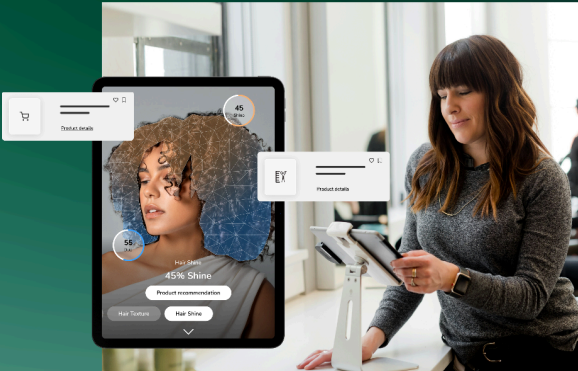


BEST PRACTICE

Increase your salon's income by up to 40% with our AI solution



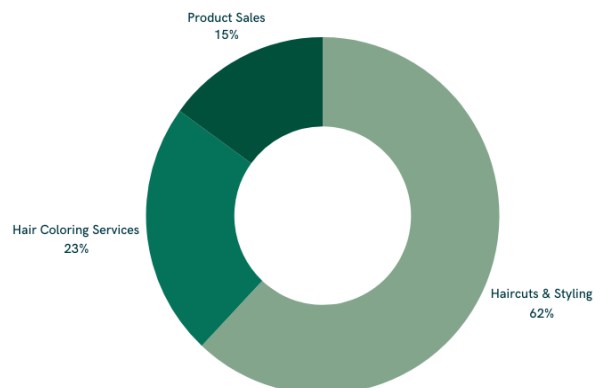
IQONIC.AI

- Boost your salon's income by **up to 40%** with AI.
- Personalized product recommendations** & hair care plans based on the AI results.
- Personalized, **data-enriched CRM** retargeting.

Global Hair Salon Market & Income through Product Sales

In hair salons, product sales typically constitute a minor portion of the total revenue. In many salons, products such as shampoos, conditioners, and styling products account only for about **8–15 percent of the total income**, varying significantly based on the size of the salon and its emphasis on selling products.¹

In Germany and worldwide, services like haircuts and styling dominate, accounting for about 62 percent of total revenue, followed by hair coloring services at 23 percent. In 2022, German hair salons achieved a total revenue of around 7.1 billion euros, with product sales contributing only a minor share.²



Internationally, product sales also play an important role, although they typically constitute a minor portion of the total revenue. In the USA, for example, product sales make up approximately **14.3 percent of the total revenue** in hair salons. These revenues are generated by the sale of professional hair and cosmetic products that customers purchase for home use.¹

¹ Jovanovic, Tamara (2024): Beauty & Hair salon industry Statistics in 2023, Trafft

² Statista (2024): Umsatz der Friseursalons in Deutschland bis 2022, Statista

Factors Influencing Low Product Sales

Several reasons contribute to the relatively low percentage of revenue from product sales in salons:³

- **Customer Behavior:** Many customers prefer purchasing their hair care products from retail stores or online.
- **Trust and Advice:** Customers may not always trust the recommendations of salon staff.
- **Pricing:** Salon products tend to be more expensive than similar products available in retail stores.
- **Marketing and Presentation:** Insufficient investment in the attractive presentation and marketing of products.

The Solution: Enhancing Sales with AI-Powered Hair Analysis

IQONIC.ai offers a new hair analysis tool that uses the power of artificial intelligence to boost product sales. It is designed to assist hairdressers in consultations and sales by providing personalized care recommendations for optimal hair health based on the results of the hair scan. This innovative tool integrates seamlessly with an iPad, providing a unique shopping experience for customers and personalized solutions for optimal hair health. IQONIC.ai's tool provides a scalable solution for salons, allowing them to connect with their customers in new ways and gain valuable insights.

Benefits for Salons

- **Enhanced Customer Experience:** Hairdressers can offer a 360° hair analysis, enhancing the salon experience and enabling continuous engagement. This helps salons gather customer data for targeted product recommendations and encourages upselling and repeat purchases.
- **AI-Powered Analysis:** Algorithms analyze scanned data like hair texture, density, shine, and more, forming the basis for personalized hair care recommendations.
- **Personalized Recommendations:** AI analysis generates customized hair care plans with tailored product recommendations, routines, treatments, and services.

³ GmbH, imSalon Verlags (2018): Friseurstatistik und Gedankenanstöße, imSalon Verlags GmbH

Technical Integration

- **Seamless Implementation:** The hair analysis tool can easily be used on any digital device within the salon, such as an iPad. The integration process is straightforward, allowing for quick setup and utilization.
- **System Connectivity:** The tool can be connected to email or existing salon systems, facilitating efficient data management and CRM integration. This ensures that all customer interactions and data are seamlessly incorporated into the salon's operational framework.
- **Scalable and Future-Proof:** IQONIC.ai's tool is designed to be scalable, making it easy for hairdressers to expand their services as their business grows. The use of artificial intelligence ensures that the tool remains at the forefront of technological advancements, providing a future-proof solution for salons.



Conclusion

While product sales in hair salons form only 8–15 percent of the total revenue, they present a significant opportunity for growth. By addressing factors that currently limit product sales and utilizing innovative tools like IQONIC.AI's AI-powered hair analysis, salons can enhance customer engagement and drive business growth by up to 40 percent. Understanding customer preferences and behavior is key to developing effective strategies for boosting product sales and providing exceptional service within the salon industry.

About IQONIC.AI

IQONIC.AI provides white-label AI software solutions for beauty brands and retailers. They use the software to digitally analyze the skin and hair of their customers in the store or online. Based

on the results, the customer receives personalized products or routine recommendations. These tailored recommendations significantly increase the likelihood of a purchase, converting casual browsers into loyal customers and increasing conversion rates. Personalized recommendations drive larger purchases and increase revenue. All solutions are Derma-grade, highly accurate, GDPR-compliant, fully customized to the client's individual needs, requirements, and target audiences, and can be easily integrated into any platform.