who've got data that you can't always see.

Gordon ([00:24:22](#)):

Cause there is a lot of data in this industry. Most of us have never made it public. Interestingly about, so I'm gonna go back about 10 years or so ago, one of the publishers did a study because they were, they were planning to do something to recognize open new salons and opening, and it was part of the media space. They're like, We wanna send a package of manufacturer samples to every new salon. So they did some work on how many salons open a year, how many salons close a year. You know and and it was fascinating because the numbers want to say it was about, I'm gonna say 20,000 salons or so, I could be wrong with that number, but it was in that range open every year and almost same, same number closed. Yeah. Which makes sense because there's other studies that show how many salons are in America, and it's never varied dramatically in the last 10 years.

Gordon ([00:25:09](#)):

So during Covid, it looks like actually fewer salons than ever closed, but simultaneously, almost no new salons opened. So net, net in interestingly, we were kind of the same, but we didn't have the new, So that means net net we were kind of in a little bit of a better place, which, which is fascinating. Some believe that that was because a lot of salons that were likely to close, cuz closing usually happens after a thought process. You know, most salons that kind of hang on for a bit some believe that a lot of salons hung on because of Covid money in the United States, that maybe that would make them stronger and they'd have a better ability to get through it. Some salons that I've talked to, you know, who were ready to close hung in there. And on the other end, because they were able to manage through it, change their mind, you know, and learn some new things, thought differently about how they ran their business, managed to survive it and come out the other end. Okay. And are still around. So big closings didn't happen. And and simultaneously also big shifts in business model didn't happen. We had this big sense of everybody moved to suites talking to distributors, which is the best data in our industry, kind of on the ground because they visit everybody. You know, talking about 3 to 5% was the shift. And you know,

Antony ([00:26:29](#)):

From salon to suite,

Gordon ([00:26:31](#)):

from salon to suite, 3 to 5%, now we have 800 and some thousand hairdressers in America. You know, so 3 to 5%, it's still a good amount of people. You know, it's 30,000 plus people, you know, who who've moved. And, you know, interestingly every bit of quiet research that I see says that there's somewhere around a hundred to 120,000 hairdressers in suites around now, around now. And movement to suites, and one of the bigger questions that we don't know about suites is, well, where whatever movement has happened historically, where has it come from? Is it coming from commission salons? Is it coming from chair rental salons? Because for many who are renting currently moving to a suite is an upgrade in their business model. They're already independent. So they, they're in that model and now they're gonna be in that model in a better way. And then if we look at kind of mature markets in the US in independence, those who don't work in commission, salons, rental of chairs, you know, or suites, we also see a movement that worries me of an increased number of student school graduates going straight into rental and straight in.

Antony ([00:27:46](#)):

Just crazy.

Gordon ([00:27:47](#)):

And it's a different version of, you know, I've long watched students and having spent, you know, 25 years in the school side of our industry in the publishing world. And, in my early days working in schools, you know, there always was a percentage of young people whose parents were ready to open their first salon the day after they got outta school. Mom and dad were like, yeah, go open a salon. Those were usually not pleasant. There weren't usually pleasant endings to those stories. But there was many of those stories. And I think, you know, many of us would argue that suites and chair rental are, is the low barrier of entry to, to feel self-employed.

Antony ([00:28:22](#)):

Yeah.

Gordon ([00:28:22](#)):

Yeah. And young people like the idea of being self employed and sometimes don't have the context to know they're not ready. Because oftentimes when they come into the industry, they're told it's a great industry. It's artistic. You have all kinds of freedom. You can be your own boss, you can open your own business. They don't say not tomorrow. They just say it. And so, so I think there is definitely, I was talking to a California person who think is on top of things out there and said, you know, that there are too many young people moving straight into suites and they believe the failure rate's high. We don't really know.

Antony ([00:28:55](#)):

So was there any data on that as to what percentage?

Gordon ([00:28:58](#)):

Well, the, the data is limited now. I have been a guest presenter at one of the largest suite organizations twice now. And I did one of them during pandemic, and the audience was able to question me. So these were the franchisee owners. These are the people who own the buildings, who do the rentals of one of

the large suite companies. And I was there to answer questions about challenges they were having. And they said the number one challenge that they have is turnover. People leaving, you know, their suites. And that one person said it was as high as 38%. That was one person who was the franchisee talking about his business. No one seemed to disagree with that number. So you know, that's high. And I think it may be, it may be in that range. But clearly, and when I asked the audience, or I asked perhaps it was the host, what were the, what do they have data on the reasons?

