



Look, How Far We Have Come!

The Evolution of the Men's Hair Loss Business

by: Elvira Amankwa, CMP, New Image Labs Corp

"Progress is impossible without change."

There is a lot of truth in George Bernard Shaw's famous quote.

Looking back at the hair loss industry, many changes have taken place over the years. And those of you who have been in the business for any number of years might agree with Frederick Douglass when he says, "If there is no struggle, there is no progress." So struggle, change and progress seem to go hand in hand.

As we embrace them on our journey, they are oftentimes accompanied by great opportunity and sweet success. Join me on a trip down memory lane. We will make different "stops" on our journey and look at what has changed in the hair loss industry.

From the hair production, to the product, to the price, to the client, to the marketing, to the hair loss professional - change has been inevitable and a powerful agent to propel us to the next level as an industry. Hopefully you will enjoy the journey and some of the things mentioned will put a smile on your face.

I am sure you will remember your very own encounters with struggle, change, and progress, resulting in success and opportunity as we explore different aspects of the hair loss business now and then.



Stop #1: Production

In the past, the hair production centers were mainly in Korea and Haiti. Production was not as advanced back then and there were many challenges to get useable hair systems from those production centers. Some of you might remember when hair that came out of Haiti. But what was lacking in quality was made up by the fact that hair was readily and cheaply available. A seasoned hair loss professional once shared with me, "We were riding a wave that we thought would end at some point. So we were riding it hard. I think we were all somewhat surprised to see that it turned into an actual business and later into a dedicated industry."

Today, the production scenario is very different. Advanced production facilities, mainly in China, are supplying our industry with hair. The work force there is becoming increasingly sophisticated. It is getting more difficult to secure a continuous supply of hair and some manufacturers have started to locate alternate production centers. Production costs are increasing abroad and

manufacturers are challenged to keep prices low in a time of slow economic recovery at home.



Stop # 2: Product

Remember platform shoes, flared pants and pleated shirts? Oh, yes - back then fashion was elaborate and ornate. And so were the hairstyles. Lots of hair was worn, the more the better. The "hair helmets" were heavy and not really comfortable to wear. Back then, we were in the "toupee" business. Today, they are called "hair systems" or "hair options". We don't sell hair, but "restore self-confidence." Workmanship has been refined considerably and hair systems today are of the highest quality. Some hair systems are even disposable and all are more realistic than ever.





Innovation has made it possible to create the illusion that hair is growing out of the scalp and we proudly show off the hairline with a sleek and clean look. Our clients take showers, do sports, and swim, all in a hair system, just as they would do with their own natural hair.

How did we attach all that hair in the heydays? With clips, of course, lots of clips for lots of hair! And who does not remember the “fusion technique” to attach a hair system? It gradually advanced into today’s perimeter and full-head bond with scientifically developed adhesives.

We now offer special adhesives for sensitive skin, as well as bonding enhancers to keep the odor on the scalp low and the pH-balance of the scalp up. Thanks to innovative adhesive removers and scalp preparation products, cleaning and bonding has become a breeze – for you and the client.

Stop #3: Cost of Sale and Pricing

Many of us will doubtlessly become melancholy when we think of the cost of sale and the pricing in days gone by. Depending on how far back you go, the average cost of sale was

roughly \$100. Today, cost of sale can be as much as \$1500 or more. In the late ‘70s and ‘80s, there was no program hair. An average hair system would retail from \$1,500 to \$3,000. Today the average price for a system is \$500. Although this price is lower, program hair allows you to book clients at regular intervals to have the hair serviced and maintained, which creates a profit center for many hair loss studios.

Stop #4: Client

Now, let’s have a look at the centerpiece of all our efforts, the typical male client. In the past, the typical male client was 25-40 years old, a blue-collar worker with middle class income or less. He was struggling advance his career, his self-confidence needed some bolstering and he probably went through a life-changing event like divorce or a new job. He was expecting a “magic pill,” an immediate solution to his hair loss problem.

Today, the typical male client is 25–50 years old and still middle-class income earner with self-esteem issues. He is very conscious about his looks and his appearance. What has changed significantly is that Generation X (33–48 years old) and Generation Y (13–32 years old) clients are well informed about our studios and services before they even enter our shop. They don’t trust us for their hair (= looks) with a handshake as in the past, but they want convincing facts and figures presented to them in a way they can relate to, preferably presented on an iPad during the consultation. They read online reviews about us and visit our website before they even consider doing business with us.