Gordon ([00:29:53](#)):

Con conversationally they said is, well, most people tell us cuz they do exit interviews. They don't want to do their own accounting. They don't want to do their own shopping for, you know, getting supplies backbar. They don't want to, you know, have to do all the things that business people who who are self-employed have to do to be in business. So they said, what's what's your best advice? I said, well, my best advice to those who rent from you would be to consider what they want to do with their lives. And if they don't like any of that stuff, they should find a great commission salon to work. And I said, I know you don't want that answer. And I said, you, I would say, can you find solutions to solve these problems for them? I don't know what they are. Cause I really do believe fundamentally you have people coming to rent from you who, who aren't built to rent from you. And that's just

Antony ([00:30:42](#)):

Yeah. And those people shouldn't begrudge the fact that if they work in a commission based salon as an employee employer relationship, that the person that they're working for might be making, if they're lucky, somewhere between five and 10% profit out of them, of which they've still gotta pay tax on and reinvest the percentage of back into the business all the time as well. So that's always the problem. There's this misguided idea that I work for someone who takes half my money and, you know and, and, and I'm working for him or her to have this great life of luxury. But that just isn't the experience that, or it isn't the reality of most salon owners.

Gordon ([00:31:22](#)):

It's not the reality of bigger life and employment. It confuses the heck out of me about our industry. So I, you know, it's interesting, you know, being this sage, the old guy and working for 40, for 40 some years in the industry, you know, and you know, I've had six jobs in my career. Six working all for amazing companies. I feel really blessed. Every one of my bosses, every one of the heads of these companies was a multimillionaire. Every one of them. I'd begrudge them nothing as an employee. I never once heard anybody. And these were significant companies with lots of people working for them. I didn't hear anybody begrudge the owner like, Oh, that person's making a lot of money, therefore this is not a good place to work. It's such a, it's such a beauty thing. Yeah. Like, I'm like, how the rest of the world, you know, that kid at McDonald's I don't think sits around and goes, you know, the Mr President at McDonald's who I guarantee is a multimillionaire, is therefore a reason for me not to work there. I'm like, what, what? It's very specific to our industry and it confuses the heck outta me. I think it's a, I think we need to do more to fix it.

Antony ([00:32:31](#)):

Yeah. It is specific to our industry, and it is, yeah. It is amplified in America without doubt.

Gordon ([00:32:39](#)):

By unhappy people.

Antony ([00:32:40](#)):

Yeah. There's a term that I notice American hairdressers will use, which is they'll say, my boss, essentially this is what they'll say, my boss takes half my money.

Gordon ([00:32:54](#)):

My money

Antony ([00:32:54](#)):

As opposed to saying like, my boss gives me half of what I generate. It's like, my boss takes half my money. It's, it is a uniquely American expression, the way people phrase that. And I think that that is at the nub of, a lot of it, they, they sort of see that, well, I've generated two grand this week and you are taking a grand of that. You know, that's outrageous. Right. Well, they don't realize is that, you know, I've got that grand and out of that I have to run a business. And if I'm lucky, there'll be five or 10% of it in most cases left over for what we call profit, you know? And anyway.

Gordon ([00:33:33](#)):

Exactly.

Antony ([00:33:35](#)):

Let's move on from that. You did, when I asked you that question about what percentage of salons reopened you couldn't remember the percentage. Does 90% sound right to you? Because I was, I was told that bigger.

Gordon ([00:33:51](#)):

Yes.

Antony ([00:33:51](#)):

Good because it was you that told me that.

Gordon ([00:33:52](#)):

I think it's a little higher. I think it's a little good. Okay. Yeah. I think it might be, I think it might be a couple points higher. Yeah.

Antony ([00:33:59](#)):

Yeah. So, so again, it, it's like, it's important to, to sort of go, listen guys, 30% of the industry didn't shut down. 90% of salons reopened. That is the, that is the data that, that's not just someone, you know, making it up on a wing and a prayer. And so the shift from salon on to suite was 3 to 5%, which is a significant number of people, but it's not like an avalanche of stuff, you know, at the same time. So, and,

Gordon ([00:34:31](#)):

And you have to start with the pre covid number. We were at 35 plus percent of the industry in America being independent for Covid. Yeah. Before covid. And we're at approximately, the extreme number that I hear from some who may or may not be properly informed today is about 42%. From hearing other folks I believe it's closer to 40. But regardless, that is not a huge shift. We were already there. And that's

Antony ([00:35:02](#)):

That's not 40% of people in suites. That's 40% of people that are independent. So there might be booth renters or in suites, essentially those two. Yeah. Okay.

Gordon ([00:35:14](#)):

Yeah. They are not commission, they have moved from commission to something else.

Antony ([00:35:17](#)):

Yeah. Okay. And of course, in amongst that percentage of people, when we talk about the churn from suites, there's another element which isn't, again, it's not knowing what percentage of people start off in a suite and they go, I've got the hang of this. I'm made for this, I wanna leave the suite and open a business on Main Street. Because for some people, the suite is an incubator into opening a fully fledged commission based salon. And that's another interesting dynamic that'll come out of this, isn't it?

Gordon ([00:35:48](#)):

And well, and it was here pre covid, you know, it fascinates me. And this I think is one of the more interesting, you know, kind of business shift dynamics since Covid, but it began pre, I really truly believe that the interest in suites, suites have been around, you know, you and I have a mutual friend and podcast guest Eric Taylor. Eric Taylor runs Salon Republic and kind of iconic in the suite industry he founded 24 years ago. Suites are not new. But because they've been because they were always regionalized certain parts of the country they weren't known to many. We, did not have them in the Midwest as an example, in a big way. So, you know, the awareness of that. So what, what happened? How did they become so aware? I would argue that the rise of influencers, separate whole thing, but the rise of influencers in social media was the introduction to most of a suite, because the guy Tangs of the world in that ilk all those, they all worked in suites, many of them at Salon Republic, by the way, in California.

Gordon ([00:36:46](#)):

So just coincidentally, people became aware of this cool little environment. What's that, you know, and but many of the early influencers did all of their work from suites introduce people to suites. 80% of the ones I know best within two, three years opened their own salons. And now that was pre covid. And now as we've seen suites grow and grow, grow, exactly what you said seems to be happening is becoming an incubator. And more proof points around that is the number of suite owners who are talking today about having moving from a single chair to a double to a quad to renting the suite next store. And now have six people working with them or for them as employees often in a suite which is is just a sign of what's to come.

Antony ([00:37:39](#)):

Exactly. Exactly. It's, it's very interesting. You know, another thing that intrigues me is, you know, if we were to take a window of time and say the last 10 years there's been this phenomenal boom in the barber shop and there's been this phenomenal boom in the blow dry bar, like it just exploded that blow dry bar thing, and the barbershop exploded. And now trying to get any data, forget about it. There's like, and now you literally, you know, the barbershop business is interesting because when we started off this, we were talking about the importance of data as opposed to just having an opinion. Trying to get any data out of the barbering side of this industry is just like, forget about it. It's like it's operate at a level which sort of just sits out of the realm of getting information. You know what I mean?

Gordon ([00:38:38](#)):

Yeah. For many reasons.

Antony ([00:38:38](#)):

What, what do you see happening with that, with both barbershops and blow dry bars? Very different businesses, but, you know, they've boomed in popularity and now they've sort of been like, I won't say they've been dropped, but what, what's happening with both of those models?

Gordon ([00:38:53](#)):

So blow Drybar first and again, you know, observational cause the data just isn't there. I mean, you, we have Drybar in America, which is the largest corporation doing blow dry, but it's been emulated by many. You know and arguably, you know, even pre pandemic it was still spiking, but it was never, it was, it was our awareness of it was as much a function of marketing and buzz and anything. You know, so when you looked at the numbers, it was difficult outside of metropolitan areas to see these independent businesses that were called dry bars. You know, so very, you know, metro area related yes, a lot of growth, a lot of traditional salons saying, hey, the best way to compete is to offer that service in our salons, especially bigger salons. We saw that.