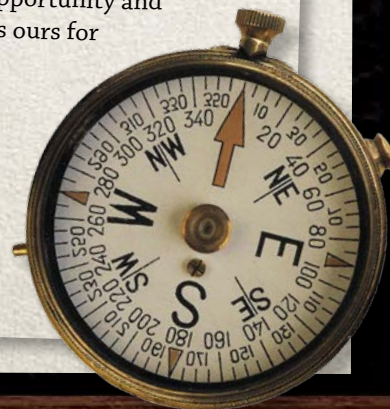
Stop #5: Hair Loss Professional

Let’s look at ourselves – the average hair loss professional. There are a lot of seasoned professionals in the industry at this point. The typical age of an owner is 50–60 and a typical technician is 40–50. Some newcomers have been joining our ranks, bringing fresh blood into the industry. Generally speaking, there is a high level of proficiency in the hair loss industry, which is an asset to serve today’s demanding male clients.

Today, approximately 25% of men begin balding by the age of 30. We are looking at a strong Gen X and Gen Y client segment. The struggle and the opportunity for the future lay in how well we change and adjust to the demands of these younger male clients. We need to not only be proficient at doing hair, but also become pros at communicating with and marketing to Gen X and Gen Y clients. We need to understand and speak their language and seek them out where they congregate, that is mainly online. Then progress will be made and success will be on the horizon.

Yes, look where we have come from and what evolution we have undergone! But the hair loss industry does not stop here. Let’s learn from our past and become excited about what’s ahead of us. Struggle, change, progress, opportunity and success - it’s ours for the taking!

**Happy journey-
ing to
all of us!**





At-Home Laser Therapy as a Profit Center

by: Randy Veliky, Chief Technology Officer, International, LLC



The Hair Loss industry is already a \$3.5 billion market and continues to increase as the population ages. With the growing demand for safe and effective non-surgical treatments, studios are looking for a real hair loss solution to offer their clients. Seeking out these customers and offering a viable, cost effective product is a tremendous opportunity, to provide your clients with an up sell service and for you to earn an excellent profit.

Low Level Laser Therapy (LLLT) is an exciting breakthrough treatment for hair loss and thinning hair. Many studio owners are offering laser hair growth systems in their studio. Laser Hair growth is a safe and effect treatment to help grow your customers hair and add significant revenue to your bottom line.

Currently there are 3 laser devices that have been clinically tested and Cleared by the FDA to treat hair loss. The HairMax LaserComb® was the first home-use device cleared by the FDA for men and women. The MEP 90 is a studio-based system where your clients are treated at your facility. And recently the iGrow has been FDA Cleared for men only, but currently requires a prescription. Laser treatments deliver nourishing light

energy to stimulate hair follicles and promote hair growth without any reports of serious side effects. Laser therapy can be used in combination with other hair loss treatments and after hair transplant surgery.

Many studios already offer in-house lasers that incorporate a hooded system. Home-use devices



can be offered to complement studio treatments and for long term maintenance. For example, your client can have a weekly appointment in your studio, and use a home-use device for the other 2-3 required weekly treatments. This combination saves time, is more convenient and improves results by improving compliance.

Depending on the specific laser used, individual treatments are

required 2-3 per week and take as little as 15 or 20 minutes. As with any hair loss treatment, continued use is required or the hair loss condition can revert back to its' original state. Best results are achieved during a long-term series of treatments.

For a multi-therapeutic approach, offer wet line products for additional hair growth benefits to your clients and recurring income for your business. Sulfate free, low pH, phytic acid based shampoo can help to prevent build-up of sebum on the scalp and allow for better absorption of laser light energy. Look for topical scalp treatments formulated with DHT blockers including 5a-reductase inhibitors and copper peptides, which are known to extend the hair growth phase. Niacinamide and caffeine are also ingredients that may stimulate blood flow in and around the hair follicle.

As hair loss can also result from nutritional deficiencies, dietary supplements with biotin are another source of residual income. The nutritional needs for hair growth differ for men and women so be sure to look for formulas designed specifically for each. Male formulas should include androgen-blocking ingredients like beta Sistolsterol, niacin and saw palmetto. For females, look for supplements that contain Soy Isoflaven (instead of saw palmetto) and iron.