Gordon ([00:39:39](#)):

We continue to see that. And observationally, it feels to me like it's flattened. You know, just across the industry as more salons have added those kind of services to their menus, a lot of, a lot of better salons use their apprentices, you know, and their young people coming in to do those services. So, because a lot of times the salon finishing is what they focus on for the apprentice. So the hair cutter who's making a lot of money has an assistant who can really finish that hair and get those skills that they didn't have when they came outta school. But it feels very much like it's flattened out. And I don't know much beyond that. I couldn't be, I could be wrong. I could be right. But I don't hear the same level of buzz that I've heard before. And I don't hear the better salons concerned about it anymore cuz they've already emulated it and they're there, you know.

Gordon ([00:40:22](#)):

So I've, what I have heard from industry people recently, and this is just totally anecdotal but from smart people pay attention to things. They believe the quality of those services was going down because of labor issues. That turnover was higher in those things, possibly just almost by definition because of the business model. And that getting replacement help during these times was not easy. And the training programs didn't work as good. So perhaps that model has some of the air taken out of it. I'm not sure. Barber's is much more fascinating to me. Cause so much of barber, it was all driven by social media. You know, if I think back 15 years or so ago, the conversation that I was having with the industry in my role as executive director of the hairdresser association was that the barber industry in America was the dinosaur and was going away.

Gordon ([00:41:16](#)):

And this was in the mainstream markets. Yeah. And when you go into the, you know, into the black community, into the Latino community, into the Asian community, you know, the barber shop is a, it is a just a pillar in the community. It's not going away, but as an industry we're somewhat segregated from that. So we don't always have that. And then most interestingly is the barber industry in America is almost all rental, you know, So once you get past the chain barbers, you know, the Floyds and you know,

some of those others who pay commission or salary, the majority by far of barber shops, you know, probably 80% are rental. And as rental, we have a lot less data. They have no national organization that they can work with or oversees them or collects information. So again, a lot of, just a lot of bad data. In my neighborhood in Chicago, and I live in, you know kind of somewhat upscale neighborhood in the city of Chicago. I can walk past five barbershops in my neighborhood. Interestingly, during the pandemic when things were shut down in Chicago three of them, all their windows were papered over. And so you couldn't see in.

Antony ([00:42:26](#)):

I wonder why...

Gordon ([00:42:27](#)):

I wonder why, it's, they, you know, there was always cars parked on the side of the building, you know, so, but I think they went in through the back door. You know, so, so again, barbers kind of were underground. That what also fascinates me as social media exploded the barber world what we did see from an evolution perspective, I think is not so much. So many of the openings were kind of more mainstream. You know, we saw a lot of barber shops that were left less focused on people of color. And all of a sudden in my neighborhood were these hip barbershops, hip cool barbershops for, for hipster Caucasian people. I mean, I'd say that way, but that's reality. And and that exploded. And I feel like that's now on the down, because when I look around Chicago at, at all of these barbers and, you know, traveling the city and looking at 'em, I see those shops in particular struggling with the comeback from Covid more than I see the long term barber shops that have been here that just seem to just bounce right back or, or never really slowed down.

Gordon ([00:43:29](#)):

I also think on social media that it's not quite what it was. And I also think maybe the world's figured out what it was, which was, again, more arty and less perhaps representative of the reality of what consumers are looking at. So I think the barber thing benefited hugely from social, but I think we're past that now, and I don't see a lot of run room left to grow that segment in the industry.

Antony ([00:43:52](#)):

Yeah, that'd be interesting to see what happens there. What, what do you see as the future business models? I mean, you know, there's been this movement from a more commission based business model as a generalization and a movement from that to there becoming more independence. Where do you see, and the whole suite thing, any predictions about what will happen in the future? Because obviously what's happening now is commission salon owners have woken up to the fact that, hey, we need to reinvent here because if we don't reinvent and and rethink our whole business model and how we're going to you know, work with today's workforce, then we are not gonna survive. So, you know, obviously there's a lot of changes going on in that area, but, but what, what do you see the future looks like? Do you see any new business model coming out of all this?

Gordon ([00:44:55](#)):

Well, I mean, first and foremost, I think so much of the feeling the industry has, you know, we're an emotional industry, right? So much of what happens in this industry as you watch it occur, sometimes you shake, I scratch my head and go, what the, why the hell is this happening? And often it goes back to this kind of emotion that kind of wave comes in waves across the entire industry based again on the

information flowing around and through social media. And again, I go back to what I believe is a lot of this fake news stuff. And even generationally, you know, it's a very big conversation about boundaries. The industry in America pre covid and post covid is predominantly part-time. You know, we've been at an industry of mostly three to four day a week people for, for probably, you know, 10, 20 years.

Gordon ([00:45:44](#)):

Because we're predominantly an industry of women and better salons have always recognized that they bring in great talent. That these talented people often will start a family and have reasons to kind of rethink a little bit their schedules. And again, some of the best, most renowned salons in America have been giving people part-time schedules forever have been adjusting for rational reasons. It's not that I just wanna work part-time, you know, it's like, well, why? I don't know. I don't wanna work as much. I don't hear those stories very often, but I hear people who are making adjustments to their lives and continue to have great careers. I don't hear for 30 years and have raised multiple children and never stopped doing it.. And have great lives and make big incomes. And so, you know, when I think about that, I'm like, wait, successful salons have almost always had an attitude towards people that isn't that different than the attitudes that young people are looking for today.

Gordon ([00:46:40](#)):

So they want it, but it's always been here. Now there are lots of salons that are not very well run. They're not very well managed. I've been saying for at least a decade when people talk about rental and, and states it was lionized and thought could be a terrible thing for years, people are like, oh, the rental thing, they're all tax evaders. I'm like, yeah, that's our industry. It's not just, it's just not booth renters, but whatever. And, and so I'm like, there's this confusion again about just the realities of our business because young, and I think it's true of any group of young people, we come in and we kind of think about what we want our lives to be and, and maybe we don't look past the edge of the life we're living to understand that maybe it's already being done, we just haven't taken the time to look for it.

Gordon ([00:47:24](#)):

And so I think yes, there's shifts. I think salons are overreacting to be perfectly honest in some ways to what we perceive as shifts in business models. But that's kind of fundamentally connected to a bigger idea, which is small businesses in beauty, in restaurants, in retail, typically are owned by people who were never meant to be business people or leaders. And so it's one thing to be a great hairdresser who wants to open a salon, but do you have the skill to manage and lead people? Well, the barrier to entry to doing it is small. And so there's a really good chance that you're not. And so that, going back to our start of our conversation about niches, I think that everything you ask it is, should be applied differently by niche. Value price salons as an example, they've almost always had, you know, 80% part-time workforce that's part of their business model.

Gordon ([00:48:21](#)):

Mcdonald's doesn't want full-time french fry guys. In part, again, going back to that, you know, they expect churn. Labor has a cost. When you get to full time, you cost more than part-time, not because of the number of hours you work, but because of the money you get every hour has a premium on it because the law requires to provide certain benefits potentially. So part-time is to certain business models is more economically feasible. And, but at the same time, those are sophisticated companies that know how to, know how to train managers to be leaders within the context of that environment. And so they have stuff that makes them function better in that environment. The top end of our

industry has similar. Those are the industry leaders that I know go to Intercore and go to all the industry events and talk about business and do understand that.

Gordon ([00:49:13](#)):

And if they don't, they hire consultants to help them. And, but it's the vast middle that is challenged that people are too busy doing here and owning a business. To dig into all the things that they need to learn and adapt themselves to, to be good at what they need to be good at, to maintain their businesses. And so to me, no matter what changes come through the world and we, you and I have lived through several generations of new people coming into the industry, and every generation has this challenge, but the Van Michaels of the world who've been doing what they do for a very long time, in all the conversations over the years I've had with them, it's never been about, oh, the new generation coming in. You know, like, because every new generation does bring its stuff, you know, and we older folks bring our stuff to the party.

Gordon ([00:49:57](#)):

But you kind of have to put that off on the side and just focus on what does it take to run a business well, and yes, how do you lead people based on who they are? And that might include generations, but somehow these people with the training programs, with the resources at the high end of the market and the low end of the market, they win. And so I have to look at them and go, the rest of the stuff we're talking about, perhaps we're not thinking about it in the right way. And I think that's the foundation of a lot of what has been wrong for years. And we'll probably continue to be wrong because again, we go back to our emotions of, oh these people are a certain way, or these people are a different way. Or the people who are my boss are a certain, you know, it, it all boils down to emotions, which the more sophisticated the market parts of the market understand and kind of push past. And that's a longwinded answer.

Antony ([00:50:46](#)):

No, that was great. It was a great answer. I had so many times where I wanted to interrupt you, but I held myself back. You know, yet generationally, Gen Z which is rapidly becoming a big chunk and will very quickly become the majority of our workforce. So you've got that component, but then you also had the covid component, and then you also just have, it's not Gen Z, it's people today and people today whether it's because of covid or an influence from a younger generation, wherever it is, people today are reassessing, well what do I want outta life? How do I really wanna work? And, you know, if there was a word that was, you know, to be on the, on the, on the headstone of Gen Z, it, it would be flexibility that they, this is a generation that had demanded flexibility and good on them. I'm not saying there's anything wrong with that people know in terms of our workforce want more flexibility. But when I saw the data that in the US, and I think this came from the PBA, Professional Beauty Association, 60%, correct me if I got this wrong, 60% work less than 30 hours a week. Right?

Gordon ([00:52:08](#)):

60, 61%.

Antony ([00:52:10](#)):

61.

Gordon ([00:52:11](#)):

That's not a huge shift. That's not, that's not a huge shift. Pre covid. It wasn't much different.

Antony ([00:52:15](#)):

Okay. So I was amazed that you were saying that that's existed anyway. All this time. It's not new, but I'm surprised. I have no idea what it is in the Australian market or Canadian or UK or Europe or whatever. But that's, I mean, the implication for that is, is that this is essentially a part-time industry.

Gordon ([00:52:36](#)):

Yeah.

Antony ([00:52:37](#)):

And along how has that

Gordon ([00:52:41](#)):

Yeah, yeah. I don't feel so good. I think it helps explain why we have so much turnover. You know, number one, see what, when we say to young people, you know and I'll focus on them for a moment because that number of course is across the entire industry. And it's not just young people by any stretch. And in fact, so many of the more experienced, successful hairdressers I know who are making really good money work three or four days a week because they've managed to do things that we heard during Covid that people should think about doing. Which is, you know, be more efficient in the days that you work, make more money in those days so you can work less because maybe you have other things. I think, again, generation is a little different. Some of those people who are doing that are, have older children and have a different kind of focus in their lives.

Gordon ([00:53:25](#)):

And it's not so much I don't like to work, you know? Cause they're actually killing themselves perhaps in those three days to get what they're getting, you know? So there is some, you know, difference generationally. And again, yeah. Covid kind of shifted things up, you know, in a very big way. But to your point, you know, yes, we're becoming a part-time industry. Young people think have this feeling like I can have it all but work less. And that's never been the case. And there isn't anything that happened during Covid, I would say that changed the dynamic of what it takes to be successful in such a way that we all can just work less and get the same. You know, so the real, the real question is, are you willing to settle for less in life to have the schedule you want?

Gordon ([00:54:06](#)):

Because especially in our industry, like what I've observed over time, you know, of successful people is, first of all, you come outta school with a lot of limitations. That's the nature of coming outta school. Any school, any career, you don't know it all. You don't know how to do it all. You don't have the life experience, You don't have the career experience. And you are from a certain generation and perhaps you do certain, think a certain way as an older person. And again, our friend Michael Cole, when I asked him about this question about generations, I said, what, what do you think about this, this new generation and how they feel and what we're reading? He said, well, when I was 20, said it was all about peace, love, and flower power. You know, he's like, that's step cause my, that was me.

Gordon ([00:54:47](#)):

He says, and then 20 years later, I was all about how much money can I make? And materialism and I want the economy or the environment to be nice, you know, but I'm not really focused on that. Right, I want my, I want my gas guzzling car period outta the story. He, we evolve. Yeah. You know, and how people think at 20 is different than 30 and 40 and 50. Yes. So, so that's gonna shift. But I think I think we do the younger generation of disservice by simply reacting to what we're hearing. I think we need to take the time to not disagree, but to inform, you know, because I believe that, well, I know factually in the US over time that people who go independent less, less in the industry, the turnover rate is much, much higher.

Gordon ([00:55:32](#)):

California is the easy model to look at. It's got the highest percentage of all hairdressers who are in rental. It's over 80%. There are more hairdressers per capita with licenses in California than any other statement than America. Why is that churn? We need more hairdressers. They leave, they leave more quickly because they don't have mentors. They don't have bosses, they don't have a support system. They don't have coworkers who are coworkers cuz they don't have any coworkers, even if they're standing next to somebody. And so there's a lot of flaws in the independent model that have not really been addressed by the industry. And the worst part of it about it is we don't have the data, clear data and we're not talking about it.

Antony ([00:56:11](#)):

Yeah. Yeah. That's really interesting. Well, look, we've, I could talk to you all day. We've only got about 10 minutes left and I can't talk, I can't not talk about retail in this conversation. That's a really important thing to touch on here. In terms of change, is there any data, I'm sure there is, about the trends in salon retail and the impact that online and affiliate programs are having. What are you seeing there?

Gordon ([00:56:39](#)):

What I'm hearing, talking to those who have the data, cause you don't, you're not gonna find much that's very public. Even when you dig into those big stock reports, you don't see, it doesn't get as granular as you would like to. Again, because we've had these long careers in relationships, we do get to hear things from people who have data that's maybe not shared publicly. So the affiliate thing was a blip from what I can tell. It doesn't sound like it's, you know, significantly changed anything you know, feels in the, you know, small percentage points. You know, as one said to me, you know, maybe three to 5%. So we, and that seems to have been an a blip that has kind of settled down into a smaller number. Then we have another phenomena in the states, which is that to help solve e-commerce specifically.

Gordon ([00:57:25](#)):

And this idea that salons aren't retailing. There's also a way through distributors now that salons can sign up for a program where the distributor sets up a retail website for them and like Amazon fulfills everything. The orders appear to go through the salon, but actually the back end is handled by the distributor, local or national who, who not only manages all the inventory as part of their larger business. It's like Amazon, again, they, they've got all kinds of products and they ship out to the consumers what they want. That also I'm told is at about 3% in terms of market share for these distributors. So very, very small. Interestingly for salons to participate, they have to give all their client information to the distributor. My thing about that is that whatever, whatever business model you're involved in, when you hand over all your customers to a third party who's in the business of doing

something similar to what you do, is there a chance that when it gets too successful and you are not doing anything other than handing people lists, that they just cut you out?

Gordon ([00:58:30](#)):

And because it doesn't make economic sense to do otherwise, and I'm not predicting and certainly love all parts of our industry, I'm not saying anything nefarious is gonna happen, but there's kind of a natural evolution of that. That makes no sense to me. Having said that when you look at consumer behavior, you know, let's talk about the people who buy things. It's fascinating. The study I saw recently from Forester, who's one of the best data collectors on what happens online, you know, is they said that when it comes to behavior that has changed post covid as how we shop for things more generally. A Gen Z had the highest percentage point of people who couldn't wait to go back into a store. That they were the generation in the highest numbers that saw shopping as a social activity, number one, whether they were with their friends or family or by themselves with people, they want to be with people, you know.

Gordon ([00:59:25](#)):

And even though this is a digitally native group, it almost was counterintuitive, you know, that this young group of people who were so savvy with buying things online and and certainly represent a large number of the Amazon customers, they couldn't wait to go back and buy. And so that's fascinating. The percentage that has the least amount of interest in going back to retailing was Gen X. And they were, you know, they were happy to shop online in larger numbers. It was only about 47% who said that they, you know, preferred online. Old, older folks fell back more into their habits of going back into stores and in doing so, perhaps made some shifts in how they think about shopping. You know, perhaps their commodities were still bought online, but their general shopping, I still like the experience.

Gordon ([01:00:15](#)):

And then the biggest, perhaps the biggest shift in online in terms of behavior is people who have money, people at the highest income levels have stuck at the highest percentage of any group with buying online because they value their time so much. You know, they want to have, they came outta Covid wanting couldn't wait to get on a plane for Paris if they lived in Chicago. You know, it was about getting back to experiencing life in a way that a person with resources have and doing more of it than they did in the past. And so they value their time differently. Having said all of that, when you look at online buying what happened with Covid, we saw it go from about 18% of all retail. It went up to about 23% and now it's dropped down to about 2019 to 20%.

Gordon ([01:01:05](#)):

So we saw a huge bump. We saw it go back down again. All retail, everything, everything. And it's just a couple percentage points ahead, which was actually the natural trajectory. So we kind of saw this spike that wasn't supposed to happen, and it's just settled back to where it was. And yes, it will continue to grow and who knows where it'll be in 10 years. But you know, it's a shift. Last little point on that I read a study with Amazon. Amazon, what Amazon saw in shampoo sales specifically coming out of Covid was a shift from luxury to value. They saw two percentage point shift from their purchases of high price shampoo back to a lower price shampoo, which is kind of fascinating. Yeah. I don't know what it means, but it's fascinating.

Antony ([01:01:50](#)):

Yeah. Yeah. I would've thought from what I hear that it would've been in the opposite direction.

Gordon ([01:01:56](#)):

Me too.

Antony ([01:01:57](#)):

Me too. Yeah. Okay.

Gordon ([01:01:58](#)):

But I think we hear from people again who don't look at the context, you know, that Amazon has to really see everything.

Antony ([01:02:04](#)):

Yeah. Last thing then is just to talk about channels to market for professional product.

Gordon ([01:02:12](#)):

Yep.

Antony ([01:02:12](#)):

Do you see any new channels for professional hairdressing product entering the market that, that salons can take advantage of and take opportunities there?

Gordon ([01:02:23](#)):

Well, I mean, everything we just talked about kind of is a, is a version of channels. You know, meaning, you know, Amazon, you know, is a channel. Amazon was a channel and Amazon was a channel filled with diversion. That's kind of the introduction of the Amazon channel to the industry. Then we sell brands, hop on to the model and do it in a way that was to benefit salons for the most part and a lot of that was to make deals with Amazon that made them get rid of the diverters. You know, so that tightened up the channel. You know, there was the, the curbside pickup and all that, you know, I, my honest opinion about channels more generally is that, you know, we have seen over the last, you know, 30, 40 years number of channels grow incrementally from a single channel to about 10 channels.

Gordon ([01:03:09](#)):

And each of those channels had added another challenge for salons and retail, more competition for product being sold by salon professional product being sold across different channels. You know, whether it's an Alta as a channel, you know, Alta is, Alta might have a salon, but it's a different kind of channel. Sephora is a channel, Amazon's a channel, a salon selling online is a channel. And to me, that's one of the obvious ones, and there's other versions of that. But I I do believe that, you know every bit of data shows that 80% of all salon retail, actual retail that is in any way being sold through the salon, online, offline, whatever that 80% of all of it's being done by 20% of salons, it's that old 80 20 rule holds true. And that's where the future seems to lie.

Gordon ([01:03:57](#)):

And the 80% are continuing to be at risk. They always have been at risk. The 80% are one of the reasons that we keep seeing new channels pop up because brands, especially if they're publicly held, have economic pressure to sell more stuff. And if salons aren't doing it, they're gonna, they're gonna put it somewhere else. So I'm probably missing something, but I, yeah, I think the pressure on publicly held

companies to sell more is not gonna go down. And so they'll give more and more support to salons do it well and the rest are gonna be looked at as not being a part of the solution. And I think we potentially will see either more channels or more support of the channels that are outside of salons.

Antony ([01:04:37](#)):

Yeah. Yeah. Very interesting. Okay. Well, look, unfortunately we have to wrap up. That was, that was great, I always enjoyed talking to you

Gordon ([01:04:48](#)):

Well, I have to,

Antony ([01:04:49](#)):

Sorry, carry on.

Gordon ([01:04:51](#)):

Well, I have to say to your audience that you're gonna be a guest on my podcast on Hairbrained Conversations podcasts to wrap up the end of the year because we do enjoy speaking with each other so much, and we often don't record our conversations. Boy, those, so those are be some good ones. But we are formally thanks to our friends at Paul Mitchell. Gonna be doing a year end wrap up and, and you'll be doing most of the talking and I can't wait.

Antony ([01:05:12](#)):

Well, I will look forward to it. So if you are listening to this podcast with Gordon, and have enjoyed it as much as I have, then do me a favor, take a screenshot on your phone and share it to your Instagram stories. And don't forget to subscribe and leave us a rating and review on the Apple Podcast app. So to wrap up, Gordon, thank you so much for being on this week's episode of the Grow My Salon Business podcast.

Gordon ([01:05:35](#)):

My pleasure. My favorite place to be other than on my own podcast,

Antony ([01:05:39](#)):

Okay. Thanks again. Thank you for listening to today's podcast. If you'd like to connect with us, you'll find us at [Grow My Salon business.com](http://GrowMySalonBusiness.com) or on Facebook and Instagram at [Grow My Salon Business](#). And if you enjoyed tuning into our podcast, make sure that you subscribe, like, and share it with your friends. Until next time, this is Antony Whittaker wishing you continued success.